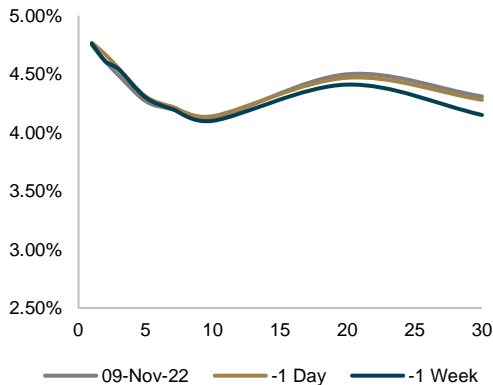


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Countries	09-Nov-22	-1 Day	-1 Week
U.S	4.10%	4.13%	4.10%
U.K	3.45%	3.55%	3.39%
Germany	2.17%	2.28%	2.14%
Japan	0.25%	0.25%	0.25%
China	2.69%	2.65%	2.69%
Malaysia	4.48%	4.49%	4.31%
Thailand	3.04%	3.14%	3.21%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	4.10
Indo 5-Year CDS	bps	122.65
USD/IDR	points	15,657
BI 7DRR	%	4.75

Source : Bloomberg as of November 9, 2022

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## Global Market Update

- The benchmark 10-year UST note yield decreased 2 bps to 4.10% on Wednesday (11/09/22).
- At the same time, the benchmark for short term rate of 2-year maturity edged lower 7 bps to 4.58%.
- Yield curve inversion narrowed and the spread of 2/10 year benchmark stood at -48 bps (vs -53 bps the previous day).
- US equities indices fell significantly. The DJI was closed 1.95% lower; while S&P 500 declined by 2.08% and Nasdaq Composite fell by 2.48%.
- China's inflation rate decelerated to 2.1% YoY in Oct-22 (vs 2.8% YoY in Sep-22) and lower compared to the market consensus of 2.4% YoY, mainly due to easing of food inflation to 7% (vs 8.8% in Sep-22) and non-food inflation to 1.1% (vs 1.5% in Sep-22).
- Japan reported a sharp decline in current account surplus to JPY909.3 bn in Sep-22 (vs JPY1,653.2 bn in Sep-21) while exceeding market consensus of JPY234.5 bn, with exports growth of 27.5% YoY and imports jumping by 47.9% YoY due to high commodity prices and a weakening in yen.

