

# Smartlink Rupiah Balanced Plus Fund

December 2023

**BLOOMBERG: AZRPBPF IJ**

## Investment Objective

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

## Investment Strategy: Balanced

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

## Return Performance

Last 1-year Period	3.64%
Best Month	Sep-10 8.09%
Worst Month	Mar-20 -16.64%

## Portfolio Breakdown

Equity	69.01%
Bonds	30.34%
Money Market	0.65%

## Top 10 Holding

(in Alphabetical Order)

- Astra International
  - Bank Central Asia
  - Bank Mandiri Persero
  - Bank Rakyat Indonesia
  - Bukalapak.Com
  - FR0076 7.375% 15/5/48
  - FR0083 7.5% 04/15/40
  - Impack Pratama Industri Tbk
  - Merdeka Copper Gold Tbk
  - Telekomunikasi Indonesia
- \*there is no investment on related parties

## Industry Sector

Government	27.68%
Finance	22.51%
Infrastructure	9.54%
Technology	8.11%
Basic Industry	8.00%
Consumer Non-Cyclical	7.15%
Industry	5.36%
Consumer Cyclical	5.22%
Health	3.31%
Energy	1.85%
Property	0.94%
Basic Materials	0.33%

## Key Fund Facts

Fund Size (in bn IDR)	IDR 521.63
Risk Level	Moderate - Aggressive
Launch Date	15 Jul 2009
Fund Currency	Indonesian Rupiah
Launch Date NAV Price	IDR 1,000.00
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Investment Management Fee	2.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	233,119,084.7424

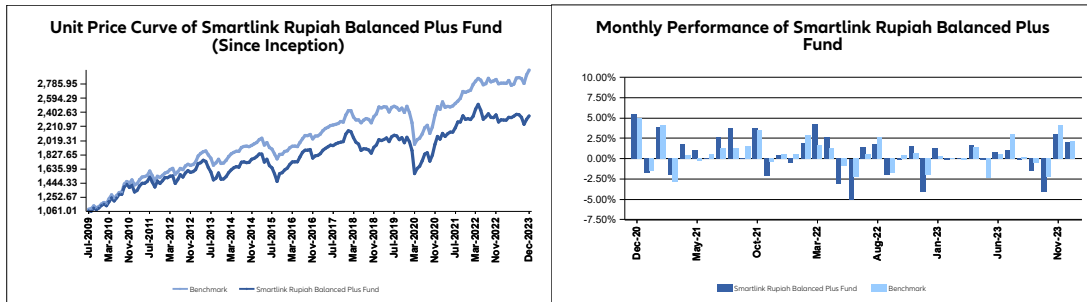
Price per Unit	Bid	Offer
(As of Dec 29, 2023)	IDR 2,237.61	IDR 2,355.38

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 Plus Fund	2.02%	0.80%	0.16%	3.64%	13.41%	20.18%	3.64%	135.54%
Benchmark*	2.23%	4.03%	6.84%	6.65%	19.97%	24.96%	6.65%	197.76%

\*70% Jakarta Composite Index (JCI) & 30% IBPA Indonesia IDR Government Bond Index (IBPRXGTR Index)

(Benchmark assessment; before Feb 2022: 70% Jakarta Composite Index (JCI), 25% IBPA Indonesia Government Bond Total Return Index (IBPRTRI) & 5% average time deposit (3 months) from Mandiri, BNI, BTN, Danamon and CIMB Niaga; before Sep 2018: 60% Jakarta Composite Index (JCI) & 40% average time deposit (3 months) from Mandiri, BNI, BTN, Danamon and CIMB Niaga)



## Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced December 2023 inflation at +0.41% MoM (vs consensus inflation +0.51%, +0.38% in November 2023). On yearly basis, inflation was at +2.61% YoY (vs consensus inflation +2.74%, +2.86% in November 2023). Core inflation was printed at +1.80% YoY (vs consensus inflation +1.86%, +1.87% in November 2023). The higher inflation MoM was contributed by the higher price of transportation group. The BI Board of Governors agreed in their meeting on 20-21 December 2023 to hold the BI 7-Day Reverse Repo Rate at 6.00% and also held the Deposit Facility (DF) and Lending Facility (LF) rates at 5.25% and 6.75%, respectively. In total, Bank Indonesia had increased their benchmark rate by 250bps up to Dec 2023. The decision remains consistent with the pro-stability focus of monetary policy, namely to strengthen rupiah stabilization policy, and as a pre-emptive and forward-looking measure to maintain inflation within the 2.5%±1% target corridor in 2024. Rupiah strengthen against USD by +0.3% from 15,484 at end of November 2023 to 15,439 at end of December 2023. The strengthened Rupiah was impacted by the Fed keeping the Fed Rate in the December meeting and the effect of the weakening trend of the US Dollar Index as there are some indications that the Fed will be more dovish in 2024. Indonesia's trade balance recorded surplus amounting to USD +2,412mn in November 2023 vs previous month surplus USD +3,474mn in October 2023. The lower trade surplus was impacted by imports still having positive growth, but exports recorded negative growth in November 2023. Non-oil and gas trade balance in November 2023 recorded surplus USD +4,618mn, which was lower than the previous month that recorded trade surplus amounting to USD +5,310mn in October 2023. Meanwhile, oil and gas trade balance still recorded deficit to USD -2,206mn in November 2023, which was higher than the deficit in October 2023 amounting to USD -1,836mn. Indonesia's official reserve assets position amassed USD 146.4 billion as of the end of December 2023, increased from USD 138.1 billion as of November 2023. The increase was impacted by foreign loan withdrawals by the Government, as well as tax and service receipts.

