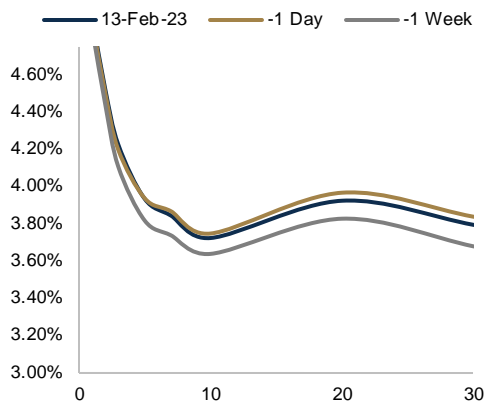


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Countries	13-Feb-23	-1 Day	-1 Week
U.S	3.71%	3.73%	3.64%
U.K	3.40%	3.39%	3.24%
Germany	2.37%	2.36%	2.30%
Japan	0.50%	0.50%	0.50%
China	2.90%	2.89%	2.91%
Malaysia	3.89%	3.84%	3.77%
Thailand	2.57%	2.54%	2.54%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	3.71
Indo 5-Year CDS	bps	93.12
USD/IDR	points	15,195
BI 7DRR	%	5.75

Source : Bloomberg as of February 10, 2023

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## Global Market Update

- Yield curve inversion in US worsened as the short term rates continued to rise, whereas the long term government bond yield decreased.
- The benchmark 10-year UST note yield inched lower by 2 bps and closed at 3.71% starting this week (02/13/23).
- US stock market recorded a gain in the beginning of this week. The DJI, S&P 500 and Nasdaq Composite jumped more than 1% ahead of inflation data release.
- Nasdaq Composite as the proxy for US tech-stock lead the gain with 1.48% appreciation.
- Markets await for US Jan-23 inflation data that is expected to increase 6.2% YoY. Consensus expects lower annual inflation rate. Previously in Dec-22, US CPI increased 6.5% YoY.
- Despite the Fed's official to remain hawkish, the expectation of US economy to experience disinflation was responded positively.
- Based on preliminary readings of Japan GDP in 4Q22, Japanese economy reported a 0.2% QoQ increase, or lower than consensus estimate of 0.5% YoY.

