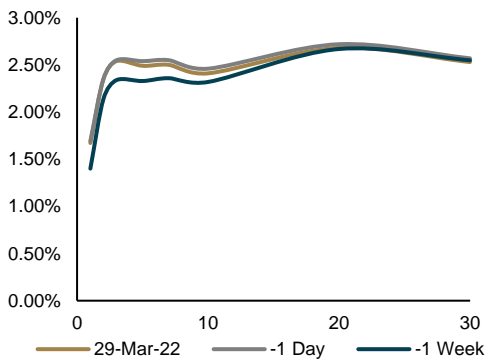


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Countries	29-Mar-22	-1 Day	-1 Week
U.S	2.40%	2.46%	2.38%
U.K	1.64%	1.62%	1.71%
Germany	0.63%	0.58%	0.50%
Japan	0.25%	0.25%	0.21%
China	2.79%	2.79%	2.83%
Malaysia	3.94%	3.98%	3.74%
Thailand	2.48%	2.48%	2.33%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	2.40
Indo 5-Year CDS	bps	83.41
USD/IDR	points	14,370
BI 7DRR	%	3.50

Source : Bloomberg as of March 29, 2022

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## Global Market Update

- The benchmark 10-year UST yield fell 6 bps to 2.40% on Tuesday (03/29/22).
- Spread between 2-10 year UST was nearly flat now. Overall, yields on UST fell 1-5 bps along the curve yesterday.
- Historically the inverted yield curve has indicated the sign of economic recession for US, as shorter term interest rate is higher than its longer term.
- On the data front, US Feb Job Openings and Labor Turnover Survey (JOLTS) came with 11.3 mn job openings, higher than the 11.1 mn expected.
- Fed's chair Powell has pointed out the Fed may increase rate by 50 bps in the coming meeting and start to reduce its balance sheet soon.
- However given the possibility that the Fed would be more aggressive in tightening its monetary policy it justifies recent increase in short term rates.
- US equity market jumped with S&P 500 and Nasdaq Composite was up more than 1% after Russia said that they would drastically reduce their military activity near Kyiv.
- On the other hand, investors also monitor the development of Covid-19 cases in China that spike to a worst level since the pandemic begin.

## Domestic Market Update

- The price of majority IDR denominated government bond weakened on Tuesday (03/29/22). The benchmark 10-year Indo GB rose 4 bps to 6.75%.
- The IDR value weakened against USD to the level of IDR14,370/USD yesterday (vs IDR14,360/USD previous day).
- However, risk premium which is reflected by the 5-year Indo CDS was down from 94.00 bps to 83.41 bps.
- The government issued 7 series of SUN in yesterday's auction with the issuance value reaching IDR17.05tn. The incoming bids reached IDR41.62tn.
- The total incoming bids value in yesterday's auction were lower than the previous auction which hit IDR49.16tn.
- This occurred amidst rising US government bond yields in response to the possibility of more aggressive monetary policy from the Fed.

## Market Projection

- Given the recent development on global and domestic market, we expect the 10 year Indo GB yield to keep steady within a range of 6.70-6.80% for today.
- Attractive Indo GB series to be traded today : FR0086, FR0090, FR000064, FR0078, FR0087, FR0091.

