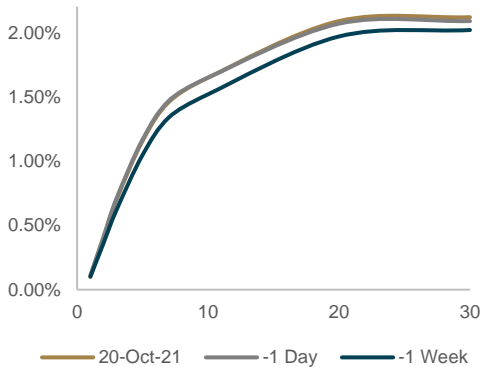


Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

Exhibit 2. Global Gov't Bond Yield

Country	19-Oct-21	-1 Day	-1 Week
U.S	1.64%	1.60%	1.58%
U.K	1.15%	1.14%	1.15%
Germany	-0.14%	-0.15%	-0.09%
Australia	1.73%	1.74%	1.72%
Japan	0.09%	0.10%	0.09%
China	3.01%	3.04%	2.97%
Malaysia	3.57%	3.54%	3.68%
Thailand	2.02%	1.98%	1.97%

Source : Bloomberg

Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	1.64
Indo 5-Year CDS	bps	83.81
USD/IDR	points	14,076
BI 7DRR	%	3.50

Source : Bloomberg as of October 19, 2021



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Economist & Fixed Income Analyst

Global Market Update

- The 10-year U.S. treasury yield strengthened to its highest level since mid-May topping 1.67% on Wednesday (20/10/21).
- U.S. stock market closed mixed last night with DJI and S&P 500 jumped 0.43% and 0.37% respectively, while Nasdaq dropped 0.05%.
- The Fed Officials agreed to start the tapering on the middle of November or December 2021 through monthly reductions of asset purchases by USD15bn.
- Japan reported a trade deficit of JPY622.76bn last month, higher than the market consensus of JPY519.2bn.
- The People's Bank of China (PBoC) decided to maintain its one- and five-year loan prime rate at 3.85% and 4.65% respectively.
- The UK September CPI was at 3,1% lower than the consensus estimate and previous month's at 3.2%
- Canada inflation rate reached its 18-year high at 4.4% in September 2021, higher by 0.1% than the market forecast. High inflation rate was attributable to supply chain issue and low base effects.

Domestic Market Update

- Domestic financial market was closed yesterday commemorating Mawlid al-Nabi.
- The 10-year Indo GB closed flat to 6.07% on Tuesday (10/19/21). The benchmark yield was still below our forecast range of 6.10%-6.20%.
- Despite rising U.S. treasury yield recently, the benchmark of local currency denominated government bond stayed low on the back of rupiah stability.
- Rupiah came back and strengthened against USD to IDR 14.076/USD on Wednesday. In line with rupiah appreciation, Indo 5-year CDS also dropped to 84 bps.
- Government successfully raised IDR5tn from Sharia Securities (SBSN) auction on Tuesday (10/19/21). Investors appetite remained high as reflected by total incoming bids that hit above IDR53.42tn amid lower supply of government bond ahead in the primary market.
- As we already expected, Bank Indonesia (BI) decided to keep interest rate unchanged with BI 7 Day Reverse Repo at 3.50%; Lending Facility at 4.25% and Deposit Facility at 2.75%.
- However BI continues its accommodative macroprudential policy by extending 0% Down Payment (DP) for vehicle ownership credit and maximum 100% Loan to Value/Financing to Value all mortgage loans for selected banks that meet NPL/NPF criteria up until the end of 2022.

Market Projection.

- We expect the 10 year Indo GB yield to consolidate and moving within range of 6.10% - 6.20% today.
- Attractive Indo GB series to be traded today : FR0086, FR0090, FR0064, FR0071, FR0078, FR0087, FR0091, FR0062 and FR0092.

