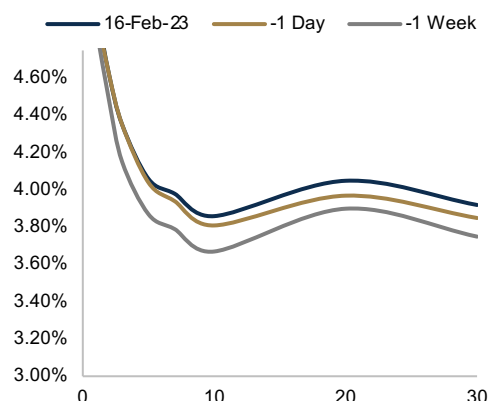


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Countries	22-Feb-23	-1 Day	-1 Week
U.S	3.92%	3.96%	3.81%
U.K	3.60%	3.61%	3.48%
Germany	2.52%	2.53%	2.47%
Japan	0.50%	0.50%	0.50%
China	2.92%	2.92%	2.89%
Malaysia	3.91%	3.88%	3.89%
Thailand	2.59%	2.55%	2.61%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	3.92
Indo 5-Year CDS	bps	101.16
USD/IDR	points	15,200
BI 7DRR	%	5.75

Source : Bloomberg as of February 22, 2023

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## Global Market Update

- Yields on the benchmark UST note decreased along the curve on Wednesday (02/22/23).
- The benchmark 10-year yield declined 4 bps to 3.92%, while the shorter benchmark of 2-year yield was also 4 bps lower and closed at 4.69% at the same time.
- Previously US government bond yields hit the highest level since Nov-22 as markets continue to assess Fed's hike probability.
- US stock indices were mixed yesterday. The DJI and S&P 500 each fell 0.26% and 0.15%, while Nasdaq Composite increased 0.13%.
- US tech stock index again showed a more sensitive movement driven by the government bond yields change.
- Market participants will look at FOMC minutes of meeting published today to get the hint of further Fed's monetary policy.
- Elsewhere in Germany, the annual inflation rate hit 8.7% in Jan-23 which came in-line with the broad market expectation.

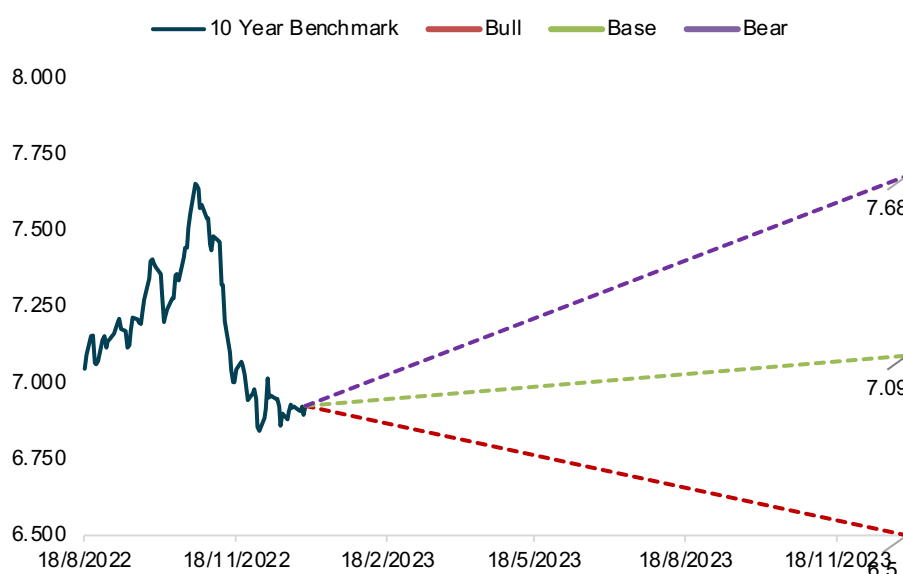
## Domestic Market Update

- Yield on the benchmark 10-year (FR0096) increased 2 bps to 6.75% on Wednesday (02/22/23).
- The IDR weakened against USD and was closed at IDR15,200/USD after previously closed at IDR15,190/USD.
- Indonesia's 5-year CDS finally hitting 100 bps again. Indonesia's 5-year CDS stood at 101.16 bps.
- MoF reported the state budget posted a surplus of IDR90.8tn in Jan-23 (0.4% GDP) driven by higher revenue which hit IDR232.2tn while government expenditure totaled IDR141.4tn

