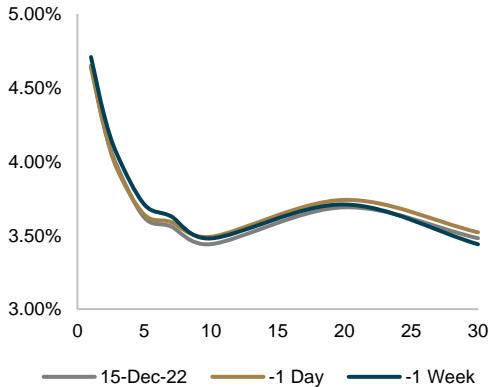


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Countries	15-Dec-22	-1 Day	-1 Week
U.S	3.45%	3.48%	3.48%
U.K	3.24%	3.31%	3.09%
Germany	2.08%	1.94%	1.82%
Japan	0.25%	0.25%	0.25%
China	2.91%	2.89%	2.92%
Malaysia	4.01%	4.08%	4.06%
Thailand	2.60%	2.62%	2.64%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	3.45
Indo 5-Year CDS	bps	95.49
USD/IDR	points	15,619
BI 7DRR	%	5.25

Source : Bloomberg as of December 15, 2022

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## Global Market Update

- Majority yield on the benchmark of UST notes slightly decreased yesterday as recession risk looming.
- Yield on the benchmark of 10-year UST note dropped 3 bps to 3.45% on Thursday (12/15/22).
- Yield on the short term bond (UST 2-year) increased 2 bps to 4.23% bringing 2/10-year spread widened to -78 bps vs -73 bps previous day.
- US equity market fell sharply yesterday. The DJI was down 2.25%; S&P 500 decreased 2.45% and Nasdaq Composite was 3.23% lower.
- Market responded to weaker than expected retail sales that plunged 0.6% MoM in Nov-22 (vs 1.3% MoM increase in Oct-22).
- The Fed now expects interest rates to reach 5.1% next year, 4.1% in 2024, and 3.1% in 2025, a higher level than previously indicated as they see potentially higher inflation.

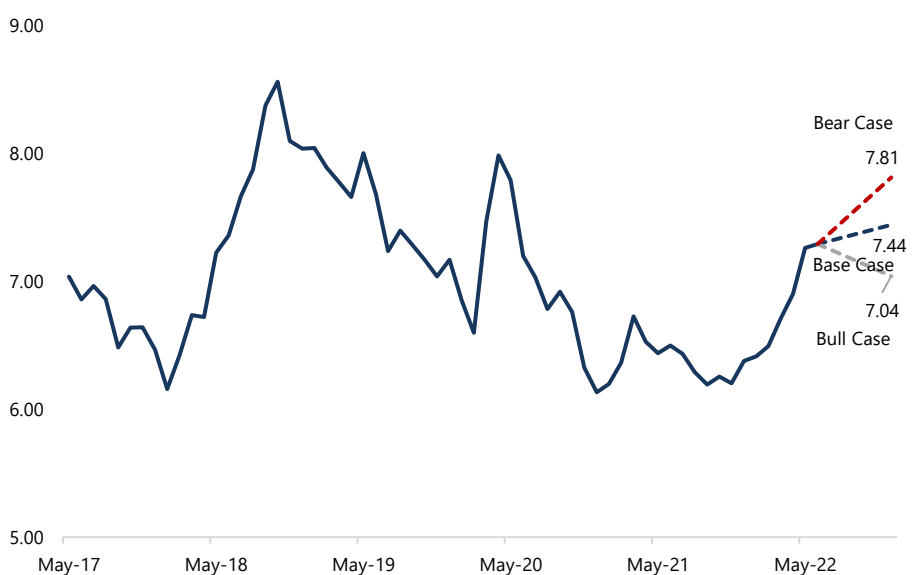
## Domestic Market Update

- The benchmark 10-year Indo GB yield (FR0091) stayed flattish at 6.86% on Thursday (12/15/22).
- Risk perception as indicated by 5-year CDS remained steady at 90-100 bps.
- The IDR weakened against USD to 15,619/USD yesterday vs 15,593/USD on the previous day.
- Indonesia's Nov-2022 trade balance surplus reached USD5.16 billion, a surplus that has continued for 31 consecutive months.
- The decrease in the trade balance surplus (vs USD 5.67 billion in Oct-2022) was in line with the -2.5% MoM decline in exports due to falling volumes in RI's leading commodities (CPO and coal) and weakening oil and gas prices.

