

Fund Fact Sheet

SMARTLINK RUPIAH BALANCED CLASS B FUND

August 2022

BLOOMBERG: AZRPBLB IJ

Investment Objective

The objective of this fund is to achieve conservative long term capital growth while earning more relatively stable income.

Investment Strategy

To achieve the investment objectives, this fund shall be invested with a target of 50%- 75% in money market and fixed income instruments, and 25%-50% in equity instruments.

Return Performance

| | |
|--------------------|---------------|
| Last 1-year Period | 1.33% |
| Best Month | Oct-21 1.86% |
| Worst Month | Jun-22 -2.07% |

Portfolio Breakdown

| | |
|--------------|--------|
| Bonds | 60.54% |
| Equity | 29.85% |
| Money Market | 9.61% |

Top 10 Holding

(in Alphabetical Order)

- Bank Central Asia
- Bank Rakyat Indonesia
- FR0059 7% 15/5/27
- FR0068 8.375% 15/3/34
- FR0070 8.375% 15/3/24
- FR0071 9% 15/3/29
- FR0078 8.25% 15/5/29
- FR0087 6.5% 02/15/31
- Merdeka Copper Gold Tbk
- Telekomunikasi Indonesia

Industry Sector

| | |
|-----------------------|--------|
| Government | 55.80% |
| Finance | 19.53% |
| Infrastructure | 5.58% |
| Basic Industry | 4.72% |
| Technology | 4.24% |
| Industry | 2.55% |
| Energy | 2.46% |
| Consumer Non-Cyclical | 1.63% |
| Consumer Cyclical | 1.41% |
| Health | 1.20% |
| Property | 0.89% |

Key Fund Facts

| | |
|---------------------------|---------------------|
| Fund Size (in bn IDR) | IDR 2.27 |
| Risk Profile | Moderate |
| Launch Date | 23 Aug 2021 |
| Fund Currency | Indonesian Rupiah |
| Launch Date NAV Price | IDR 1,000.00 |
| Pricing Frequency | Daily |
| Investment Management Fee | 2.00% p.a. |
| Custodian Bank Name | Bank HSBC Indonesia |
| Total Unit | 2,225,357,8680 |

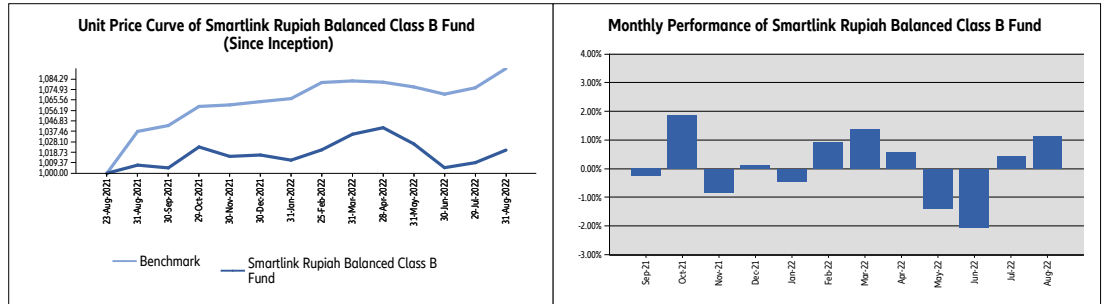
| | |
|-----------------------|--------------|
| Price per Unit | |
| (As of Aug 31, 2022) | IDR 1,020.68 |

Managed by PT. Asuransi Allianz Life Indonesia

| | 1 Month | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | YTD | Since Inception |
|--|---------|----------|----------|--------|---------|---------|-------|-----------------|
| Smartlink Rupiah Balanced Class B Fund | 1.11% | -0.54% | -0.03% | 1.33% | N/A | N/A | 0.43% | 2.07% |
| Benchmark* | 1.60% | 1.53% | 1.15% | 5.42% | N/A | N/A | 2.78% | 9.37% |

*25% Jakarta Composite Index (JCI) & 75% IBPA Indonesia IDR Government Bond Index (IBPRXGTR)

(Benchmark assessment; before Feb 2022: 25% Jakarta Composite Index (JCI), 50% IBPA Indonesia Government Bond Total Return Index (IBPRTRI) & 25% average time deposit (3 months) from Mandiri, BNI, BTN, Danamon, and CIMB Niaga)