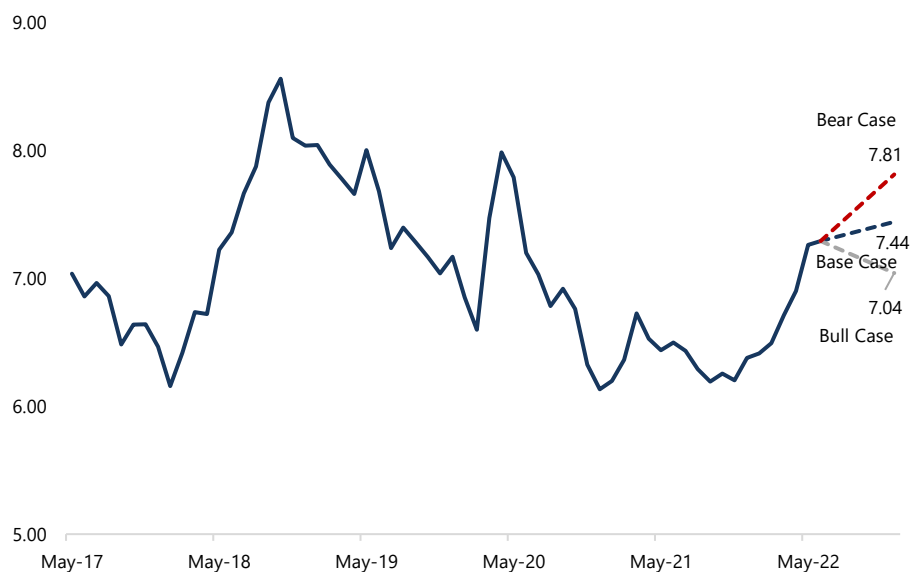
## Domestic Market Update

- The benchmark 10-year Indo GB yield (FR0091) fell 8 bps to 7.33% on Wednesday (11/09/22).
- Indonesia's risk perception slightly increased, while, at the same time domestic currency IDR appreciated against USD.
- Indonesia's 5-year CDS stood at 122.65 bps yesterday (vs 122.65 the previous day).
- The IDR strengthened against USD and was closed at IDR15,657/USD on Wednesday (vs IDR15,698/USD the previous day).
- Indonesian retail sales grew +4.6% YoY in September 2022 (vs +4.9% YoY Aug-22). Retail sales is expected to increase +3.1% MoM/+4.51% YoY in October 2022.
- Retail sales performance in September 2022 was supported by strengthening consumption of food, beverages and tobacco as well as other household equipment groups amid slowing growth in the fuel and spare parts category. The drivers for retail sales for October-2022 will be from food, beverages and tobacco as well as information and communication equipment.
- The survey also reported a rise in Price Expectation Index for Dec-22 and Mar-23, based upon increasing production costs and seasonal demands for Christmas and the month of Ramadhan.

