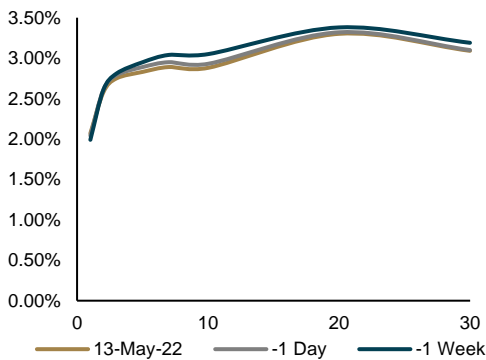


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Countries	13-May-22	-1 Day	-1 Week
U.S	2.89%	2.93%	3.05%
U.K	1.73%	1.66%	1.96%
Germany	0.93%	0.84%	1.04%
Japan	0.24%	0.24%	0.23%
China	2.82%	2.82%	2.84%
Malaysia	4.41%	4.41%	4.42%
Thailand	3.30%	3.30%	2.92%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	2.89
Indo 5-Year CDS	bps	115.10
USD/IDR	points	14,613
BI 7DRR	%	3.50

Source : Bloomberg as of May 13, 2022

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## Global Market Update

- Majority of UST note yields fell to start this week. Yields declined by 1-6 bps along the curve.
- The benchmark 10-year UST note yield fell 5 bps to 2.89% on Monday (05/16/22).
- Yields on US government bond also decreased 3-17 bps along the curve on a weekly basis.
- US equity market was mixed yesterday. DJI was up 0.08%, while S&P 500 and Nasdaq Composite lost 0.39% and 1.20% respectively.
- Equity market drawdowns coupled with decreasing UST note yield may indicate that market is now concern of potential slowing economic activity due to ongoing war between Russia-Ukraine, high inflation as well as Chinese Covid-19 situation.
- Inflation in Europe has hit 7.5% YoY in Apr-22, hitting a multi decade high and ECB is expected to tighten soon.
- ECB asset purchase program is expected to end by Jul-22 and will be followed with a 25 bps hike in a deposit rate a few weeks later.

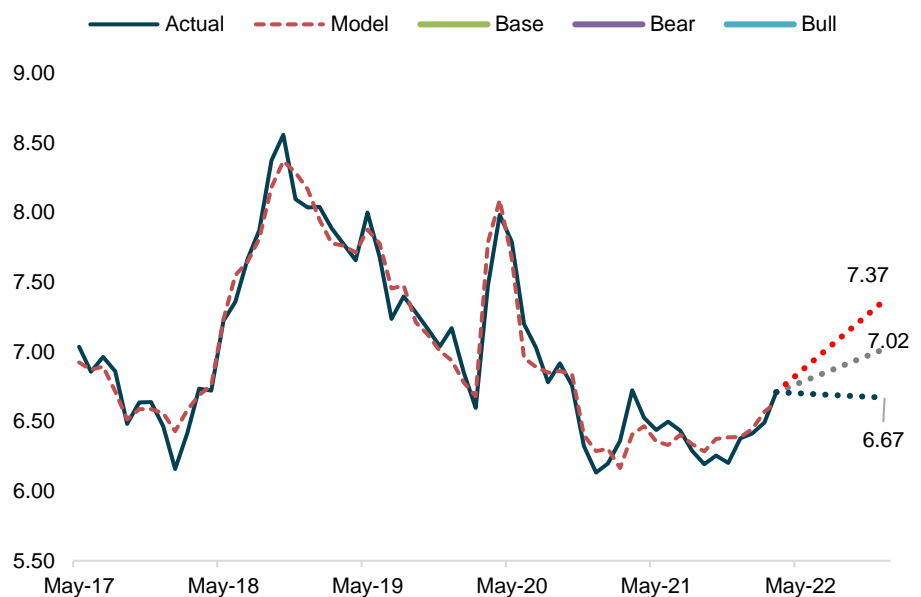
## Domestic Market Update

- Yield on 10-year Indo GB stayed at 6.36% last week.
- The IDR also weakened against USD and was closed to IDR 14.613/USD, the lowest in a year.
- However, Indonesia 5-year CDS fell to 115,10 bps from 127,85 bps.
- Government bond market has experienced a high volatility during the first week of trading in May-22.
- We think that rising Indo GB yields was driven by Fed's hike on FFR by 50 bps on the previous week.

