

Market Update

Rupiah asset classes closed lower on Thursday. The JCI declined by -0.35% to 6,632.97 with foreign reported net buy of +Rp587.52bn. While, regional stock markets closed lower with the NKY -1.87%, HSI -0.45%, and Kospi -0.19%.

INDOGB 10-yr yield rose to 6.18%. While, UST 10-yr rose to 1.69% after weekly jobless claims data came in slightly better than expected at 290,000 (est. 300,000). USD/IDR appreciated by +0.18% to 14,152.

PEFINDO has assigned its "idAAA" rating to PT Pelabuhan Indonesia (Persero) or Pelindo, previously PT Pelabuhan Indonesia II (Persero), a surviving entity of the merger with PT Pelabuhan Indonesia I (Persero) or Pelindo I, PT Pelabuhan Indonesia III (Persero) or Pelindo III, and PT Pelabuhan Indonesia IV (Persero) or Pelindo IV, effective on October 1, 2021. The rating reflects the view of the government's strong likelihood of support for Pelindo, its superior market position, and stable recurring income from fixed rental payments. However, these strengths are partly offset by its increasing leverage due to capacity expansion.

Government Bond Ownership As of Oct 13, 2021 (in Trillion)

| Holders | 2020 | 30-Sep-21 | 13-Oct-21 |
|--------------------------|-----------------|-----------------|-----------------|
| Banks | 1,375.57 | 1,502.91 | 1,442.72 |
| (of percentage %) | 35.54 | 33.69 | 32.37 |
| Bank Indonesia | 454.36 | 663.15 | 716.26 |
| (of percentage %) | 11.74 | 14.87 | 16.07 |
| Mutual Fund | 161.33 | 146.25 | 146.40 |
| (of percentage %) | 4.17 | 3.28 | 3.28 |
| Insurance & Pension Fund | 542.82 | 595.18 | 649.85 |
| (of percentage %) | 14.02 | 13.34 | 14.58 |
| Foreign Investor | 973.91 | 961.78 | 953.70 |
| (of percentage %) | 25.16 | 21.56 | 21.40 |
| Individual Investors | 131.24 | 220.37 | 221.28 |
| (of percentage %) | 3.39 | 4.94 | 4.96 |
| Others | 231.54 | 370.82 | 327.26 |
| (of percentage %) | 5.98 | 8.31 | 7.34 |
| Total | 3,870.76 | 4,460.46 | 4,457.46 |

Source: DJPPR

10-Year Government Bond Yields

| Country | S&P Rating | 21-Oct | (-1 day) | Chg. (bps) |
|-------------|------------|--------|----------|------------|
| US | AA+ | 1.69 | 1.59 | 10 |
| UK | AA | 1.15 | 1.17 | -2 |
| Germany | AAA | -0.13 | -0.11 | -2 |
| France | AA | 0.21 | 0.24 | -3 |
| Brazil | BB- | 11.86 | 11.52 | 33 |
| India | BBB- | 6.34 | 6.37 | -4 |
| China | A+ | 2.97 | 3.00 | -3 |
| South Korea | AA | 2.42 | 2.42 | 1 |
| Thailand | BBB+ | 2.06 | 2.01 | 5 |
| Malaysia | A- | 3.60 | 3.60 | 0 |
| Singapore | AAA | 1.73 | 1.74 | 0 |
| Indonesia | BBB | 6.18 | 6.17 | 1 |

Source: Bloomberg

Spot Forex

| | 21-Oct | (-1 day) | (-1 week) |
|---------|--------|----------|-----------|
| USD/IDR | 14,152 | 14,127 | 14,061 |
| EUR/IDR | 16,417 | 16,417 | 16,373 |
| GBP/IDR | 19,479 | 19,479 | 19,302 |
| SGD/IDR | 10,481 | 10,481 | 10,469 |
| CNY/IDR | 2,214 | 2,214 | 2,183 |