## 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 6.85-7.05% for today.
- Attractive Indo GB series to be traded today : FR0077, FR0037, FR0047, FR0052, FR0054, FR0096.

## Exhibit 4. 10 Year Indo GB Fair Yield



Source : Bloomberg, MNCS Calculation

# Fixed Income Report

MNC Sekuritas Research Division | December 16, 2022

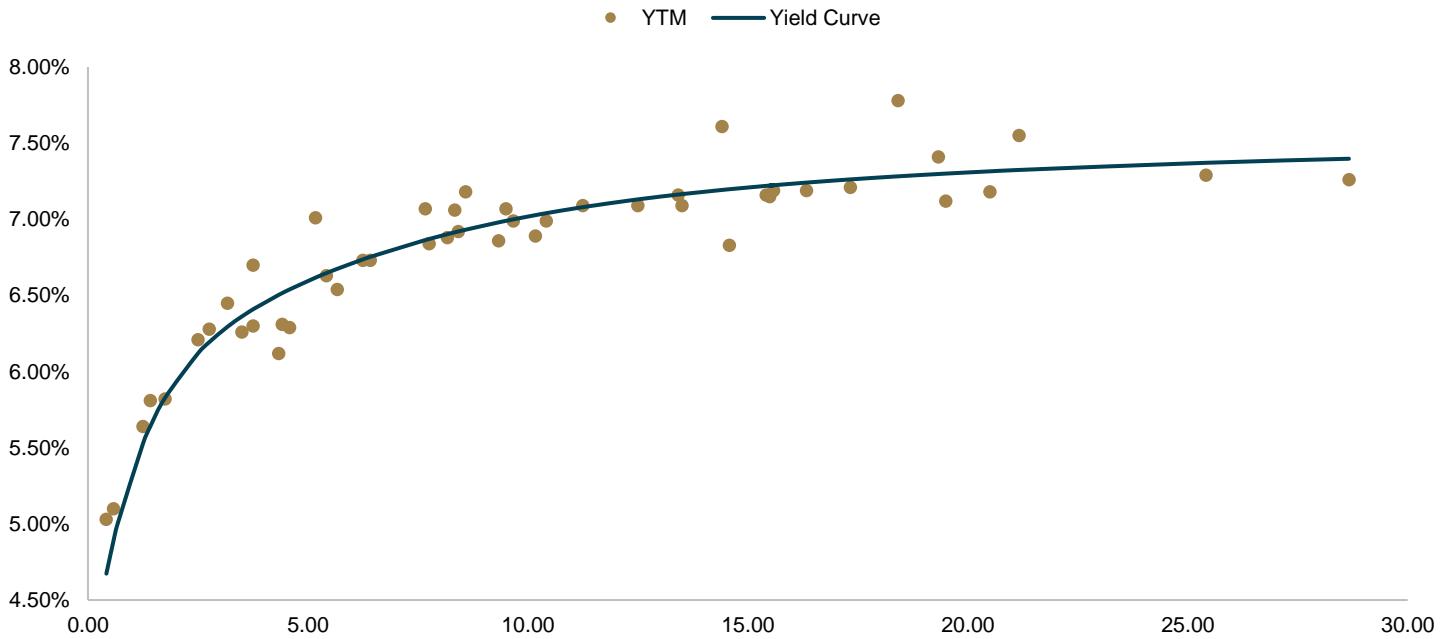


## Exhibit 5. Indo GB Series Valuation

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR63	5.625	15-May-23	0.41	100.23	5.03%	4.67%	100.38	Discounted
FR46	9.500	15-Jul-23	0.58	102.40	5.10%	4.90%	102.61	Discounted
FR39	11.750	15-Aug-23	0.67	104.86	4.16%	5.00%	104.37	Premium
FR70	8.375	15-Mar-24	1.25	103.21	5.64%	5.53%	103.37	Fair
FR77	8.125	15-May-24	1.42	103.08	5.81%	5.64%	103.33	Discounted
FR44	10.000	15-Sep-24	1.75	106.80	5.82%	5.83%	106.82	Fair
FR81	6.500	15-Jun-25	2.50	100.66	6.21%	6.12%	100.86	Fair
FR40	11.000	15-Sep-25	2.75	111.50	6.28%	6.19%	111.96	Fair
FR84	7.250	15-Feb-26	3.17	102.25	6.45%	6.30%	102.69	Discounted
FR86	5.500	15-Jun-26	3.50	97.76	6.26%	6.36%	97.33	Fair
FR37	12.000	15-Sep-26	3.75	117.29	6.70%	6.41%	118.34	Discounted
FR56	8.375	15-Sep-26	3.75	106.79	6.30%	6.41%	106.44	Fair
FR90	5.125	15-Apr-27	4.33	96.27	6.12%	6.50%	94.85	Premium
FR59	7.000	15-May-27	4.41	102.60	6.31%	6.52%	101.82	Premium
FR42	10.250	15-Jul-27	4.58	115.50	6.29%	6.54%	114.48	Premium
FR47	10.000	15-Feb-28	5.17	112.50	7.01%	6.62%	114.58	Discounted
FR64	6.125	15-May-28	5.41	97.74	6.63%	6.65%	97.65	Fair
FR95	6.375	15-Aug-28	5.67	99.21	6.54%	6.68%	98.58	Premium
FR71	9.000	15-Mar-29	6.25	111.40	6.73%	6.74%	111.36	Fair
FR78	8.250	15-May-29	6.41	107.81	6.73%	6.75%	107.67	Fair
