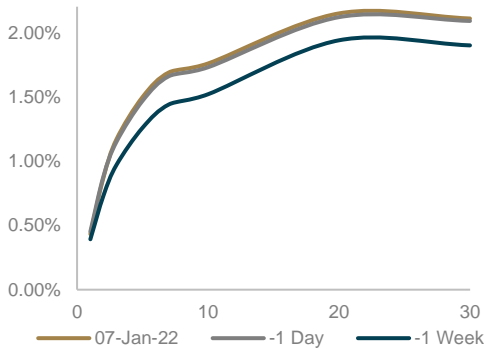


Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

Exhibit 2. Global Gov't Bond Yield

| Country | 07-Jan-22 | -1 Day | -1 Week |
|-----------|-----------|--------|---------|
| U.S | 1.76% | 1.72% | 1.51% |
| U.K | 1.15% | 1.16% | 0.97% |
| Germany | -0.06% | -0.06% | -0.18% |
| Australia | 1.86% | 1.87% | 1.67% |
| Japan | 0.14% | 0.12% | 0.07% |
| China | 2.82% | 2.82% | 2.78% |
| Malaysia | 3.67% | 3.65% | 3.58% |
| Thailand | 2.01% | 1.97% | 1.89% |

Source : Bloomberg

Exhibit 3. Market Indicators

| Indicators | Unit | Value |
|-----------------|--------|--------|
| U.S. Treasury | % | 1.76 |
| Indo 5-Year CDS | bps | 77.39 |
| USD/IDR | points | 14,358 |
| BI 7DRR | % | 3.50 |

Source : Bloomberg as of January 07, 2022

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Global Market Update

- In the first week of Jan-22, yields in the benchmark government bond increased globally.
- The U.S. treasury yields for longer maturity rose 2-3 bps along the curve, while the benchmark 10-year U.S. treasury note yield was up 4 bps to 1.76% on Friday (01/07/21).
- The Spikes in U.S. treasury yields also jitter U.S. stock market. All 3 benchmark equity index dipped in red last week (DJI -0.01%; S&P 500 -0.41%; Nasdaq Composite -0.96%).
- Despite the disappointing equity performance in the U.S., global equity market recorded a massive fund flow of USD19bn from Jan 1-5, 2022.
- According to Reuters report, U.S. equity funds attracted USD8.98bn in the week to Jan 5, while European and Asian equity funds drew USD7.25bn and USD0.43bn respectively.
- Markets keep reacting on the possibility of earlier FFR hikes as soon as Mar-22 as said by the Fed's St Louis James Bullard.
- On the data front, Dec-21 Non-Farm Payrolls (NFP) grew by 199k, significantly lower than consensus forecast at 422k.
- However, the U.S. job market keep strengthening as reflected on its unemployment rate figure.
- The U.S. Dec-21 unemployment rate fell to 3.9%, below market expectation at 4.1% and marking the lowest level since Feb-21.

Domestic Market Update

- The 10 year Indo GB yield increased 5 bps at 6.44% on Friday (01/07/22) in line with our daily forecast range of 6.35-6.45%.
- Unlike in the previous trading days, rupiah started to strengthened and risk premium decreased.
- The rupiah value increased to IDR14,358/USD on Friday (vs IDR14,393/USD on Thursday), while 5-year Indo CDS declined to 77.39 bps (vs 78.79 bps in the previous day).
- The rise in government bond yield was in line with the global sentiment flooded with Fed's hawkish stance to fight inflation.
- On the data front, Bank Indonesia (BI) reported Indonesia's FX reserves position in Dec-21 stood at USD144.9bn or USD1bn lower than previous month.
- The decline in FX reserves in Dec-21 was influenced, amongst others, by the need of government's external debt payment.

Market Projection

- Given the recent development, we expect the 10-year Indo GB yield to move within range of 6.35-6.45% today.
- Attractive Indo GB series to be traded today: FR0081, FR0084, FR0086, FR0090, FR0071, FR0078.

