

SMARTLINK DOLLAR MANAGED CLASS B FUND

August 2021

BLOOMBERG: AZUSMGB IJ

Investment Objective

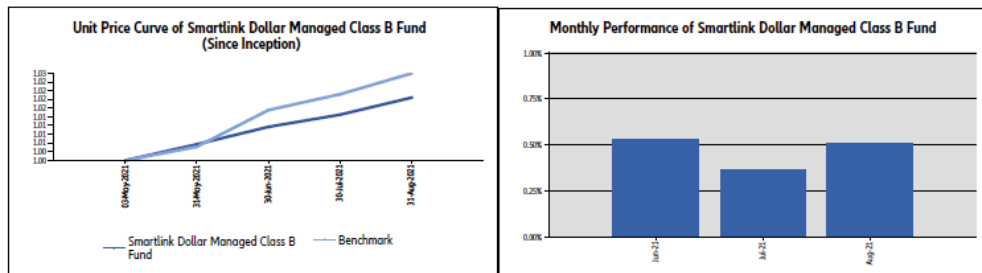
The objective of the fund is to provide relatively stable income with capital preservation for the long term in U.S. Dollars.

Investment Strategy

To achieve the investment objective, this fund shall be invested 0-20% in short-term instruments (such as deposits), and 80-100% in the medium-or long-term instruments (such as government bonds, corporate bonds, and / or fixed-income funds), in U.S. Dollars.

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Smartlink Dollar Managed Class B Fund	0.51%	1.41%	N/A	N/A	N/A	N/A	1.91%
Benchmark*	0.62%	2.22%	N/A	N/A	N/A	N/A	2.65%

*80% Indonesia Bond Pricing Agency (IBPA) USD Bond Index and 20% Average Time Deposit (1 Month) of Bank BNI, BCA and Citibank)



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced Aug 2021 inflation at +0.03% mom (vs consensus inflation +0.03%, +0.08% in July 2021). On yearly basis, inflation was +1.59% yoy (vs consensus inflation +1.60%, +1.52% in July 2021). Core inflation was printed at +1.31% yoy (vs consensus inflation +1.30%, +1.40% in July 2021). The lower monthly inflation was contributed by the deflation on volatile food group (lower prices of chicken and various horticulture) and the slowing down of the inflation on administered price group (chicken, and various horticulture). The BI Board of Governors agreed on 17-18 Aug 2021 to hold the BI 7-Day Reverse Repo Rate to be 3.50%, and also hold the Deposit Facility (DF) and Lending Facility (LF) rates to be 2.75% and 4.25%, respectively. This policy is to maintain Rupiah stability in the middle of global uncertainty and also the lower inflation. Rupiah appreciated against USD by +1.07% from 14,462 at end of July 2021 to 14,306 at end of Aug 2021. Indonesia's trade balance recorded surplus amounting to USD 2,589mn in July 2021 vs previous month surplus USD +1,316. The higher monthly trade surplus was caused by the lower imports number, especially on capital goods imports on the back of social restriction. While, the exports number was actually slowing down on the back of lower demand of iron and steel export from China. Even though, the CPO exports was increasing. Non-oil and gas trade balance in July 2021 recorded surplus USD +3,384mn, which was higher than the previous month that recorded trade surplus amounting to USD +2,382mn. Meanwhile, oil and gas trade balance still recorded deficit to USD -795mn in July 2021, which was lower than the deficit in June 2021 amounting to USD -1,066mn. Indonesia's official foreign reserve in the end of Aug 2021 was at USD 144.80bn, higher than July 2021 number at USD 137.3billion due to additional fund from IMF for Special Drawing Rights (SDR) allocation amounting to USD 6.31bn.

USD government bond yields were closed lower. The rallied in the market was supported by the domestic and global sentiments. From the domestic side, the agreement between Bank Indonesia and Ministry of Finance to have another Burden Sharing Program for 2021 and 2022 through SKB3, gave positive sentiment to market. While the positive sentiment from global, was coming from dovish stance from FED which they announced on the FOMC Meeting and Jackson Hole Symposium in August 2021 despite they will start tapering off/reducing bonds buying in this year. Indonesia's CDS 5yr level was better in Aug 2021 compared with previous month, from 78/79 to 68/70. The 5Y yield Aug 2021 ended -15bps lower to +1.25% (vs +1.40% in July 2021), 10yr tenor ended -5bps lower at +2.12% (vs +2.17% in July 2021), 20yr tenor ended -8bps lower to +3.44% (vs +3.52% in July 2021), and 25yr ended -6bps lower to +3.48% (+3.54% in July 2021).

In regards to our recent portfolio we maintain our neutral position in weighting and underweight in duration.

About Allianz Indonesia

PT Asuransi Allianz Life Indonesia was founded in 1996 and is part of Allianz Asia Pacific which has been present in the region since 1910. Allianz Group is a leading insurance company and asset manager in the world with over 129 years of experience and provides a variety of personal and insurance services, companies, ranging from property, life and health insurance to credit insurance and business insurance services globally.

Disclaimer

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Return Performance

Last 1-year Period N/A
Best Month
Worst Month

Portfolio Breakdown

Treasury Bonds 93.76%
Cash/Deposit 6.24%

Top Five Stocks Holding

RI0229 8.47%
RI0727 7.68%
RI0929 7.05%
RI0126 6.77%
RI0230 6.68%

Key Fund Facts

Fund Size (in mio USD) USD 0.11
Risk Profile Moderate
Launch Date 15 Dec 2020
Fund Currency United States Dollar
Pricing Frequency Daily
Custodian Bank Name Bank HSBC Indonesia
Total Unit 106,929,3614

Price per Unit	
(As of Aug 31, 2021)	USD 1.0191

Managed by PT. Asuransi Allianz Life Indonesia