

ALLISYA RUPIAH BALANCED FUND

December 2019

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 25%-50% in sharia based money market and fixed income instruments (such as deposits of sharia, sharia SBI, sharia SPN, and / or money market mutual funds, sharia bonds, sharia corporate bonds and / or sharia fixed income mutual funds), and 50%-75% 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		5.85%
Best Month	Jul-09	10.95%
Worst Month	Oct-08	-14.39%

Portfolio Breakdown

Equity	74.63%
Mutual Funds - Bonds	22.28%
Sharia Cash/Deposit	3.09%

Top Five Stocks Holding

Telekomunikasi Indonesia	11.63%
Merdeka Copper Gold	8.85%
Astra International	8.85%
Unilever Indonesia	8.75%
Chandra Asri Petrochemical	4.27%

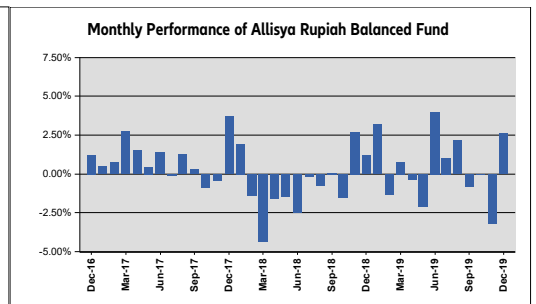
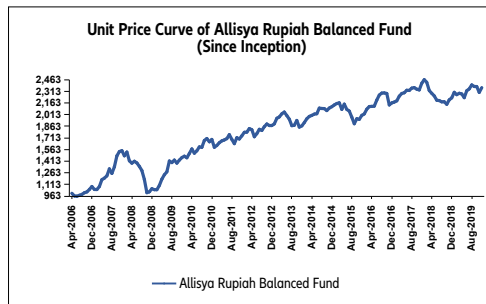
Key Fund Facts

Fund Size (in bn IDR)	IDR 510.46
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 Dec 30, 2019)	IDR 2,241.67	IDR 2,359.65

Managed by PT. Asuransi Allianz Life Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Allisya Rupiah Balanced Fund	2.64%	-0.64%	1.69%	5.85%	9.05%	5.85%	135.97%



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced December 2019 inflation at +0.34% mom (vs consensus inflation +0.49%, +0.14% in November 2019). On yearly basis, inflation was +2.72% yoy (vs consensus inflation +2.90%, +3.00% in November 2019). Core inflation was printed at +3.02% yoy (vs consensus inflation +3.14%, +3.08% in November 2019). The inflation was still affected by increasing prices in food stuffs group (egg and dairy) and also transportation cost ahead of holiday season. In the Board of Governors' Meeting on 18th and 19th December 2019 Bank Indonesia kept the BI 7-day Reverse Repo Rate unchanged on 5.00%, also maintaining the Deposit Facility (DF) and Lending Facility (LF) rates at 4.25% and 5.75%, respectively. This policy is still supported by manageable inflation that within target range as well. Rupiah appreciated by +1.42% to 13,901/USD at end of December 2019 from 14,102/USD in previous month. Indonesia's trade balance recorded deficit amounting to USD -1,331mn in November 2019 vs previous month surplus USD +172.5mn. The deficit was caused by the increasing in import growth compared previous month, while the export growth declined which was caused by the weak of global commodity price. Non-oil and gas trade balance in November 2019 recorded deficit USD -300.8mn, while the previous month resulted surplus amounting to USD +990mn. Meanwhile, oil and gas trade balance still recorded deficit to USD -1,029mn in November 2019, higher than the deficit on October 2019 amounting to USD -829mn. Indonesia's official foreign reserve as of December 2019 was at USD 129.18billion, higher than November 2019's number at USD 126.63billion.

IDR Government bond yields were closed mixed with lower yield on short to belly tenor, while were higher on long tenor. The market was opened with weaker tone due to global sentiments, such as: the uncertainty related trade deal between US-China, trade wars between US and Latin America as well as European Union, and Trump impeachment issue. While from the domestic, the negative sentiment were caused by lower projection of Indonesia's growth from Asian Development Bank and World Bank, deficit trade balance in November 2019 and the issue about relaxation CAD to be more 3%. Sri Mulyani tried to calm the market with statement that CAD will be below 3% following the existing law, however the selling action by onshore and foreign banks already happened. Bank Indonesia were seen in the market buying the bonds. Market became relatively much better after Trump announced that they cancelled to impose additional tariff for China's products and they also stated that the trade agreement between US and China will be held in the beginning of January 2020. Then, market was muted on the back of holiday mood. Offshore accounts decreased their holding by IDR -5.18tn in December 2019 (-0.49% MoM), to IDR 1,062.62tn as of 30 Dec 2019 from IDR 1,067.80tn as of 29 Nov 2019, which brought their holding to 38.60% of total outstanding tradable government bond (from 38.55% in the previous month). The 5Y yield Dec 2019 ended -5bps lower to +6.44% (+6.49% in Nov 2019), 10Y tenor ended -5bps lower to +7.06% (+7.11% in Nov 2019), 15Y tenor ended +2bps higher to +7.57% (+7.55% in Nov 2019) and 20Y tenor ended +1bps higher to +7.57% (+7.56% in Nov 2019).

The JAKISL Index ended the month higher at 698.09 (+4.59% MoM). Market movers were ASII, BRPT, ADRO, INCO, and KLBF as they rose 6.54%, 11.03%, 26.42%, 21.33% and 6.23% MoM respectively. Index closed the year in the positive territory as global equity market sentiment improved over several globally positive sentiments including the improvement the US-China trade terms with the expectation that an agreement to be signed by 15 January 2020. On the other hand, the continuation of PMI improvement in North Asia countries as well as the rebound in Korea's exports in December is a positive sign that global growth is expected to trough/bottom in 2020. On the domestic side, the positive initiative as government pushes on omnibus and labor laws to stimulate a much needed FDI inflow. Sector wise, the Mining Sector was the best performing sector during the week, gaining 10.78% MoM. Ticker wise, ADRO (Adaro Energy) and INCO (Vale Indonesia) were the movers, appreciating 26.42% and 21.33% MoM respectively. This was followed by the Basic Industry Sector which rallied 5.25% MoM. Ticker wise, TPIA (Chandra Asri Petrochemical) and BRPT (Barito Pacific) posted 10.96% and 11.03% MoM gains respectively. On the other hand, the worst amongst the best sector during the month was the Trade, Service and Investment Sector, which recorded a gain of 1.36% MoM. Ticker wise, SCMA (Surya Citra Media) and MNCN (Media Nusantara Citra) were the movers which rose 19.90% and 30.40% MoM respectively.

Disclaimer:

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