## 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 6.70-6.90% for today.
- Attractive Indo GB series to be traded today : FR0063, FR0046, FR0070, FR0077, FR0081, FR0096.

## Exhibit 4. 10 Year Indo GB Fair Yield



Source : Bloomberg, MNCS Calculation

# Fixed Income Report

MNC Sekuritas Research Division | February 3, 2023

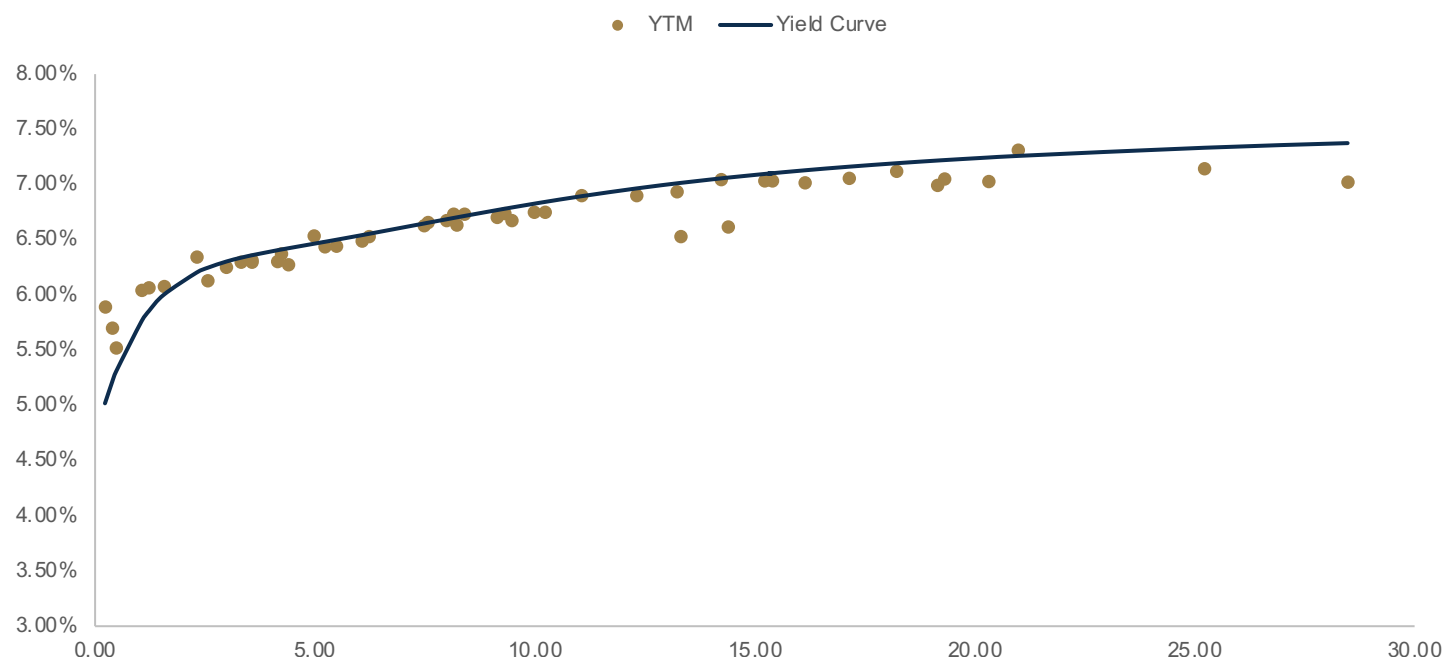


## Exhibit 5. Indo GB Series Valuation

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR63	5.625	15-May-23	0.22	99.92	5.89%	5.02%	100.12	Discounted
FR46	9.500	15-Jul-23	0.39	101.42	5.71%	5.22%	101.64	Discounted
FR39	11.750	15-Aug-23	0.48	102.88	5.52%	5.31%	103.01	Discounted
FR70	8.375	15-Mar-24	1.06	102.34	6.04%	5.76%	102.64	Discounted
FR77	8.125	15-May-24	1.23	102.37	6.07%	5.86%	102.63	Discounted
FR44	10.000	15-Sep-24	1.56	105.72	6.08%	6.00%	105.86	Fair
FR81	6.500	15-Jun-25	2.31	100.31	6.35%	6.20%	100.62	Discounted
FR40	11.000	15-Sep-25	2.56	111.34	6.13%	6.25%	111.07	Premium
FR84	7.250	15-Feb-26	2.98	102.67	6.25%	6.30%	102.54	Fair
FR86	5.500	15-Jun-26	3.31	97.75	6.30%	6.34%	97.53	Fair
FR37	12.000	15-Sep-26	3.56	117.88	6.30%	6.36%	117.70	Fair
FR56	8.375	15-Sep-26	3.56	106.46	6.32%	6.36%	106.32	Fair
FR90	5.125	15-Apr-27	4.14	95.75	6.31%	6.41%	95.40	Fair
FR59	7.000	15-May-27	4.23	102.27	6.37%	6.41%	102.14	Fair
FR42	10.250	15-Jul-27	4.39	115.03	6.28%	6.42%	114.44	Premium
FR47	10.000	15-Feb-28	4.98	114.50	6.54%	6.46%	114.85	Fair
FR64	6.125	15-May-28	5.23	98.62	6.44%	6.48%	98.43	Fair
FR95	6.375	15-Aug-28	5.48	99.69	6.44%	6.50%	99.43	Fair
FR71	9.000	15-Mar-29	6.06	112.38	6.49%	6.54%	112.13	Fair
FR78	8.250	15-May-29	6.23	108.65	6.53%	6.55%	108.54	Fair
FR52	10.500	15-Aug-30	7.48	122.50	6.63%	6.65%	122.42	Fair
