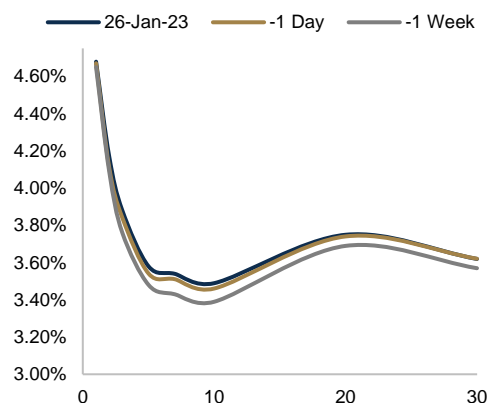


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Countries	26-Jan-23	-1 Day	-1 Week
U.S	3.49%	3.45%	3.39%
U.K	3.31%	3.24%	3.27%
Germany	2.21%	2.15%	2.06%
Japan	0.48%	0.44%	0.42%
China	2.92%	2.92%	2.91%
Malaysia	3.75%	3.72%	3.72%
Thailand	2.47%	2.47%	2.44%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	3.49
Indo 5-Year CDS	bps	85.56
USD/IDR	points	14,948
BI 7DRR	%	5.75

Source : Bloomberg as of January 26, 2023

## Tirta Widi Gilang Citradi

Economist & Fixed Income Analyst  
tirta.citradi@mncgroup.com

## Global Market Update

- Yields on UST note slightly increased along the curve. The benchmark 10-year UST note yield rose 4 bps to 3.49% yesterday.
- US GDP expanded 2.9% QoQ in 4Q22, lower than previous quarter yet above consensus estimate of 2.6% QoQ based on advance reading.
- The stock market responded higher than expected economic growth positively.
- The DJI inched up 0.61%; S&P 500 increased 1.10% and Nasdaq Composite jumped 1.76%.
- Now market participants are waiting for FOMC meeting next week. Majority expect US central bank's to deliver 25 bps rate hike in early Feb-23, after considering a bleak outlook and disinflation environment in 2H22.

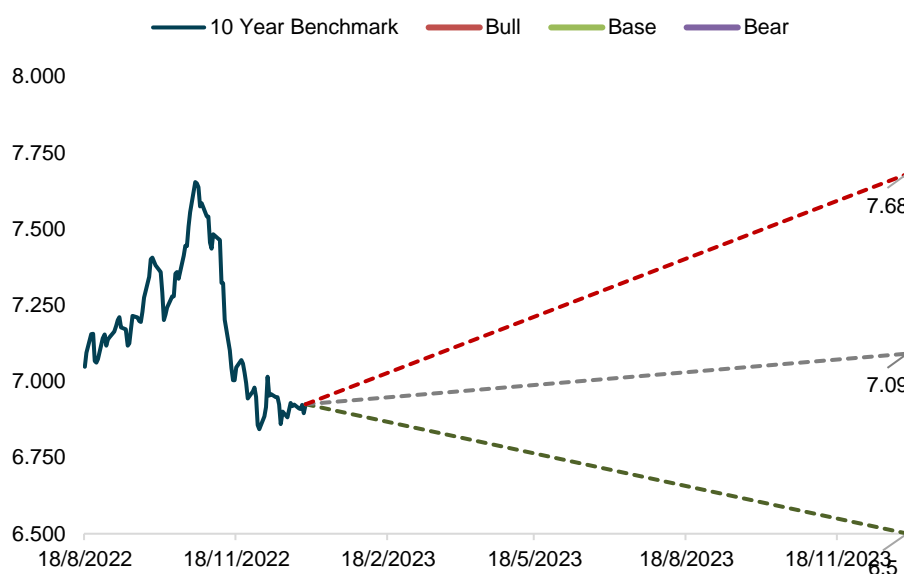
## Domestic Market Update

- Yield on the benchmark 10-year (FR0096) increased 2 bps 6.66% on Thursday (01/26/23).
- The increase in benchmark government bond yield was limited by IDR appreciation and improving risk perception.
- The IDR strengthened against USD and was closed at IDR14,948/USD after previously closed at IDR14,965/USD.
- Indonesia's 5-year CDS was consistently below 90 bps recently and closed at 85.56 bps.
- After experiencing a downtrend since earlier this year, yield on the benchmark government bond started to normalize.
- A slight increase in yield is likely going forward, as market participants will also look up on US monetary policy.