## 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 : FR0070, FR0077, FR0044, FR0095, FR0085, FR0091, FR0096.

## Exhibit 4. 10 Year Indo GB Fair Yield



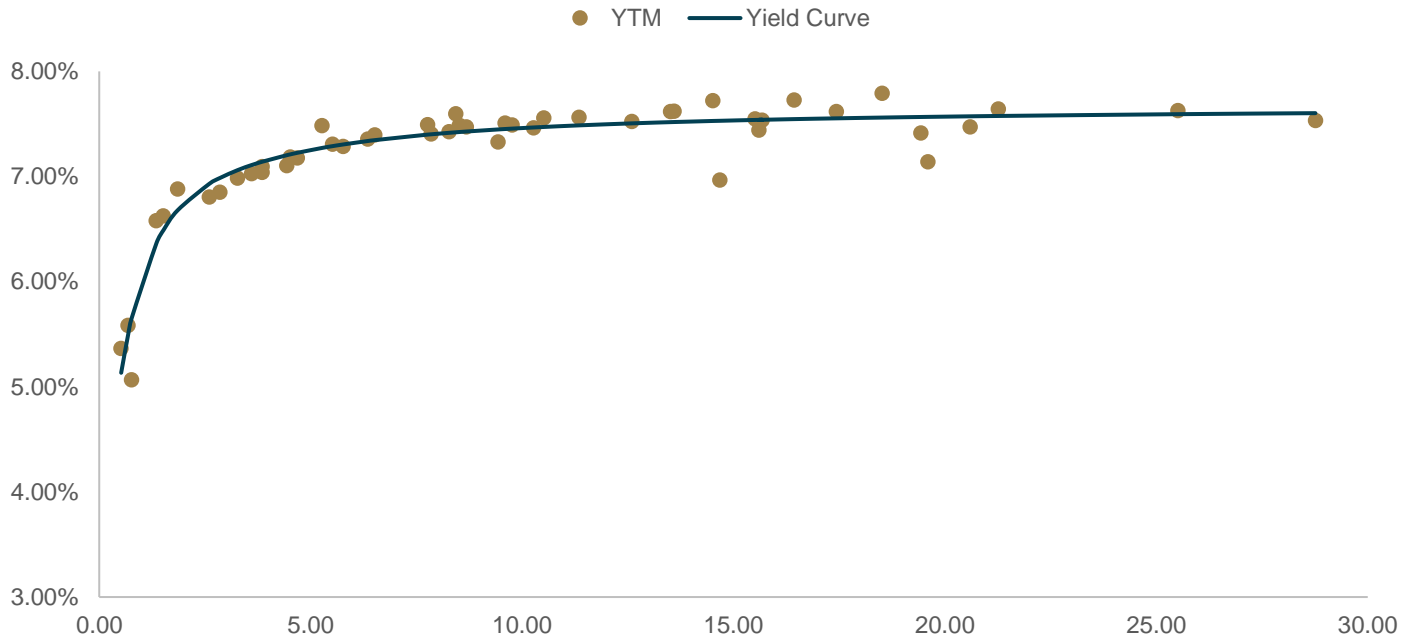
Source : Bloomberg, MNCS Calculation

## Exhibit 5. Indo GB Series Valuation

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR63	5.625	15-May-23	0.51	100.13	5.37%	5.13%	100.25	Discounted
FR46	9.500	15-Jul-23	0.68	102.55	5.58%	5.50%	102.63	Fair
FR39	11.750	15-Aug-23	0.76	104.91	5.07%	5.66%	104.49	Premium
FR70	8.375	15-Mar-24	1.35	102.26	6.58%	6.37%	102.54	Discounted
FR77	8.125	15-May-24	1.51	102.12	6.63%	6.49%	102.32	Discounted
FR44	10.000	15-Sep-24	1.85	105.29	6.88%	6.68%	105.67	Discounted
FR81	6.500	15-Jun-25	2.60	99.27	6.81%	6.93%	98.98	Premium
FR40	11.000	15-Sep-25	2.85	110.53	6.85%	6.99%	110.18	Premium
FR84	7.250	15-Feb-26	3.27	100.74	6.99%	7.06%	100.53	Fair
FR86	5.500	15-Jun-26	3.60	95.41	7.03%	7.11%	94.96	Fair
FR37	12.000	15-Sep-26	3.85	116.43	7.04%	7.14%	116.08	Premium
FR56	8.375	15-Sep-26	3.85	104.22	7.10%	7.14%	104.07	Fair
FR90	5.125	15-Apr-27	4.43	92.58	7.11%	7.20%	92.23	Premium
FR59	7.000	15-May-27	4.51	99.28	7.19%	7.21%	99.20	Fair
FR42	10.250	15-Jul-27	4.68	112.00	7.18%	7.23%	111.81	Fair
FR47	10.000	15-Feb-28	5.27	110.75	7.49%	7.27%	111.74	Discounted
FR64	6.125	15-May-28	5.51	94.71	7.31%	7.29%	94.79	Fair
FR95	6.375	15-Aug-28	5.77	95.76	7.29%	7.31%	95.67	Fair
FR71	9.000	15-Mar-29	6.35	108.19	7.36%	7.34%	108.30	Fair
FR78	8.250	15-May-29	6.51	104.33	7.40%	7.35%	104.61	Fair
FR52	10.500	15-Aug-30	7.77	117.42	7.49%	7.40%	118.05	Discounted
FR82	7.000	15-Sep-30	7.85	97.61	7.41%	7.40%	97.63	Fair
FR87	6.500	15-Feb-31	8.27	94.32	7.43%	7.42%	94.40	Fair
FR85	7.750	15-Apr-31	8.43	100.93	7.60%	7.42%	102.03	Discounted
FR73	8.750	15-May-31	8.51	107.83	7.49%	7.42%	108.26	Fair
FR54	9.500	15-Jul-31	8.68	112.75	7.47%	7.43%	113.06	Fair
FR91	6.375	15-Apr-32	9.43	93.57	7.33%	7.45%	92.81	Premium
FR58	8.250	15-Jun-32	9.60	104.98	7.51%	7.45%	105.39	Fair
FR74	7.500	15-Aug-32	9.77	100.04	7.49%	7.46%	100.28	Fair
FR96	7.000	15-Feb-33	10.27	96.70	7.46%	7.47%	96.68	Fair
FR65	6.625	15-May-33	10.51	93.31	7.56%	7.47%	93.91	Discounted
FR68	8.375	15-Mar-34	11.35	106.07	7.57%	7.49%	106.69	Fair
FR80	7.500	15-Jun-35	12.60	99.79	7.53%	7.51%	99.94	Fair
FR72	8.250	15-May-36	13.51	105.25	7.62%	7.52%	106.15	Discounted
FR88	6.250	15-Jun-36	13.60	88.50	7.62%	7.52%	89.30	Discounted
FR45	9.750	15-May-37	14.51	117.50	7.72%	7.53%	119.41	Discounted
FR93	6.375	15-Jul-37	14.68	94.60	6.97%	7.53%	89.83	Premium
FR75	7.500	15-May-38	15.51	99.55	7.55%	7.54%	99.65	Fair
FR50	10.500	15-Jul-38	15.68	126.95	7.54%	7.54%	126.94	Fair
FR98	7.125	15-Jun-38	15.60	96.673	7.44%	7.54%	96.23	Premium
FR79	8.375	15-Apr-39	16.43	105.94	7.73%	7.55%	107.72	Discounted
FR83	7.500	15-Apr-40	17.43	98.86	7.62%	7.55%	99.48	Fair
FR57	9.500	15-May-41	18.51	116.56	7.80%	7.56%	119.15	Discounted
FR62	6.375	15-Apr-42	19.43	89.38	7.42%	7.57%	87.96	Premium
FR92	7.125	15-Jun-42	19.60	99.80	7.14%	7.57%	95.51	Premium
FR97	7.125	15-Jun-43	20.60	96.80	7.48%	7.57%	95.35	Premium
FR67	8.750	15-Feb-44	21.27	111.50	7.65%	7.58%	112.29	Fair
FR76	7.375	15-May-48	25.51	97.15	7.63%	7.59%	97.55	Fair
FR89	6.875	15-Aug-51	28.77	92.28	7.53%	7.60%	91.53	Fair

