

Allisya Rupiah Balanced Fund

June 2017



BLOOMBERG: AZSRPBL:IJ

INVESTMENT OBJECTIVE

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

INVESTMENT STRATEGY

To achieve the investment objectives, this fund shall be invested with a target of 7.5% in short term sharia instruments (such as deposits of sharia, sharia SBI, sharia SPN, and / or money market mutual funds), 40% in medium or long term sharia instruments (such as sharia bonds, sharia corporate bonds and / or sharia fixed income mutual funds), and 52.5% in the sharia based equity instruments in accordance to OJK's decision (either directly through sharia stocks or through sharia equity mutual funds).

PERFORMANCE INDICATOR

Return Performance

Last 1-year Period	5.74%
Best Month	10.95% Jul-09
Worst Month	-14.39% Oct-08

Portfolio Breakdown

Equity	51.67% PBS012
Treasury Bonds	31.36% PBS011
Govt. Related Bond	0.37% PBS001
Mutual Funds - Bonds	2.83% PBS002
Sharia Cash/Deposit	13.77% PBS004

Top Five Bonds Holding

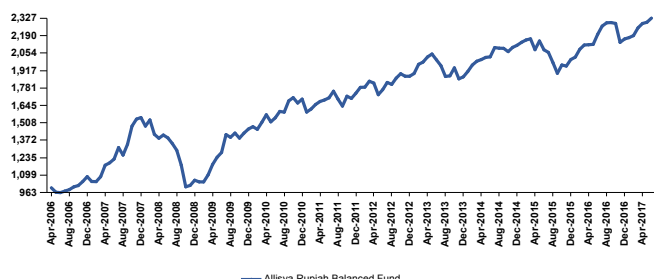
18.71% Telekomunikasi Indonesia	11.44%
5.90% Astra International	9.28%
3.52% Unilever Indonesia	9.01%
1.37% Indofood CBP Sukses Makmur	2.38%
0.74% United Tractors	2.30%

Top Five Stocks Holding

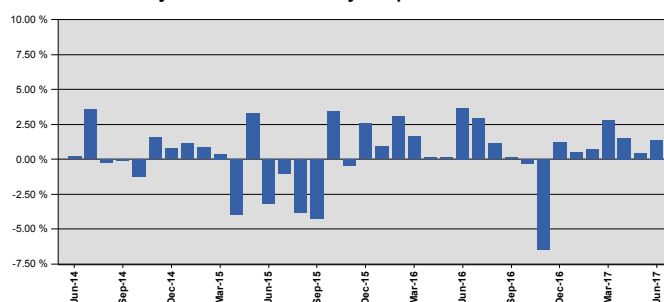
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	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Allisya Rupiah Balanced Fund	1.40%	3.38%	7.52%	5.74%	14.94%	7.52%	132.67%

Unit Price Curve of Allisya Rupiah Balanced Fund (Since Inception)



Monthly Performance of Allisya Rupiah Balanced Fund



KEY FUND FACTS

Fund Size (in bn IDR)	: IDR 547.41
Risk Profile	: Moderate
Launch Date	: 25 Apr 2006
Fund Currency	: Indonesian Rupiah
Managed by	: PT Asuransi Allianz Life Indonesia

Pricing Frequency	: Daily
Price per Unit (As of Jun 22, 2017)	Bid : IDR 2,210.34
	Offer : IDR 2,326.67
Bid-Offer Spread	: 5.00%
Management Fee	: 2.00% p.a.

MANAGER COMMENTARY

Central Bureau Statistics of Indonesia (BPS) announced Jun 2017 inflation at 0.69% mom (vs consensus 0.60%, 0.39% in May 2017). On yearly basis, inflation was slightly higher to +4.37%yoy (vs consensus 4.29%, 4.33% in May 2017). Core inflation was printed at +3.13% yoy (vs 3.20% in May 2017). Higher inflation was due to seasonally higher food prices during the Ramadan period. In the Board of Governors' Meeting on 14-15 Jun 2017, Bank Indonesia maintained the BI 7-day (Reverse) Repo Rate (BI-7 day RR Rate) at 4.75%, while maintaining the Deposit Facility (DF) and Lending Facility (LF) rates at 4.00% and 5.50% respectively. Rupiah appreciated by +0.02% to 13,319/USD at end of Jun 2017 from 13,321/USD in previous month. Trade balance booked a surplus of USD 0.47bn (non-oil and gas surplus USD 1.03bn, oil and gas deficit USD 0.56bn) in May 2017. Export rose by +12.63% YoY mostly driven by engine and mechanical equipment, while imports rose by +24.03% YoY.

IDR government bond yields closed lower across the curve in June 2017 with activities spread between onshore and offshore names. Despite of some profit taking action before the ECB meeting, UK election and ex-FBI chief testimony on President Trump, market started quiet good with support mostly came from onshore players; while offshore buying supports came in the second week. The FOMC announcement of +25bps rate hike while BI kept its 7-day reverse repo rate unchanged – which as market expected – gave positive sentiment to the market. It was actually half month activities; the market turned quiet in the third week and stayed unchanged until end of the month as everyone were recalculating their risk ahead of Ramadan long holiday. The government of Indonesia announced 15th economic policy package on Jun 15, addressed four main aspects: (1) enhancing the role of transportation insurance; (2) reducing costs for logistic service providers; (3) strengthening the Indonesia National Single Window (INSW) authority; and (4) reducing the number of prohibited and restricted goods. Offshore accounts increased their holding by IDR +14.4tn in Jun 2017 (+1.9% MoM), from IDR 756.15tn as of May 2017 to IDR 770.55tn as of Jun 2017, which brought their holding to 39.47% of total outstanding tradable government bond (from 39.15% in the previous month). The 5Y yield Jun 2017 ended -4bps lower to 6.67% (6.71% in May 2017), 10Y tenor ended -13bps lower to 6.82% (6.95% in May 2017), 15Y tenor ended -3bps lower to 7.37% (7.40% in May 2017) and 20Y tenor ended -7bps lower to 7.55% (7.62% in May 2017).

The JAKISL (Jakarta Islamic Index) ended the month higher at 749.6 (+2.17% MoM). Market movers were UNVR, TLKM, ASII, EXCL, and KLBF as they rose 5.68%, 3.91%, 2%, 15.2% and 5.52% MoM respectively. The index extended its gain in June after the S&P rated "investment grade" for Indonesia. Improvement on several economic indicators such as credit growth, car and cement sales increased by 9%, 6%, and 7% YoY, respectively, coupled by sustainable export growth brought the BI stance that 2Q17 economic growth will improve. However, weaker May-17 retail sales for lower-middle income segment compared to April numbers became investor concern, which is an early indication that purchasing power are still relatively soft. On the external front, rising Middle East tensions between Qatar and several Arab countries increase global geopolitical risks. Sector wise, the Infrastructure Sector was the best performing sector during the week, gaining 3.37% MoM. Ticker wise, EXCL (XL Axiata) and TLKM (Telekomunikasi Indonesia Persero) were the movers, appreciating 15.2% and 3.91% MoM respectively. This was followed by the Consumer Sector which rallied 1.48% MoM. Ticker wise, UNVR (Unilever Indonesia) and KLBF (Kalbe Farma) posted 5.68% and 5.52% MoM gains respectively. On the other hand, the worst sector during the week was the Agriculture Sector, which recorded a decline of 2.06% MoM. Ticker wise, LSIP (London Sumatra) and SSMS (Sawit Sumbermas Sarana) were the laggards which fell 10.16% and 6.15% MoM respectively.