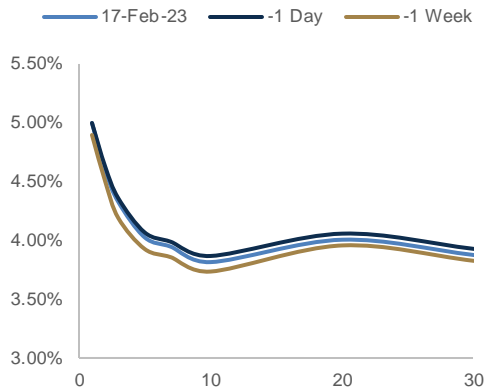


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

| Countries | 17-Feb-23 | -1 Day | -1 Week |
|-----------|-----------|--------|---------|
| U.S       | 3.82%     | 3.86%  | 3.74%   |
| U.K       | 3.51%     | 3.50%  | 3.39%   |
| Germany   | 2.44%     | 2.48%  | 2.36%   |
| Japan     | 0.50%     | 0.50%  | 0.50%   |
| China     | 2.89%     | 2.89%  | 2.89%   |
| Malaysia  | 3.89%     | 3.88%  | 3.83%   |
| Thailand  | 2.61%     | 2.57%  | 2.54%   |

Source : Bloomberg

## Exhibit 3. Market Indicators

| Indicators      | Unit   | Value  |
|-----------------|--------|--------|
| U.S. Treasury   | %      | 3.82   |
| Indo 5-Year CDS | bps    | 92.45  |
| USD/IDR         | points | 15,210 |
| BI 7DRR         | %      | 5.75   |

Source : Bloomberg as of February 27, 2023

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## Global Market Update

- Yields on the benchmark UST note declined along the curve on the last trading day of previous week.
- The benchmark 10-year UST note yield fell 4 bps and closed at 3.82% on Friday (02/17/23).
- On the other hand, the benchmark 2-year UST note decreased slightly by 2 bps to 4.62% at the same time.
- Yields on the benchmark 2 & 10 year UST note still increasing by 10 bps and 8 bps respectively on a weekly basis.
- In spite of declining government bond yields, US stock market was mixed. The DJI gained 0.39% while S&P 500 and Nasdaq Composite dropped 0.27% and 0.58% respectively.
- PBoC kept the reference rate unchanged on Feb-23 meeting. Loan Prime Rate 1Y and 5Y were maintained at 3.65% and 4.3% respectively.

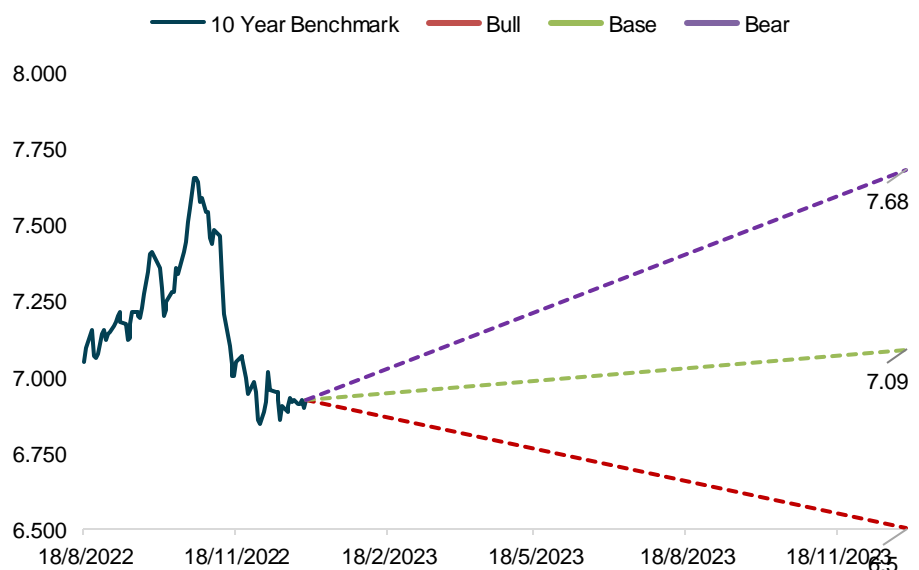
## Domestic Market Update

- Yield on the benchmark 10-year (FR0096) increased 4 bps to 6.72% on Friday (02/17/23).
- The benchmark government bond yield slight increased following the IDR depreciation and weakening CDS.
- The IDR weakened against USD and closed at IDR15,210/USD on Friday vs IDR15,159/USD on the previous day.
- Indonesia's 5-year CDS inched up to 92.45 bps on Friday vs 90.12 bps on the previous day.
- Bank Indonesia (BI) reported a net outflows from SBN totaling IDR3.52tn during 13-16 February 2023.
- However, SBN market is still flooded with foreign portfolio inflows since the beginning of this year which recorded a net inflows of IDR45.4tn.