Exhibit 4. 10 Year Indo GB Fair Yield



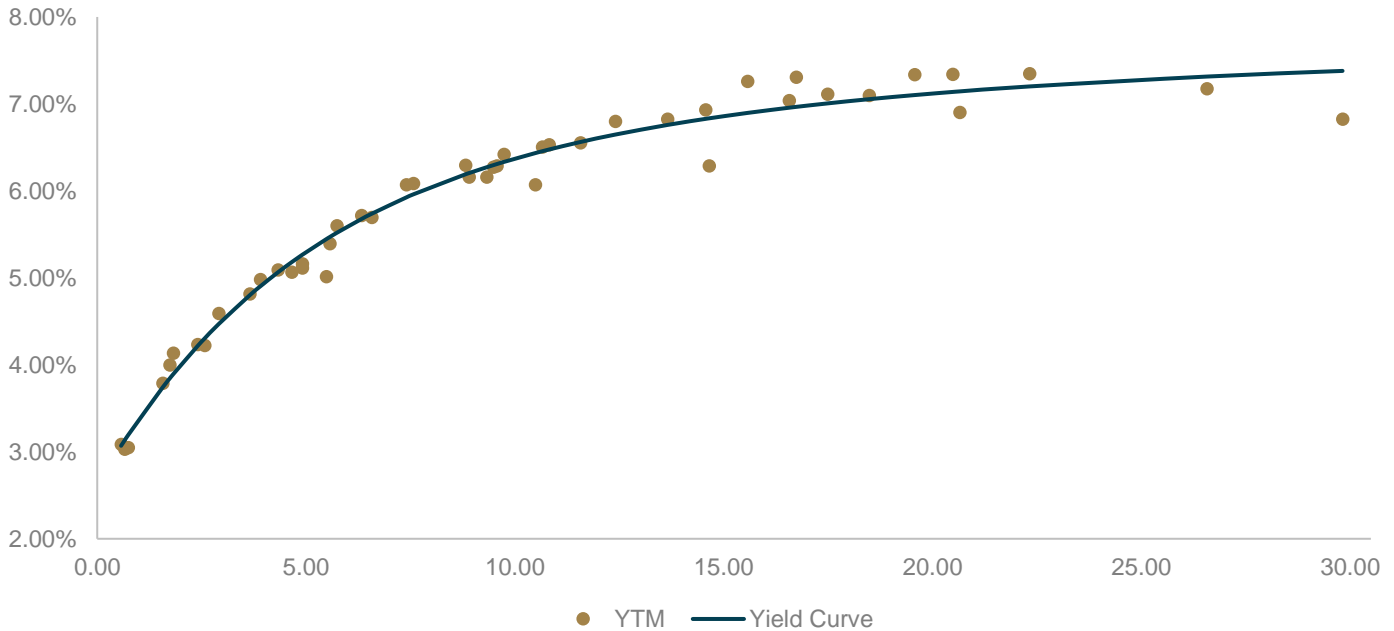
Source : Bloomberg, MNCS Calculation

Exhibit 5. Indo GB Series Valuation

Series	Maturity	TTM	Last Price	YTM	Fair Yield	Fair Price	Valuation
FR61	15-May-22	0.57	102.17	3.09%	3.07%	102.21	Fair
FR35	15-Jun-22	0.65	106.27	3.03%	3.13%	106.28	Fair
FR43	15-Jul-22	0.74	105.16	3.05%	3.19%	105.11	Fair
FR63	15-May-23	1.57	102.76	3.79%	3.74%	102.84	Fair
FR46	15-Jul-23	1.74	109.10	4.00%	3.85%	109.41	Fair
FR39	15-Aug-23	1.82	113.17	4.14%	3.90%	113.68	Discounted
FR70	15-Mar-24	2.40	109.34	4.23%	4.22%	109.41	Fair
FR77	15-May-24	2.57	109.39	4.22%	4.30%	109.21	Fair
FR44	15-Sep-24	2.91	114.50	4.59%	4.47%	114.91	Fair
FR81	15-Jun-25	3.66	105.56	4.82%	4.80%	105.62	Fair
FR40	15-Sep-25	3.91	121.07	4.98%	4.90%	121.42	Fair
FR84	15-Feb-26	4.33	108.25	5.09%	5.06%	108.38	Fair
FR86	15-Jun-26	4.66	101.72	5.07%	5.18%	101.30	Fair
FR37	15-Sep-26	4.91	129.25	5.16%	5.27%	128.78	Fair
FR56	15-Sep-26	4.91	113.96	5.12%	5.27%	113.28	Fair
FR90	15-Apr-27	5.49	100.52	5.01%	5.45%	98.49	Premium
FR59	15-May-27	5.57	107.64	5.39%	5.47%	107.26	Fair
FR42	15-Jul-27	5.74	122.50	5.60%	5.52%	122.99	Fair
FR47	15-Feb-28	6.32	122.42	5.72%	5.68%	122.69	Fair
FR64	15-May-28	6.57	102.33	5.69%	5.74%	102.10	Fair
FR71	15-Mar-29	7.40	117.24	6.07%	5.93%	118.21	Fair
FR78	15-May-29	7.57	112.95	6.09%	5.96%	113.79	Fair
FR52	15-Aug-30	8.82	128.10	6.30%	6.19%	128.94	Fair
FR82	15-Sep-30	8.91	105.67	6.16%	6.21%	105.37	Fair
FR87	15-Feb-31	9.33	102.36	6.16%	6.27%	101.58	Fair
FR85	15-Apr-31	9.49	110.44	6.27%	6.30%	110.27	Fair
FR73	15-May-31	9.57	117.48	6.29%	6.31%	117.34	Fair
FR54	15-Jul-31	9.74	122.00	6.42%	6.33%	122.75	Fair
FR91	15-Apr-32	10.49	102.32	6.07%	6.43%	99.55	Premium
FR58	15-Jun-32	10.66	113.25	6.50%	6.46%	113.66	Fair
FR74	15-Aug-32	10.82	107.40	6.53%	6.48%	107.87	Fair