Exhibit 4. 10 Year Indo GB Fair Yield



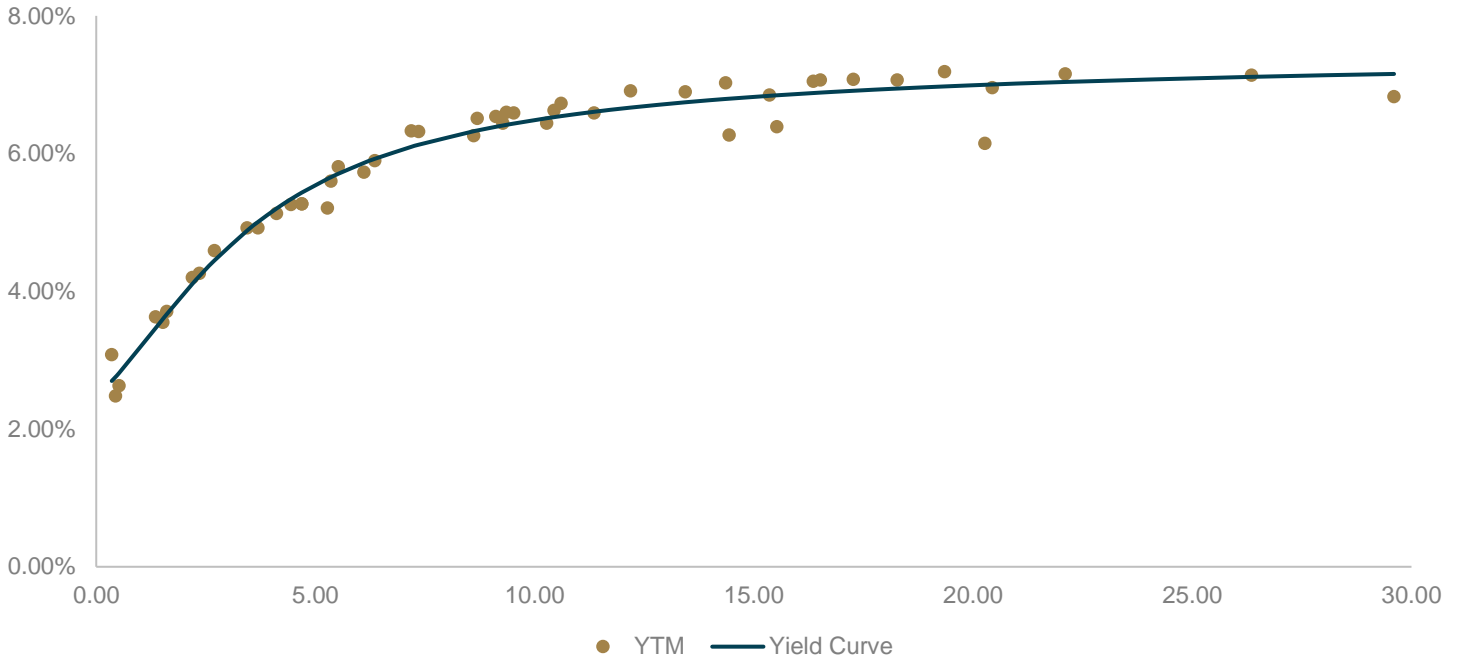
Source : Bloomberg, MNCS Calculation

Exhibit 5. Indo GB Series Valuation

| Series | Coupon (%) | Maturity | TTM (Yr) | Last Price | YTM (%) | Yield Curve (%) | Fair Price | Notes |
|--------|------------|-----------|----------|------------|---------|-----------------|------------|------------|
| FR61 | 7.000 | 15-May-22 | 0.35 | 101.32 | 3.08% | 2.70% | 101.50 | Discounted |
| FR35 | 12.900 | 15-Jun-22 | 0.44 | 104.41 | 2.48% | 2.75% | 104.37 | Premium |
| FR43 | 10.250 | 15-Jul-22 | 0.52 | 103.84 | 2.63% | 2.81% | 103.82 | Fair |
| FR63 | 5.625 | 15-May-23 | 1.35 | 102.58 | 3.63% | 3.46% | 102.83 | Fair |
| FR46 | 9.500 | 15-Jul-23 | 1.52 | 108.68 | 3.55% | 3.60% | 108.66 | Fair |
| FR39 | 11.750 | 15-Aug-23 | 1.60 | 112.34 | 3.71% | 3.66% | 112.49 | Fair |
| FR70 | 8.375 | 15-Mar-24 | 2.18 | 108.58 | 4.20% | 4.10% | 108.83 | Fair |
| FR77 | 8.125 | 15-May-24 | 2.35 | 108.53 | 4.26% | 4.22% | 108.65 | Fair |
| FR44 | 10.000 | 15-Sep-24 | 2.69 | 113.46 | 4.59% | 4.44% | 113.91 | Fair |
| FR81 | 6.500 | 15-Jun-25 | 3.44 | 104.93 | 4.92% | 4.88% | 105.07 | Fair |
| FR40 | 11.000 | 15-Sep-25 | 3.69 | 120.21 | 4.92% | 5.01% | 119.92 | Fair |
| FR84 | 7.250 | 15-Feb-26 | 4.11 | 107.72 | 5.13% | 5.20% | 107.48 | Fair |
| FR86 | 5.500 | 15-Jun-26 | 4.44 | 100.92 | 5.26% | 5.34% | 100.63 | Fair |
| FR37 | 12.000 | 15-Sep-26 | 4.69 | 127.59 | 5.27% | 5.43% | 126.82 | Fair |
| FR56 | 8.375 | 15-Sep-26 | 4.69 | 112.69 | 5.27% | 5.43% | 112.01 | Fair |
| FR90 | 5.125 | 15-Apr-27 | 5.27 | 99.61 | 5.21% | 5.63% | 97.71 | Premium |
| FR59 | 7.000 | 15-May-27 | 5.35 | 106.36 | 5.60% | 5.66% | 106.12 | Fair |
| FR42 | 10.250 | 15-Jul-27 | 5.52 | 120.68 | 5.81% | 5.71% | 121.26 | Fair |
| FR47 | 10.000 | 15-Feb-28 | 6.10 | 121.70 | 5.73% | 5.87% | 120.96 | Fair |
| FR64 | 6.125 | 15-May-28 | 6.35 | 101.17 | 5.90% | 5.92% | 101.04 | Fair |
| FR71 | 9.000 | 15-Mar-29 | 7.18 | 115.16 | 6.33% | 6.10% | 116.66 | Discounted |
| FR78 | 8.250 | 15-May-29 | 7.35 | 111.17 | 6.32% | 6.13% | 112.39 | Fair |