## 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 6.70-6.90% for today.
- Attractive Indo GB series to be traded today : FR0063, FR0070, FR0077, FR0081, FR0037, FRFR0096, FR0072.

## Exhibit 4. 10 Year Indo GB Fair Yield



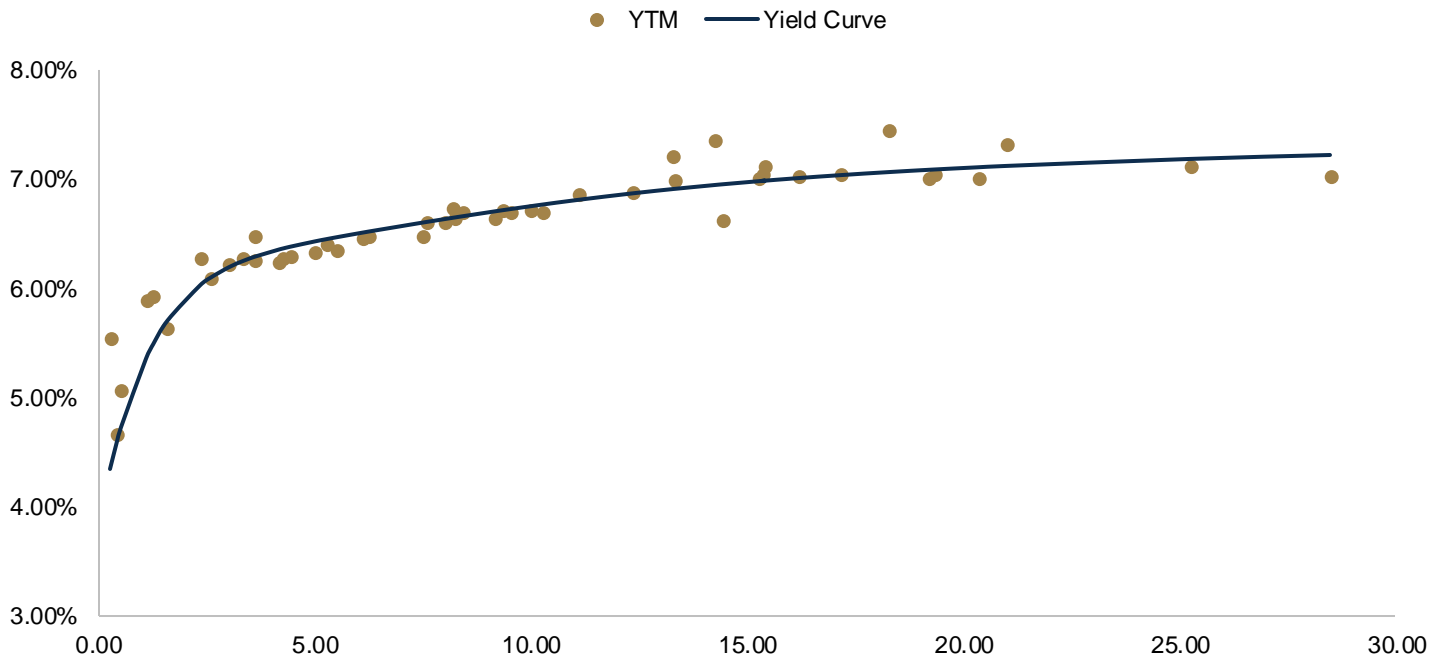
Source : Bloomberg, MNCS Calculation

## Exhibit 5. Indo GB Series Valuation

| Series | Coupon | Maturity  | TTM   | Last Price | YTM   | Yield Curve | Fair Price | Notes      |
|--------|--------|-----------|-------|------------|-------|-------------|------------|------------|
| FR63   | 5.625  | 15-May-23 | 0.24  | 100.00     | 5.54% | 4.34%       | 100.29     | Discounted |
| FR46   | 9.500  | 15-Jul-23 | 0.41  | 101.88     | 4.65% | 4.60%       | 101.95     | Fair       |
| FR39   | 11.750 | 15-Aug-23 | 0.49  | 103.15     | 5.06% | 4.72%       | 103.40     | Discounted |
| FR70   | 8.375  | 15-Mar-24 | 1.07  | 102.52     | 5.88% | 5.35%       | 103.10     | Discounted |
| FR77   | 8.125  | 15-May-24 | 1.24  | 102.56     | 5.93% | 5.48%       | 103.11     | Discounted |
| FR44   | 10.000 | 15-Sep-24 | 1.58  | 106.44     | 5.63% | 5.70%       | 106.37     | Fair       |
| FR81   | 6.500  | 15-Jun-25 | 2.32  | 100.46     | 6.28% | 6.02%       | 101.01     | Discounted |
| FR40   | 11.000 | 15-Sep-25 | 2.58  | 111.47     | 6.09% | 6.09%       | 111.51     | Fair       |
| FR84   | 7.250  | 15-Feb-26 | 3.00  | 102.77     | 6.22% | 6.19%       | 102.86     | Fair       |
| FR86   | 5.500  | 15-Jun-26 | 3.32  | 97.83      | 6.27% | 6.25%       | 97.78      | Fair       |
| FR37   | 12.000 | 15-Sep-26 | 3.58  | 117.33     | 6.47% | 6.28%       | 118.03     | Discounted |
| FR56   | 8.375  | 15-Sep-26 | 3.58  | 106.71     | 6.24% | 6.28%       | 106.59     | Fair       |
| FR90   | 5.125  | 15-Apr-27 | 4.16  | 96.02      | 6.23% | 6.35%       | 95.57      | Premium    |
| FR59   | 7.000  | 15-May-27 | 4.24  | 102.67     | 6.27% | 6.36%       | 102.33     | Fair       |
| FR42   | 10.250 | 15-Jul-27 | 4.41  | 115.02     | 6.29% | 6.38%       | 114.68     | Fair       |
| FR47   | 10.000 | 15-Feb-28 | 4.99  | 115.48     | 6.33% | 6.43%       | 115.06     | Fair       |
| FR64   | 6.125  | 15-May-28 | 5.24  | 98.84      | 6.39% | 6.45%       | 98.58      | Fair       |
| FR95   | 6.375  | 15-Aug-28 | 5.49  | 100.13     | 6.35% | 6.46%       | 99.59      | Fair       |
| FR71   | 9.000  | 15-Mar-29 | 6.07  | 112.63     | 6.45% | 6.50%       | 112.34     | Fair       |
| FR78   | 8.250  | 15-May-29 | 6.24  | 109.03     | 6.46% | 6.52%       | 108.76     | Fair       |
| FR52   | 10.500 | 15-Aug-30 | 7.49  | 123.63     | 6.47% | 6.60%       | 122.78     | Premium    |
| FR82   | 7.000  | 15-Sep-30 | 7.58  | 102.34     | 6.60% | 6.60%       | 102.32     | Fair       |