FR65	15-May-33	11.57	100.56	6.55%	6.56%	100.50	Fair
FR68	15-Mar-34	12.40	113.04	6.80%	6.65%	114.44	Fair
FR80	15-Jun-35	13.66	105.92	6.83%	6.76%	106.54	Fair
FR72	15-May-36	14.57	111.95	6.93%	6.83%	112.99	Fair
FR88	15-Jun-36	14.66	99.63	6.29%	6.83%	94.64	Premium
FR45	15-May-37	15.57	123.00	7.26%	6.90%	126.98	Discounted
FR75	15-May-38	16.57	104.44	7.04%	6.96%	105.30	Fair
FR50	15-Jul-38	16.74	130.50	7.31%	6.97%	134.59	Discounted
FR79	15-Apr-39	17.49	112.53	7.11%	7.01%	113.69	Fair
FR83	15-Apr-40	18.49	104.08	7.10%	7.05%	104.57	Fair
FR57	15-May-41	19.57	122.25	7.34%	7.10%	125.15	Discounted
FR62	15-Apr-42	20.49	89.85	7.34%	7.14%	91.86	Discounted
FR92	15-Jun-42	20.66	102.40	6.90%	7.14%	99.79	Premium
FR67	15-Feb-44	22.32	115.25	7.35%	7.20%	117.07	Fair
FR76	15-May-48	26.57	102.35	7.18%	7.31%	100.71	Fair
FR89	15-Aug-51	29.82	100.59	6.83%	7.38%	93.95	Premium

Source : Bloomberg, MNCS Calculation as of October 19, 2021

Exhibit 6. Indo GB Yield Curve



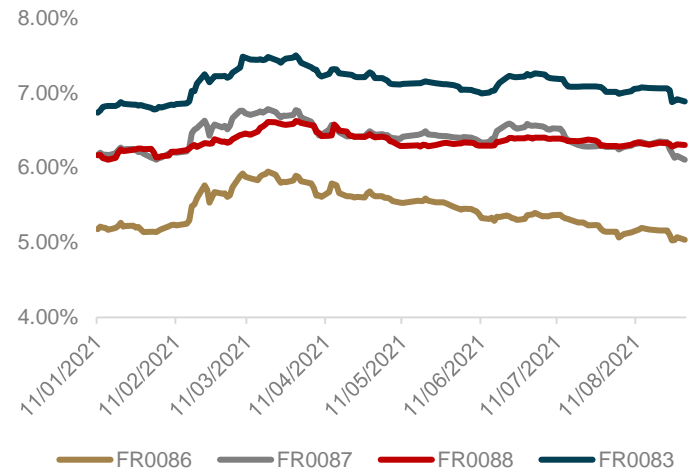
Source : Bloomberg, MNCS Calculation as of October 19, 2021

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	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
Bank	37.96	37.09	37.86	36	36.33	32.5	31.92	33.45	33.69
Central Bank (Nett)	9.52	10.98	10.65	12.77	11.99	15.93	16.08	14.78	14.87
Mutual Fund	4.18	4.04	3.92	3.81	3.06	3.16	3.18	3.20	3.28
Insurance & Pension Fund	14.04	14.01	14.08	14.14	14.44	14.24	14.59	14.45	13.34
Foreign	24.86	23.81	22.89	22.74	22.76	22.82	22.53	22.44	21.56
Individuals	3.51	4.11	4.56	4.49	4.61	4.49	4.64	4.46	4.94
Others	5.93	5.97	6.03	6.05	6.83	6.95	7.07	7.21	8.31

Source : DJPPR as of September 30, 2021

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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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