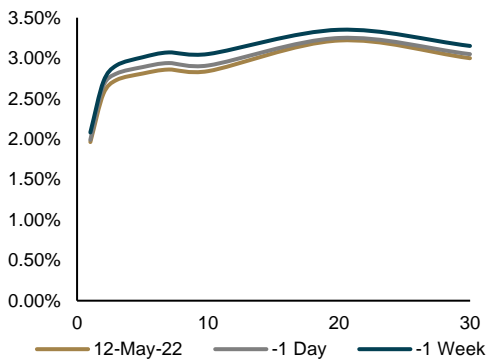


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Countries	12-May-22	-1 Day	-1 Week
U.S	2.85%	2.93%	3.04%
U.K	1.66%	1.82%	1.96%
Germany	0.84%	0.98%	1.04%
Japan	0.24%	0.24%	0.23%
China	2.82%	2.82%	2.84%
Malaysia	4.41%	4.39%	4.42%
Thailand	3.30%	3.28%	2.92%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	2.85
Indo 5-Year CDS	bps	127.85
USD/IDR	points	14,598
BI 7DRR	%	3.50

Source : Bloomberg as of May 12, 2022

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## Global Market Update

- The benchmark 10-year UST continued to fall. It was settled down 8 bps to 2.85% on Thursday (05/11/22).
- Yields on UST note fell 3-10 bps along the curve on a daily basis.
- Meanwhile on a weekly period, yields of US government bond dropped 12-21 bps along the curve.
- The fall in UST note yield may indicate that investors are flowing back to safer asset as equity market sell off continued.
- Wall Street indexes were significantly volatile this week. Last night US equity closed mixed.
- DJI and S&P 500 each fell 0.33% and 0.13%, meanwhile Nasdaq Composite was up 0.06%.
- US PPI increased +0.5% MoM in Apr-22, in line with consensus estimate.
- However US core PPI only rose +0.4% MoM at the same period, lower than consensus estimate at +0.6% MoM.
- UK's 1Q22 GDP recorded an expansion of +0.8% QoQ/+8.7% YoY in a preliminary reading, lower than market expectation at +1.0% QoQ/+9.0% YoY.
- Market focus remains on 3 things : 1) inflation and monetary policy; 2) Russia-Ukraine and 3) Covid-19 in China.

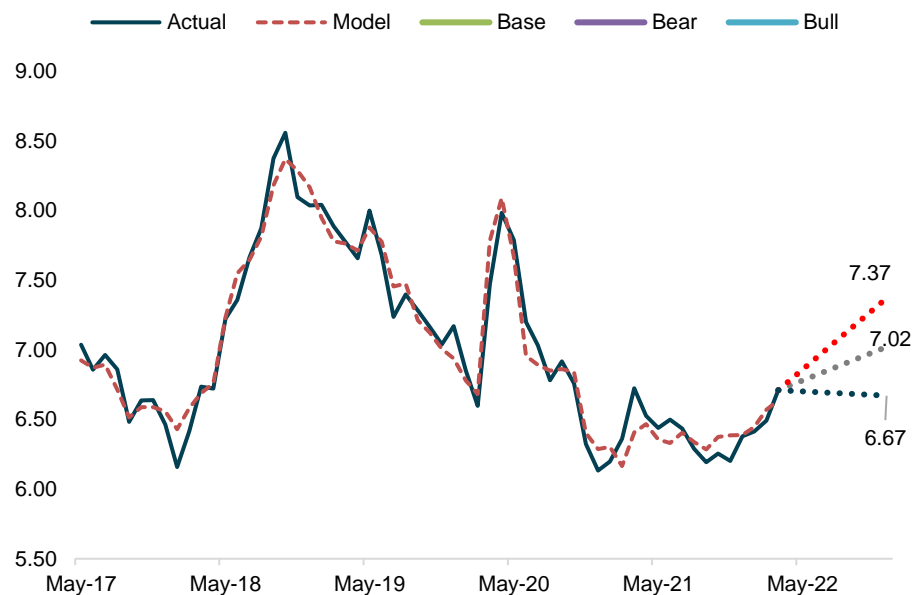
## Domestic Market Update

- Yield on 10-year Indo GB moved sideways at 6.38% yesterday.
- The IDR weakened against USD and was closed to IDR 14.598/USD, the lowest in a year.
- Along with IDR depreciation, risk premium 5-year CDS also rose to 127.85 bps yesterday (vs 110.04 bps on previous day).
- On the data front, BI reported domestic retail sales grew +2.6% MoM/+9.3% YoY in Mar-22.
- The increase in retail sales was attributable to improving demand as well as mobility as government continue to relax PPKM amidst dropping Covid-19 cases.