| FR87   | 6.500  | 15-Feb-31 | 8.00  | 99.37      | 6.60% | 6.63%       | 99.20      | Fair       |
| FR85   | 7.750  | 15-Apr-31 | 8.16  | 106.38     | 6.72% | 6.64%       | 106.89     | Fair       |
| FR73   | 8.750  | 15-May-31 | 8.24  | 113.22     | 6.64% | 6.65%       | 113.17     | Fair       |
| FR54   | 9.500  | 15-Jul-31 | 8.41  | 117.78     | 6.70% | 6.66%       | 118.08     | Fair       |
| FR91   | 6.375  | 15-Apr-32 | 9.16  | 98.26      | 6.63% | 6.70%       | 97.78      | Fair       |
| FR58   | 8.250  | 15-Jun-32 | 9.32  | 110.48     | 6.72% | 6.71%       | 110.52     | Fair       |
| FR74   | 7.500  | 15-Aug-32 | 9.49  | 105.59     | 6.69% | 6.72%       | 105.40     | Fair       |
| FR96   | 7.000  | 15-Feb-33 | 10.00 | 102.04     | 6.72% | 6.75%       | 101.80     | Fair       |
| FR65   | 6.625  | 15-May-33 | 10.24 | 99.51      | 6.69% | 6.76%       | 98.98      | Fair       |
| FR68   | 8.375  | 15-Mar-34 | 11.07 | 111.72     | 6.85% | 6.81%       | 112.06     | Fair       |
| FR80   | 7.500  | 15-Jun-35 | 12.32 | 105.22     | 6.86% | 6.87%       | 105.20     | Fair       |
| FR72   | 8.250  | 15-May-36 | 13.24 | 108.80     | 7.20% | 6.90%       | 111.54     | Discounted |
| FR88   | 6.250  | 15-Jun-36 | 13.32 | 93.73      | 6.98% | 6.91%       | 94.32      | Fair       |
| FR45   | 9.750  | 15-May-37 | 14.24 | 120.98     | 7.35% | 6.94%       | 125.11     | Discounted |
| FR93   | 6.375  | 15-Jul-37 | 14.41 | 97.75      | 6.62% | 6.95%       | 94.82      | Premium    |
| FR75   | 7.500  | 15-May-38 | 15.24 | 104.61     | 7.00% | 6.98%       | 104.84     | Fair       |
| FR50   | 10.500 | 15-Jul-38 | 15.41 | 131.48     | 7.10% | 6.98%       | 132.87     | Discounted |
| FR98   | 7.125  | 15-Jun-38 | 15.32 | 101.022    | 7.03% | 6.98%       | 101.34     | Fair       |
| FR79   | 8.375  | 15-Apr-39 | 16.16 | 113.06     | 7.01% | 7.01%       | 113.11     | Fair       |
| FR83   | 7.500  | 15-Apr-40 | 17.16 | 104.46     | 7.05% | 7.03%       | 104.59     | Fair       |
| FR57   | 9.500  | 15-May-41 | 18.24 | 120.40     | 7.44% | 7.06%       | 124.78     | Discounted |
| FR62   | 6.375  | 15-Apr-42 | 19.16 | 93.46      | 7.00% | 7.08%       | 92.64      | Fair       |
| FR92   | 7.125  | 15-Jun-42 | 19.32 | 100.95     | 7.03% | 7.09%       | 100.40     | Fair       |
| FR97   | 7.125  | 15-Jun-43 | 20.32 | 101.22     | 6.99% | 7.11%       | 100.20     | Fair       |
| FR67   | 8.750  | 15-Feb-44 | 20.99 | 115.30     | 7.31% | 7.12%       | 117.65     | Discounted |
| FR76   | 7.375  | 15-May-48 | 25.24 | 102.98     | 7.12% | 7.18%       | 102.22     | Fair       |
| FR89   | 6.875  | 15-Aug-51 | 28.49 | 98.23      | 7.02% | 7.22%       | 95.87      | Premium    |

