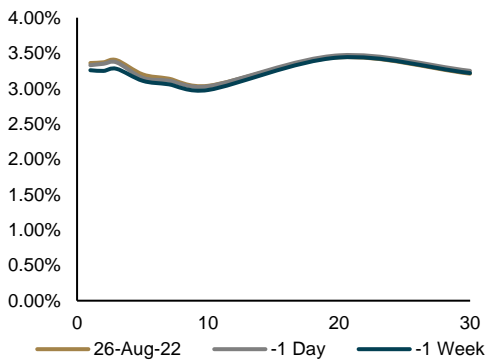


Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

Exhibit 2. Global Gov't Bond Yield

Countries	26-Aug-22	-1 Day	-1 Week
U.S	3.04%	3.03%	2.97%
U.K	2.60%	2.61%	2.41%
Germany	1.38%	1.31%	1.23%
Japan	0.21%	0.23%	0.20%
China	2.66%	2.66%	2.63%
Malaysia	3.96%	3.97%	3.97%
Thailand	2.39%	2.42%	2.41%

Source : Bloomberg

Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	3.04
Indo 5-Year CDS	bps	102.06
USD/IDR	points	14,818
BI 7DRR	%	3.75

Source : Bloomberg as of August 26, 2022

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Global Market Update

- The benchmark 10-year UST note yield increased marginally by 1 bps to 3.04 on Friday (08/26/22).
- Meanwhile the benchmark 2-year UST note yield rose by 3 bps to 3.40% at the same time.
- The spread between 2/10-year UST note yield widened to -36 bps from previously -34 bps.
- US stock indices dropped significantly. DJI and S&P 500 fell 3.03% and 3.37% respectively, whilst Nasdaq Composite lost 3.94%.
- Market moved after Fed's Chair Powell made a statement on future policy path.
- Powell said higher interest rate is needed to tame inflation and become CB priority although it would cost pain to households and businesses.
- Furthermore, Powell stated that failure to restore price stability would mean far greater pain.
- At the annual Jackson Hole Symposium Powell also said Fed is moving policy stance purposefully to a level that will be sufficiently restrictive to return inflation to 2% target.

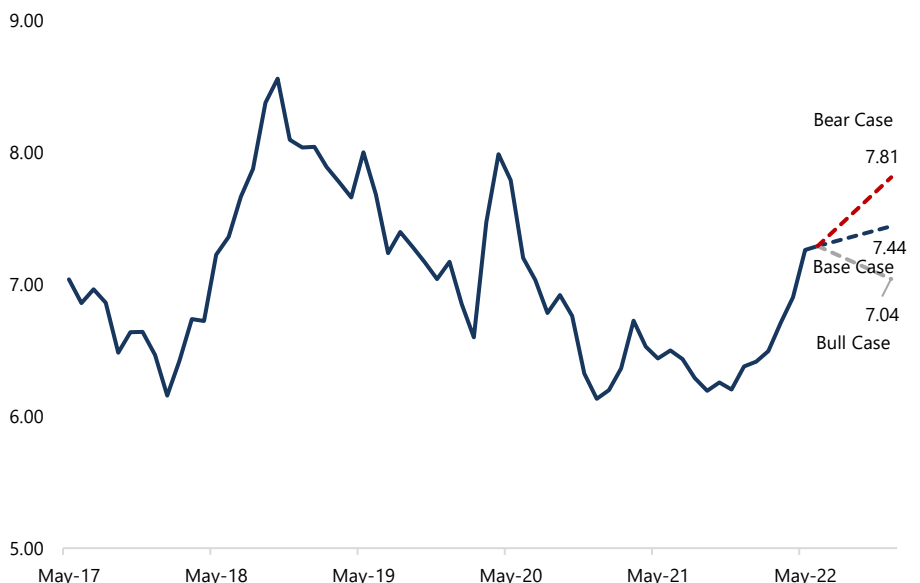
Domestic Market Update

- The benchmark 10-year Indo GB yield (FR0091) slightly unchanged at 7.05% on Friday (08/26/22).
- The IDR strengthened against USD and was closed at IDR14,818/USD on Friday (vs IDR14,825/USD on Thursday).
- Indonesia's 5-year CDS slightly declined to 102.06 bps on Friday (vs 102.70 bps on Thursday).
- The possibility of government to adjust subsidized fuel pricing will be inflationary. For every 1% increase in subsidized fuel price will add inflation by 0.09%.
- Higher inflation would only cause higher interest rates and reducing the value of bonds propping up higher yields.

