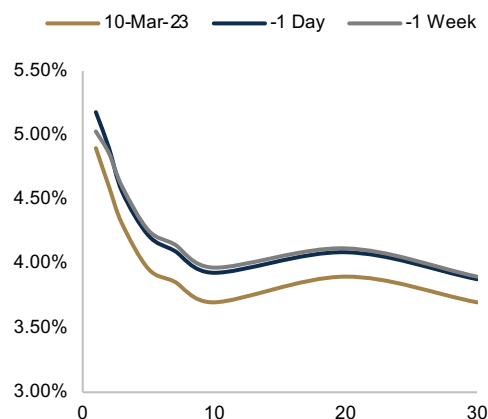


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Countries	10-Mar-23	-1 Day	-1 Week
U.S	3.70%	3.91%	3.96%
U.K	3.64%	3.79%	3.85%
Germany	2.50%	2.64%	2.71%
Japan	0.40%	0.50%	0.50%
China	2.88%	2.88%	2.92%
Malaysia	3.95%	4.02%	4.06%
Thailand	2.51%	2.54%	2.61%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	3.70
Indo 5-Year CDS	bps	100.22
USD/IDR	points	15,450
BI 7DRR	%	5.75

Source : Bloomberg as of March 10, 2023

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## Global Market Update

- US government bond yields fell sharply last week as market concerns on the likelihood of financial crisis amidst high borrowing cost.
- Yield on the short-term 2-year UST note declined 28 bps to 4.59% on Friday (03/10/23).
- On the other hand, yield on benchmark 10-year UST note fell 21 bps to 3.71% at the same time.
- US broad market equity indices dipped in red with Nasdaq Composite came at worst after falling 1.76% on the previous week last trading day.
- US equity indices also recorded a negative weekly return last week with nearly 5% decline.
- Financial markets were spooked by the SVB regulatory shutdown on Friday last week.
- The SVB has recorded an unrealized lost of USD17bn as at the end of 2022 on its securities portfolio as aggressive monetary tightening deteriorated bond values.
- Market pricing/expectation on Mar-23 FOMC meeting has shifted towards a more dovish stance.
- According to CME FedWatch market participants expect 25 bps hike of FFR in Mar-23, lower than previous bet of 50 bps hike.