## 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 6.60-6.80% for today.
- Attractive Indo GB series to be traded today : FR0063, FR0070, FR0077, FR0081, FR0040, FR0047, FR0064, FR0085, FR0073, FR0054.

## Exhibit 4. 10 Year Indo GB Fair Yield



Source : Bloomberg, MNCS Calculation

# Fixed Income Report

MNC Sekuritas Research Division | January 27, 2023

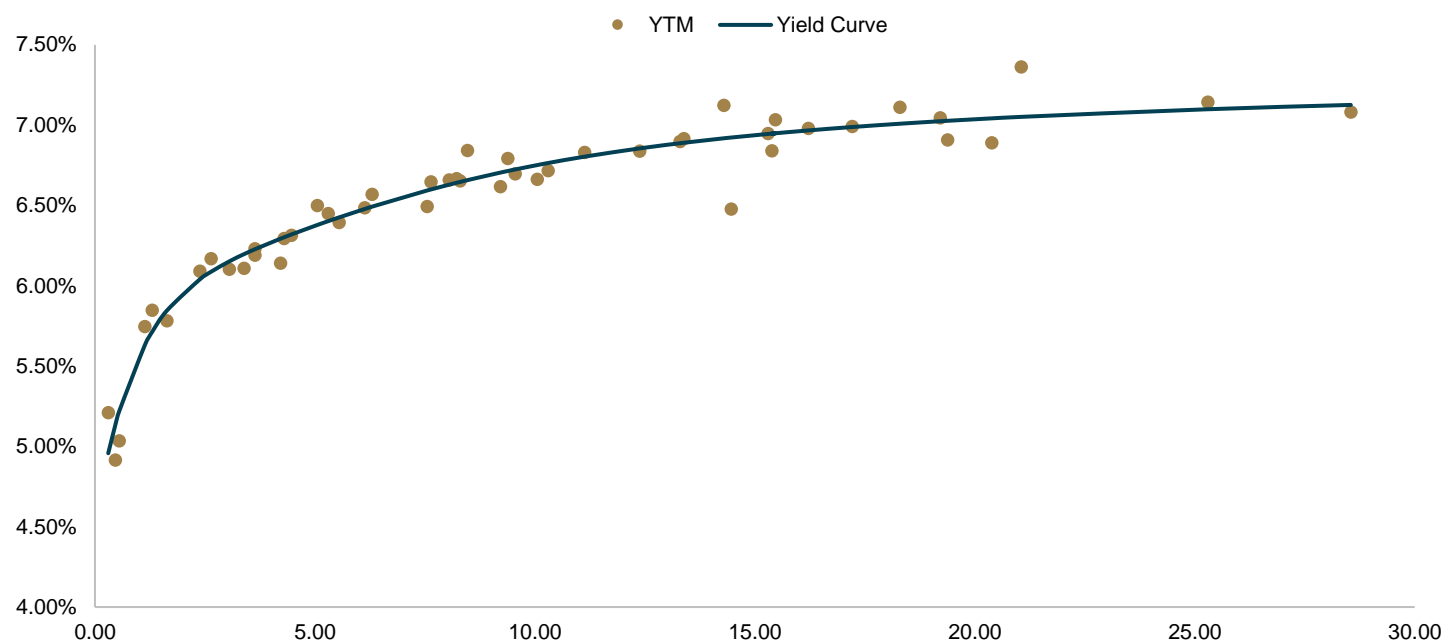


## Exhibit 5. Indo GB Series Valuation

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR63	5.625	15-May-23	0.30	100.101	5.21%	4.96%	100.18	Discounted
FR46	9.500	15-Jul-23	0.47	102.048	4.91%	5.14%	101.99	Premium
FR39	11.750	15-Aug-23	0.55	103.55	5.04%	5.22%	103.51	Premium
FR70	8.375	15-Mar-24	1.13	102.806	5.75%	5.63%	102.96	Discounted
FR77	8.125	15-May-24	1.30	102.778	5.85%	5.71%	102.97	Discounted
FR44	10.000	15-Sep-24	1.64	106.427	5.78%	5.85%	106.36	Premium
FR81	6.500	15-Jun-25	2.38	100.885	6.09%	6.04%	101.00	Fair
FR40	11.000	15-Sep-25	2.64	111.517	6.17%	6.09%	111.77	Discounted
FR84	7.250	15-Feb-26	3.06	103.139	6.10%	6.15%	103.01	Fair
FR86	5.500	15-Jun-26	3.38	98.243	6.11%	6.20%	97.89	Premium
FR37	12.000	15-Sep-26	3.64	118.438	6.23%	6.23%	118.49	Fair
FR56	8.375	15-Sep-26	3.64	106.982	6.19%	6.23%	106.87	Fair
FR90	5.125	15-Apr-27	4.22	96.278	6.14%	6.29%	95.72	Premium
FR59	7.000	15-May-27	4.30	102.609	6.29%	6.30%	102.58	Fair
FR42	10.250	15-Jul-27	4.47	115.089	6.31%	6.32%	115.09	Fair
FR47	10.000	15-Feb-28	5.05	114.841	6.50%	6.38%	115.43	Discounted
FR64	6.125	15-May-28	5.30	98.554	6.45%	6.40%	98.76	Fair
FR95	6.375	15-Aug-28	5.55	99.91	6.39%	6.43%	99.76	Fair
FR71	9.000	15-Mar-29	6.13	112.53	6.48%	6.48%	112.58	Fair
FR78	8.250	15-May-29	6.30	108.532	6.57%	6.49%	108.95	Discounted