## Market Projection

- Given the recent development on global and domestic market and after a high yield spike, we expect the 10 year Indo GB yield to keep steady within a range of 7.20-7.40% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0077, FR0090, FR0073, FR0091, FR0068, FR0072.

## Exhibit 4. 10 Year Indo GB Fair Yield



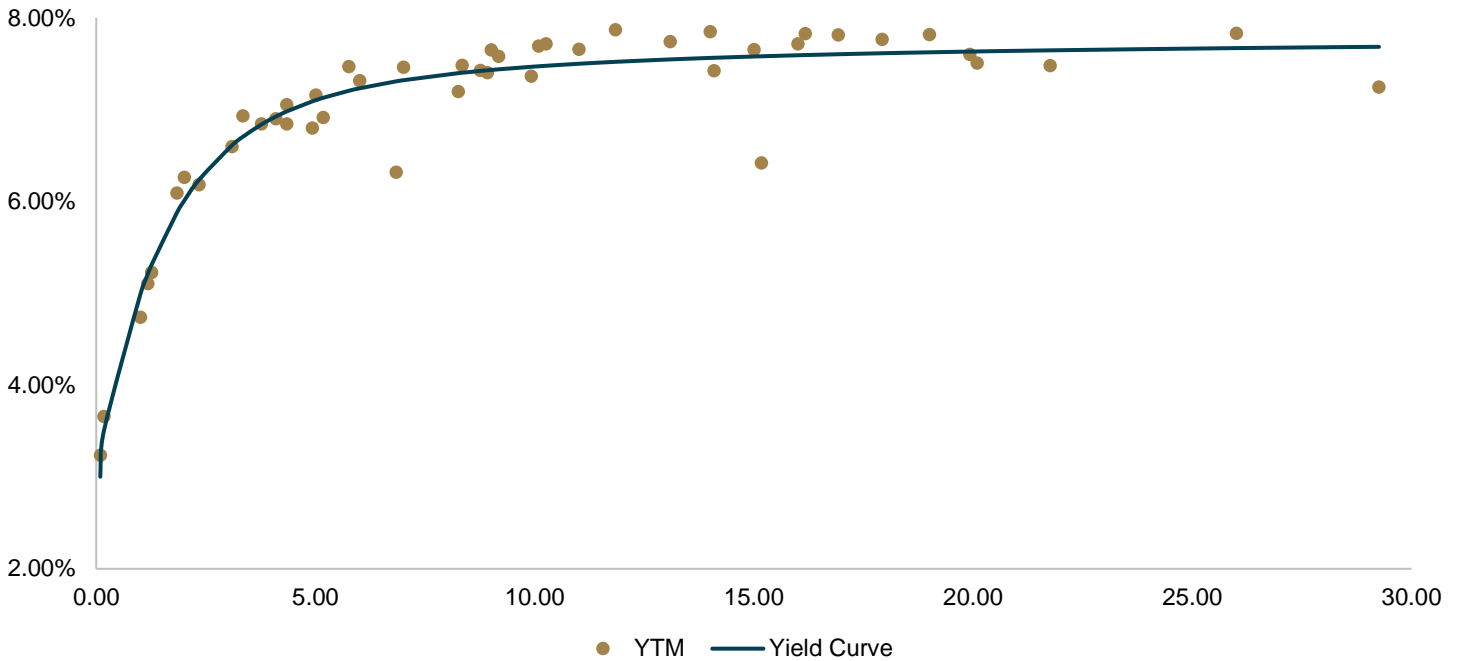
Source : Bloomberg, MNCS Calculation

## Exhibit 5. Indo GB Series Valuation

Series	Coupon (%)	Maturity	TTM (Yr)	Last Price	YTM (%)	Yield Curve (%)	Fair Price	Notes
FR35	12.900	15-Jun-22	0.09	100.73	3.24%	3.00%	100.88	Discounted
FR43	10.250	15-Jul-22	0.17	101.03	3.66%	3.50%	101.15	Fair
FR63	5.625	15-May-23	1.01	100.85	4.74%	4.99%	100.62	Premium
FR46	9.500	15-Jul-23	1.17	104.88	5.11%	5.20%	104.82	Fair
FR39	11.750	15-Aug-23	1.26	107.75	5.23%	5.31%	107.73	Fair
FR70	8.375	15-Mar-24	1.84	103.88	6.09%	5.88%	104.28	Fair
FR77	8.125	15-May-24	2.01	103.44	6.26%	6.01%	103.94	Discounted
FR44	10.000	15-Sep-24	2.34	108.14	6.18%	6.23%	108.06	Fair
FR81	6.500	15-Jun-25	3.09	99.73	6.60%	6.61%	99.69	Fair
FR40	11.000	15-Sep-25	3.34	111.88	6.93%	6.70%	112.65	Discounted
FR84	7.250	15-Feb-26	3.76	101.30	6.85%	6.84%	101.34	Fair
FR86	5.500	15-Jun-26	4.09	95.26	6.90%	6.92%	95.00	Fair
FR37	12.000	15-Sep-26	4.34	119.00	6.85%	6.98%	118.50	Fair
FR56	8.375	15-Sep-26	4.34	104.84	7.05%	6.98%	105.13	Fair
FR90	5.125	15-Apr-27	4.92	93.10	6.80%	7.09%	91.95	Premium
FR59	7.000	15-May-27	5.01	99.34	7.16%	7.10%	99.58	Fair
FR42	10.250	15-Jul-27	5.17	114.25	6.92%	7.13%	113.30	Fair
FR47	10.000	15-Feb-28	5.76	111.63	7.47%	7.20%	112.97	Discounted
FR64	6.125	15-May-28	6.01	94.30	7.32%	7.23%	94.69	Fair