Source: Bloomberg

Global Stock Markets

| Index | Last Price | Chg. (%) | % MTD | % YTD |
|-----------|------------|----------|----------|----------|
| S&P 500 | 4,549.78 | ↑ 0.30% | ↑ 4.42% | ↑ 22.95% |
| DJIA | 35,603.08 | → -0.02% | ↑ 3.72% | ↑ 17.80% |
| NASDAQ | 15,215.70 | ↑ 0.62% | ↑ 4.46% | ↑ 19.82% |
| DAX | 15,472.56 | ↓ -0.32% | ↑ 2.09% | ↑ 12.72% |
| FTSE | 7,190.30 | ↓ -0.45% | ↑ 2.32% | ↑ 9.41% |
| CAC 40 | 6,686.17 | ↓ -0.29% | ↑ 2.58% | ↑ 19.63% |
| Nikkei | 28,708.58 | ↓ -1.87% | ↓ -0.22% | ↑ 5.32% |
| Hang Seng | 26,017.53 | ↓ -0.45% | ↑ 8.24% | ↓ -5.30% |
| Kospi | 3,007.33 | ↓ -0.19% | ↓ -0.39% | ↑ 2.14% |
| JCI | 6,632.97 | ↓ -0.35% | ↑ 6.49% | ↑ 8.65% |

Source: Bloomberg

Macroeconomic Data

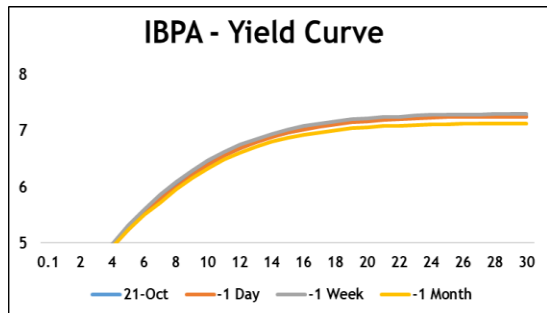
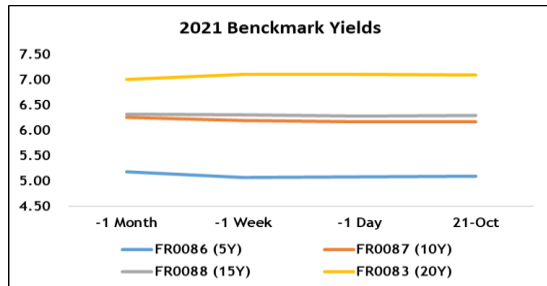
| | Sep-21 | Jul-21 | Jun-21 |
|----------------------------|--------|--------|--------|
| Consumer Price Index (MoM) | -0.04 | 0.03 | 0.08 |
| Consumer Price Index (YoY) | 1.60 | 1.59 | 1.52 |
| Core Inflation (YoY) | 1.30 | 1.31 | 1.40 |
| BI 7-Day RR Rate (%) | 3.50 | 3.50 | 3.50 |
| Foreign Reserve (US\$ Bn) | 146.9 | 144.8 | 137.3 |

Source: Bloomberg

2021 Benchmark

| Series | 21-Oct | (-1 day) | Chg. (bps) | Yield (%) |
|--------------|--------|----------|------------|-----------|
| FR0086 (5Y) | 101.55 | 101.70 | -15 | 5.108 |
| FR0087 (10Y) | 102.20 | 102.35 | -15 | 6.180 |
| FR0088 (15Y) | 99.45 | 99.90 | -45 | 6.307 |
| FR0083 (20Y) | 104.30 | 104.30 | 0 | 7.079 |

Source: PLTE



Indonesia Government Bond Yields

| Maturities (Year) | IDR | | | USD | | |
|-------------------|--------|----------|---------------|-----------|----------|---------------|
| | 21-Oct | (-1 day) | Chg. (in bps) | Yield (%) | (-1 day) | Chg. (in bps) |
| 01 | 3.08 | 3.09 | 0 | 0.97 | 0.91 | 6 |
| 02 | 3.79 | 3.81 | -2 | 0.90 | 0.88 | 2 |
| 03 | 4.23 | 4.23 | 0 | 1.01 | 0.99 | 1 |
| 04 | 4.82 | 4.83 | -1 | 1.46 | 1.44 | 2 |
| 05 | 5.07 | 5.08 | -1 | 1.68 | 1.67 | 1 |
| 06 | 5.39 | 5.39 | 0 | 2.06 | 2.04 | 2 |
| 07 | 5.91 | 6.05 | -14 | 2.24 | 2.21 | 4 |
| 08 | 6.07 | 6.07 | 0 | 2.39 | 2.34 | 5 |
| 09 | 6.30 | 6.30 | 0 | 1.90 | 1.91 | -1 |
| 10 | 6.20 | 6.17 | 3 | 2.48 | 2.43 | 5 |
| 15 | 6.29 | 6.30 | -1 | N/A | N/A | N/A |
| 20 | 7.11 | 7.11 | 0 | 3.79 | 3.71 | 9 |
| 30 | 6.84 | 6.83 | 1 | 3.53 | 3.45 | 8 |