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 7.00-7.20% for today.
- Attractive Indo GB series to be traded today : FR0063, FR0070, FR0042, FR0047, FR0052, FR0085, FR0091 and FR0096.

Exhibit 4. 10 Year Indo GB Fair Yield



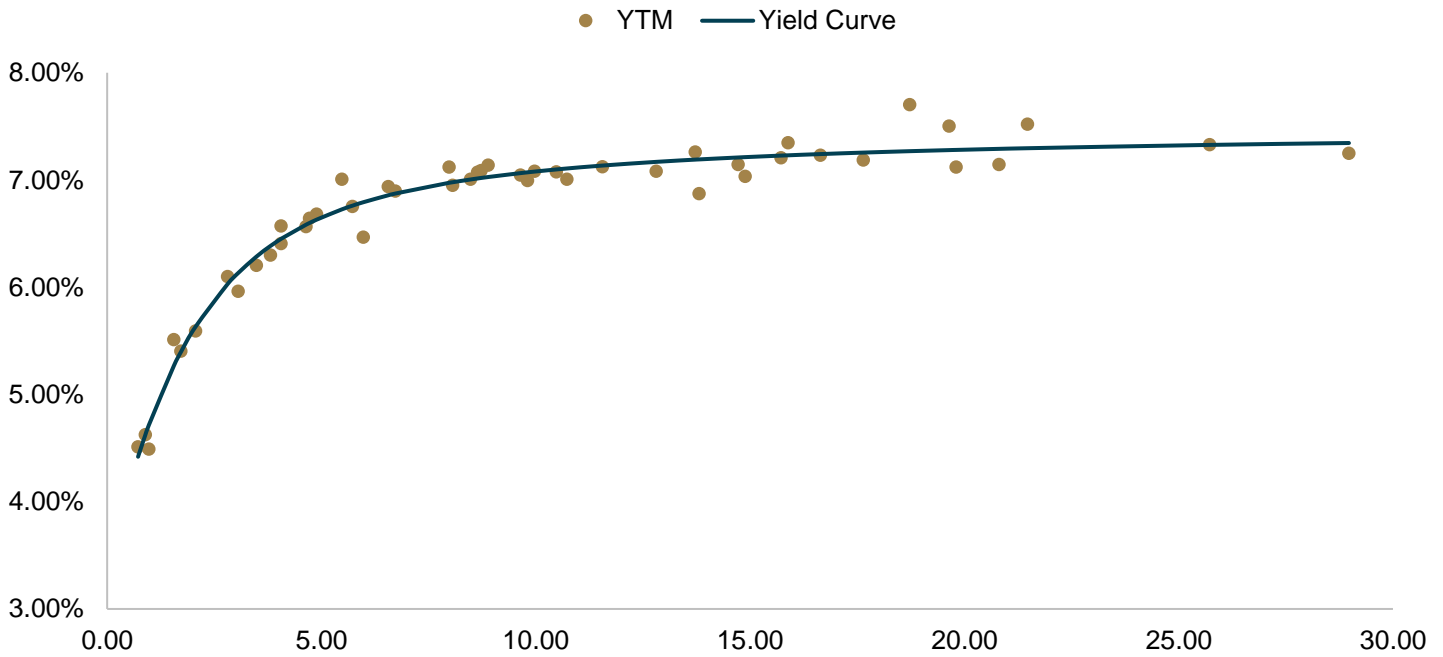
Source : Bloomberg, MNCS Calculation

Exhibit 5. Indo GB Series Valuation

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR63	5.625	15-May-23	0.72	100.76	4.51%	4.42%	100.84	Fair
FR46	9.500	15-Jul-23	0.88	104.13	4.62%	4.62%	104.18	Fair
FR39	11.750	15-Aug-23	0.97	106.74	4.49%	4.72%	106.59	Premium
FR70	8.375	15-Mar-24	1.55	104.18	5.51%	5.27%	104.57	Discounted
FR77	8.125	15-May-24	1.72	104.37	5.40%	5.40%	104.41	Fair
FR44	10.000	15-Sep-24	2.06	108.40	5.59%	5.63%	108.36	Fair
FR81	6.500	15-Jun-25	2.80	101.01	6.10%	6.03%	101.19	Fair
FR40	11.000	15-Sep-25	3.06	113.83	5.96%	6.13%	113.36	Premium
FR84	7.250	15-Feb-26	3.47	103.21	6.20%	6.29%	102.96	Fair
FR86	5.500	15-Jun-26	3.80	97.43	6.30%	6.39%	97.04	Fair
FR37	12.000	15-Sep-26	4.06	119.00	6.57%	6.45%	119.50	Fair
FR56	8.375	15-Sep-26	4.06	106.91	6.41%	6.45%	106.75	Fair
FR90	5.125	15-Apr-27	4.64	94.33	6.56%	6.58%	94.24	Fair
FR59	7.000	15-May-27	4.72	101.41	6.64%	6.60%	101.58	Fair
FR42	10.250	15-Jul-27	4.89	114.63	6.68%	6.63%	114.88	Fair
FR47	10.000	15-Feb-28	5.47	113.38	7.01%	6.73%	114.77	Discounted
FR64	6.125	15-May-28	5.72	97.05	6.75%	6.76%	97.01	Fair
FR95	6.375	15-Aug-28	5.97	99.55	6.47%	6.79%	97.97	Premium
FR71	9.000	15-Mar-29	6.55	110.69	6.94%	6.86%	111.15	Fair
FR78	8.250	15-May-29	6.72	107.16	6.90%	6.87%	107.28	Fair
FR52	10.500	15-Aug-30	7.97	120.25	7.12%	6.97%	121.27	Discounted
