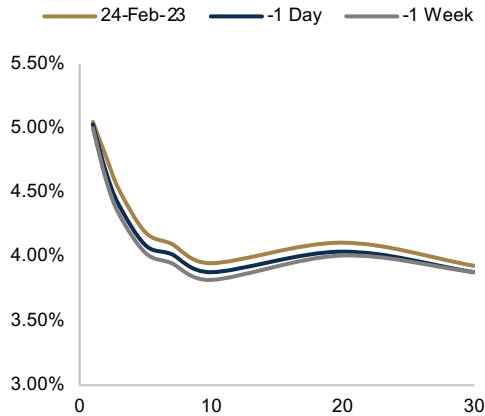


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Countries	27-Feb-23	-1 Day	-1 Week
U.S	3.92%	3.94%	3.82%
U.K	3.80%	3.66%	3.47%
Germany	2.58%	2.54%	2.46%
Japan	0.50%	0.50%	0.50%
China	2.91%	2.92%	2.92%
Malaysia	3.93%	3.91%	3.88%
Thailand	2.60%	2.56%	2.57%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	3.92
Indo 5-Year CDS	bps	94.54
USD/IDR	points	15,270
BI 7DRR	%	5.75

Source : Bloomberg as of February 27, 2023

## Tirta Widi Gilang Citradi

Economist & Fixed Income Analyst

tirta.citradi@mncgroup.com

## Global Market Update

- US government bond market started this week with a declining yield after increasing last week
- The benchmark 10-year yield fell 3 bps to 3.92% on Monday (02/27/23). Yet the benchmark long-term rate has increased 10 bps on a weekly basis.
- US major stock indices increased as government bond yield decreased. The DJI was up 0.22%; S&P 500 increased 0.31% while Nasdaq Composite lead the gain of 0.63%.
- Euro liquidity indicators started to show a slowing growth. The M3 money supply grew 3.5% in Jan-23.
- In addition loan to companies and households grew by 6.1% YoY and 3.6% YoY respectively in Jan-23.
- Such a growth figure was lower than previous month result when loan to companies expanded 6.3% YoY and loans to household rose 3.8% YoY.

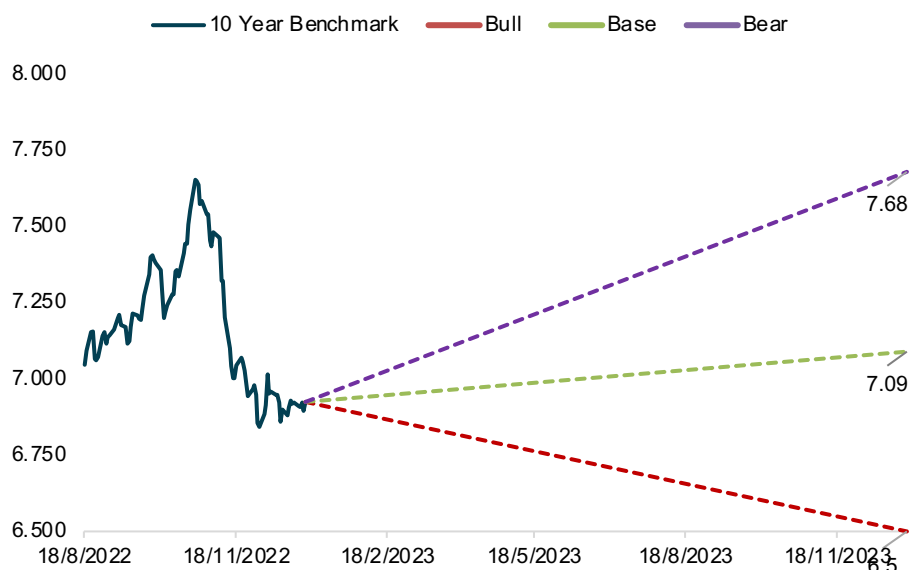
## Domestic Market Update

- Domestic IDR denominated government bond prices weakened to start this week.
- Yield on the benchmark 10-year (FR0096) increased 8 bps to 6.85% on Monday (02/27/23).
- The IDR continued to weaken against USD and was closed at IDR15,270/USD yesterday after previously closed at IDR15,228/USD last week.
- Indonesia's 5-year CDS stayed below 100 bps and closed at 94.54 bps yesterday.
- Market participants will look at Feb-23 inflation data release tomorrow which is expected to increase by 5.44% YoY, higher than previous month of 5.28% YoY.
- Yet, BI seems to stay with its stance that a cumulative 225 bps hike in 7-day reverse repo rate are enough to bring inflation back to desired le