Source: Bloomberg

Indonesia Government International Bond Yields

| INDON | 21-Oct | (-1 day) | Chg. (bps) |
|----------|--------|----------|------------|
| INDON-26 | 1.62 | 1.62 | 0 |
| INDON-31 | 2.46 | 2.44 | 2 |
| INDON-46 | 3.78 | 3.77 | 1 |
| INDON-51 | 3.28 | 3.27 | 2 |

Source: Bloomberg

Most Active Government Bonds

| Series | TTM | Price | Yield (%) | Volume (IDR bn) |
|--------|-------|--------|-----------|-----------------|
| FR0088 | 14.66 | 99.45 | 6.307 | 140.45 |
| FR0092 | 20.66 | 102.15 | 6.927 | 177.68 |
| FR0089 | 29.83 | 100.55 | 6.830 | 84.27 |
| FR0065 | 11.57 | 100.55 | 6.556 | 181.18 |
| FR0076 | 26.58 | 102.5 | 7.16271 | 95.58 |

Source: PLTE

Most Active Corporate Bonds

| Series | TTM | Rating | Price | Yield (%) | Volume (IDR bn) |
|------------|------|----------|--------|-----------|-----------------|
| INKP01BCN4 | 2.42 | idA+ | 100.35 | 9.450 | 58 |
| BEXI03CCN5 | 2.81 | idAAA | 108.00 | 5.168 | 480 |
| PSAB01ACN6 | 0.12 | idA | 99.80 | 10.825 | 300 |
| BIIF02ACN2 | 0.44 | AA+(idn) | 102.29 | 3.820 | 80 |
| FIFA04BCN1 | 0.67 | idAAA | 103.10 | 3.872 | 120 |