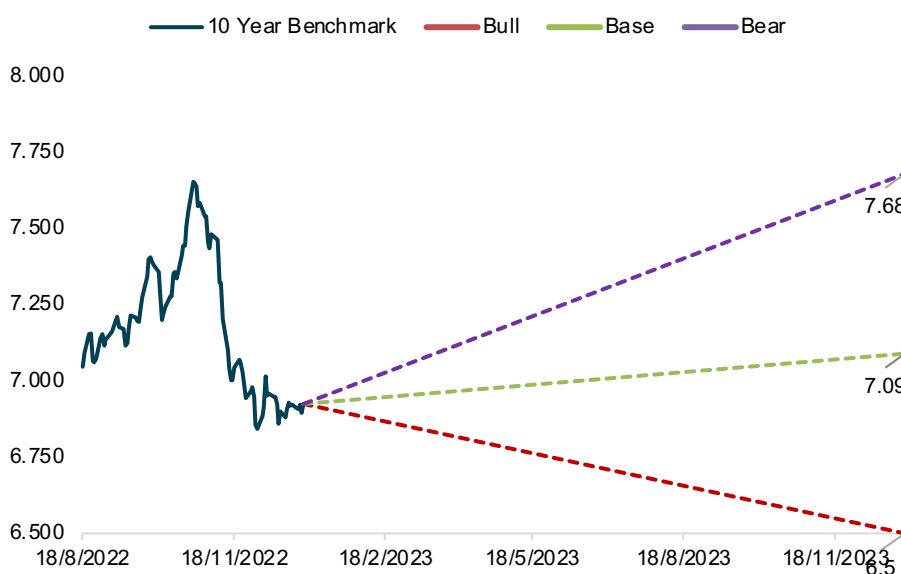
## Domestic Market Update

- Most of domestic currency government bond prices increased on Friday (03/10/23).
- Yield on the benchmark 10-year (FR0096) declined 6 bps and falling to 6.93% on the last week trading day.
- Concerns around SVB shutdown has induced IDR depreciation against USD and rising CDS to hit 100 bps again.
- The IDR weakened against USD and closed at 15,450/USD on Friday (vs IDR15,433/USD on the previous day).
- On the other hand, Indonesia's 5-year CDS increased 6 bps and reaching 100.22 bps on Friday.
- Furthermore, Bank Indonesia (BI) reported a net sell of IDR3.0tn in SBN market during the period of 6-9 March 2023.

## 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 6.90-7.10% for today.
- Attractive Indo GB series to be traded today : FR0063, FR0046, FR0081, FR0091, FR0096.