## Exhibit 4. 10 Year Indo GB Fair Yield



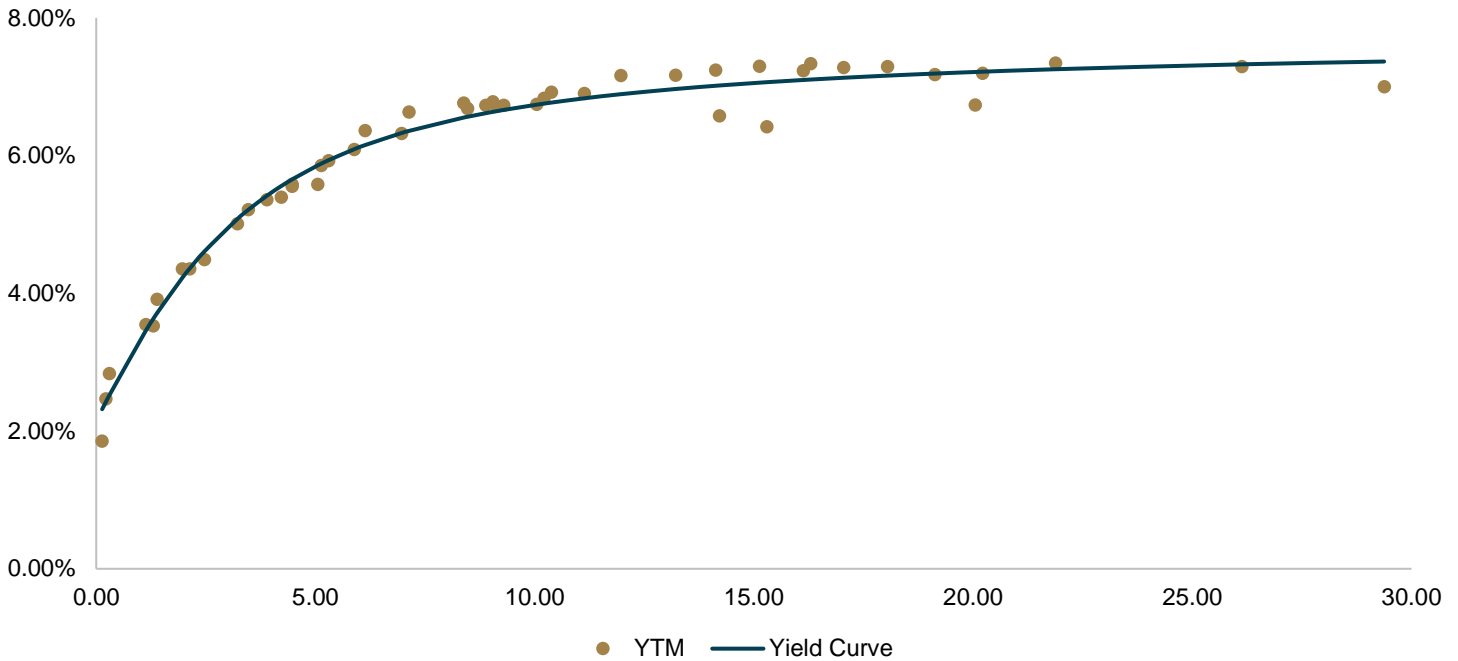
Source : Bloomberg, MNCS Calculation

## 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	0.13	100.63	1.86%	2.32%	100.60	Premium
FR35	12.900	15-Jun-22	0.21	102.15	2.47%	2.42%	102.21	Fair
FR43	10.250	15-Jul-22	0.30	102.14	2.83%	2.52%	102.27	Discounted
FR63	5.625	15-May-23	1.13	102.26	3.55%	3.46%	102.37	Fair
FR46	9.500	15-Jul-23	1.30	107.48	3.53%	3.63%	107.37	Fair
FR39	11.750	15-Aug-23	1.38	110.42	3.91%	3.71%	110.74	Fair
FR70	8.375	15-Mar-24	1.96	107.46	4.35%	4.23%	107.73	Fair
FR77	8.125	15-May-24	2.13	107.57	4.35%	4.36%	107.57	Fair
FR44	10.000	15-Sep-24	2.47	112.67	4.49%	4.61%	112.41	Fair
FR81	6.500	15-Jun-25	3.21	104.37	5.01%	5.08%	104.16	Fair
FR40	11.000	15-Sep-25	3.47	118.08	5.22%	5.21%	118.11	Fair
FR84	7.250	15-Feb-26	3.89	106.55	5.36%	5.41%	106.34	Fair
FR86	5.500	15-Jun-26	4.21	100.39	5.39%	5.56%	99.78	Fair
FR37	12.000	15-Sep-26	4.47	125.13	5.56%	5.65%	124.71	Fair
FR56	8.375	15-Sep-26	4.47	110.88	5.58%	5.65%	110.59	Fair
FR90	5.125	15-Apr-27	5.05	98.01	5.58%	5.86%	96.84	Premium
FR59	7.000	15-May-27	5.13	104.98	5.86%	5.88%	104.88	Fair
FR42	10.250	15-Jul-27	5.30	119.38	5.93%	5.93%	119.37	Fair
FR47	10.000	15-Feb-28	5.88	119.08	6.09%	6.09%	119.07	Fair
FR64	6.125	15-May-28	6.13	98.82	6.36%	6.15%	99.86	Discounted
FR71	9.000	15-Mar-29	6.96	112.96	6.32%	6.33%	114.86	Fair
FR78	8.250	15-May-29	7.13	109.07	6.63%	6.36%	110.70	Discounted
FR52	10.500	15-Aug-30	8.38	123.58	6.77%	6.55%	125.15	Discounted
FR82	7.000	15-Sep-30	8.47	101.95	6.69%	6.56%	102.80	Fair
FR87	6.500	15-Feb-31	8.89	98.50	6.73%	6.62%	99.23	Fair
FR85	7.750	15-Apr-31	9.05	106.45	6.78%	6.63%	107.50	Fair
FR73	8.750	15-May-31	9.13	113.70	6.72%	6.64%	114.23	Fair
FR54	9.500	15-Jul-31	9.30	118.88	6.73%	6.66%	119.42	Fair
FR91	6.375	15-Apr-32	10.05	97.38	6.74%	6.74%	97.37	Fair
FR58	8.250	15-Jun-32	10.21	110.28	6.83%	6.75%	110.90	Fair
FR74	7.500	15-Aug-32	10.38	104.22	6.92%	6.77%	105.38	Fair
FR65	6.625	15-May-33	11.13	97.86	6.90%	6.83%	98.41	Fair
FR68	8.375	15-Mar-34	11.96	109.64	7.16%	6.89%	111.96	Discounted
FR80	7.500	15-Jun-35	13.21	102.79	7.17%	6.97%	104.55	Fair
FR72	8.250	15-May-36	14.13	108.79	7.24%	7.01%	110.97	Discounted
FR88	6.250	15-Jun-36	14.21	96.93	6.58%	7.02%	93.16	Premium
FR45	9.750	15-May-37	15.13	122.22	7.30%	7.06%	124.77	Discounted
FR93	6.375	15-Jul-37	15.30	99.56	6.42%	7.06%	93.60	Premium
FR75	7.500	15-May-38	16.13	102.52	7.23%	7.10%	103.82	Fair
FR50	10.500	15-Jul-38	16.30	129.78	7.34%	7.10%	132.47	Discounted
FR79	8.375	15-Apr-39	17.05	110.64	7.28%	7.13%	112.18	Fair
FR83	7.500	15-Apr-40	18.05	102.08	7.29%	7.16%	103.41	Fair
FR57	9.500	15-May-41	19.13	123.95	7.18%	7.19%	123.79	Fair
FR62	6.375	15-Apr-42	20.05	96.08	6.73%	7.21%	91.19	Premium
FR92	7.125	15-Jun-42	20.21	99.26	7.19%	7.22%	99.02	Fair
FR67	8.750	15-Feb-44	21.88	115.20	7.34%	7.25%	116.29	Fair
FR76	7.375	15-May-48	26.13	100.95	7.29%	7.32%	100.58	Fair
FR89	6.875	15-Aug-51	29.38	98.50	7.00%	7.36%	94.14	Premium