FR52	10.500	15-Aug-30	7.67	119.75	7.07%	6.87%	121.37	Discounted
FR82	7.000	15-Sep-30	7.75	100.91	6.84%	6.87%	100.74	Fair
FR87	6.500	15-Feb-31	8.17	97.68	6.88%	6.90%	97.50	Fair
FR85	7.750	15-Apr-31	8.33	104.00	7.06%	6.92%	105.20	Discounted
FR73	8.750	15-May-31	8.41	111.48	6.92%	6.92%	111.51	Fair
FR54	9.500	15-Jul-31	8.58	114.64	7.18%	6.93%	116.39	Discounted
FR91	6.375	15-Apr-32	9.33	96.66	6.86%	6.98%	95.88	Premium
FR58	8.250	15-Jun-32	9.50	108.05	7.07%	6.99%	108.63	Fair
FR74	7.500	15-Aug-32	9.67	103.54	6.99%	7.00%	103.45	Fair
FR96	7.000	15-Feb-33	10.17	100.76	6.89%	7.03%	99.78	Premium
FR65	6.625	15-May-33	10.41	97.32	6.99%	7.04%	96.95	Fair
FR68	8.375	15-Mar-34	11.25	109.70	7.09%	7.08%	109.90	Fair
FR80	7.500	15-Jun-35	12.50	103.40	7.09%	7.13%	103.01	Fair
FR72	8.250	15-May-36	13.41	109.25	7.16%	7.16%	109.25	Fair
FR88	6.250	15-Jun-36	13.50	92.50	7.09%	7.17%	92.15	Fair
FR45	9.750	15-May-37	14.41	118.50	7.61%	7.19%	122.69	Discounted
FR93	6.375	15-Jul-37	14.58	95.75	6.83%	7.20%	92.63	Premium
FR75	7.500	15-May-38	15.41	103.17	7.16%	7.22%	102.56	Fair
FR50	10.500	15-Jul-38	15.58	130.50	7.19%	7.22%	130.32	Fair
FR98	7.125	15-Jun-38	15.50	99.73	7.15%	7.22%	99.10	Fair
FR79	8.375	15-Apr-39	16.33	111.26	7.19%	7.24%	110.73	Fair
FR83	7.500	15-Apr-40	17.33	102.86	7.21%	7.26%	102.30	Fair
FR57	9.500	15-May-41	18.41	116.60	7.78%	7.28%	122.27	Discounted
FR62	6.375	15-Apr-42	19.33	89.43	7.41%	7.30%	90.50	Discounted
FR92	7.125	15-Jun-42	19.50	100.10	7.12%	7.30%	98.18	Premium
FR97	7.125	15-Jun-43	20.50	99.47	7.18%	7.32%	97.98	Premium
FR67	8.750	15-Feb-44	21.17	112.50	7.55%	7.33%	115.19	Discounted
FR76	7.375	15-May-48	25.41	100.99	7.29%	7.37%	100.02	Fair
FR89	6.875	15-Aug-51	28.67	95.39	7.26%	7.40%	93.79	Premium