FR71	9.000	15-Mar-29	6.84	108.08	6.32%	7.31%	108.97	Premium
FR78	8.250	15-May-29	7.01	104.22	7.46%	7.32%	105.03	Fair
FR52	10.500	15-Aug-30	8.26	120.25	7.20%	7.40%	118.90	Fair
FR82	7.000	15-Sep-30	8.34	97.03	7.48%	7.40%	97.52	Fair
FR87	6.500	15-Feb-31	8.76	94.09	7.43%	7.42%	94.13	Fair
FR85	7.750	15-Apr-31	8.92	102.22	7.40%	7.43%	102.07	Fair
FR73	8.750	15-May-31	9.01	107.04	7.65%	7.43%	108.55	Discounted
FR54	9.500	15-Jul-31	9.17	112.50	7.58%	7.44%	113.52	Fair
FR91	6.375	15-Apr-32	9.92	93.12	7.36%	7.47%	92.44	Fair
FR58	8.250	15-Jun-32	10.09	103.85	7.69%	7.47%	105.44	Discounted
FR74	7.500	15-Aug-32	10.26	98.46	7.72%	7.48%	100.15	Discounted
FR65	6.625	15-May-33	11.01	92.40	7.66%	7.50%	93.53	Fair
FR68	8.375	15-Mar-34	11.84	103.81	7.87%	7.52%	106.61	Discounted
FR80	7.500	15-Jun-35	13.09	98.02	7.74%	7.55%	99.61	Fair
FR72	8.250	15-May-36	14.01	103.35	7.85%	7.56%	105.88	Discounted
FR88	6.250	15-Jun-36	14.09	89.84	7.43%	7.56%	88.72	Fair
FR45	9.750	15-May-37	15.01	118.50	7.65%	7.58%	119.27	Fair
FR93	6.375	15-Jul-37	15.17	99.56	6.42%	7.58%	89.23	Premium
FR75	7.500	15-May-38	16.01	98.01	7.72%	7.59%	99.16	Fair
FR50	10.500	15-Jul-38	16.17	124.25	7.83%	7.59%	126.79	Discounted
FR79	8.375	15-Apr-39	16.92	105.21	7.81%	7.60%	107.28	Fair
FR83	7.500	15-Apr-40	17.92	97.43	7.77%	7.61%	98.89	Fair
FR57	9.500	15-May-41	19.01	116.50	7.82%	7.62%	118.67	Fair
FR62	6.375	15-Apr-42	19.92	87.50	7.60%	7.63%	87.23	Fair
FR92	7.125	15-Jun-42	20.09	96.06	7.51%	7.63%	94.81	Fair
FR67	8.750	15-Feb-44	21.76	113.50	7.48%	7.65%	111.61	Fair
FR76	7.375	15-May-48	26.01	94.94	7.83%	7.67%	96.70	Fair
FR89	6.875	15-Aug-51	29.26	95.50	7.25%	7.68%	90.62	Premium

