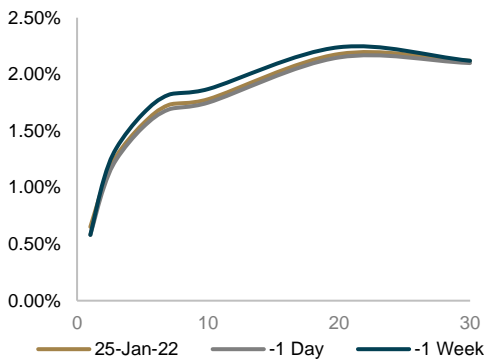


Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

Exhibit 2. Global Gov't Bond Yield

Country	25-Jan-22	-1 Day	-1 Week
U.S	1.78%	1.77%	1.87%
U.K	1.18%	1.12%	1.22%
Germany	-0.07%	-0.10%	-0.02%
Australia	1.95%	1.94%	1.95%
Japan	0.14%	0.14%	0.14%
China	2.70%	2.68%	2.75%
Malaysia	3.69%	3.68%	3.60%
Thailand	2.13%	2.15%	2.13%

Source : Bloomberg

Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	1.78
Indo 5-Year CDS	bps	89.49
USD/IDR	points	14,351
BI 7DRR	%	3.50

Source : Bloomberg as of January 25, 2022

Tirta Widi Gilang Citradi

Economist & Fixed Income Analyst
tirta.citradi@mncgroup.com

Global Market Update

- The 10-year UST yield rose to 1.78% on Tuesday (01/26/22). Yields on shorter maturity note increased higher than longer maturity.
- Overall yields on UST note rose 2-7 bps along the curve yesterday ahead of Fed's FOMC meeting.
- The Fed is expected to hold benchmark policy rate at current level with FFR target 0-25 bps.
- However, there is a significant probability that US central bank will raise 25 bps as soon as Mar-22 with more than 80% possibility.
- Market keep eyes on Fed's chair Powell statement to bring forward guidance on policy rate.
- Rising the short term UST note yield (2-year) topping 1% indicated that the Fed will be more aggressive in tightening its policy to control inflation.
- US equity market tumbled last night with DJI downed 0.19%; S&P 500 declined 1.22% and Nasdaq Composite retreated 2.28%.

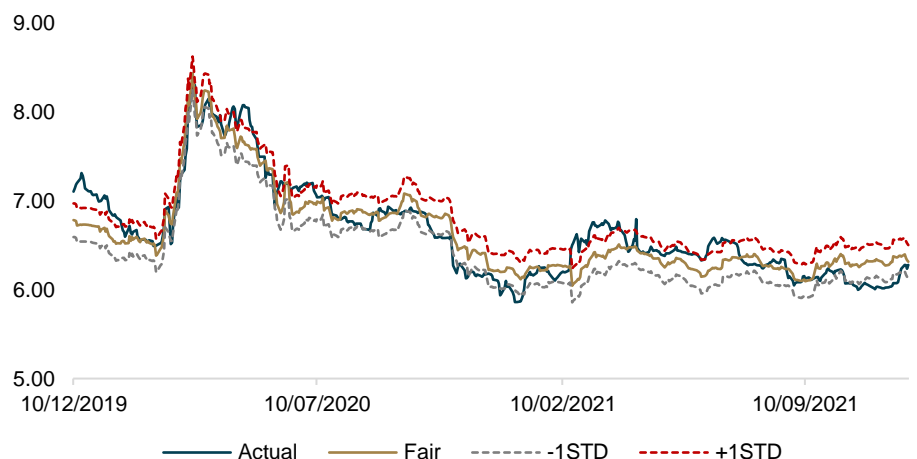
Domestic Market Update

- The 10-year Indo GB yield closed lower at 6.39% on Tuesday (01/25/22) in line with our daily forecast range of 6.35-6.45%.
- The IDR value depreciated against USD and was closed at IDR 14,351/USD (vs IDR14,343/USD on Monday).
- Risk premium increased with Indonesia's 5-year CDS stood at 89.49 bps (vs 87.70 bps on Monday).
- Government successfully issued sharia securities for budget financing on Tuesday (01/25/22). Total fund raised were IDR11tn, while the incoming bids value were IDR38.29tn.
- Despite the success in sharia securities issuance, incoming bids value was lower than in the previous auction of IDR55.35tn on Jan.11, 2022.
- Furthermore, investors' appetite for shorter maturity fixed income asset was reflected by incoming bids value of sharia bill (SPNS12072022) which totaled IDR12.83tn.
- In our view, lower incoming bids and higher demand for shorter yielding asset was driven by external factor primarily rising interest rate risk.

