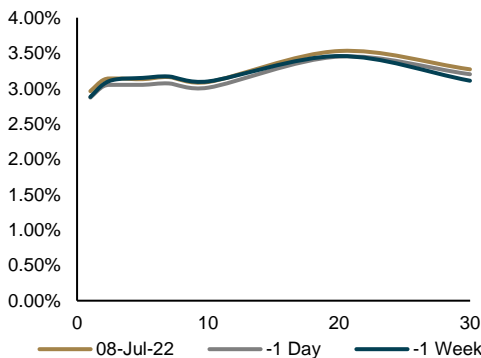


Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

Exhibit 2. Global Gov't Bond Yield

Countries	08-Jul-22	-1 Day	-1 Week
U.S	3.08%	3.00%	2.88%
U.K	2.23%	2.13%	2.08%
Germany	1.34%	1.31%	1.23%
Japan	0.24%	0.24%	0.22%
China	2.84%	2.81%	2.82%
Malaysia	4.15%	4.16%	4.22%
Thailand	2.69%	2.69%	2.80%

Source : Bloomberg

Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	3.08
Indo 5-Year CDS	bps	145.28
USD/IDR	points	14,979
BI 7DRR	%	3.50

Source : Bloomberg as of July 8, 2022

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Global Market Update

- The benchmark 10-year UST note yield rose 8 bps to 3.08% on Friday (07/08/22).
- Yields between shorter dan longer maturity were still inverted with the 2-year UST note at 3.11% bringing the spread to 10-year benchmark rate at -3 bps.
- Yield curve inversion is seen as leading indicator that US economy may weaken or even falling into recession.
- With high inflation that hurts economy, US central bank also plan to aggressively tighten their monetary policy.
- The Fed is now leaning towards 75 bps rate hike in Jul-22 FOMC meeting, and this trigger a yield spike.
- The jump in UST note yield was also followed by another spike in other countries government bond yields.
- Interestingly, US stock indices rebounded last week. On a weekly basis, DJI was up by 0.77%; S&P 500 rose 1.94% while Nasdaq Composite jumped 4.56%.

Domestic Market Update

- The benchmark 10-year Indo GB yield (FR0091) was closed flat at 7.25% on Friday (07/08/22).
- The IDR strengthened against USD to IDR 14,979/USD on Friday (vs IDR 15,002/USD on the previous day).
- Indonesia's risk premium 5-year CDS also dropped to 145,28 bps last week from 149.63 bps previously.
- Outflows continued in the domestic financial market as reflected by foreign investors net selling of IDR3.54 trillion in the SBN market and net selling off IDR2.66 trillion in the stock market in 4-7 July 2022.
- Factors triggering the outflows: 1) the increased risk of global stagflation and 2) the aggressiveness of the Fed in raising the benchmark interest rate.
- Looking ahead, we view that the outflows may persist and posing a risk in the domestic financial market.

Market Projection

- Given the recent development on global and domestic market, we expect the 10 year Indo GB yield to move within a range of 7.25-7.45% for today.
- Attractive Indo GB series to be traded today : FR0063, FR0081, FR0084, FR0090, FR0047, FR0052, FR0054, FR0091.