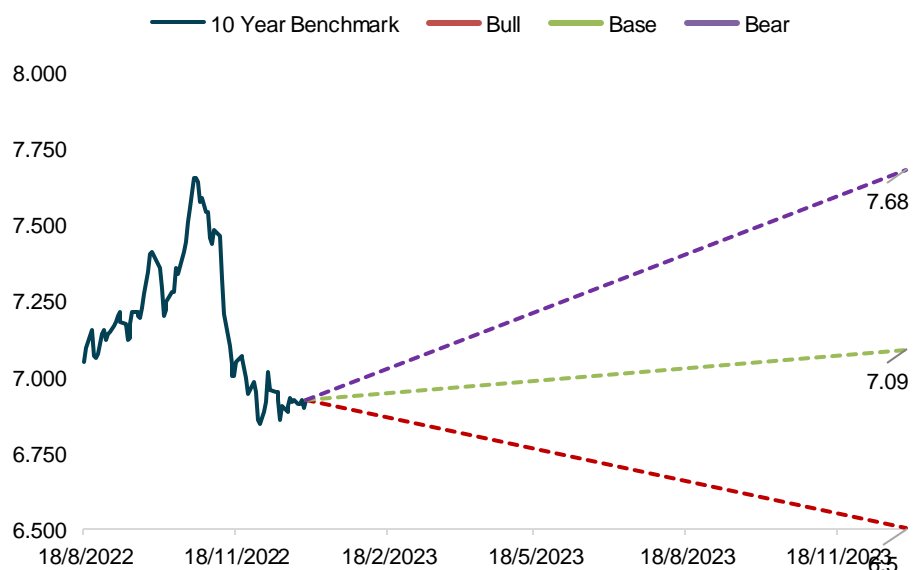
## Domestic Market Update

- Yield on the benchmark 10-year (FR0096) increased 7 bps to 6.72% starting this week.
- The benchmark government bond yield increased following IDR depreciation and weakening risk perception.
- The IDR weakened against USD and closed at IDR15,195/USD yesterday vs IDR15,134/USD on the previous day.
- Indonesia's 5-year CDS finally hit 90 bps and was at 93.2 bps at the same time.
- Government of Indonesia will conduct regular auction every Tuesday by offering 7 series of SUN targeting IDR23-34.5tn
- During highly volatile market, investors tend to wait and see and thus will also influence market appetite.

## 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 6.71-7.00% for today.
- Attractive Indo GB series to be traded today : FR0063, FR0046, FR0070, FR0077, FR0081, FR0052, FR0096, FR0067.