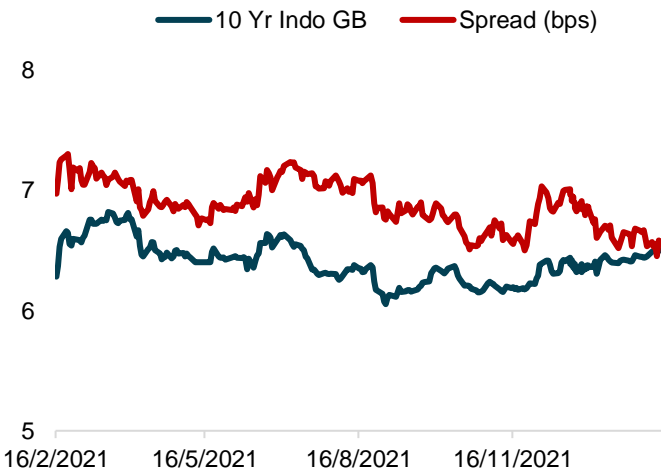
Source : Bloomberg, MNCS Calculation as of March 29, 2022

## Exhibit 6. Indo GB Yield Curve



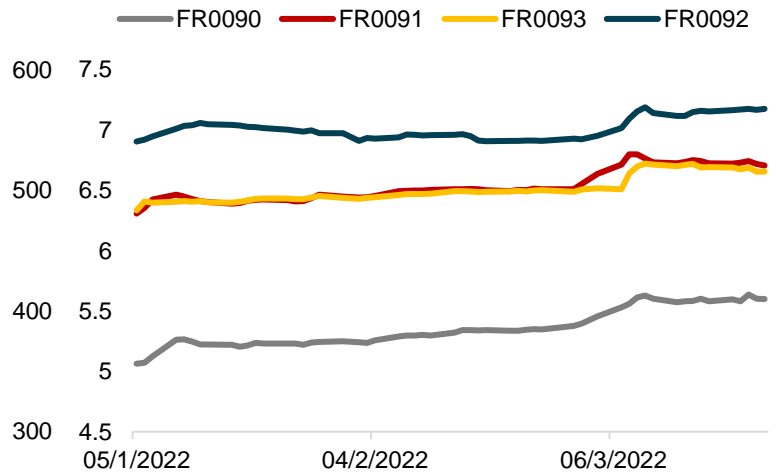
Source : Bloomberg, MNCS Calculation as of March 29, 2022

## 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	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22
Bank	37.86	36	36.33	32.5	31.92	33.45	33.69	34.77	35.63	34.01	35.47	36.41
Central Bank (Nett)	10.65	12.77	11.99	15.93	16.08	14.78	14.87	13.52	13.10	17.13	15.20	14.04
Mutual Fund	3.92	3.81	3.06	3.16	3.18	3.20	3.28	3.31	3.42	3.38	3.20	3.17
Insurance & Pension Fund	14.08	14.14	14.44	14.24	14.59	14.45	14.40	14.61	14.44	14.00	14.52	14.66
Foreign	22.89	22.74	22.76	22.82	22.53	22.44	21.56	21.24	20.55	19.05	18.97	18.99
Individuals	4.56	4.49	4.61	4.49	4.64	4.46	4.94	5.04	5.08	4.73	4.83	4.81
Others	6.03	6.05	6.83	6.95	7.07	7.21	7.25	7.50	7.78	7.70	7.82	7.93

Source : DJPPR as of Feb 10, 2022

## 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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