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, FR0071, FR0082.

Exhibit 4. 10 Year Indo GB Fair Yield



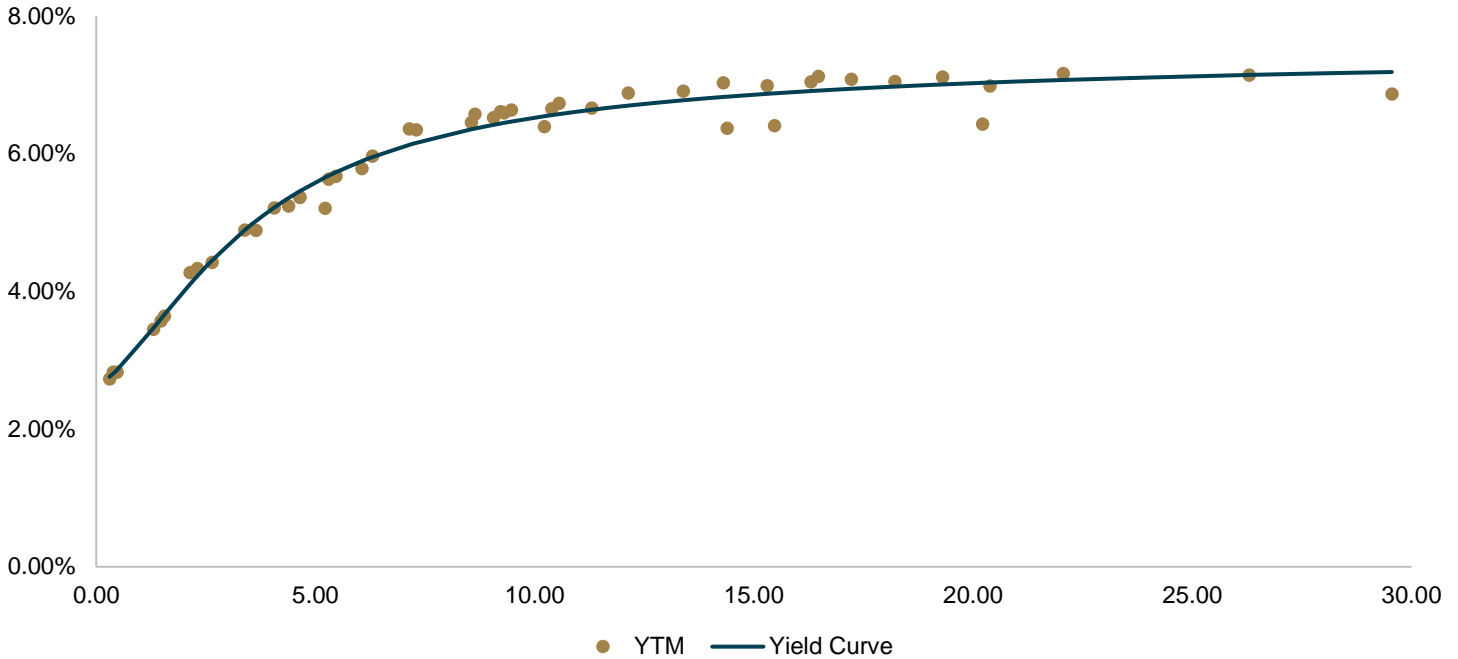
Source : Bloomberg, MNCS Calculation

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	0.30	101.25	2.73%	2.76%	101.27	Fair
FR35	12.900	15-Jun-22	0.39	103.79	2.83%	2.80%	103.85	Fair
FR43	10.250	15-Jul-22	0.47	103.42	2.83%	2.85%	103.44	Fair
FR63	5.625	15-May-23	1.30	102.74	3.45%	3.46%	102.73	Fair
FR46	9.500	15-Jul-23	1.47	108.40	3.57%	3.59%	108.39	Fair
FR39	11.750	15-Aug-23	1.55	112.13	3.64%	3.66%	112.13	Fair
FR70	8.375	15-Mar-24	2.14	108.27	4.27%	4.10%	108.65	Fair
FR77	8.125	15-May-24	2.30	108.21	4.33%	4.22%	108.48	Fair
FR44	10.000	15-Sep-24	2.64	113.72	4.42%	4.44%	113.66	Fair
FR81	6.500	15-Jun-25	3.39	104.97	4.89%	4.89%	104.97	Fair
FR40	11.000	15-Sep-25	3.64	120.10	4.89%	5.02%	119.64	Fair
FR84	7.250	15-Feb-26	4.06	107.36	5.21%	5.22%	107.35	Fair
FR86	5.500	15-Jun-26	4.39	100.96	5.24%	5.35%	100.56	Fair
FR37	12.000	15-Sep-26	4.64	126.83	5.37%	5.45%	126.49	Fair
FR56	8.375	15-Sep-26	4.64	112.16	5.37%	5.45%	111.82	Fair
FR90	5.125	15-Apr-27	5.22	99.61	5.21%	5.65%	97.63	Premium
FR59	7.000	15-May-27	5.30	106.20	5.63%	5.68%	105.97	Fair
FR42	10.250	15-Jul-27	5.47	121.28	5.67%	5.73%	120.98	Fair
FR47	10.000	15-Feb-28	6.06	121.30	5.78%	5.89%	120.68	Fair
FR64	6.125	15-May-28	6.30	100.86	5.96%	5.95%	100.90	Fair
FR71	9.000	15-Mar-29	7.13	114.94	6.36%	6.13%	116.41	Discounted
FR78	8.250	15-May-29	7.30	110.98	6.35%	6.16%	112.16	Fair