FR52	10.500	15-Aug-30	7.55	123.6	6.49%	6.59%	122.95	Premium
FR82	7.000	15-Sep-30	7.64	102.074	6.65%	6.60%	102.36	Fair
FR87	6.500	15-Feb-31	8.06	99.026	6.66%	6.63%	99.20	Fair
FR85	7.750	15-Apr-31	8.22	106.753	6.67%	6.64%	106.92	Fair
FR73	8.750	15-May-31	8.30	113.179	6.65%	6.65%	113.24	Fair
FR54	9.500	15-Jul-31	8.47	116.858	6.84%	6.66%	118.17	Discounted
FR91	6.375	15-Apr-32	9.22	98.346	6.62%	6.70%	97.75	Premium
FR58	8.250	15-Jun-32	9.38	109.977	6.79%	6.71%	110.55	Discounted
FR74	7.500	15-Aug-32	9.55	105.595	6.70%	6.72%	105.40	Fair
FR96	7.000	15-Feb-33	10.06	102.444	6.66%	6.75%	101.79	Premium
FR65	6.625	15-May-33	10.30	99.316	6.72%	6.76%	98.97	Fair
FR68	8.375	15-Mar-34	11.13	111.895	6.83%	6.80%	112.12	Fair
FR80	7.500	15-Jun-35	12.38	105.451	6.84%	6.86%	105.31	Fair
FR72	8.250	15-May-36	13.30	111.621	6.90%	6.89%	111.73	Fair
FR88	6.250	15-Jun-36	13.38	94.25	6.91%	6.89%	94.45	Fair
FR45	9.750	15-May-37	14.30	123.3	7.12%	6.92%	125.44	Discounted
FR93	6.375	15-Jul-37	14.47	99.05	6.48%	6.92%	95.04	Premium
FR75	7.500	15-May-38	15.30	105.146	6.95%	6.94%	105.17	Fair
FR50	10.500	15-Jul-38	15.47	132.354	7.03%	6.95%	133.33	Discounted
FR98	7.125	15-Jun-38	15.38	102.678	6.84%	6.95%	101.66	Premium
FR79	8.375	15-Apr-39	16.22	113.41	6.98%	6.97%	113.54	Fair
FR83	7.500	15-Apr-40	17.22	105.025	6.99%	6.99%	105.07	Fair
FR57	9.500	15-May-41	18.30	124.218	7.11%	7.01%	125.45	Discounted
FR62	6.375	15-Apr-42	19.22	93	7.04%	7.02%	93.20	Fair
FR92	7.125	15-Jun-42	19.38	102.294	6.91%	7.03%	101.02	Premium
FR97	7.125	15-Jun-43	20.38	102.552	6.89%	7.04%	100.88	Premium
FR67	8.750	15-Feb-44	21.05	114.733	7.36%	7.05%	118.49	Discounted
FR76	7.375	15-May-48	25.30	102.685	7.14%	7.10%	103.21	Fair
FR89	6.875	15-Aug-51	28.55	97.492	7.08%	7.13%	96.96	Fair