## Market Projection

- Given the recent development on global and domestic market, we expect the 10 year Indo GB yield to keep steady within a range of 7.20-7.40% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0056, FR0090, FR0073, FR0091, FR0068, FR0072.

## Exhibit 4. 10 Year Indo GB Fair Yield



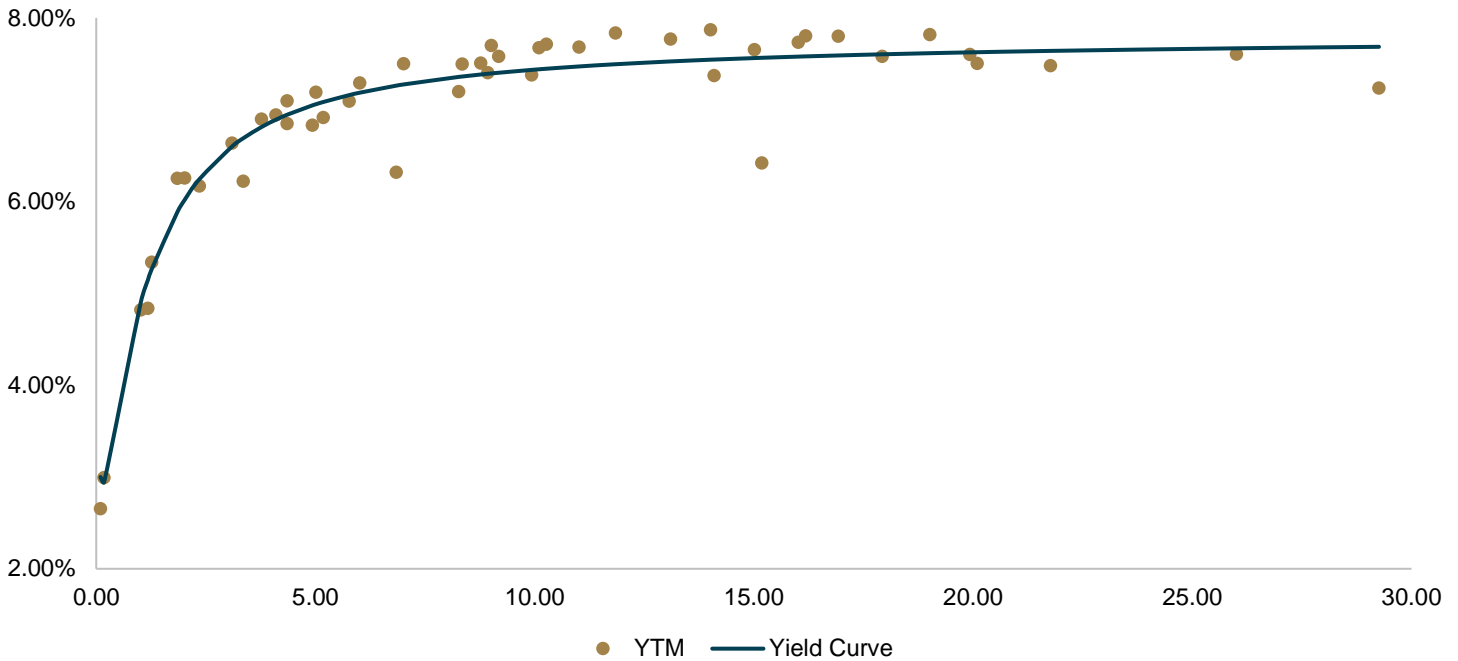
Source : Bloomberg, MNCS Calculation

## Exhibit 5. Indo GB Series Valuation

Series	Coupon (%)	Maturity	TTM (Yr)	Last Price	YTM (%)	Yield Curve (%)	Fair Price	Notes
FR35	12.900	15-Jun-22	0.09	100.80	2.66%	3.00%	100.91	Premium
FR43	10.250	15-Jul-22	0.18	101.16	2.99%	2.94%	101.27	Fair
FR63	5.625	15-May-23	1.01	100.77	4.82%	4.90%	100.71	Fair
FR46	9.500	15-Jul-23	1.18	105.20	4.84%	5.15%	104.89	Premium
FR39	11.750	15-Aug-23	1.26	107.63	5.34%	5.26%	107.80	Fair
FR70	8.375	15-Mar-24	1.84	103.60	6.25%	5.88%	104.28	Discounted
FR77	8.125	15-May-24	2.01	103.46	6.26%	6.02%	103.93	Fair
FR44	10.000	15-Sep-24	2.35	108.18	6.17%	6.24%	108.06	Fair
FR81	6.500	15-Jun-25	3.09	99.62	6.64%	6.60%	99.72	Fair
FR40	11.000	15-Sep-25	3.35	114.15	6.22%	6.69%	112.71	Premium
FR84	7.250	15-Feb-26	3.77	101.13	6.90%	6.81%	101.42	Fair
FR86	5.500	15-Jun-26	4.09	95.12	6.94%	6.89%	95.10	Fair
FR37	12.000	15-Sep-26	4.35	119.00	6.85%	6.94%	118.65	Fair
FR56	8.375	15-Sep-26	4.35	104.68	7.10%	6.94%	105.27	Fair
FR90	5.125	15-Apr-27	4.93	92.97	6.83%	7.05%	92.11	Fair
FR59	7.000	15-May-27	5.01	99.22	7.19%	7.06%	99.75	Fair
FR42	10.250	15-Jul-27	5.18	114.25	6.92%	7.08%	113.50	Fair
FR47	10.000	15-Feb-28	5.76	113.50	7.09%	7.16%	113.21	Fair
FR64	6.125	15-May-28	6.01	94.41	7.29%	7.19%	94.90	Fair