Source: PLTE

Government Bond Prices

Closing Price: 21-Oct-2021

| Series | Maturity | TTM | Coupon | Price | YTM | Est. Yield | Fair Price | Spread (bps) |
|--------|-----------|-------|---------|--------|--------|------------|------------|--------------|
| FR0061 | 15-May-22 | 0.56 | 7.000% | 102.15 | 3.078% | 3.029% | 102.21 | 6 |
| FR0035 | 15-Jun-22 | 0.65 | 12.900% | 106.11 | 3.154% | 3.097% | 106.25 | 14 |
| FR0043 | 15-Jul-22 | 0.73 | 10.250% | 105.13 | 3.006% | 3.161% | 105.09 | -4 |
| FR0063 | 15-May-23 | 1.56 | 5.625% | 102.75 | 3.785% | 3.750% | 102.82 | 7 |
| FR0046 | 15-Jul-23 | 1.73 | 9.500% | 109.22 | 3.994% | 3.855% | 109.37 | 15 |
| FR0039 | 15-Aug-23 | 1.82 | 11.750% | 113.27 | 4.054% | 3.907% | 113.61 | 35 |
| FR0070 | 15-Mar-24 | 2.40 | 8.375% | 109.29 | 4.242% | 4.241% | 109.33 | 4 |
| FR0077 | 15-May-24 | 2.57 | 8.125% | 109.38 | 4.216% | 4.330% | 109.12 | -26 |
| FR0044 | 15-Sep-24 | 2.90 | 10.000% | 114.50 | 4.581% | 4.498% | 114.79 | 29 |
| FR0081 | 15-Jun-25 | 3.65 | 6.500% | 105.49 | 4.835% | 4.833% | 105.51 | 2 |
| FR0040 | 15-Sep-25 | 3.90 | 11.000% | 121.04 | 4.980% | 4.935% | 121.27 | 23 |
| FR0084 | 15-Feb-26 | 4.32 | 7.250% | 108.24 | 5.092% | 5.093% | 108.25 | 1 |
| FR0086 | 15-Apr-26 | 4.48 | 5.500% | 101.64 | 5.086% | 5.151% | 101.38 | -25 |
| FR0037 | 15-Sep-26 | 4.90 | 12.000% | 129.25 | 5.162% | 5.292% | 128.61 | -64 |
| FR0056 | 15-Sep-26 | 4.90 | 8.375% | 113.92 | 5.119% | 5.292% | 113.15 | -77 |
| FR0090 | 15-Apr-27 | 5.48 | 5.125% | 100.45 | 5.030% | 5.470% | 98.38 | -206 |
| FR0059 | 15-May-27 | 5.57 | 7.000% | 107.62 | 5.395% | 5.494% | 107.14 | -48 |
| FR0042 | 15-Jul-27 | 5.73 | 10.250% | 123.48 | 5.426% | 5.540% | 122.85 | -63 |
| FR0047 | 15-Feb-28 | 6.32 | 10.000% | 123.55 | 5.911% | 5.694% | 122.56 | -99 |
| FR0064 | 15-May-28 | 6.57 | 6.125% | 102.28 | 5.703% | 5.754% | 102.00 | -28 |
| FR0071 | 15-Mar-29 | 7.40 | 9.000% | 117.14 | 6.084% | 5.938% | 118.12 | 97 |
| FR0078 | 15-May-29 | 7.57 | 8.250% | 112.94 | 6.088% | 5.971% | 113.71 | 77 |
| FR0052 | 15-Aug-30 | 8.82 | 10.500% | 128.12 | 6.295% | 6.195% | 128.89 | 77 |
| FR0082 | 15-Sep-30 | 8.91 | 7.000% | 105.55 | 6.178% | 6.209% | 105.34 | -21 |
| FR0087 | 15-Feb-31 | 9.33 | 6.500% | 102.28 | 6.173% | 6.273% | 101.57 | -71 |
| FR0085 | 15-Apr-31 | 9.49 | 7.750% | 110.44 | 6.273% | 6.297% | 110.26 | -18 |
| FR0073 | 15-May-31 | 9.57 | 8.750% | 117.41 | 6.297% | 6.309% | 117.33 | -8 |
| FR0054 | 15-Jul-31 | 9.74 | 9.500% | 121.12 | 6.920% | 6.332% | 122.74 | 162 |
| FR0091 | 15-Apr-32 | 10.49 | 6.375% | 102.34 | 6.920% | 6.431% | 99.57 | -276 |
| FR0058 | 15-Jun-32 | 10.66 | 8.250% | 113.25 | 6.504% | 6.452% | 113.69 | 44 |
| FR0074 | 15-Aug-32 | 10.82 | 7.500% | 107.24 | 6.553% | 6.472% | 107.90 | 66 |
| FR0065 | 15-May-33 | 11.57 | 6.625% | 100.44 | 6.569% | 6.555% | 100.55 | 11 |
| FR0068 | 15-Mar-34 | 12.41 | 8.375% | 113.03 | 6.801% | 6.638% | 114.51 | 148 |
| FR0080 | 15-Jun-35 | 13.66 | 7.500% | 105.70 | 6.849% | 6.746% | 106.64 | 94 |
| FR0072 | 15-May-36 | 14.58 | 8.250% | 111.69 | 6.959% | 6.815% | 113.11 | 142 |
| FR0088 | 15-Jun-36 | 14.66 | 6.250% | 99.64 | 6.287% | 6.821% | 94.75 | -489 |
| FR0045 | 15-May-37 | 15.58 | 9.750% | 124.96 | 7.077% | 6.882% | 127.13 | 218 |
| FR0075 | 15-May-38 | 16.58 | 7.500% | 104.25 | 7.060% | 6.941% | 105.45 | 120 |
| FR0050 | 15-Jul-38 | 16.74 | 10.500% | 130.50 | 7.311% | 6.950% | 134.77 | 427 |
| FR0079 | 15-Apr-39 | 17.49 | 8.375% | 112.45 | 7.118% | 6.990% | 113.85 | 140 |
| FR0083 | 15-Apr-40 | 18.50 | 7.500% | 104.03 | 7.105% | 7.038% | 104.74 | 71 |
| FR0057 | 15-May-41 | 19.58 | 9.500% | 122.25 | 7.339% | 7.084% | 125.36 | 311 |
| FR0062 | 15-Apr-42 | 20.50 | 6.375% | 100.25 | 6.353% | 7.120% | 92.03 | -822 |
| FR0092 | 15-Jun-42 | 20.66 | 7.125% | 102.13 | 6.928% | 7.126% | 99.98 | -215 |
| FR0067 | 15-Feb-44 | 22.33 | 8.750% | 115.00 | 7.369% | 7.183% | 117.29 | 229 |
| FR0076 | 15-May-48 | 26.58 | 7.38% | 102.40 | 7.171% | 7.295% | 100.93 | -147 |
| FR0089 | 15-Aug-51 | 29.84 | 6.88% | 100.53 | 6.832% | 7.359% | 94.17 | -636 |

Source: IBPA, PLTE, Bloomberg, & MCS Estimates

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