## Exhibit 4. 10 Year Indo GB Fair Yield



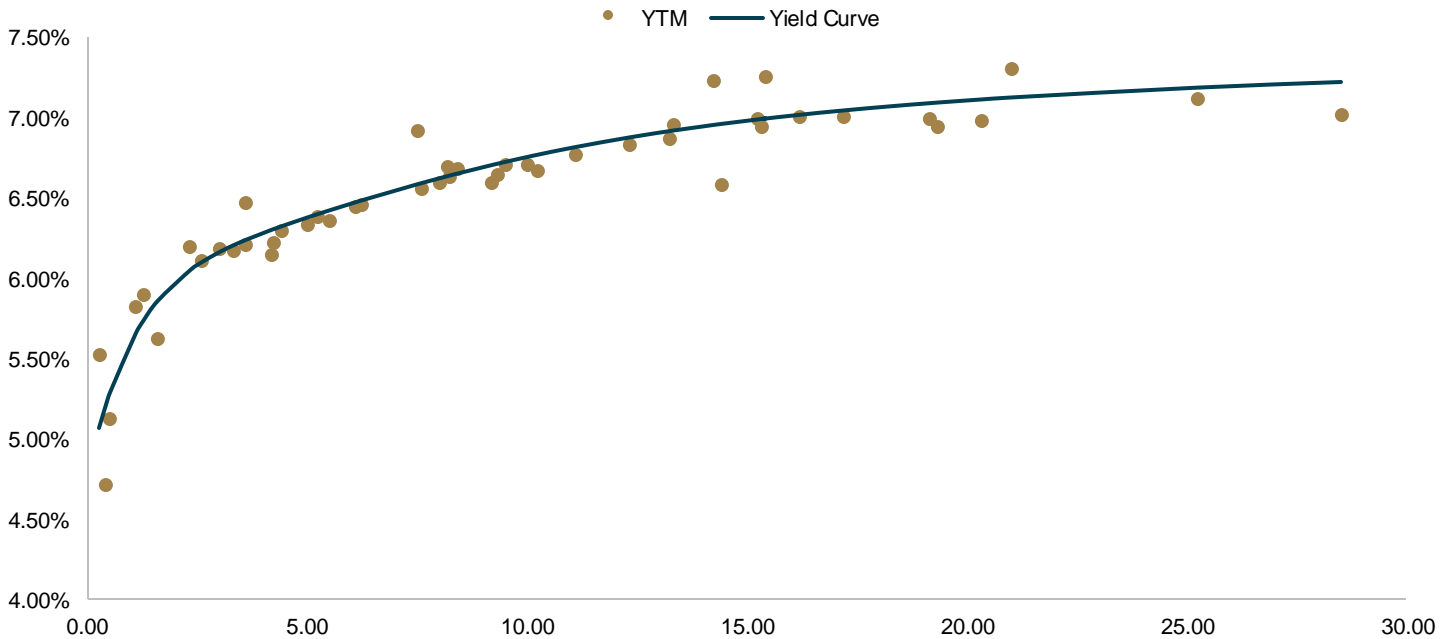
Source : Bloomberg, MNCS Calculation

## Exhibit 5. Indo GB Series Valuation

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR63	5.625	15-May-23	0.25	100.01	5.53%	5.07%	100.12	Discounted
FR46	9.500	15-Jul-23	0.42	101.93	4.72%	5.22%	101.74	Premium
FR39	11.750	15-Aug-23	0.50	103.23	5.13%	5.29%	103.18	Premium
FR70	8.375	15-Mar-24	1.08	102.61	5.83%	5.66%	102.81	Discounted
FR77	8.125	15-May-24	1.25	102.61	5.91%	5.74%	102.83	Discounted
FR44	10.000	15-Sep-24	1.59	106.49	5.63%	5.86%	106.16	Premium
FR81	6.500	15-Jun-25	2.33	100.63	6.20%	6.06%	100.94	Discounted
FR40	11.000	15-Sep-25	2.59	111.47	6.12%	6.10%	111.53	Fair
FR84	7.250	15-Feb-26	3.01	102.87	6.19%	6.17%	102.92	Fair
FR86	5.500	15-Jun-26	3.33	98.08	6.17%	6.21%	97.88	Fair
FR37	12.000	15-Sep-26	3.59	117.38	6.48%	6.24%	118.22	Discounted
FR56	8.375	15-Sep-26	3.59	106.83	6.21%	6.24%	106.75	Fair
FR90	5.125	15-Apr-27	4.17	96.25	6.16%	6.30%	95.73	Premium
FR59	7.000	15-May-27	4.25	102.84	6.22%	6.31%	102.52	Fair
FR42	10.250	15-Jul-27	4.42	114.97	6.31%	6.33%	114.91	Fair
FR47	10.000	15-Feb-28	5.00	115.50	6.33%	6.38%	115.29	Fair
FR64	6.125	15-May-28	5.25	98.84	6.39%	6.40%	98.76	Fair
FR95	6.375	15-Aug-28	5.50	100.04	6.37%	6.43%	99.76	Fair
FR71	9.000	15-Mar-29	6.08	112.64	6.45%	6.48%	112.52	Fair
FR78	8.250	15-May-29	6.25	109.04	6.47%	6.49%	108.91	Fair
FR52	10.500	15-Aug-30	7.50	120.68	6.92%	6.59%	122.87	Discounted
FR82	7.000	15-Sep-30	7.59	102.54	6.57%	6.60%	102.38	Fair
FR87	6.500	15-Feb-31	8.01	99.34	6.61%	6.63%	99.23	Fair
FR85	7.750	15-Apr-31	8.17	106.48	6.70%	6.64%	106.91	Fair
FR73	8.750	15-May-31	8.25	113.20	6.64%	6.64%	113.20	Fair
FR54	9.500	15-Jul-31	8.42	117.86	6.69%	6.66%	118.10	Fair
FR91	6.375	15-Apr-32	9.17	98.45	6.60%	6.71%	97.75	Premium
FR58	8.250	15-Jun-32	9.33	110.96	6.65%	6.72%	110.49	Fair
FR74	7.500	15-Aug-32	9.50	105.43	6.72%	6.73%	105.36	Fair
FR96	7.000	15-Feb-33	10.01	102.03	6.72%	6.76%	101.74	Fair
FR65	6.625	15-May-33	10.25	99.57	6.68%	6.77%	98.91	Premium
FR68	8.375	15-Mar-34	11.08	112.33	6.77%	6.82%	111.96	Fair
FR80	7.500	15-Jun-35	12.33	105.46	6.84%	6.88%	105.08	Fair
FR72	8.250	15-May-36	13.25	111.77	6.88%	6.92%	111.41	Fair
FR88	6.250	15-Jun-36	13.33	93.83	6.97%	6.92%	94.19	Fair
FR45	9.750	15-May-37	14.25	122.15	7.23%	6.96%	124.97	Discounted
FR93	6.375	15-Jul-37	14.42	98.05	6.59%	6.96%	94.69	Premium
FR75	7.500	15-May-38	15.25	104.66	7.00%	6.99%	104.71	Fair
FR50	10.500	15-Jul-38	15.42	129.80	7.26%	7.00%	132.72	Discounted
FR98	7.125	15-Jun-38	15.33	101.58	6.95%	6.99%	101.21	Fair
FR79	8.375	15-Apr-39	16.17	113.05	7.01%	7.02%	112.97	Fair
FR83	7.500	15-Apr-40	17.17	104.82	7.01%	7.05%	104.46	Fair
FR57	9.500	15-May-41	18.25	118.23	7.63%	7.07%	124.65	Discounted
FR62	6.375	15-Apr-42	19.17	93.46	7.00%	7.09%	92.53	Premium
FR92	7.125	15-Jun-42	19.33	101.80	6.95%	7.10%	100.29	Premium
FR97	7.125	15-Jun-43	20.33	101.46	6.99%	7.12%	100.09	Premium
FR67	8.750	15-Feb-44	21.00	115.31	7.31%	7.13%	117.53	Discounted
FR76	7.375	15-May-48	25.25	102.90	7.12%	7.19%	102.14	Fair
FR89	6.875	15-Aug-51	28.50	98.20	7.02%	7.22%	95.81	Premium