FR71	9.000	15-Mar-29	6.84	107.89	6.32%	7.26%	109.23	Premium
FR78	8.250	15-May-29	7.01	104.02	7.50%	7.28%	105.28	Fair
FR52	10.500	15-Aug-30	8.26	120.25	7.20%	7.36%	119.18	Fair
FR82	7.000	15-Sep-30	8.35	96.95	7.50%	7.36%	97.76	Fair
FR87	6.500	15-Feb-31	8.77	93.61	7.51%	7.38%	94.36	Fair
FR85	7.750	15-Apr-31	8.93	102.22	7.40%	7.39%	102.31	Fair
FR73	8.750	15-May-31	9.01	106.73	7.70%	7.39%	108.80	Discounted
FR54	9.500	15-Jul-31	9.18	112.50	7.58%	7.40%	113.77	Fair
FR91	6.375	15-Apr-32	9.93	93.02	7.38%	7.43%	92.65	Fair
FR58	8.250	15-Jun-32	10.09	103.98	7.67%	7.44%	105.67	Fair
FR74	7.500	15-Aug-32	10.26	98.48	7.71%	7.45%	100.37	Fair
FR65	6.625	15-May-33	11.01	92.26	7.68%	7.47%	93.73	Fair
FR68	8.375	15-Mar-34	11.84	104.10	7.84%	7.50%	106.81	Discounted
FR80	7.500	15-Jun-35	13.09	97.80	7.77%	7.53%	99.78	Fair
FR72	8.250	15-May-36	14.01	103.18	7.87%	7.54%	106.04	Discounted
FR88	6.250	15-Jun-36	14.09	90.26	7.37%	7.55%	88.86	Fair
FR45	9.750	15-May-37	15.01	118.50	7.65%	7.56%	119.43	Fair
FR93	6.375	15-Jul-37	15.18	99.56	6.42%	7.57%	89.35	Premium
FR75	7.500	15-May-38	16.01	97.87	7.73%	7.58%	99.28	Fair
FR50	10.500	15-Jul-38	16.18	124.50	7.80%	7.58%	126.93	Fair
FR79	8.375	15-Apr-39	16.93	105.35	7.80%	7.59%	107.39	Fair
FR83	7.500	15-Apr-40	17.93	99.22	7.58%	7.60%	98.99	Fair
FR57	9.500	15-May-41	19.01	116.50	7.82%	7.62%	118.77	Fair
FR62	6.375	15-Apr-42	19.93	87.50	7.60%	7.62%	87.29	Fair
FR92	7.125	15-Jun-42	20.09	96.10	7.50%	7.63%	94.88	Fair
FR67	8.750	15-Feb-44	21.76	113.50	7.48%	7.64%	111.66	Fair
FR76	7.375	15-May-48	26.01	97.42	7.60%	7.67%	96.71	Fair
FR89	6.875	15-Aug-51	29.26	95.60	7.24%	7.68%	90.61	Premium

