

ALLISYA RUPIAH BALANCED FUND

March 2018

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).

Return Performance

Last 1-year Period	3.22%
Best Month	Jul-09 10.95%
Worst Month	Oct-08 -14.39%

Portfolio Breakdown

Equity	52.11%
Treasury Bonds	31.91%
Govt. Related Bond	0.39%
Sharia Cash/Deposit	15.59%

Top Five Bonds Holding

PBS012	20.26%
PBS011	6.26%
PBS004	1.60%
PBS002	1.48%
PBS017	0.91%

Top Five Stocks Holding

Unilever Indonesia	8.27%
Telekomunikasi Indonesia	8.27%
Astra International	7.29%
United Tractors	4.04%
Chandra Asri Petrochemical	2.71%

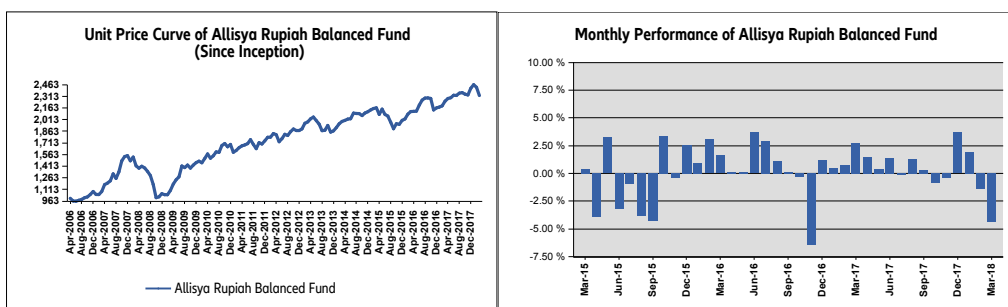
Key Fund Facts

Fund Size (in bn IDR)	IDR 526.62
Risk Profile	Moderate
Launch Date	25 Apr 2006
Fund Currency	Indonesian Rupiah
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Management Fee	2.00% p.a.

Price per Unit	Bid	Offer
(As of Mar 29, 2018)	IDR 2,206.99	IDR 2,323.15

Managed by PT. Asuransi Allianz Life Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Allisya Rupiah Balanced Fund	-4.35%	-3.87%	-1.59%	3.22%	7.31%	-3.87%	132.32%



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced Mar 2018 inflation at +0.20% mom (vs consensus inflation +0.12%, +0.17% in Feb 2018). On yearly basis, inflation was +2.67%yoy (vs consensus inflation +2.69%, +2.58% in Feb 2018). Core inflation was printed at +3.40%yoy (vs consensus inflation +3.35%, +3.18% in Feb 2018). Inflation mostly caused by higher several staple foods and adjustments in retail gasoline prices, namely Pertalite (RON 90) and high speed diesel. In the Board of Governors' Meeting on 21&22 Mar 2018, Bank Indonesia maintained the BI 7-day Reverse Repo Rate at 4.25%, while maintaining the Deposit Facility (DF) and Lending Facility (LF) rates at 3.50% and 5.00% respectively. Rupiah depreciated by +0.36% to 13,756/USD at end of Mar 2018 from 13,707/USD in previous month. Indonesia's foreign reserve assets stood at USD126.00 billion as of end-Mar 2018, lower than the end of Feb 2018 level at USD128.06 billion. The decline in the reserve assets in Mar 2018 was mainly due to the use of foreign exchange to repay government external debt and stabilize rupiah amidst increasing global financial market uncertainty.

IDR government bond yields closed lower across the curve in Mar 2018 except for 10yr yield that higher due to profit taking, on the back of buying action from offshore names. The yield movement was inline with 10yr UST yield movement (from 2.86% to 2.74%). Bank Indonesia was seen intervened in FX market as IDR broke 13,800. Offshore accounts increased their holding by IDR 10.57tn in Mar 2018 (+1.25% MoM), from IDR 848.22tn as of Feb 2018 to IDR858.79tn as of Mar 2018, which brought their holding to 39.31% of total outstanding tradable government bond (from 39.83% in the previous month). The 5Y yield Mar 2018 ended -10bps lower to 5.95% (6.05% in Feb 2018), 10Y tenor ended +5bps higher to 6.68% (6.63% in Feb 2018), 15Y tenor ended -22bps lower to 6.87% (7.09% in Feb 2018) and 20Y tenor ended -7bps lower to 7.31% (7.38% in Feb 2018).

The JAKISL Index ended the month lower at 704.28 (-8.75% MoM). Market laggards were TLKM, UNVR, ASII, UNTR, and PGAS as they fell -10%, -8.12%, -9.6%, -10.11% and -13.86% MoM respectively. Combination of global and domestic issues brought the JCI to a negative territory in Mar-18. Foreign investors continued selling aggressively as a further US\$1.1bn of net outflows was recorded in Mar-18, notably larger than US\$760mn in Feb-18. Investors' risk appetite had significantly fallen as a result of concerns over the US-China trade war. Globally volatility had notably increased as well. On the domestic side, weak YTD private consumption, government interventions in Coal Sectors on DMO pricing and tariff cut for the new toll roads had given additional selling pressure to the equity market as well. On this backdrop, we are watching closely for a prolonged risk off sentiment which could effectively pressure the IDR as outflows from capital market continues. Sector wise, the Consumer Sector was the worst performing sector during the week, declining 9.01% WoW. Ticker wise, UNVR (Unilever Indonesia) and ICBP (Indofood CBP Sukses Makmur) were the laggards, depreciating 8.12% and 7.8% MoM respectively. This was followed by the Infrastructure, Utilities and Transportation Sector which dropped 8.92% MoM. Ticker wise, EXCL (XL Axiata) and PGAS (Perusahaan Gas Negara Persero Tbk) posted 14.58% and 13.86% MoM losses respectively.

Disclaimer:
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