FR82	7.000	15-Sep-30	8.06	100.31	6.95%	6.98%	100.11	Fair
FR87	6.500	15-Feb-31	8.47	96.81	7.01%	7.01%	96.80	Fair
FR85	7.750	15-Apr-31	8.64	104.30	7.07%	7.02%	104.68	Fair
FR73	8.750	15-May-31	8.72	110.65	7.09%	7.02%	111.12	Fair
FR54	9.500	15-Jul-31	8.89	115.31	7.14%	7.03%	116.11	Fair
FR91	6.375	15-Apr-32	9.64	95.36	7.05%	7.07%	95.22	Fair
FR58	8.250	15-Jun-32	9.80	108.78	6.99%	7.07%	108.21	Fair
FR74	7.500	15-Aug-32	9.97	102.94	7.08%	7.08%	102.96	Fair
FR96	7.000	15-Feb-33	10.48	99.45	7.08%	7.10%	99.27	Fair
FR65	6.625	15-May-33	10.72	97.15	7.01%	7.11%	96.40	Fair
FR68	8.375	15-Mar-34	11.55	109.73	7.12%	7.14%	109.63	Fair
FR80	7.500	15-Jun-35	12.80	103.47	7.08%	7.17%	102.71	Fair
FR72	8.250	15-May-36	13.72	108.48	7.26%	7.19%	109.12	Fair
FR88	6.250	15-Jun-36	13.80	94.50	6.87%	7.19%	91.82	Premium
FR45	9.750	15-May-37	14.72	123.45	7.15%	7.21%	122.77	Fair
FR93	6.375	15-Jul-37	14.89	93.98	7.03%	7.21%	92.40	Premium
FR75	7.500	15-May-38	15.72	102.71	7.21%	7.23%	102.50	Fair
FR50	10.500	15-Jul-38	15.89	129.25	7.35%	7.23%	130.56	Fair
FR79	8.375	15-Apr-39	16.64	110.95	7.23%	7.24%	110.83	Fair
FR83	7.500	15-Apr-40	17.64	103.11	7.19%	7.26%	102.38	Fair
FR57	9.500	15-May-41	18.72	117.63	7.70%	7.27%	122.59	Discounted
FR62	6.375	15-Apr-42	19.64	88.50	7.50%	7.28%	90.61	Discounted
FR92	7.125	15-Jun-42	19.80	100.04	7.12%	7.28%	98.35	Premium
FR97	7.125	15-Jun-43	20.80	99.77	7.15%	7.29%	98.21	Premium
FR67	8.750	15-Feb-44	21.47	113.01	7.52%	7.30%	115.62	Discounted
FR76	7.375	15-May-48	25.72	100.50	7.33%	7.33%	100.52	Fair
FR89	6.875	15-Aug-51	28.97	95.50	7.25%	7.35%	94.37	Fair

