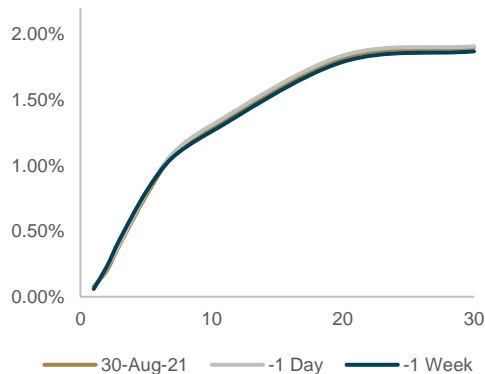


Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

Exhibit 2. Global Gov't Bond Yield

Country	30-Aug-21	-1 Day	-1 Week
U.S	1.28%	1.31%	1.25%
U.K	0.58%	0.60%	0.52%
Germany	-0.42%	-0.42%	-0.48%
Australia	1.16%	1.19%	1.10%
Japan	0.02%	0.03%	0.02%
China	2.85%	2.87%	2.87%
Malaysia	3.21%	3.23%	3.23%
Thailand	1.59%	1.60%	1.56%

Source : Bloomberg

Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	1.28
Indo 5-Year CDS	bps	69.04
USD/IDR	points	14,370
BI 7DRR	%	3.50

Source : Bloomberg as of August 30, 2021



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Economist & Fixed Income Analyst

Global Market Update

- The U.S. treasury yields moved 1-3 bps lower along the curve in the first trading day this week.
- The benchmark 10 year U.S. treasury yield dropped nearly 3 bps to 1.28% on Monday (08/30/21).
- Pending home sales in the U.S. were downed by 8.5% YoY in July-21. This was the second consecutive month of drop amid limited supply.
- Now investors eye on the upcoming data such as consumer confidence, ISM manufacturing activity as well as job report in this week.
- Economist polled by Dow Jones expect 750,000 jobs were created in August-21 making the unemployment rate to fall to 5.2%.
- Some Fed's officials expect the announcement of tapering could come soon as the Fed's Sept. 21-22 meeting.
- U.S. equity market closed mixed with DJI underperformed by 0.19% while S&P 500 and Nasdaq hit another all time high after gaining each 0.43% and 0.9%.
- Elsewhere, the economic sentiment indicator in the Euro Area dropped to 117.5 in August-21 from an all time high of 119 in the previous month and below consensus expectation at 117.9. The lower sentiment was deteriorated by concerns over Delta variant widespread.

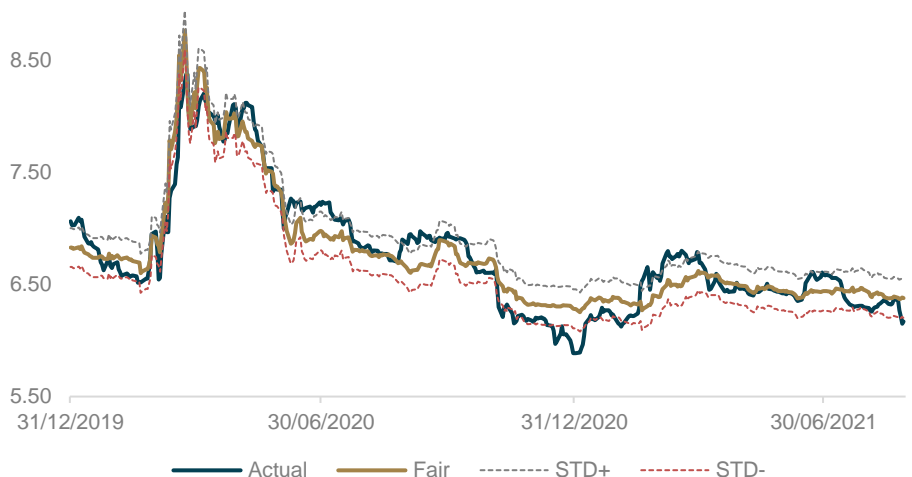
Domestic Market Update

- The domestic bond market continued to edge higher on the first trading day this week. ICBI settled at 327.18 after gaining 0.1%. Both corporate and government bond prices saw an appreciation.
- The 10 year Indo GB yield dropped 5 bps to 6.12% yesterday or equivalent to its -1STD fair yield valuation.
- JCI index gained 1.71% while rupiah strengthened against USD to below IDR 14.400/USD along with the declines in 5-year CDS.
- The domestic capital market was appreciated despite the possible tapering off by the end of this year yet the Fed has pledged that the interest rates won't be hike up until a more stringent test is undertaken.

Market Projection

- Today's market sentiment is coming from the government bond auction that target to raise fund worth of IDR21tn. The indicative target was set lower due to burden sharing program between government and central bank.
- We expect with the lower target and the probability of remain high investors appetite, today's auction to be successful as before.
- Given the U.S. treasury yield limited movement, the 10 year Indo GB yield will likely to move within range of 6.10%-6.20%.
- The attractive government bond series to be traded are : FR0086, FR0090, FR0082, FR0087, FR0068, FR0083 and FR0076.