## 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 6.80-7.00% for today.
- Attractive Indo GB series to be traded today : FR0046, FR0070, FR0077, FR0044, FR0081, FR0086, FR0096, FR0098.

## Exhibit 4. 10 Year Indo GB Fair Yield



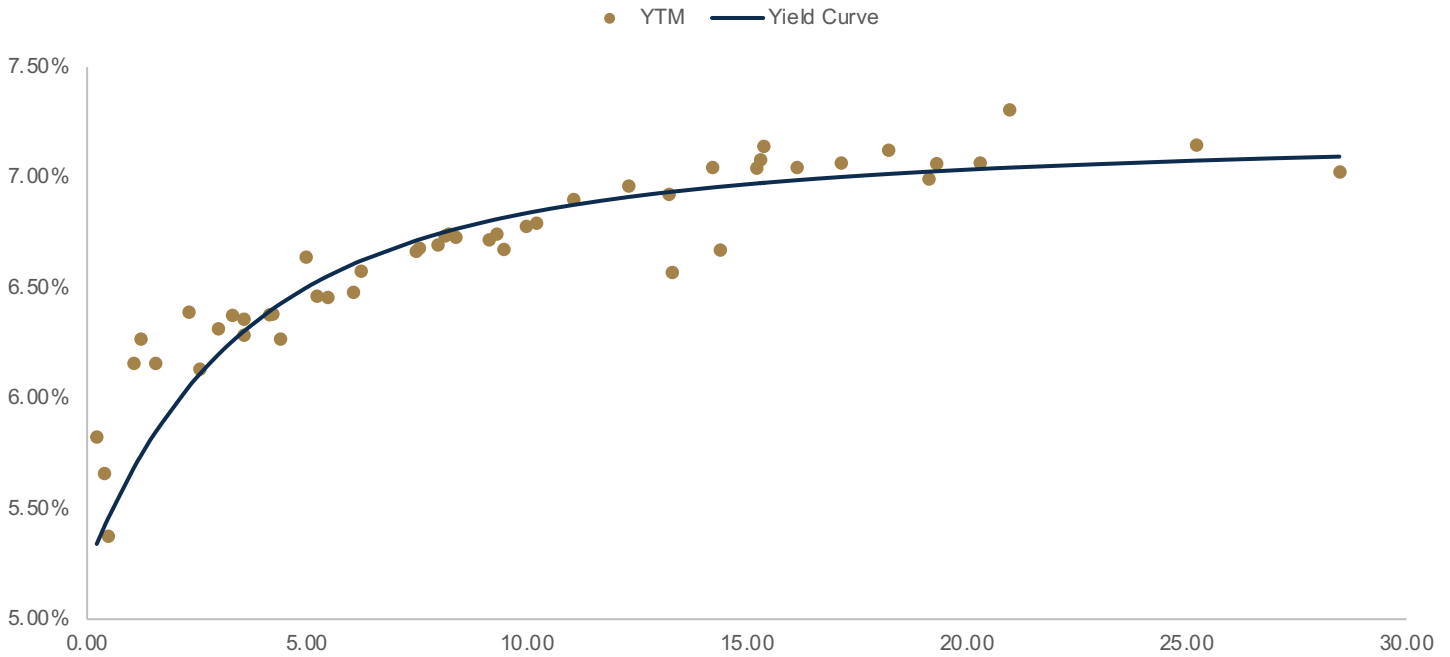
Source : Bloomberg, MNCS Calculation

## Exhibit 5. Indo GB Series Valuation

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR63	5.625	15-May-23	0.21	99.94	5.83%	5.04%	100.11	Discounted
FR46	9.500	15-Jul-23	0.38	101.40	5.66%	5.15%	101.62	Discounted
FR39	11.750	15-Aug-23	0.47	104.70	1.02%	5.20%	103.00	Premium
FR70	8.375	15-Mar-24	1.05	102.17	6.18%	5.51%	102.87	Discounted
FR77	8.125	15-May-24	1.21	102.23	6.17%	5.59%	102.93	Discounted
FR44	10.000	15-Sep-24	1.55	105.55	6.16%	5.73%	106.23	Discounted
FR81	6.500	15-Jun-25	2.30	100.20	6.40%	5.99%	101.07	Discounted
FR40	11.000	15-Sep-25	2.55	111.29	6.13%	6.06%	111.48	Fair
FR84	7.250	15-Feb-26	2.97	102.54	6.30%	6.17%	102.88	Fair
FR86	5.500	15-Jun-26	3.30	97.39	6.43%	6.25%	97.79	Discounted
FR37	12.000	15-Sep-26	3.55	117.25	6.39%	6.30%	117.86	Fair
FR56	8.375	15-Sep-26	3.55	106.17	6.40%	6.30%	106.50	Fair
FR90	5.125	15-Apr-27	4.13	95.66	6.33%	6.40%	95.41	Fair
FR59	7.000	15-May-27	4.21	101.71	6.52%	6.42%	102.11	Fair
FR42	10.250	15-Jul-27	4.38	115.03	6.27%	6.44%	114.32	Premium
FR47	10.000	15-Feb-28	4.97	115.15	6.35%	6.53%	114.54	Premium
FR64	6.125	15-May-28	5.21	98.40	6.49%	6.56%	98.11	Fair
FR95	6.375	15-Aug-28	5.47	99.27	6.54%	6.58%	99.05	Fair
FR71	9.000	15-Mar-29	6.05	112.34	6.50%	6.64%	111.57	Fair
FR78	8.250	15-May-29	6.21	108.23	6.61%	6.66%	107.97	Fair
FR52	10.500	15-Aug-30	7.47	122.00	6.67%	6.75%	121.68	Fair
