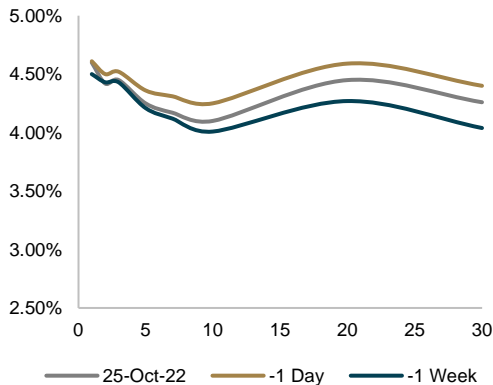


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Countries	25-Oct-22	-1 Day	-1 Week
U.S	4.10%	4.25%	4.01%
U.K	3.70%	3.87%	3.95%
Germany	2.26%	2.40%	2.29%
Japan	0.26%	0.26%	0.26%
China	2.73%	2.72%	2.70%
Malaysia	4.54%	4.55%	4.45%
Thailand	3.19%	3.19%	3.16%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	4.24
Indo 5-Year CDS	bps	159.11
USD/IDR	points	15,623
BI 7DRR	%	4.75

Source : Bloomberg as of October 25, 2022

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## Global Market Update

- The benchmark 10-year UST note yield dropped 14 bps to 4.10% on Tuesday (10/25/22).
- At the same time, the benchmark for short term rate of 2-year maturity fell 3 bps to 4.48%.
- Yield curve inversion widened and the spread of 2/10 year benchmark stood at -38 bps (vs -25 bps the previous day).
- US equity indices performed strongly. The DJI was up 1.07%; S&P 500 rose 1.63% and Nasdaq Composite jumped 2.25%.
- Germany's IFO Business Climate Index in Oct-22 edged lower to 84.3% (vs 84.4% in Sep-22), but surpassing consensus' forecast of 83.3%.
- Consensus projected Australia's inflation rate in 3Q22 to be 7% YoY (vs 6.1% YoY in 2Q22).
- USA's CB Consumer Confidence Index in Oct-22 reported to drop to 102.5 (vs 107.8 in Sep-22)