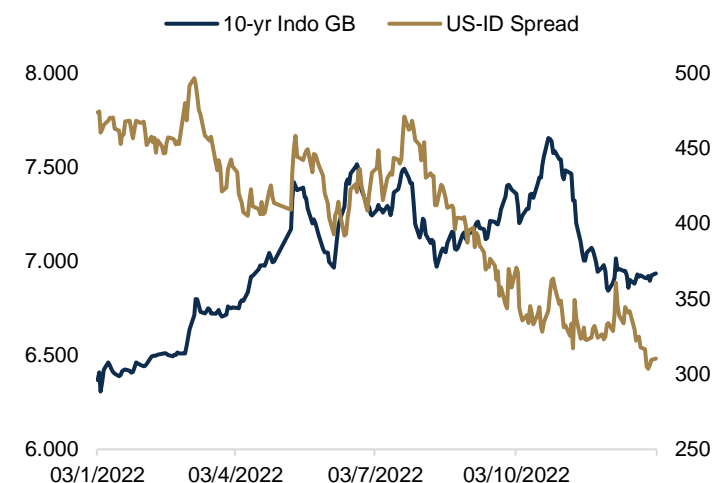
Source : Bloomberg, MNCS Calculation as of January 26, 2023

**Exhibit 6. Indo GB Yield Curve**



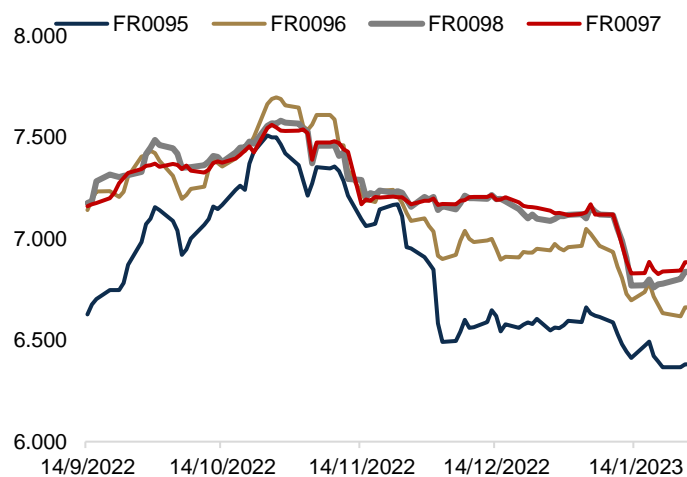
Source : Bloomberg, MNCS Calculation as of January 26, 2023

**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	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23
Bank	35.82	35.03	32.81	33.85	29.55	33.54	32.08	31.42	32.09	35.02	31.97	33.50
Central Bank (Nett)	14.12	15.15	17.77	16.56	20.89	17.18	18.66	19.38	18.56	15.49	19.21	17.37
Mutual Fund	3.14	3.19	3.18	3.13	3.16	3.14	3.14	3.06	2.98	2.88	2.75	2.72
Insurance & Pension Fund	14.77	15.22	15.33	15.68	15.94	16.32	16.29	16.54	16.81	16.87	16.44	16.27
Foreign	18.82	17.57	17.03	16.56	16.09	15.36	15.24	14.31	13.90	14.05	14.36	15.01
Individuals	5.32	5.61	5.63	5.80	5.81	5.89	5.86	6.37	6.64	6.66	6.48	6.39
Others	8.01	8.22	8.26	8.42	8.56	8.55	8.73	8.92	9.03	9.03	8.79	8.75

Source : DJPPR as of January 24, 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

## PT MNC SEKURITAS

MNC Financial Center Lt. 14 – 16

Jl. Kebon Sirih No. 21 - 27, Jakarta Pusat 10340

Telp : (021) 2980 3111

Fax : (021) 3983 6899

Call Center : 1500 899

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