Exhibit 4. 10 Year Indo GB Fair Yield



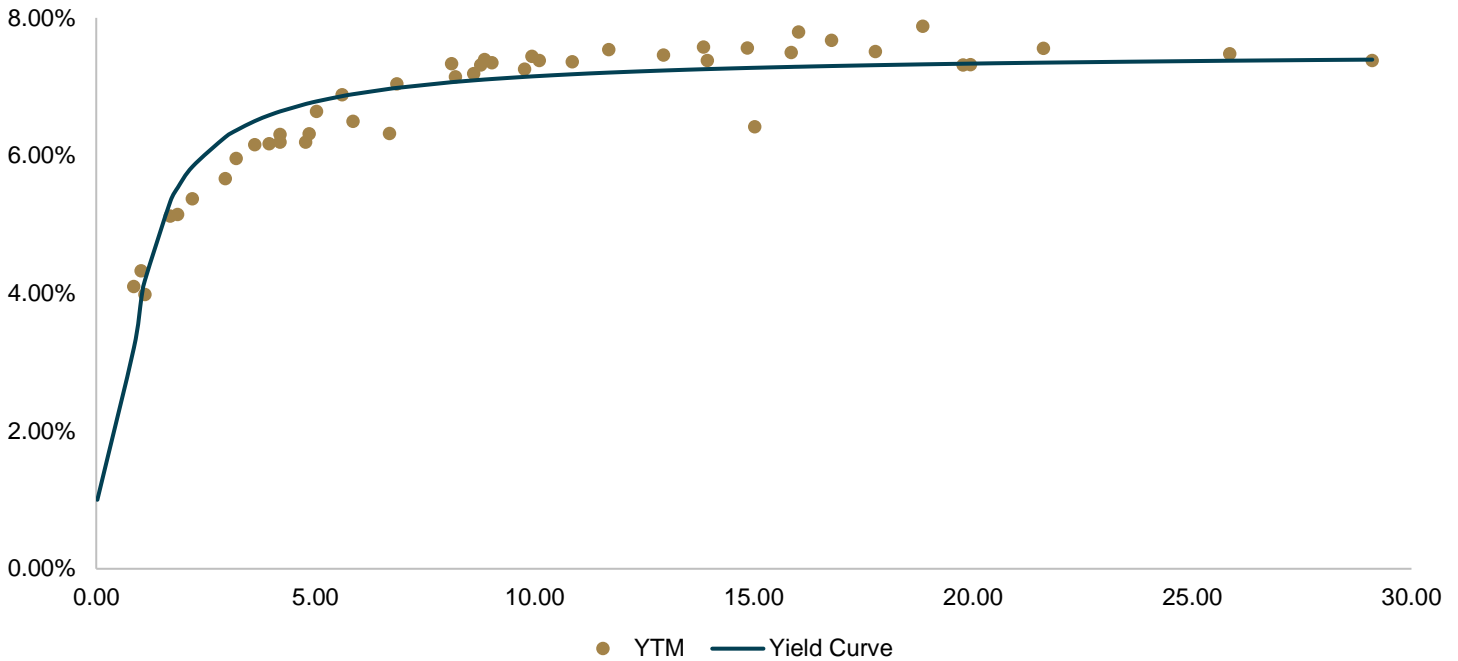
Source : Bloomberg, MNCS Calculation

Exhibit 5. Indo GB Series Valuation

Series	Coupon (%)	Maturity	TTM (Yr.)	Last Price	YTM (%)	Yield Curve (%)	Fair Price	Notes
FR43	10.250	15-Jul-22	0.02	100.26	-19.49%	1.00%	100.18	Premium
FR63	5.625	15-May-23	0.85	101.25	4.10%	3.20%	102.02	Discounted
FR46	9.500	15-Jul-23	1.02	105.05	4.33%	3.91%	105.53	Fair
FR39	11.750	15-Aug-23	1.10	108.23	3.98%	4.19%	108.07	Fair
FR70	8.375	15-Mar-24	1.69	105.16	5.12%	5.34%	104.83	Fair
FR77	8.125	15-May-24	1.85	105.16	5.15%	5.53%	104.50	Fair
FR44	10.000	15-Sep-24	2.19	109.38	5.37%	5.84%	108.41	Premium
FR81	6.500	15-Jun-25	2.94	102.21	5.67%	6.27%	100.61	Premium
FR40	11.000	15-Sep-25	3.19	114.38	5.96%	6.36%	113.16	Fair
FR84	7.250	15-Feb-26	3.61	103.46	6.16%	6.50%	102.37	Fair
FR86	5.500	15-Jun-26	3.94	97.77	6.17%	6.58%	96.29	Fair
FR37	12.000	15-Sep-26	4.19	120.60	6.31%	6.64%	119.29	Fair
FR56	8.375	15-Sep-26	4.19	107.90	6.19%	6.64%	106.24	Fair
FR90	5.125	15-Apr-27	4.77	95.64	6.19%	6.75%	93.47	Premium
FR59	7.000	15-May-27	4.85	102.81	6.31%	6.76%	100.97	Fair
FR42	10.250	15-Jul-27	5.02	115.16	6.64%	6.79%	114.53	Fair
FR47	10.000	15-Feb-28	5.61	114.25	6.88%	6.86%	114.39	Fair
FR64	6.125	15-May-28	5.85	98.20	6.50%	6.89%	96.36	Fair
FR71	9.000	15-Mar-29	6.69	110.42	6.32%	6.97%	110.70	Premium
FR78	8.250	15-May-29	6.85	106.45	7.04%	6.98%	106.80	Fair
FR52	10.500	15-Aug-30	8.10	119.05	7.33%	7.06%	120.91	Fair
FR82	7.000	15-Sep-30	8.19	99.09	7.15%	7.07%	99.56	Fair
FR87	6.500	15-Feb-31	8.61	95.63	7.19%	7.09%	96.23	Fair
FR85	7.750	15-Apr-31	8.77	102.75	7.32%	7.10%	104.18	Fair
FR73	8.750	15-May-31	8.85	108.65	7.40%	7.10%	110.67	Fair
FR54	9.500	15-Jul-31	9.02	114.00	7.35%	7.11%	115.71	Fair
FR91	6.375	15-Apr-32	9.77	93.91	7.25%	7.14%	94.66	Fair
FR58	8.250	15-Jun-32	9.94	105.60	7.44%	7.15%	107.74	Fair
FR74	7.500	15-Aug-32	10.10	100.83	7.38%	7.15%	102.45	Fair
FR65	6.625	15-May-33	10.85	94.54	7.36%	7.18%	95.86	Fair
FR68	8.375	15-Mar-34	11.69	106.38	7.54%	7.20%	109.13	Fair
FR80	7.500	15-Jun-35	12.94	100.31	7.46%	7.23%	102.20	Fair
FR72	8.250	15-May-36	13.85	105.68	7.58%	7.25%	108.61	Fair
FR88	6.250	15-Jun-36	13.94	90.25	7.38%	7.25%	91.28	Fair
FR45	9.750	15-May-37	14.85	119.29	7.56%	7.27%	122.28	Fair
FR93	6.375	15-Jul-37	15.02	99.56	6.42%	7.27%	91.87	Premium
FR75	7.500	15-May-38	15.85	100.00	7.50%	7.29%	101.98	Fair
FR50	10.500	15-Jul-38	16.02	124.50	7.79%	7.29%	130.06	Discounted
FR79	8.375	15-Apr-39	16.77	106.55	7.67%	7.30%	110.29	Fair
FR83	7.500	15-Apr-40	17.77	99.87	7.51%	7.31%	101.84	Fair
FR57	9.500	15-May-41	18.85	115.75	7.88%	7.32%	122.05	Discounted
FR62	6.375	15-Apr-42	19.77	90.25	7.31%	7.33%	90.08	Fair
FR92	7.125	15-Jun-42	19.94	97.96	7.32%	7.33%	97.82	Fair
FR67	8.750	15-Feb-44	21.61	112.57	7.56%	7.35%	115.05	Fair
FR76	7.375	15-May-48	25.85	98.80	7.48%	7.38%	99.98	Fair
FR89	6.875	15-Aug-51	29.10	93.97	7.38%	7.39%	93.84	Fair