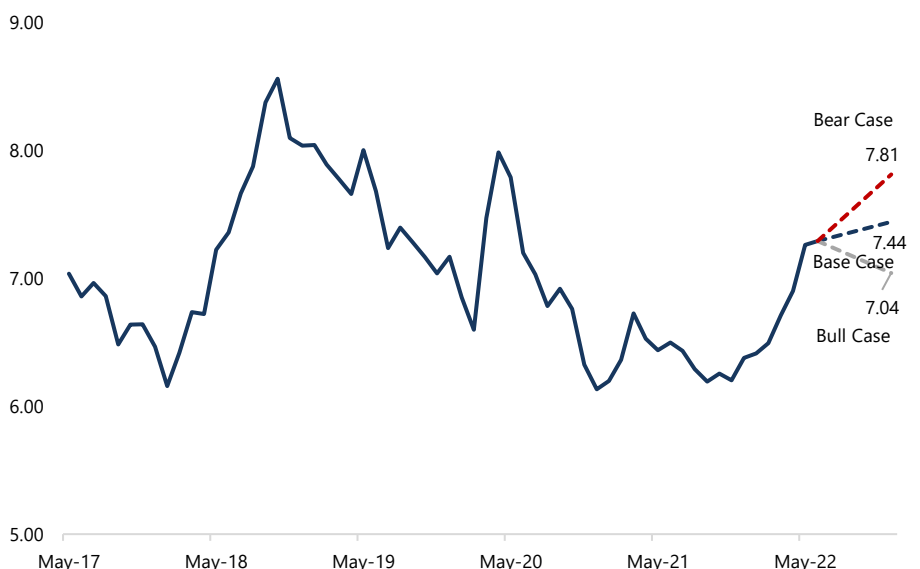
## Domestic Market Update

- The benchmark 10-year Indo GB yield (FR0091) increased 3 bps to 7.64% on Tuesday (10/25/22).
- Indonesia's CDS slightly increased, at the same time domestic currency IDR depreciated against USD.
- Indonesia's 5-year CDS stood at 159.11 bps yesterday (vs 158.73 the previous day).
- The IDR weakened against USD and was closed at IDR15,623/USD on Monday (vs IDR15,587/USD last week).
- Ministry of Finance reported an increase in total bid (IDR17 tn vs IDR15 tn the last auction) and total awarded bonds (IDR12 tn vs IDR8.2 tn the last auction) in yesterday's Government Bond auction, with FR0096 as the highest bid and awarded series (IDR6.7 tn bid; IDR4.3 tn awarded).
- PEFINDO reported total issued Corporate Bonds in 3Q22 amounted to IDR131.9 tn (vs IDR77.5 tn in 3Q21).

## 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 7.50-7.70% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0077, FR0081, FR0095, FR0052, FR0073, FR0054, FR0091, FR0096.