FR82	7.000	15-Sep-30	7.55	101.66	6.72%	6.76%	101.39	Fair
FR87	6.500	15-Feb-31	7.97	98.66	6.72%	6.79%	98.26	Fair
FR85	7.750	15-Apr-31	8.13	106.15	6.73%	6.79%	105.88	Fair
FR73	8.750	15-May-31	8.21	112.42	6.75%	6.80%	112.11	Fair
FR54	9.500	15-Jul-31	8.38	117.55	6.72%	6.81%	116.97	Fair
FR91	6.375	15-Apr-32	9.13	97.35	6.77%	6.84%	96.84	Fair
FR58	8.250	15-Jun-32	9.30	110.28	6.74%	6.85%	109.49	Fair
FR74	7.500	15-Aug-32	9.47	105.45	6.67%	6.86%	104.41	Premium
<b>FR96</b>	<b>7.000</b>	<b>15-Feb-33</b>	<b>9.97</b>	<b>101.06</b>	<b>6.85%</b>	<b>6.88%</b>	<b>100.86</b>	<b>Fair</b>
FR65	6.625	15-May-33	10.21	98.62	6.81%	6.89%	98.09	Fair
FR68	8.375	15-Mar-34	11.05	111.25	6.90%	6.91%	111.15	Fair
FR80	7.500	15-Jun-35	12.30	103.94	7.01%	6.95%	104.49	Fair
FR72	8.250	15-May-36	13.21	110.52	7.01%	6.97%	110.92	Fair
FR88	6.250	15-Jun-36	13.30	94.00	6.92%	6.97%	93.80	Fair
FR45	9.750	15-May-37	14.21	118.25	7.60%	6.99%	124.60	Discounted
FR93	6.375	15-Jul-37	14.38	97.00	6.65%	6.99%	94.44	Premium
FR75	7.500	15-May-38	15.21	104.24	7.04%	7.01%	104.55	Fair
FR50	10.500	15-Jul-38	15.38	132.50	6.99%	7.01%	132.53	Fair
FR98	7.125	15-Jun-38	15.30	100.28	7.09%	7.01%	101.07	Fair
FR79	8.375	15-Apr-39	16.13	112.69	7.05%	7.02%	112.94	Fair
FR83	7.500	15-Apr-40	17.13	104.19	7.07%	7.03%	104.58	Fair
FR57	9.500	15-May-41	18.21	125.00	7.02%	7.05%	124.93	Fair
FR62	6.375	15-Apr-42	19.13	93.50	7.00%	7.06%	92.89	Fair
FR92	7.125	15-Jun-42	19.30	100.60	7.07%	7.06%	100.68	Fair
FR97	7.125	15-Jun-43	20.30	100.20	7.11%	7.07%	100.60	Fair
FR67	8.750	15-Feb-44	20.97	115.37	7.31%	7.07%	118.18	Discounted
FR76	7.375	15-May-48	25.21	102.40	7.14%	7.10%	103.15	Fair
FR89	6.875	15-Aug-51	28.47	98.10	7.03%	7.12%	97.02	Fair