| FR52 | 10.500 | 15-Aug-30 | 8.60 | 127.83 | 6.26% | 6.32% | 127.37 | Fair |
| FR82 | 7.000 | 15-Sep-30 | 8.69 | 103.18 | 6.51% | 6.34% | 104.37 | Fair |
| FR87 | 6.500 | 15-Feb-31 | 9.11 | 99.72 | 6.54% | 6.39% | 100.75 | Fair |
| FR85 | 7.750 | 15-Apr-31 | 9.27 | 108.99 | 6.44% | 6.41% | 109.26 | Fair |
| FR73 | 8.750 | 15-May-31 | 9.35 | 114.77 | 6.60% | 6.42% | 116.20 | Fair |
| FR54 | 9.500 | 15-Jul-31 | 9.52 | 120.30 | 6.59% | 6.44% | 121.56 | Fair |
| FR91 | 6.375 | 15-Apr-32 | 10.27 | 99.51 | 6.44% | 6.51% | 98.96 | Fair |
| FR58 | 8.250 | 15-Jun-32 | 10.44 | 112.05 | 6.63% | 6.53% | 112.87 | Fair |
| FR74 | 7.500 | 15-Aug-32 | 10.60 | 105.79 | 6.73% | 6.54% | 107.21 | Fair |
| FR65 | 6.625 | 15-May-33 | 11.35 | 100.25 | 6.59% | 6.61% | 100.13 | Fair |
| FR68 | 8.375 | 15-Mar-34 | 12.18 | 111.94 | 6.91% | 6.67% | 114.07 | Discounted |
| FR80 | 7.500 | 15-Jun-35 | 13.44 | 105.16 | 6.90% | 6.75% | 106.59 | Fair |
| FR72 | 8.250 | 15-May-36 | 14.35 | 110.89 | 7.03% | 6.79% | 113.20 | Discounted |
| FR88 | 6.250 | 15-Jun-36 | 14.44 | 99.78 | 6.27% | 6.80% | 95.00 | Premium |
| FR45 | 9.750 | 15-May-37 | 15.35 | 127.28 | 6.85% | 6.84% | 127.38 | Fair |
| FR93 | 6.375 | 15-Jul-37 | 15.52 | 99.9 | 6.39% | 6.85% | 95.53 | Premium |
| FR75 | 7.500 | 15-May-38 | 16.35 | 104.27 | 7.05% | 6.88% | 106.02 | Fair |
| FR50 | 10.500 | 15-Jul-38 | 16.52 | 133.15 | 7.07% | 6.89% | 135.32 | Fair |
| FR79 | 8.375 | 15-Apr-39 | 17.27 | 112.78 | 7.08% | 6.91% | 114.59 | Fair |
| FR83 | 7.500 | 15-Apr-40 | 18.27 | 104.37 | 7.07% | 6.95% | 105.68 | Fair |
| FR57 | 9.500 | 15-May-41 | 19.35 | 123.97 | 7.19% | 6.98% | 126.56 | Fair |
| FR62 | 6.375 | 15-Apr-42 | 20.27 | 102.63 | 6.15% | 7.00% | 93.27 | Premium |
| FR92 | 7.125 | 15-Jun-42 | 20.44 | 101.76 | 6.96% | 7.00% | 101.30 | Fair |
| FR67 | 8.750 | 15-Feb-44 | 22.10 | 117.53 | 7.16% | 7.04% | 119.00 | Fair |
| FR76 | 7.375 | 15-May-48 | 26.35 | 102.71 | 7.14% | 7.12% | 103.06 | Fair |
| FR89 | 6.875 | 15-Aug-51 | 29.60 | 100.54 | 6.83% | 7.16% | 96.53 | Premium |