## Exhibit 4. 10 Year Indo GB Fair Yield



Source : Bloomberg, MNCS Calculation

# Fixed Income Report

MNC Sekuritas Research Division | October 26, 2022

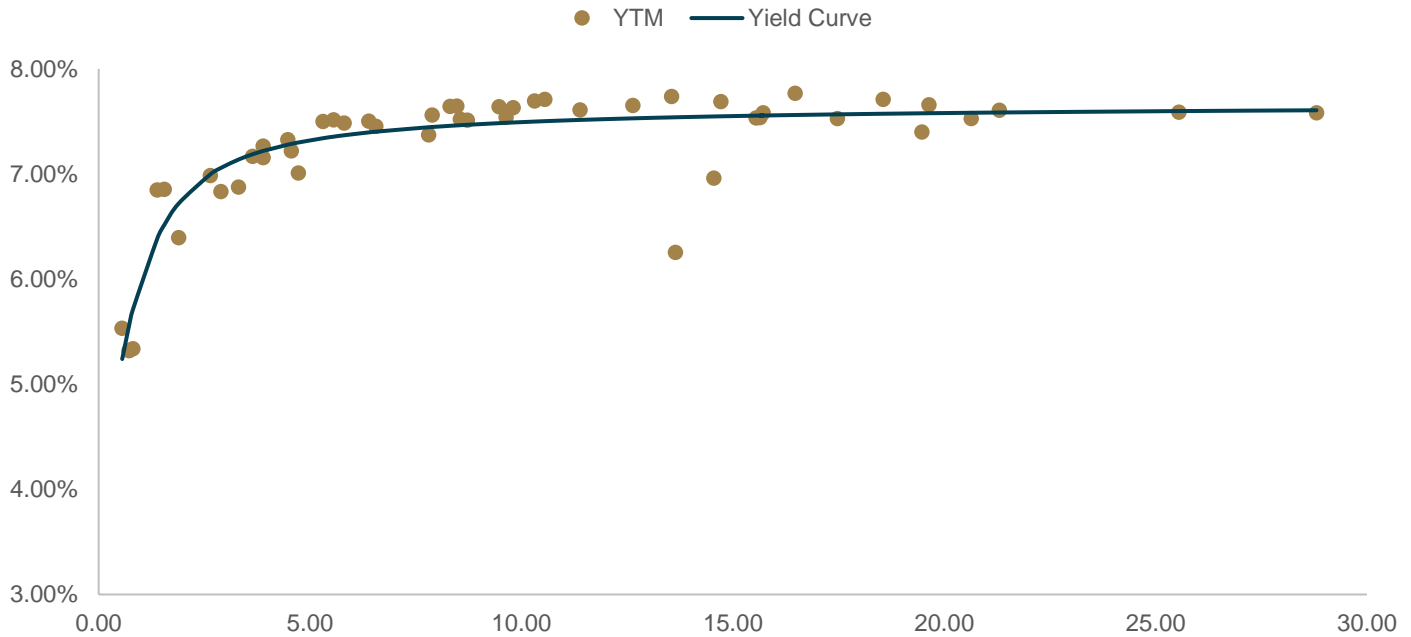


## Exhibit 5. Indo GB Series Valuation

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR63	5.625	15-May-23	0.55	100.05	5.53%	5.24%	100.21	Discounted
FR46	9.500	15-Jul-23	0.72	102.89	5.32%	5.56%	102.73	Premium
FR39	11.750	15-Aug-23	0.81	104.95	5.34%	5.71%	104.68	Premium
FR70	8.375	15-Mar-24	1.39	101.97	6.85%	6.39%	102.59	Discounted
FR77	8.125	15-May-24	1.55	101.84	6.85%	6.52%	102.34	Discounted
FR44	10.000	15-Sep-24	1.89	106.29	6.39%	6.72%	105.72	Premium
FR81	6.500	15-Jun-25	2.64	98.84	6.99%	7.00%	98.81	Fair
FR40	11.000	15-Sep-25	2.89	110.73	6.83%	7.06%	110.13	Premium
FR84	7.250	15-Feb-26	3.31	101.07	6.88%	7.14%	100.31	Premium
FR86	5.500	15-Jun-26	3.64	94.95	7.17%	7.19%	94.67	Fair
FR37	12.000	15-Sep-26	3.89	115.75	7.27%	7.22%	115.94	Fair
FR56	8.375	15-Sep-26	3.89	104.05	7.16%	7.22%	103.85	Fair
FR90	5.125	15-Apr-27	4.47	91.74	7.33%	7.28%	91.90	Fair
FR59	7.000	15-May-27	4.55	99.15	7.22%	7.29%	98.90	Fair
FR42	10.250	15-Jul-27	4.72	112.80	7.01%	7.30%	111.59	Premium
FR47	10.000	15-Feb-28	5.31	110.75	7.50%	7.34%	111.50	Discounted
FR64	6.125	15-May-28	5.55	93.78	7.51%	7.35%	94.47	Discounted
FR95	6.375	15-Aug-28	5.81	94.83	7.49%	7.37%	95.36	Fair
FR71	9.000	15-Mar-29	6.39	107.47	7.50%	7.40%	108.04	Fair
FR78	8.250	15-May-29	6.55	104.06	7.45%	7.40%	104.33	Fair
FR52	10.500	15-Aug-30	7.81	118.28	7.37%	7.44%	117.82	Fair
FR82	7.000	15-Sep-30	7.89	96.70	7.56%	7.45%	97.36	Fair
FR87	6.500	15-Feb-31	8.31	93.04	7.64%	7.46%	94.13	Discounted
FR85	7.750	15-Apr-31	8.47	100.63	7.65%	7.46%	101.78	Discounted
FR73	8.750	15-May-31	8.55	107.63	7.52%	7.46%	108.02	Fair
FR54	9.500	15-Jul-31	8.72	112.52	7.51%	7.47%	112.83	Fair
FR91	6.375	15-Apr-32	9.47	91.58	7.64%	7.48%	92.57	Discounted
FR58	8.250	15-Jun-32	9.64	104.78	7.54%	7.49%	105.16	Fair
FR74	7.500	15-Aug-32	9.81	99.09	7.63%	7.49%	100.05	Discounted
FR96	7.000	15-Feb-33	10.31	95.09	7.70%	7.50%	96.45	Discounted
FR65	6.625	15-May-33	10.55	92.24	7.71%	7.50%	93.67	Discounted
FR68	8.375	15-Mar-34	11.39	105.74	7.61%	7.51%	106.50	Fair
FR80	7.500	15-Jun-35	12.64	98.76	7.65%	7.53%	99.75	Fair
FR72	8.250	15-May-36	13.55	104.23	7.74%	7.54%	105.97	Discounted
FR88	6.250	15-Jun-36	13.64	99.95	6.25%	7.54%	89.12	Premium
FR45	9.750	15-May-37	14.55	125.25	6.96%	7.55%	119.25	Premium
FR93	6.375	15-Jul-37	14.72	88.53	7.69%	7.55%	89.66	Discounted
FR75	7.500	15-May-38	15.55	99.68	7.53%	7.56%	99.49	Fair
FR50	10.500	15-Jul-38	15.72	126.50	7.58%	7.56%	126.80	Fair
FR98	7.125	15-Jun-38	15.64	95.694	7.54%	7.56%	96.07	Fair
FR79	8.375	15-Apr-39	16.47	105.58	7.77%	7.56%	107.59	Discounted
FR83	7.500	15-Apr-40	17.47	99.73	7.53%	7.57%	99.35	Fair
FR57	9.500	15-May-41	18.55	117.50	7.71%	7.57%	119.03	Discounted
FR62	6.375	15-Apr-42	19.47	89.50	7.40%	7.58%	87.86	Premium
FR92	7.125	15-Jun-42	19.64	94.62	7.66%	7.58%	95.39	Fair
FR97	7.125	15-Jun-43	20.64	96.33	7.53%	7.58%	95.25	Fair
FR67	8.750	15-Feb-44	21.31	111.95	7.61%	7.59%	112.19	Fair
FR76	7.375	15-May-48	25.55	97.60	7.59%	7.60%	97.49	Fair
FR89	6.875	15-Aug-51	28.81	91.75	7.58%	7.61%	91.49	Fair