Exhibit 4. 10 Year Indo GB Fair Yield



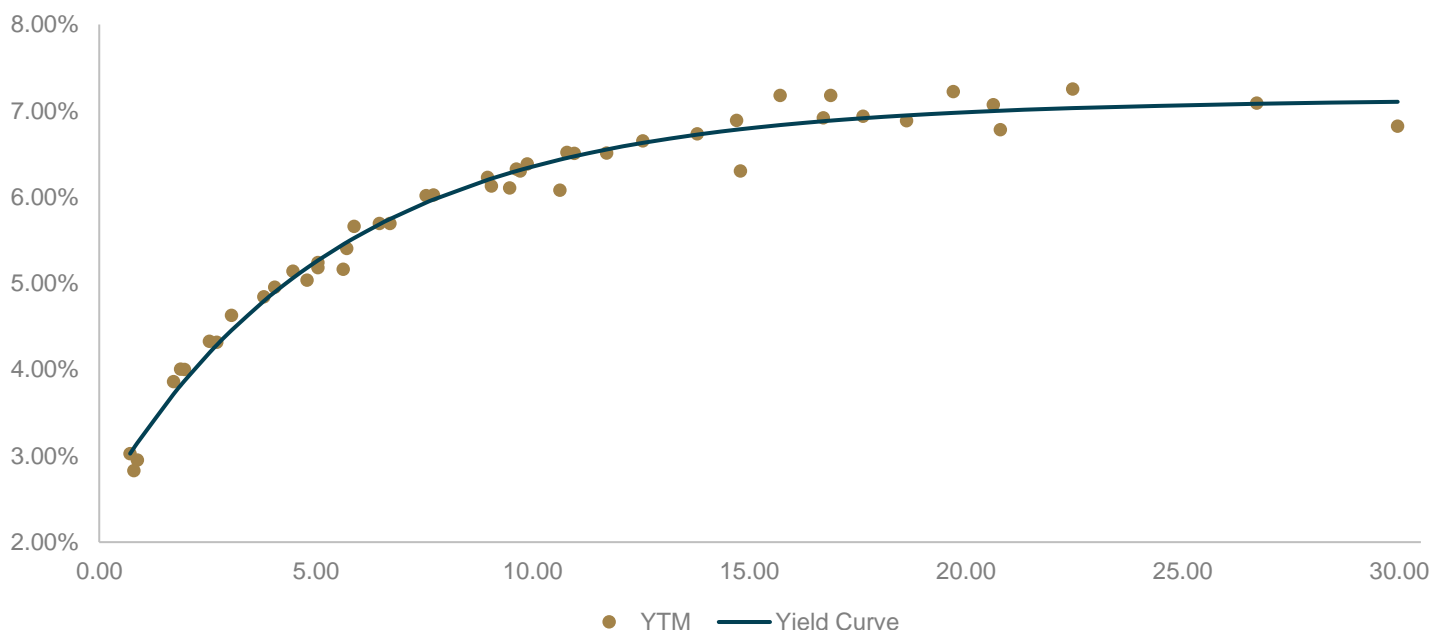
Source : Bloomberg, MNCS Calculation

Exhibit 5. Indo GB Series Valuation

Series	Maturity	TTM	Last Price	YTM	Fair Yield	Fair Price	Valuation
FR61	15-May-22	0.71	102.74	3.02%	3.02%	102.76	Fair
FR35	15-Jun-22	0.79	107.77	2.83%	3.09%	107.61	Premium
FR43	15-Jul-22	0.87	106.22	2.95%	3.15%	106.07	Premium
FR63	15-May-23	1.71	102.88	3.86%	3.71%	103.13	Fair
FR46	15-Jul-23	1.87	109.80	4.00%	3.82%	110.18	Discounted
FR39	15-Aug-23	1.96	114.42	4.00%	3.87%	114.73	Fair
FR70	15-Mar-24	2.54	109.63	4.33%	4.20%	109.98	Fair
FR77	15-May-24	2.71	109.61	4.32%	4.28%	109.72	Fair
FR44	15-Sep-24	3.04	115.07	4.63%	4.45%	115.62	Discounted
FR81	15-Jun-25	3.79	105.66	4.84%	4.79%	105.85	Fair
FR40	15-Sep-25	4.04	121.88	4.95%	4.90%	122.14	Fair
FR84	15-Feb-26	4.46	108.31	5.14%	5.06%	108.64	Fair
FR86	15-Jun-26	4.79	101.90	5.03%	5.18%	101.34	Fair
FR37	15-Sep-26	5.04	129.59	5.24%	5.27%	129.49	Fair
FR56	15-Sep-26	5.04	114.00	5.18%	5.27%	113.61	Fair
FR90	15-Apr-27	5.63	99.82	5.16%	5.45%	98.44	Premium
FR59	15-May-27	5.71	107.74	5.40%	5.47%	107.38	Fair
FR42	15-Jul-27	5.87	122.64	5.66%	5.52%	123.43	Fair
FR47	15-Feb-28	6.46	123.00	5.69%	5.68%	123.07	Fair
FR64	15-May-28	6.71	102.38	5.69%	5.74%	102.08	Fair
FR71	15-Mar-29	7.54	117.87	6.02%	5.93%	118.42	Fair
FR78	15-May-29	7.71	113.56	6.02%	5.97%	113.91	Fair
FR52	15-Aug-30	8.96	129.00	6.23%	6.20%	129.23	Fair
FR82	15-Sep-30	9.04	106.00	6.13%	6.21%	105.38	Fair
FR87	15-Feb-31	9.46	102.81	6.10%	6.28%	101.57	Premium
FR85	15-Apr-31	9.63	110.15	6.32%	6.30%	110.33	Fair
FR73	15-May-31	9.71	117.56	6.30%	6.31%	117.48	Fair
FR54	15-Jul-31	9.87	122.56	6.38%	6.34%	122.95	Fair
FR91	15-Apr-32	10.63	102.28	6.08%	6.43%	99.55	Premium