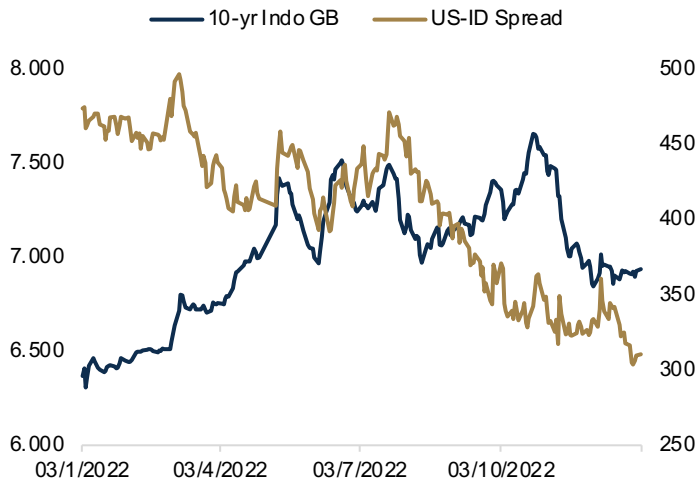
Source : Bloomberg, MNCS Calculation as of February 27, 2023

## Exhibit 6. Indo GB Yield Curve



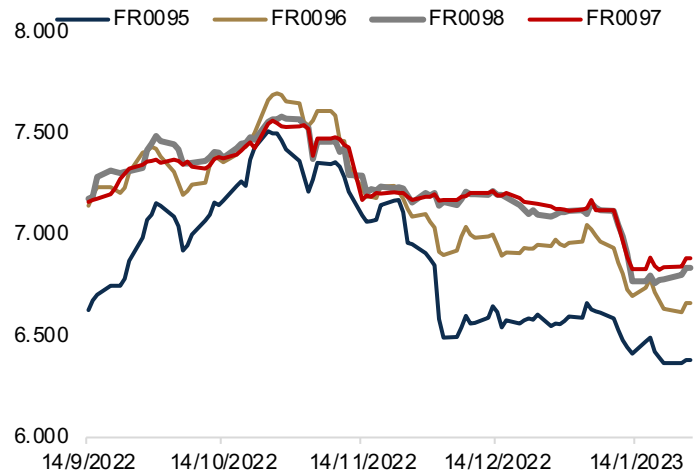
Source : Bloomberg, MNCS Calculation as of February 23, 2023

## 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

## 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

### Disclaimer

*This research report has been issued by PT MNC Sekuritas. It may not be reproduced or further distributed or published, in whole or in part, for any purpose. PT MNC Sekuritas has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; PT MNC Sekuritas makes no guarantee, representation or warranty and accepts no responsibility to liability as to its accuracy or completeness. Expression of opinion herein are those of the research department only and are subject to change without notice. This document is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment. PT MNC Sekuritas and its affiliates and/or their offices, director and employees may own or have positions in any investment mentioned herein or any investment related thereto and may from time to time add to or dispose of any such investment. PT MNC Sekuritas and its affiliates may act as market maker or have assumed an underwriting position in the securities of companies discussed herein (or investment related thereto) and may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking or underwriting services for or relating to those companies.*