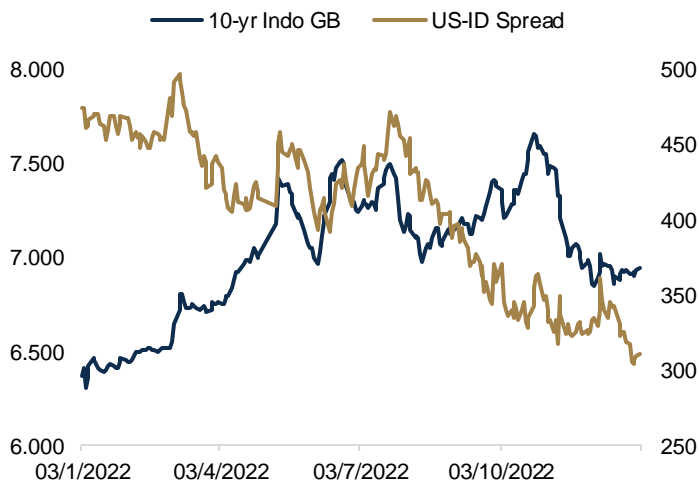
Source : Bloomberg, MNCS Calculation as of February 27, 2023

## Exhibit 6. Indo GB Yield Curve



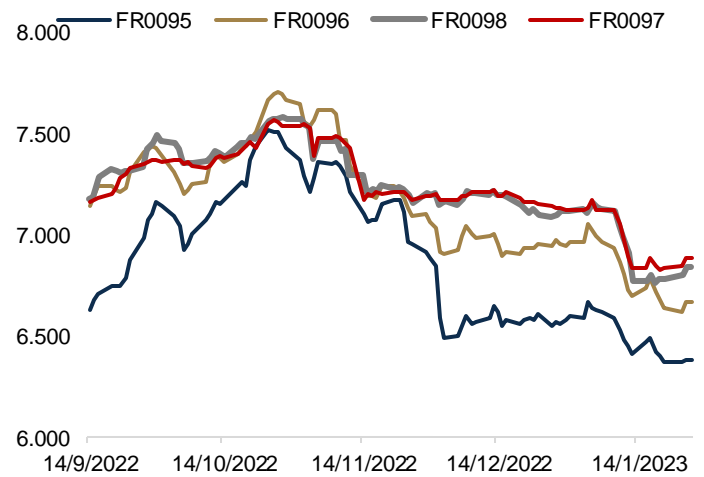
Source : Bloomberg, MNCS Calculation as of February 27, 2023

## 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

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