FR58	15-Jun-32	10.79	113.26	6.52%	6.45%	113.81	Fair
FR74	15-Aug-32	10.96	107.71	6.50%	6.47%	107.98	Fair
FR65	15-May-33	11.71	100.93	6.51%	6.55%	100.59	Fair
FR68	15-Mar-34	12.54	114.50	6.65%	6.63%	114.73	Fair
FR80	15-Jun-35	13.79	106.83	6.73%	6.72%	106.91	Fair
FR72	15-May-36	14.71	112.45	6.89%	6.78%	113.53	Fair
FR88	15-Jun-36	14.79	99.51	6.30%	6.78%	95.04	Premium
FR45	15-May-37	15.71	124.00	7.18%	6.83%	127.81	Discounted
FR75	15-May-38	16.71	105.71	6.92%	6.88%	106.11	Fair
FR50	15-Jul-38	16.87	132.21	7.18%	6.88%	135.74	Discounted
FR79	15-Apr-39	17.63	114.51	6.93%	6.91%	114.75	Fair
FR83	15-Apr-40	18.63	106.42	6.88%	6.95%	105.74	Fair
FR57	15-May-41	19.71	123.75	7.22%	6.97%	126.81	Discounted
FR62	15-Apr-42	20.63	92.50	7.07%	7.00%	93.27	Fair
FR92	15-Jun-42	20.79	103.80	6.78%	7.00%	101.35	Premium
FR67	15-Feb-44	22.46	116.50	7.25%	7.03%	119.28	Discounted
FR76	15-May-48	26.71	103.39	7.09%	7.08%	103.50	Fair
FR89	15-Aug-51	29.96	100.69	6.82%	7.10%	97.18	Premium

Source : Bloomberg, MNCS Calculation as of August 30, 2021

Exhibit 6. Indo GB Yield Curve



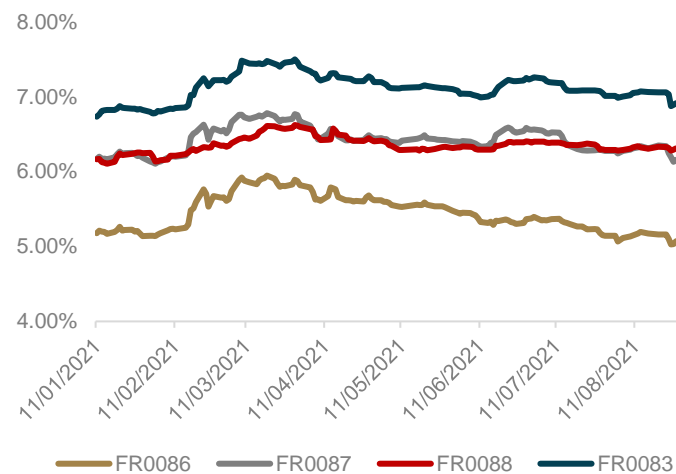
Source : Bloomberg, MNCS Calculation as of August 30, 2021

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
Bank	37.96	37.09	37.86	36.00	36.33	32.50	31.92	33.53
Central Bank (Nett)	9.52	10.98	10.65	12.77	11.99	15.93	16.08	14.69
Mutual Fund	4.18	4.04	3.92	3.81	3.06	3.16	3.18	3.22
Insurance & Pension Fund	14.04	14.01	14.08	14.14	14.44	14.24	14.59	14.45
Foreign	24.86	23.81	22.89	22.74	22.76	22.82	22.53	22.37
Individuals	3.51	4.11	4.56	4.49	4.61	4.49	4.64	4.52
Others	5.93	5.97	6.03	6.05	6.83	6.95	7.07	7.22

Source : DJPPR as of August 27, 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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