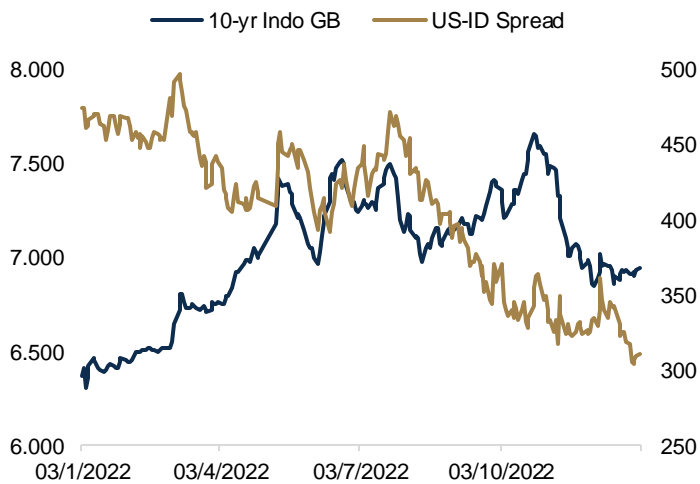
Source : Bloomberg, MNCS Calculation as of February 10, 2023

**Exhibit 6. Indo GB Yield Curve**



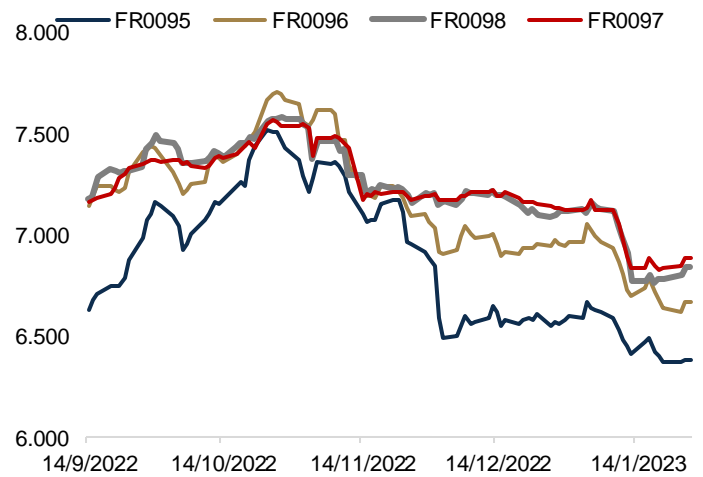
Source : Bloomberg, MNCS Calculation as of February 10, 2023

**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

## 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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