IDR Government bond yields were lower across all the curves in line with IDR Appreciation and Offshore inflow. The bullish sentiments came from Global, which show by The Fed maintaining its policy rate and Jerome Powell starting to communicate a dovish stance in the FOMC meeting. It can be shown in the Fed's policy rate projection, which indicates that the Fed will cut their policy rate by 75bps in 2024 and 100bp in 2025. Indonesia's fiscal balance continues to show improvement and resilience. 11M23 state budget realization recorded great performance driven by low government spending, while government revenue remains high. It shows that Indonesia's budget deficit will be lower than expected. Indonesia's fiscal balance recorded a deficit of IDR -48.17tn (10M23: IDR -0.67tn) or -0.23% (prev: -0.003% 10M23) of GDP in 11M23. Offshore accounts increased their holding by IDR +8.17tn in December 2023 (+1.0% MoM), from IDR 833.88tn as of 30 November 2023 to IDR 842.05 which brought their holding increased to 14.93% of total outstanding tradable government bond from 14.89% in the previous month). The 5Y yield December 2023 ended -23bps lower to +6.44%(vs +6.67% in November 2023), 10Y tenor ended -15bps lower to +6.48%(vs +6.63% in November 2023), 15Y tenor ended -19bps lower to +6.62% (vs +6.81% in November 2023) and 20Y tenor ended -13bps lower to +6.77% (vs +6.90% in November 2023).

The JCI ended the month higher at 7,272.80 (+2.71% MoM). Market movers were TPIA, BBRI, BBCA, BREN and TLKM as they rose +77.97%, +8.53%, +5.24%, +8.73%, and +5.05% MoM respectively. Global equities rallied further in December as data showed U.S. inflation cooled further in November, cementing expectations that the Federal Reserves would cut interest rates in March 2024. Domestically in Indonesia, the JCI also ended the month higher (+2.71% MoM) driven by combination of Fed rate cut hopes as well as more fiscal spending by the government as we are nearing the presidential election, which is anticipated to boost the country's economic growth. Sector wise, the Basic Material Sector was the best performing sector during the month, gaining +6.62% MoM. Ticker wise, TPIA (Chandra Asri Petrochemical) and TBMS (Tembaga Mulia Semanan) were the movers, appreciating +77.97% and +37.82% MoM respectively. This was followed by the Energy Sector which rallied +4.05% MoM. Ticker wise, AIMS (Akbar Indo Makmur) and ITMA (Sumber Energi Andalan) posted +102.83% and +76.93% MoM gains respectively. On the other hand, the worst sector during the month was the Transportation and Logistic Sector, which recorded a decline of -5.33% MoM. Ticker wise, DEAL (Dewata Freight international) and MITI (Mitra Investindo) were the laggards which fell -80.00% and -25.78% MoM respectively.

## About Allianz Indonesia

PT Asuransi Allianz Life Indonesia is a financial service institution licensed 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 corporate insurance services, ranging from property, life and health insurance to credit insurance and business insurance services globally.

### Disclaimer:

Smartlink Rupiah Balanced Plus is unit linked fund offered by PT Asuransi Allianz Life Indonesia (Allianz). This fact sheet is prepared by Allianz. The information presented is for informational use only. The performance of the fund is not guaranteed and the value of the units and the income from them may increase or decrease. PAST RETURNS AND ANY FORECAST ARE NOT NECESSARILY A GUIDE TO FUTURE PERFORMANCE. Allianz does not warrant or make any representations regarding the use or the results of the use of the figures generated in terms of their correctness, accuracy, reliability, or otherwise. You are advised to seek your financial consultant before making any investment.