FR52	10.500	15-Aug-30	8.55	126.30	6.45%	6.35%	127.05	Fair
FR82	7.000	15-Sep-30	8.64	102.79	6.57%	6.36%	104.17	Discounted
FR87	6.500	15-Feb-31	9.06	99.85	6.52%	6.42%	100.56	Fair
FR85	7.750	15-Apr-31	9.22	107.78	6.61%	6.44%	109.01	Fair
FR73	8.750	15-May-31	9.30	114.79	6.59%	6.45%	115.92	Fair
FR54	9.500	15-Jul-31	9.47	119.93	6.63%	6.46%	121.25	Fair
FR91	6.375	15-Apr-32	10.22	99.71	6.39%	6.54%	98.76	Fair
FR58	8.250	15-Jun-32	10.39	111.83	6.65%	6.56%	112.59	Fair
FR74	7.500	15-Aug-32	10.55	105.72	6.73%	6.57%	106.97	Fair
FR65	6.625	15-May-33	11.30	99.71	6.66%	6.64%	99.90	Fair
FR68	8.375	15-Mar-34	12.13	112.14	6.88%	6.70%	113.78	Fair
FR80	7.500	15-Jun-35	13.39	105.11	6.91%	6.77%	106.31	Fair
FR72	8.250	15-May-36	14.30	110.86	7.03%	6.82%	112.89	Discounted
FR88	6.250	15-Jun-36	14.39	98.88	6.37%	6.83%	94.76	Premium
FR45	9.750	15-May-37	15.30	125.73	6.98%	6.87%	127.01	Fair
FR93	6.375	15-Jul-37	15.47	99.701	6.41%	6.88%	95.28	Premium
FR75	7.500	15-May-38	16.30	104.44	7.04%	6.91%	105.72	Fair
FR50	10.500	15-Jul-38	16.47	132.47	7.12%	6.91%	134.92	Discounted
FR79	8.375	15-Apr-39	17.22	112.79	7.08%	6.94%	114.26	Fair
FR83	7.500	15-Apr-40	18.22	104.62	7.04%	6.97%	105.37	Fair
FR57	9.500	15-May-41	19.30	124.93	7.11%	7.00%	126.18	Fair
FR62	6.375	15-Apr-42	20.22	99.40	6.43%	7.03%	92.99	Premium
FR92	7.125	15-Jun-42	20.39	101.55	6.98%	7.03%	100.99	Fair
FR67	8.750	15-Feb-44	22.06	117.45	7.16%	7.07%	118.63	Fair
FR76	7.375	15-May-48	26.30	102.82	7.14%	7.14%	102.72	Fair
FR89	6.875	15-Aug-51	29.55	100.09	6.87%	7.19%	96.21	Premium