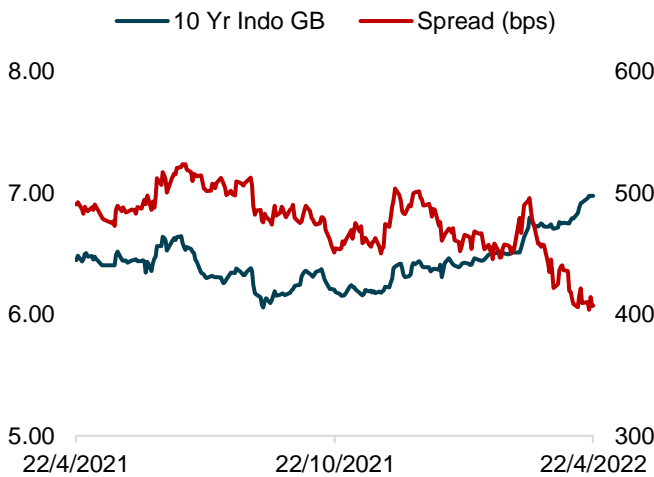
Source : Bloomberg, MNCS Calculation as of May 12, 2022

**Exhibit 6. Indo GB Yield Curve**



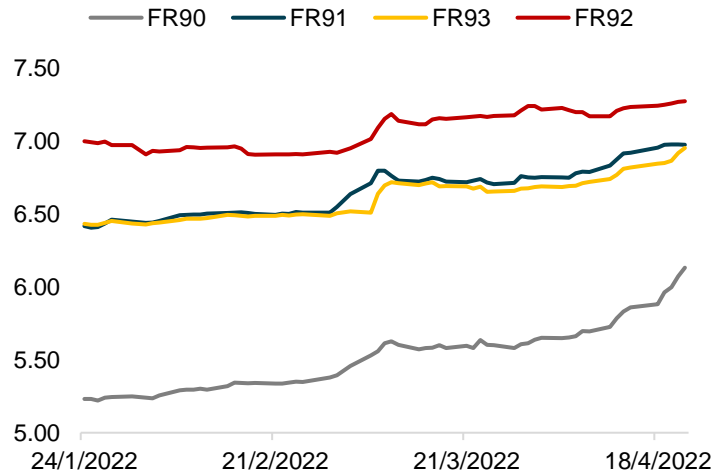
Source : Bloomberg, MNCS Calculation as of May 12, 2022

**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	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22
Bank	36.33	32.5	31.92	33.45	33.69	34.77	35.63	34.01	35.47	35.82	35.03	33.36
Central Bank (Nett)	11.99	15.93	16.08	14.78	14.87	13.52	13.10	17.13	15.20	14.12	15.15	16.90
Mutual Fund	3.06	3.16	3.18	3.20	3.28	3.31	3.42	3.38	3.20	3.14	3.19	3.24
Insurance & Pension Fund	14.44	14.24	14.59	14.45	14.40	14.61	14.44	14.00	14.52	14.77	15.22	15.28
Foreign	22.76	22.82	22.53	22.44	21.56	21.24	20.55	19.05	18.97	18.82	17.57	17.37
Individuals	4.61	4.49	4.64	4.46	4.94	5.04	5.08	4.73	4.83	5.32	5.61	5.60
Others	6.83	6.95	7.07	7.21	7.25	7.50	7.78	7.70	7.82	8.01	8.22	8.26

Source : DJPPR as of Apr 21, 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

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