FR82	7.000	15-Sep-30	7.56	102.00	6.66%	6.65%	102.03	Fair
FR87	6.500	15-Feb-31	7.98	98.91	6.68%	6.68%	98.87	Fair
FR85	7.750	15-Apr-31	8.14	106.25	6.74%	6.70%	106.52	Fair
FR73	8.750	15-May-31	8.23	113.20	6.64%	6.70%	112.77	Fair
FR54	9.500	15-Jul-31	8.39	117.50	6.73%	6.72%	117.64	Fair
FR91	6.375	15-Apr-32	9.14	97.77	6.70%	6.77%	97.33	Fair
FR58	8.250	15-Jun-32	9.31	110.31	6.74%	6.78%	110.01	Fair
FR74	7.500	15-Aug-32	9.48	105.69	6.68%	6.79%	104.89	Premium
<b>FR96</b>	<b>7.000</b>	<b>15-Feb-33</b>	<b>9.98</b>	<b>101.77</b>	<b>6.75%</b>	<b>6.83%</b>	<b>101.24</b>	<b>Fair</b>
FR65	6.625	15-May-33	10.23	99.06	6.75%	6.84%	98.41	Fair
FR68	8.375	15-Mar-34	11.06	111.24	6.90%	6.89%	111.32	Fair
FR80	7.500	15-Jun-35	12.31	104.88	6.90%	6.96%	104.36	Fair
FR72	8.250	15-May-36	13.23	111.20	6.94%	7.01%	110.55	Fair
FR88	6.250	15-Jun-36	13.31	97.50	6.53%	7.01%	93.44	Premium
FR45	9.750	15-May-37	14.23	124.00	7.05%	7.06%	123.92	Fair
FR93	6.375	15-Jul-37	14.39	97.75	6.62%	7.06%	93.84	Premium
FR75	7.500	15-May-38	15.23	104.25	7.04%	7.10%	103.71	Fair
FR50	10.500	15-Jul-38	15.39	132.25	7.03%	7.10%	131.49	Fair
FR98	7.125	15-Jun-38	15.31	100.80	7.05%	7.10%	100.22	Fair
FR79	8.375	15-Apr-39	16.14	112.96	7.02%	7.13%	111.82	Premium
FR83	7.500	15-Apr-40	17.14	104.34	7.06%	7.16%	103.30	Premium
FR57	9.500	15-May-41	18.23	124.00	7.13%	7.19%	123.20	Fair
FR62	6.375	15-Apr-42	19.14	93.50	7.00%	7.22%	91.32	Premium
FR92	7.125	15-Jun-42	19.31	100.71	7.06%	7.22%	98.99	Premium
FR97	7.125	15-Jun-43	20.31	100.86	7.03%	7.24%	98.72	Premium
FR67	8.750	15-Feb-44	20.98	115.29	7.31%	7.26%	115.93	Fair
FR76	7.375	15-May-48	25.23	102.63	7.15%	7.33%	100.46	Premium
FR89	6.875	15-Aug-51	28.48	98.14	7.03%	7.38%	94.08	Premium