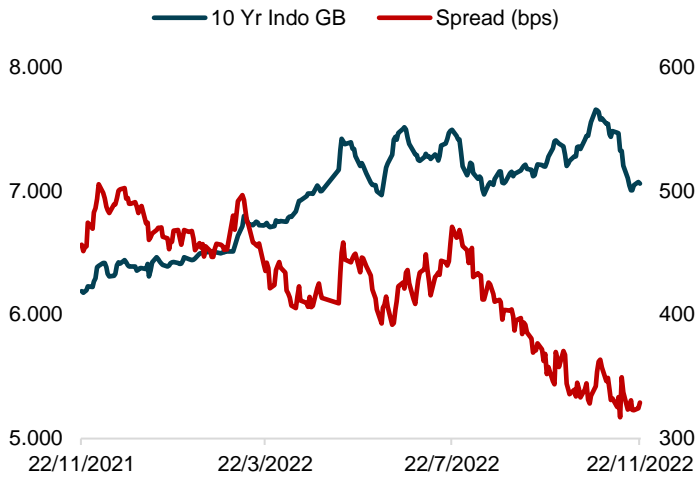
Source : Bloomberg, MNCS Calculation as of December 15, 2022

## Exhibit 6. Indo GB Yield Curve



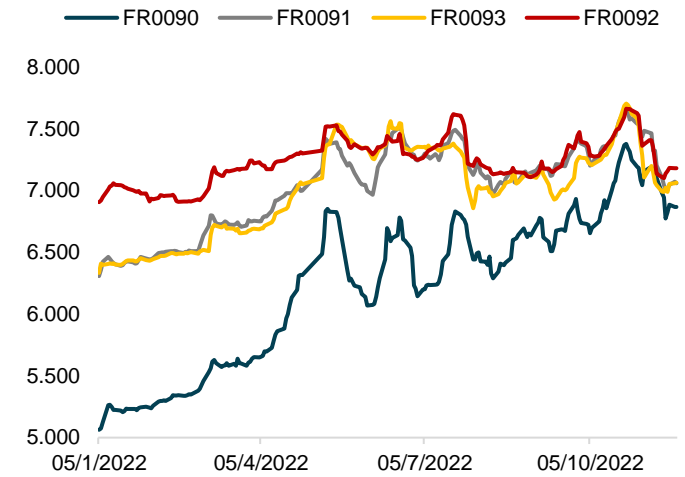
Source : Bloomberg, MNCS Calculation as of December 15, 2022

## 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	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22
Bank	34.01	35.47	35.82	35.03	32.81	33.85	29.55	33.54	32.08	31.42	32.09	35.02
Central Bank (Nett)	17.13	15.20	14.12	15.15	17.77	16.56	20.89	17.18	18.66	19.38	18.56	15.49
Mutual Fund	3.38	3.20	3.14	3.19	3.18	3.13	3.16	3.14	3.14	3.06	2.98	2.88
Insurance & Pension Fund	14.00	14.52	14.77	15.22	15.33	15.68	15.94	16.32	16.29	16.54	16.81	16.87
Foreign	19.05	18.97	18.82	17.57	17.03	16.56	16.09	15.36	15.24	14.31	13.90	14.05
Individuals	4.73	4.83	5.32	5.61	5.63	5.80	5.81	5.89	5.86	6.37	6.64	6.66
Others	7.70	7.82	8.01	8.22	8.26	8.42	8.56	8.55	8.73	8.92	9.03	9.03

Source : DJPPR as of November 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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