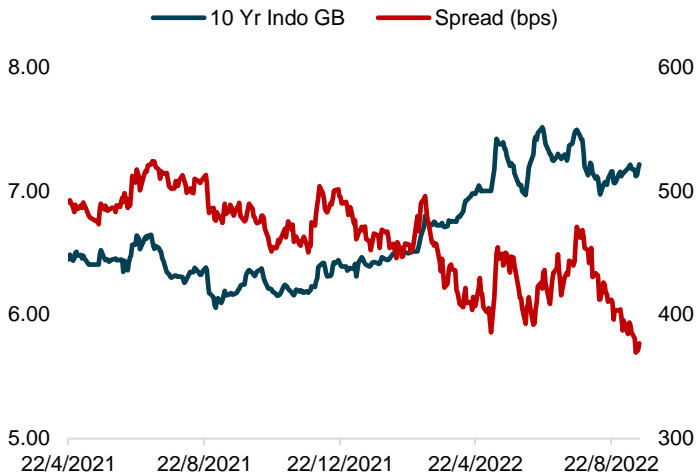
Source : Bloomberg, MNCS Calculation as of November 9, 2022

## Exhibit 6. Indo GB Yield Curve



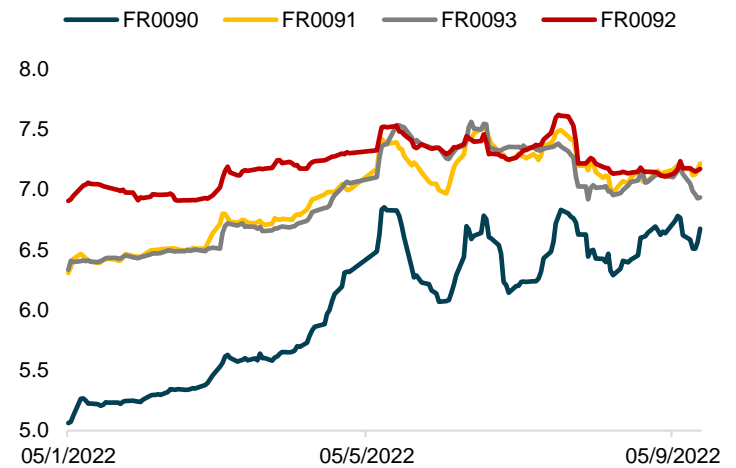
Source : Bloomberg, MNCS Calculation as of November 9, 2022

## 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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