## Exhibit 4. 10 Year Indo GB Fair Yield



Source : Bloomberg, MNCS Calculation

# Fixed Income Report

MNC Sekuritas Research Division | March 13, 2023

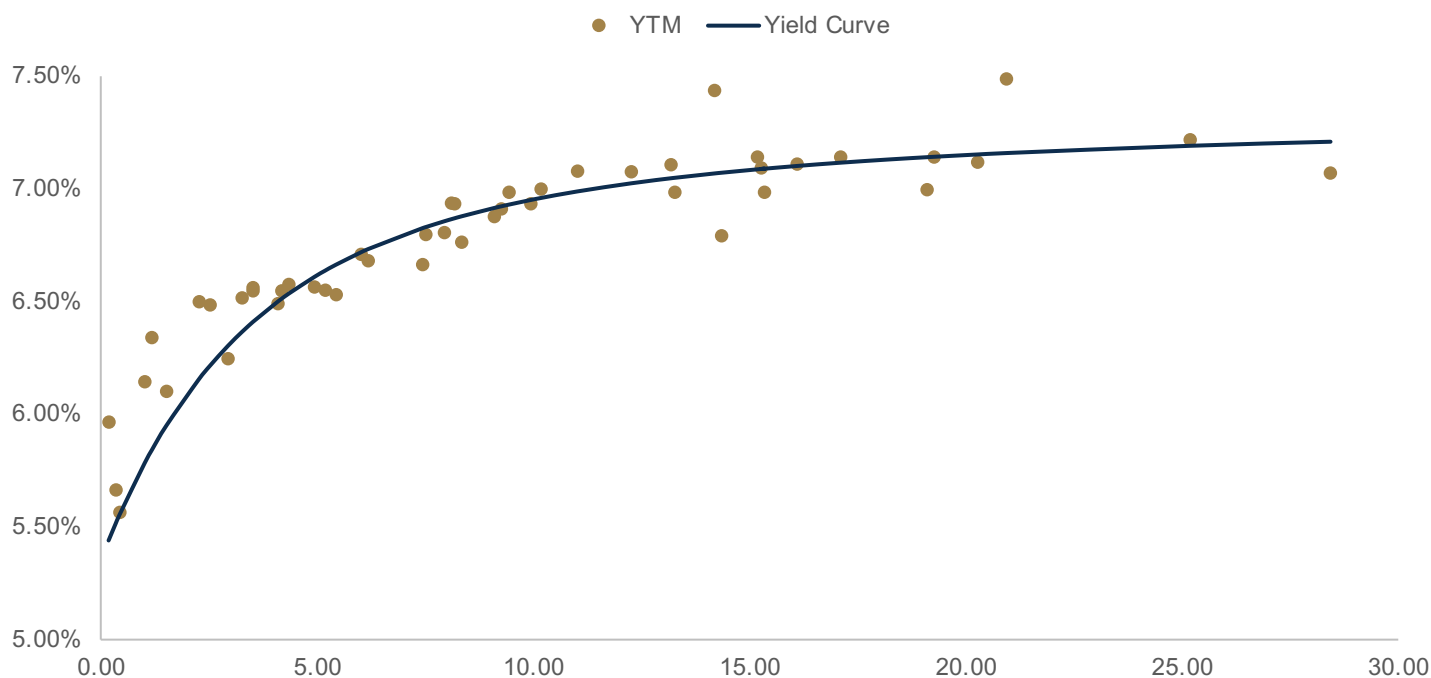


## Exhibit 5. Indo GB Series Valuation

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR63	5.625	15-May-23	0.18	99.92	5.97%	5.44%	100.02	Discounted
FR46	9.500	15-Jul-23	0.35	101.25	5.66%	5.52%	101.34	Discounted
FR39	11.750	15-Aug-23	0.43	102.55	5.57%	5.55%	102.62	Fair
FR70	8.375	15-Mar-24	1.02	102.14	6.15%	5.78%	102.52	Discounted
FR77	8.125	15-May-24	1.18	101.97	6.34%	5.84%	102.56	Discounted
FR44	10.000	15-Sep-24	1.52	105.52	6.10%	5.95%	105.78	Discounted
FR81	6.500	15-Jun-25	2.27	99.99	6.50%	6.15%	100.71	Discounted
FR40	11.000	15-Sep-25	2.52	110.27	6.49%	6.21%	110.98	Discounted
FR84	7.250	15-Feb-26	2.94	102.64	6.25%	6.30%	102.50	Fair
FR86	5.500	15-Jun-26	3.27	97.19	6.52%	6.37%	97.47	Discounted
FR37	12.000	15-Sep-26	3.52	116.78	6.56%	6.41%	117.34	Discounted
FR56	8.375	15-Sep-26	3.52	105.64	6.55%	6.41%	106.09	Discounted
FR90	5.125	15-Apr-27	4.10	95.16	6.49%	6.50%	95.11	Fair
FR59	7.000	15-May-27	4.18	101.61	6.55%	6.51%	101.75	Fair
FR42	10.250	15-Jul-27	4.35	113.66	6.58%	6.54%	113.85	Fair
FR47	10.000	15-Feb-28	4.94	114.25	6.56%	6.61%	114.08	Fair
FR64	6.125	15-May-28	5.18	98.14	6.55%	6.64%	97.77	Fair
FR95	6.375	15-Aug-28	5.43	99.29	6.53%	6.66%	98.70	Premium
FR71	9.000	15-Mar-29	6.01	111.16	6.71%	6.72%	111.13	Fair
FR78	8.250	15-May-29	6.18	107.81	6.68%	6.73%	107.55	Fair
FR52	10.500	15-Aug-30	7.43	122.18	6.66%	6.83%	121.14	Premium
FR82	7.000	15-Sep-30	7.52	101.17	6.80%	6.83%	100.98	Fair
FR87	6.500	15-Feb-31	7.94	98.14	6.81%	6.86%	97.84	Fair
FR85	7.750	15-Apr-31	8.10	104.95	6.94%	6.87%	105.42	Fair
FR73	8.750	15-May-31	8.18	111.16	6.94%	6.87%	111.60	Fair
FR54	9.500	15-Jul-31	8.35	117.20	6.76%	6.88%	116.43	Premium
FR91	6.375	15-Apr-32	9.10	96.63	6.88%	6.92%	96.39	Fair
FR58	8.250	15-Jun-32	9.27	109.02	6.91%	6.92%	108.95	Fair
FR74	7.500	15-Aug-32	9.43	103.50	6.99%	6.93%	103.89	Fair
<b>FR96</b>	<b>7.000</b>	<b>15-Feb-33</b>	<b>9.94</b>	<b>100.47</b>	<b>6.93%</b>	<b>6.95%</b>	<b>100.34</b>	<b>Fair</b>
FR65	6.625	15-May-33	10.18	97.28	7.00%	6.96%	97.57	Fair
FR68	8.375	15-Mar-34	11.01	109.79	7.08%	6.99%	110.53	Fair
FR80	7.500	15-Jun-35	12.27	103.42	7.08%	7.02%	103.85	Fair
FR72	8.250	15-May-36	13.18	109.64	7.11%	7.05%	110.20	Fair
FR88	6.250	15-Jun-36	13.27	93.70	6.98%	7.05%	93.17	Fair
FR45	9.750	15-May-37	14.18	120.03	7.44%	7.07%	123.75	Discounted
FR93	6.375	15-Jul-37	14.35	96.20	6.79%	7.07%	93.77	Premium
FR75	7.500	15-May-38	15.18	103.27	7.14%	7.09%	103.79	Fair
FR50	10.500	15-Jul-38	15.35	132.75	6.98%	7.09%	131.57	Premium
FR98	7.125	15-Jun-38	15.27	100.267	7.09%	7.09%	100.32	Fair
FR79	8.375	15-Apr-39	16.10	111.99	7.11%	7.10%	112.09	Fair
FR83	7.500	15-Apr-40	17.10	103.48	7.14%	7.12%	103.75	Fair
FR57	9.500	15-May-41	18.18	119.18	7.54%	7.13%	123.92	Discounted
FR62	6.375	15-Apr-42	19.10	93.49	7.00%	7.14%	92.07	Premium
FR92	7.125	15-Jun-42	19.27	99.81	7.14%	7.14%	99.80	Fair
FR97	7.125	15-Jun-43	20.27	100.05	7.12%	7.15%	99.69	Fair
FR67	8.750	15-Feb-44	20.94	113.23	7.49%	7.16%	117.12	Discounted
FR76	7.375	15-May-48	25.18	101.78	7.22%	7.19%	102.11	Fair
FR89	6.875	15-Aug-51	28.43	97.61	7.07%	7.21%	95.97	Premium