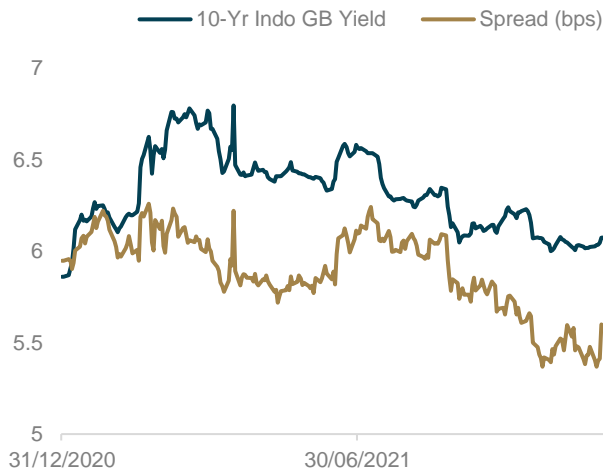
Source : Bloomberg, MNCS Calculation as of January 07, 2022

Exhibit 6. Indo GB Yield Curve



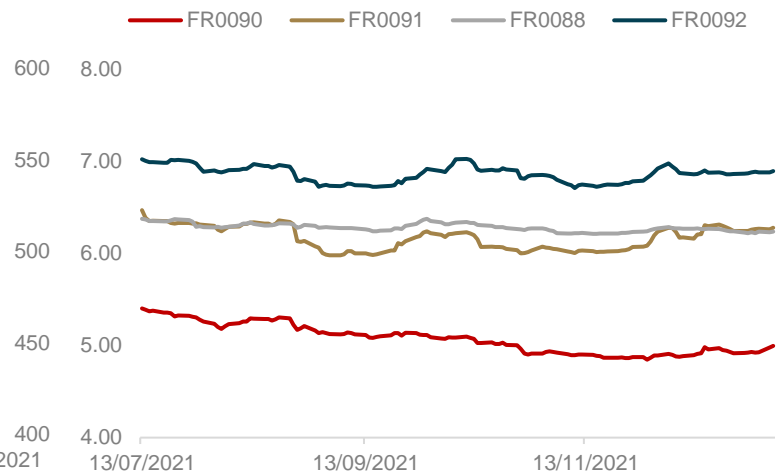
Source : Bloomberg, MNCS Calculation as of January 07, 2022

Exhibit 7. 10 Year U.S. Treasury & Indo GB Spread



Source : Bloomberg, MNCS Calculation

Exhibit 8. Indo GB Benchmark Series Yield (%)



Source : Bloomberg

Exhibit 9. Indo GB Ownership by Type of Investors (%)

| Bond Holder | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 |
|--------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Bank | 37.96 | 37.09 | 37.86 | 36 | 36.33 | 32.5 | 31.92 | 33.45 | 33.69 | 34.77 | 35.63 | 34.01 |
| Central Bank (Nett) | 9.52 | 10.98 | 10.65 | 12.77 | 11.99 | 15.93 | 16.08 | 14.78 | 14.87 | 13.52 | 13.10 | 17.13 |
| Mutual Fund | 4.18 | 4.04 | 3.92 | 3.81 | 3.06 | 3.16 | 3.18 | 3.20 | 3.28 | 3.31 | 3.42 | 3.38 |
| Insurance & Pension Fund | 14.04 | 14.01 | 14.08 | 14.14 | 14.44 | 14.24 | 14.59 | 14.45 | 14.40 | 14.61 | 14.44 | 14.00 |
| Foreign | 24.86 | 23.81 | 22.89 | 22.74 | 22.76 | 22.82 | 22.53 | 22.44 | 21.56 | 21.24 | 20.55 | 19.05 |
| Individuals | 3.51 | 4.11 | 4.56 | 4.49 | 4.61 | 4.49 | 4.64 | 4.46 | 4.94 | 5.04 | 5.08 | 4.73 |
| Others | 5.93 | 5.97 | 6.03 | 6.05 | 6.83 | 6.95 | 7.07 | 7.21 | 7.25 | 7.50 | 7.78 | 7.70 |

Source : DJPPR as of December 31, 2021

MNC Research Industry Ratings Guidance

OVERWEIGHT: Stock's total return is estimated to be above the average total return of our industry coverage universe over next 6-12 months

NEUTRAL: Stock's total return is estimated to be in line with the average total return of our industry coverage universe over next 6-12 months

UNDERWEIGHT: Stock's total return is estimated to be below the average total return of our industry coverage universe over next 6-12 months

MNC Research Investment Ratings Guidance

BUY : Share price may exceed 10% over the next 12 months

HOLD : Share price may fall within the range of +/- 10% of the next 12 months

SELL : Share price may fall by more than 10% over the next 12 months

Not Rated : Stock is not within regular research coverage

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