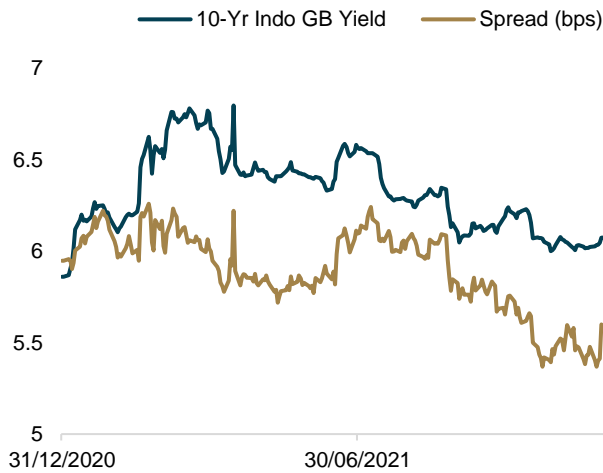
Source : Bloomberg, MNCS Calculation as of January 25, 2022

Exhibit 6. Indo GB Yield Curve



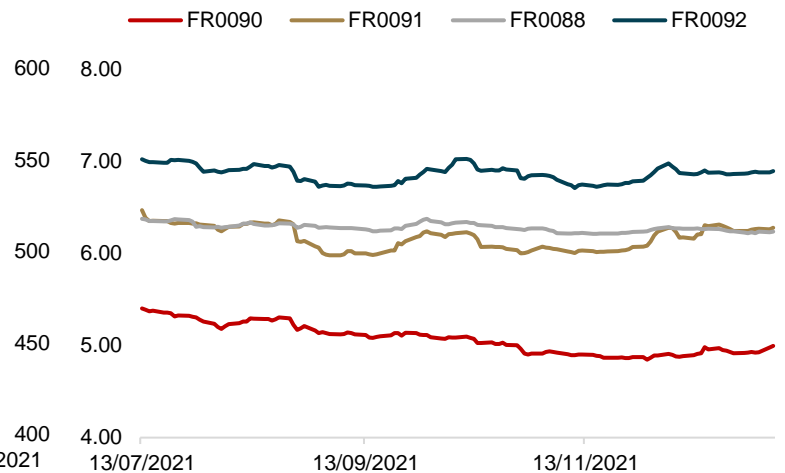
Source : Bloomberg, MNCS Calculation as of January 25, 2022

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

PT MNC SEKURITAS

MNC Financial Center Lt. 14 – 16

Jl. Kebon Sirih No. 21 - 27, Jakarta Pusat 10340

Telp : (021) 2980 3111

Fax : (021) 3983 6899

Call Center : 1500 899

Disclaimer

This research report has been issued by PT MNC Sekuritas, It may not be reproduced or further distributed or published, in whole or in part, for any purpose. PT MNC Sekuritas has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; PT MNC Sekuritas makes no guarantee, representation or warranty and accepts no responsibility to liability as to its accuracy or completeness. Expression of opinion herein are those of the research department only and are subject to change without notice. This document is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment. PT MNC Sekuritas and its affiliates and/or their offices, director and employees may own or have positions in any investment mentioned herein or any investment related thereto and may from time to time add to or dispose of any such investment. PT MNC Sekuritas and its affiliates may act as market maker or have assumed an underwriting position in the securities of companies discusses herein (or investment related thereto) and may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking or underwriting services for or relating to those companies.