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced Aug 2022 deflation -0.21% mom (vs consensus inflation -0.10%, +0.64% in July 2022). On yearly basis, inflation was +4.69% yoy (vs consensus inflation +4.87%, +4.94% in July 2022). Core inflation was printed at +3.04% yoy (vs consensus inflation +2.99%, +2.86% in July 2022). The deflation on Aug 2022 was contributed by the decrement of volatile food group prices and the decrement of administered prices inflation. The BI Board of Governors agreed on 22-23 Aug 2022 to increase the BI 7-Day Reverse Repo Rate by 25bps to be 3.75% and also increase the Deposit Facility (DF) and Lending Facility (LF) rates by 25bps to be 3.00% and 4.50%, respectively. This decision for this policy is as pre-emptive and forward-looking movement to mitigate the impact of the increment of core inflation and the inflation expectation on the back of the increment of non-subsidized fuel prices & volatile food group prices. This policy is expected to stabilize the Rupiah currency amid the uncertainty of global financial market. Rupiah appreciated against USD by +0.14% from 14,874 at end of July 2022 to 14,853 at end of Aug 2022. Indonesia's trade balance recorded surplus amounting to USD +4,226mn in July 2022 vs previous month surplus USD +5,089mn in June 2022. The lower trade surplus in July 2022, was impacted by higher number on crude oil import and raw materials import. Non-oil and gas trade balance in July 2022 recorded surplus USD +7,306mn, which was higher than the previous month that recorded trade surplus amounting to USD +7,229mn in June 2022. Meanwhile, oil and gas trade balance still recorded deficit to USD -3,080mn in July 2022, which was higher than the deficit in June 2022 amounting to USD -2,140mn. Indonesia's official foreign reserve in the end of August 2022 was at USD 132.2bn, similar with July 2022 number at USD 132.2bn. The foreign reserve was impacted by tax and services receipts, oil and gas foreign exchange receipts, amid stabilization of Rupiah in the global financial market uncertainty.

IDR Government bond yields were closed higher on short to belly tenor, while lower on the long tenor. The bond market was opened with bullish tone on the back of better than expectation of Indonesia's GDP number (5.44% YoY versus consensus 5.17% YoY). However, after Jackson Hole Meeting, Powell indicated that FED will be more hawkish in the near term to reach their inflation target level at 2%. This was then impacted to higher US Treasury 10 yr yield which breach 3% level again. The unexpected rate hike by Bank Indonesia, resulted positive sentiment to the market for the moment. Bank Indonesia also stated that they plan to sell their short tenor bond and buying long tenor bond in secondary market in purpose of flatten yield curve. Offshore accounts increased their holding by IDR 8.27tn in Aug 2022 (+1.10% MoM), from IDR 751.24tn as of 29 July 2022 to IDR 759.51tn as of 31 Aug 2022, which brought their holding to 15.24% of total outstanding tradable government bond (from 15.36% in the previous month). The 5Y yield Aug 2022 ended +17bps higher to +6.63% (vs +6.46% in July 2022), 10Y tenor ended +1bps higher to +7.13% (vs +7.12% in July 2022), 15Y tenor ended +24bps higher to +7.11% (vs +6.87% in July 2022) and 20Y tenor ended -46bps lower to +7.11% (vs +7.57% in July 2022).

The JCI ended the month higher at 7,178.59 (+3.27% MoM). Market movers were BBCA, TLKM, ASII, BMRI, and BUMI as they rose 11.56%, 7.80%, 10.28%, 6.95%, and 48.67% MoM respectively. Global equities ended the month with a cautious stance as fears of higher interest rates and recession weighed on markets. The Federal Reserve' Jerome Powell left his hawkish comment during the Jackson Hole meeting as the central bank is focusing on bringing down inflation. Moving on to Indonesia, JCI maintained its momentum from July and posted another monthly gain in August (+3.3% MoM). The return of foreign investors' inflow on the back of positive 2Q22 results across the big-cap names helped, while at the same time recovery story for Indonesia also remained intact with Bank Indonesia getting more bullish on their projections for 2022 GDP growth target. Despite small hiccup during the month on the back of US Fed's still-hawkish stance, investors are taking comfort in Bank Indonesia's decision to finally increased its benchmark rate by 25bps (for the first time since Feb21) to 3.75%. This in turn, managed to help the Rupiah currency to become one of the outperformers during the month. Sector wise, the Infrastructure Sector was the best performing sector during the month, gaining 5.50% MoM. Ticker wise, KRYA (Bangun Karya Perkasa) and JKON (Jaya Konstruksi Manggala) were the movers, appreciating 129.41% and 65.93% MoM respectively. This was followed by the Energy Sector which rallied 2.25% MoM. Ticker wise, ITMA (Sumber Energi Andalán) and BUMI (Bumi Resources) posted 49.17% and 48.67% MoM gains respectively. On the other hand, the worst sector during the month was the Consumer Cyclical Sector, which recorded a decline of 1.75% MoM. Ticker wise, UFOE (Damai Sejahtera Abadi) and ESTA (Esta Mutli Usaha) were the laggards which fell 50.00% and 49.38% MoM respectively.

About Allianz Indonesia

PT. Asuransi Allianz Life Indonesia is a financial service institution registered and supervised by the Otoritas Jasa Keuangan (OJK) according to POJK 6/2022 which 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.

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