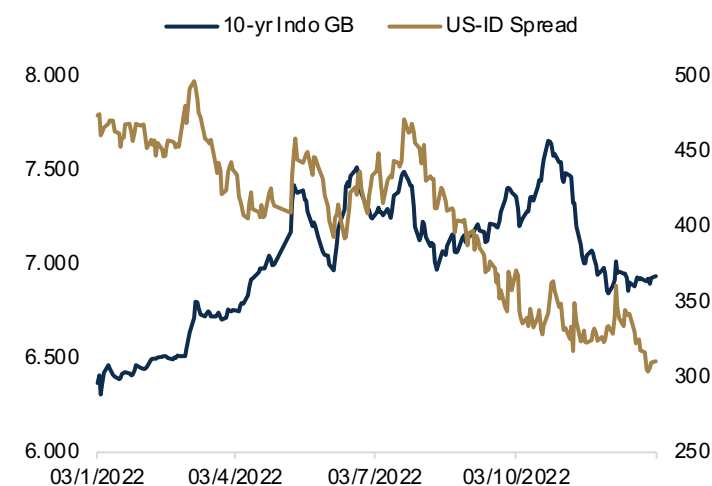
Source : Bloomberg, MNCS Calculation as of February 22, 2023

**Exhibit 6. Indo GB Yield Curve**



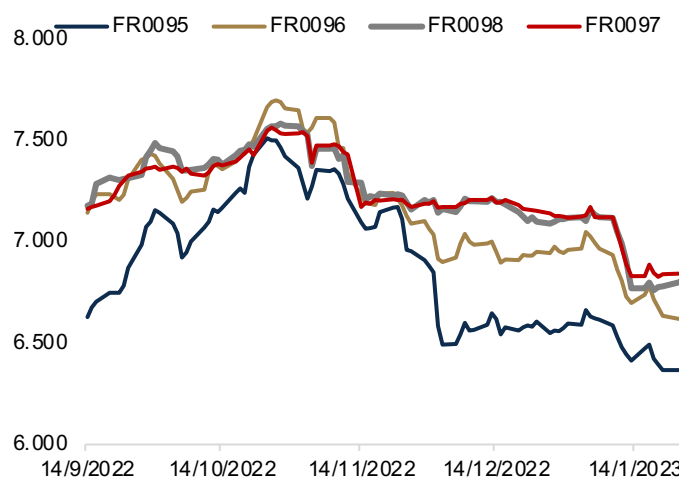
Source : Bloomberg, MNCS Calculation as of February 22, 2023

**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

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