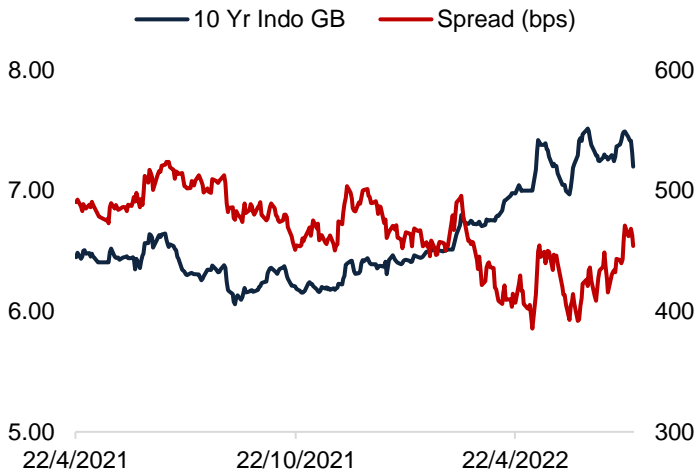
Source : Bloomberg, MNCS Calculation as of August 26, 2022

Exhibit 6. Indo GB Yield Curve



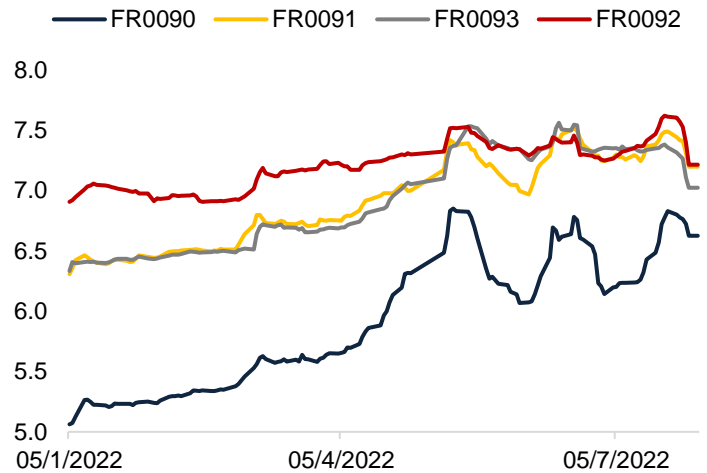
Source : Bloomberg, MNCS Calculation as of August 26, 2022

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	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
Bank	33.45	33.69	34.77	35.63	34.01	35.47	35.82	35.03	32.81	33.85	29.55	34.21
Central Bank (Nett)	14.78	14.87	13.52	13.10	17.13	15.20	14.12	15.15	17.77	16.56	20.89	16.55
Mutual Fund	3.20	3.28	3.31	3.42	3.38	3.20	3.14	3.19	3.18	3.13	3.16	3.14
Insurance & Pension Fund	14.45	14.40	14.61	14.44	14.00	14.52	14.77	15.22	15.33	15.68	15.94	16.31
Foreign	22.44	21.56	21.24	20.55	19.05	18.97	18.82	17.57	17.03	16.56	16.09	15.35
Individuals	4.46	4.94	5.04	5.08	4.73	4.83	5.32	5.61	5.63	5.80	5.81	5.88
Others	7.21	7.25	7.50	7.78	7.70	7.82	8.01	8.22	8.26	8.42	8.56	8.54

Source : DJPPR as of 26 July 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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