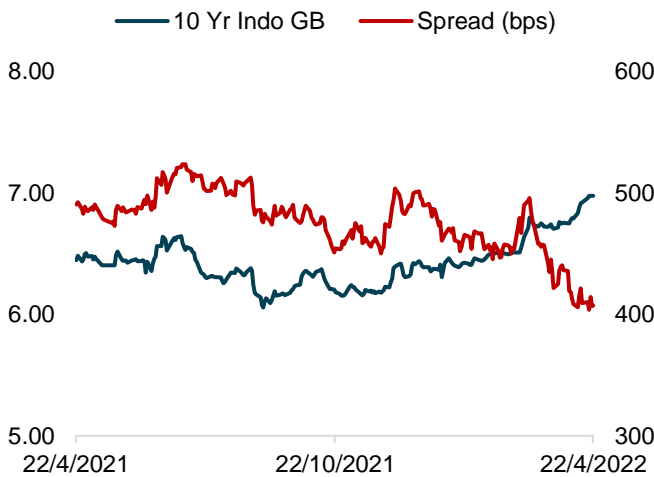
Source : Bloomberg, MNCS Calculation as of May 13, 2022

**Exhibit 6. Indo GB Yield Curve**



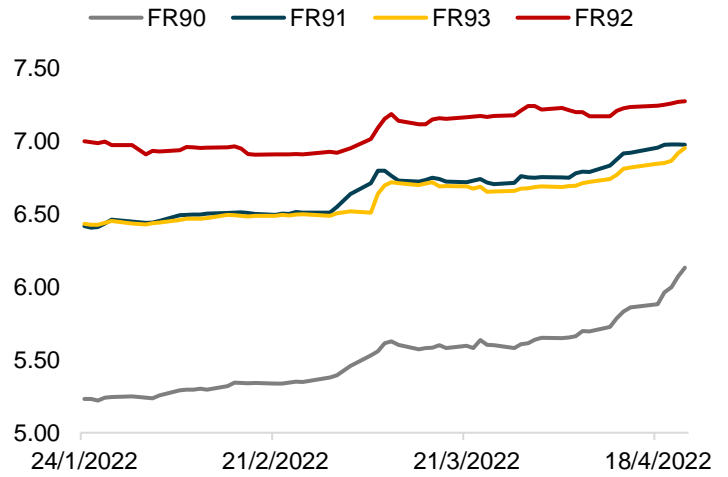
Source : Bloomberg, MNCS Calculation as of May 13, 2022

**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	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22
Bank	36.33	32.5	31.92	33.45	33.69	34.77	35.63	34.01	35.47	35.82	35.03	33.36
Central Bank (Nett)	11.99	15.93	16.08	14.78	14.87	13.52	13.10	17.13	15.20	14.12	15.15	16.90
Mutual Fund	3.06	3.16	3.18	3.20	3.28	3.31	3.42	3.38	3.20	3.14	3.19	3.24
Insurance & Pension Fund	14.44	14.24	14.59	14.45	14.40	14.61	14.44	14.00	14.52	14.77	15.22	15.28
Foreign	22.76	22.82	22.53	22.44	21.56	21.24	20.55	19.05	18.97	18.82	17.57	17.37
Individuals	4.61	4.49	4.64	4.46	4.94	5.04	5.08	4.73	4.83	5.32	5.61	5.60
Others	6.83	6.95	7.07	7.21	7.25	7.50	7.78	7.70	7.82	8.01	8.22	8.26

Source : DJPPR as of Apr 21, 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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