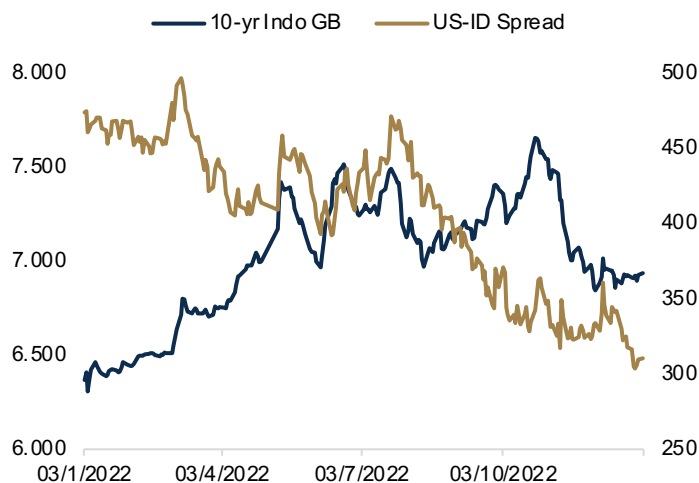
Source : Bloomberg, MNCS Calculation as of March 10, 2023

**Exhibit 6. Indo GB Yield Curve**



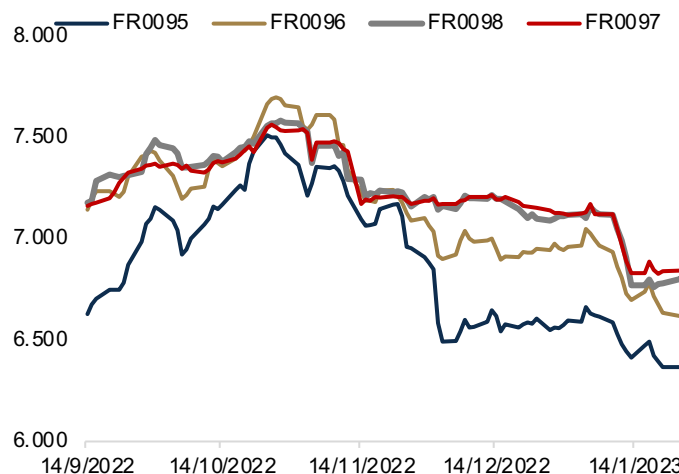
Source : Bloomberg, MNCS Calculation as of March 10, 2023

**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

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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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