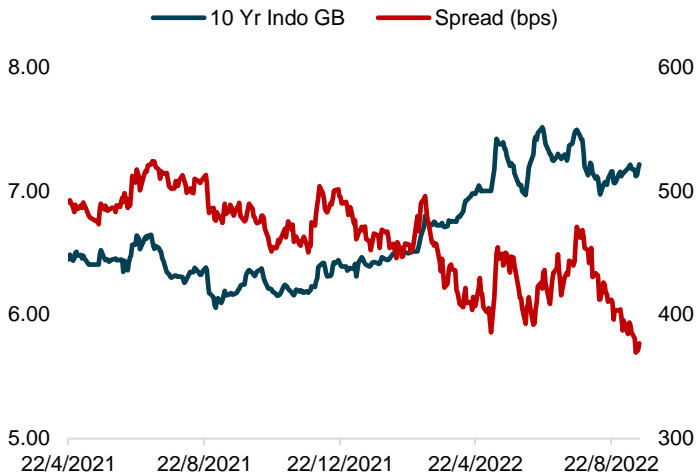
Source : Bloomberg, MNCS Calculation as of October 25, 2022

## Exhibit 6. Indo GB Yield Curve



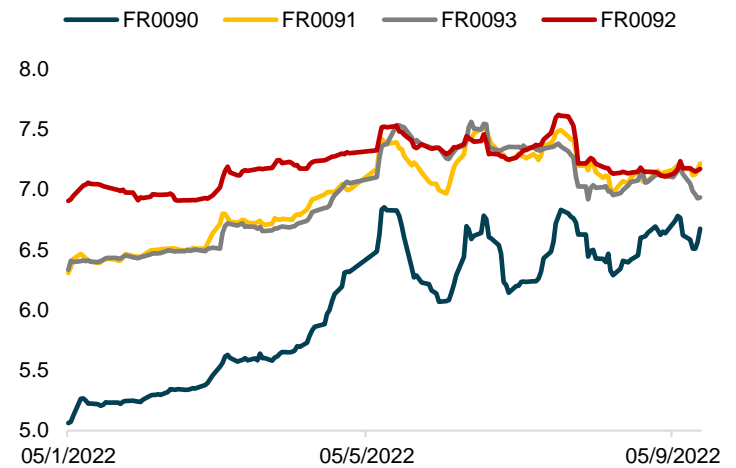
Source : Bloomberg, MNCS Calculation as of October 25, 2022

## 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	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22
Bank	35.63	34.01	35.47	35.82	35.03	32.81	33.85	29.55	33.54	32.08	31.42	31.93
Central Bank (Nett)	13.10	17.13	15.20	14.12	15.15	17.77	16.56	20.89	17.18	18.66	19.38	18.79
Mutual Fund	3.42	3.38	3.20	3.14	3.19	3.18	3.13	3.16	3.14	3.14	3.06	3.04
Insurance & Pension Fund	14.44	14.00	14.52	14.77	15.22	15.33	15.68	15.94	16.32	16.29	16.54	16.63
Foreign	20.55	19.05	18.97	18.82	17.57	17.03	16.56	16.09	15.36	15.24	14.31	14.19
Individuals	5.08	4.73	4.83	5.32	5.61	5.63	5.80	5.81	5.89	5.86	6.37	6.39
Others	7.78	7.70	7.82	8.01	8.22	8.26	8.42	8.56	8.55	8.73	8.92	9.01

Source : DJPPR as of October, 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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