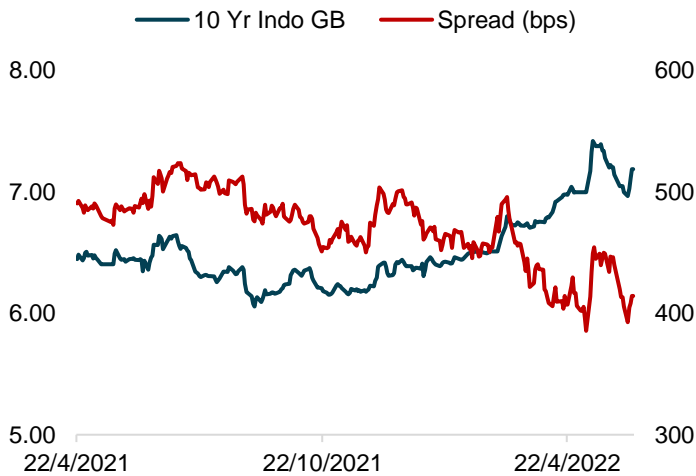
Source : Bloomberg, MNCS Calculation as of July 8, 2022

Exhibit 6. Indo GB Yield Curve



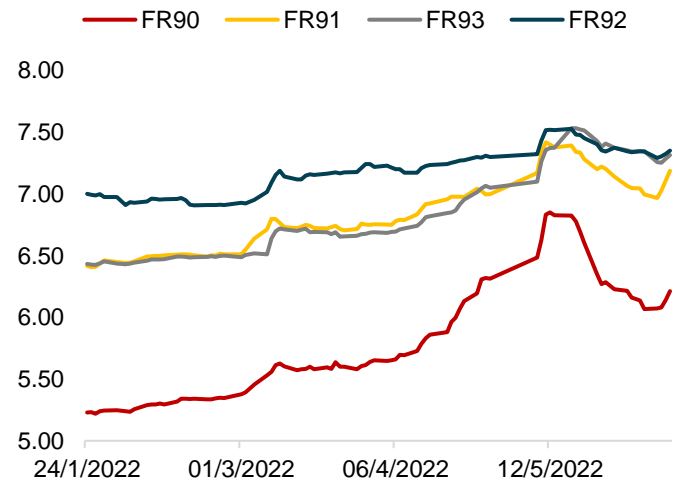
Source : Bloomberg, MNCS Calculation as of July 8, 2022

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	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22
Bank	32.5	31.92	33.45	33.69	34.77	35.63	34.01	35.47	35.82	35.03	32.81	32.25
Central Bank (Nett)	15.93	16.08	14.78	14.87	13.52	13.10	17.13	15.20	14.12	15.15	17.77	16.56
Mutual Fund	3.16	3.18	3.20	3.28	3.31	3.42	3.38	3.20	3.14	3.19	3.18	3.13
Insurance & Pension Fund	14.24	14.59	14.45	14.40	14.61	14.44	14.00	14.52	14.77	15.22	15.33	15.68
Foreign	22.82	22.53	22.44	21.56	21.24	20.55	19.05	18.97	18.82	17.57	17.03	16.56
Individuals	4.49	4.64	4.46	4.94	5.04	5.08	4.73	4.83	5.32	5.61	5.63	5.80
Others	6.95	7.07	7.21	7.25	7.50	7.78	7.70	7.82	8.01	8.22	8.26	8.42

Source : DJPPR as of 31 May 2022

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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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