Asuransi Allianz Life Indonesia

ALLISYA RUPIAH BALANCED FUND

March 2020

BLOOMBERG: AZSRPBL:IJ

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Allisya Rupiah Balanced Fund	-12.20%	-21.73%	-22.24%	-19.27%	-17.94%	-21.73%	84.68%

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		-19.27%
Best Month	Jul-09	10.95%
Worst Month	Oct-08	-14.39%

Portfolio Breakdown

Equity	69.57%
Mutual Funds - Bonds	19.53%
Sharia Cash/Deposit	10.91%

Top Five Stocks Holding

Telekomunikasi Indonesia	14.63%
Unilever Indonesia	12.68%
Astra International	7.41%
Merdeka Copper Gold	6.14%
Indofood CBP Sukses Makmur	4.66%

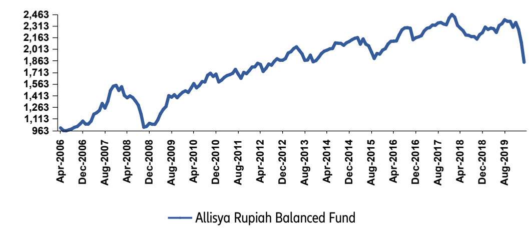
Key Fund Facts

Fund Size (in bn IDR)	IDR 392.72
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.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	223,842,048.8460

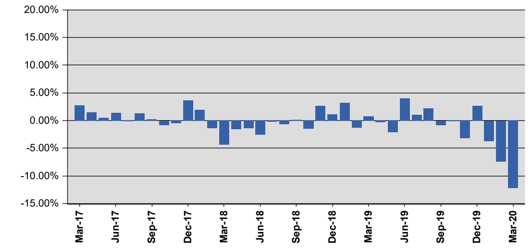
Price per Unit	Bid	Offer
(As of Mar 31, 2020)	IDR 1,754.45	IDR 1,846.79

Managed by PT. Asuransi Allianz Life Indonesia

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



Monthly Performance of Allisya Rupiah Balanced Fund



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced March 2020 inflation at +0.10% mom (vs consensus inflation +0.13%, +0.28% in February 2020). On yearly basis, inflation was +2.96% yoy (vs consensus inflation +2.92%, +2.98% in February 2020). Core inflation was printed at +2.87% yoy (vs consensus inflation +2.76%, +2.76% in February 2020). The lower monthly inflation was affected by the deflation in volatile price (fish & garlic price) and administered price (airfares). While the higher core inflation was contributed by higher of gold price. In the Board of Governors' Meeting on 18-19 March 2020, Bank Indonesia cut the BI 7-day Reverse Repo Rate by 25bps to be 4.50%, and also cut the Deposit Facility (DF) and Lending Facility (LF) rates by 25bps to be 3.25% and 5.25%, respectively. Bank Indonesia also announced seven monetary policies that are expected to help the Indonesia's economics, as follows: 1) triple intervention for FX spot, DNDF, and bond market; 2) adding repo facility up to 12 months, 3) adding frequency of FX swap to be every day, 4) expanding the 50bps RRR cut, 5) enhancing FX term deposit instrument, 6) implemented vostro rupiah account for foreign investor as underlying of DNDF transaction, and 7) strengthening the payment system to mitigate the spread of Covid-19. Rupiah depreciated by -15.00% to 16,367/USD at end of March 2020 from 14,234/USD previous month. Indonesia's trade balance recorded surplus amounting to USD +2,336mn in February 2020 vs previous month deficit USD -864mn. The trade surplus was contributed by higher export number for non-oil and gas sector, especially the higher demand from China for coal and also the increasing of CPO price. Non-oil and gas trade balance in February 2020 recorded surplus USD +3,268mn, while the previous month resulted deficit amounting to USD -361mn. Meanwhile, oil and gas trade balance still recorded deficit to USD -932mn in February 2020, but the deficit is lower than the deficit on January 2020 amounting to USD -1,181mn. Indonesia's official foreign reserve as of March 2020 declined by USD 9.40bn to USD 121bn, lower than February 2020's number at USD 130.40bn. The declining of foreign reserve was caused by paying external government debt and for stabilizing IDR currency in this current situation.

IDR Government bond yields were closed higher across all curves on the back of offshore outflows in line with IDR depreciation. The offshore outflows was a nightmare for Indonesia's bond market where we are still depended to portfolio investment due to lower FDI. The pressures of selling action were coming from both of external and internal factors which was caused by the fearing of Covid 19 pandemic. Thankfully, there was Bank Indonesia defending the market from falling deeper. To fight the impact of Covid-19 to Indonesian economy, Government finally announced a 'Substitution of Government Regulations' which they planned to increase the portion of budget deficit to 5.07% of GDP (current 3%) and the projection of 2020's growth is lowered to be 2.30%. In order to help for financing the government budget, Government also announced the recovery bonds where Bank Indonesia can buy bonds in primary market. Offshore accounts decreased their holding by IDR -121.26tn in March 2020 (-11.60% MoM), to IDR 926.91tn as of 31 March 2020 from IDR 1,048.16tn as of 28 Feb 2020, which brought their holding to 32.71% of total outstanding tradable government bond (from 37.09% in the previous month). The 5Y yield March 2020 ended +117bps higher to +7.31%(+6.14% in Feb 2020), 10Y tenor ended +97bps higher to +7.91%(+6.94% in Feb 2020), 15Y tenor ended +78bps higher to +8.28%(+7.50% in Feb 2020) and 20Y tenor ended +81bps lower to +8.36%(+7.55% in Feb 2020).

The JAKISL Index ended the month lower at 476.39 (-15.68% MoM). Market laggards were ASII, TLKM, BRPT, SMGR, and JSMR as they fell -29.41%, -9.46%, -26.4%, -27.21% and -45.73% MoM respectively. The JAKISL Index continued its decline in March across the global stock markets as coronavirus outbreak made WHO declared a pandemic status, as worldwide daily new cases climbed to the 60,000 mark which triggered social distancing, lock downs and travel bans across the globe. Global economic activities are no doubt being disrupted and financial markets tumble. Monetary and fiscal stimulus were announced across the globe as well in a hope to stem hard landings, however unavoidable at this point in time. In addition to the turmoil the oil supply war had also weighed in upon financial markets. We expect a sudden contraction in global growth for 2020. Sector wise, the Miscellaneous Industries Sector was the worst performing sector during the month, declining 25.91% MoM. Ticker wise, ASII (Astra International) was the laggards, depreciating 29.41% MoM. This was followed by the Basic Industry Sector which dropped 23.53% MoM. Ticker wise, JPFA (Japfa Comfeed Indonesia) and SMGR (Semen Indonesia Persero) posted 32.14% and 27.21% MoM losses respectively. On the other hand, the best amongst the worst sector during the month was the Consumer Sector, which recorded a decline of 4.81% MoM. Ticker wise, UNVR (Unilever Indonesia) was the laggards which fell 6.23% MoM.

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.

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