

ALLISYA RUPIAH EQUITY FUND

November 2020

BLOOMBERG: AZSRPEQ:IJ

Investment Objective

The objective of this fund is to provide long term maximum investment yield.

Investment Strategy

To achieve the investment objective, this fund shall be invested 0-20% in short-term sharia instruments such as deposits sharia, sharia SBI, sharia SPN, and / or money market mutual funds) and 80 - 100% 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		-6.48%
Best Month	Jul-09	14.81%
Worst Month	Mar-20	-13.80%

Portfolio Breakdown

Equity	86.34%
Sharia Cash/Deposit	13.66%

Top Five Stocks Holding

Telekomunikasi Indonesia	15.47%
Unilever Indonesia	11.39%
Chandra Asri Petrochemical	7.00%
Barito Pacific	6.24%
United Tractors	5.78%

Key Fund Facts

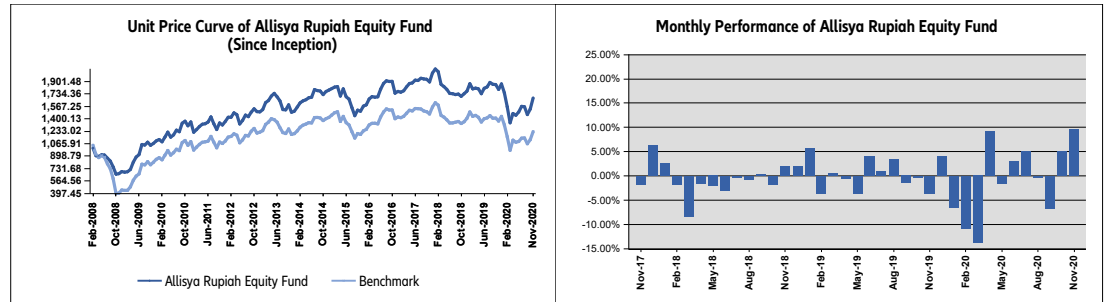
Fund Size (in bn IDR)	IDR 1,073.11
Risk Profile	Aggressive
Launch Date	01 Feb 2008
Fund Currency	Indonesian Rupiah
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Management Fee	2.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	673,115,264.0473

Price per Unit	Bid	Offer
(As of Nov 30, 2020)	IDR 1,594.24	IDR 1,678.15

Managed by PT. Asuransi Allianz Life Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Allisya Rupiah Equity Fund	9.66%	7.45%	15.93%	-6.48%	-11.43%	-10.18%	67.82%
Benchmark*	9.56%	7.39%	13.01%	-10.43%	-16.23%	-14.37%	22.67%

*Jakarta Islamic Index (JII)



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced November 2020 inflation at +0.28% mom (vs consensus inflation +0.19%, +0.07% in Oct 2020). On yearly basis, inflation was +1.59% yoy (vs consensus inflation +1.54%, +1.44% in Oct 2020). Core inflation was printed at +1.67% yoy (vs consensus inflation +1.73%, +1.74% in Oct 2020). The increment of inflation is contributed by the inflation on volatile food group, such as: increasing chicken & egg, horticultural plants, and fried oil on the back of higher CPO prices. While, the slightly higher on core inflation is caused by the increment inflation on clothes and footwear, healthcare, and education group prices. The BI Board of Governors agreed on 18-19 November 2020 to cut the BI 7-Day Reverse Repo Rate by 25bps to be 3.75%, and also cut the Deposit Facility (DF) and Lending Facility (LF) rates by 25bps to be 3.00% and 4.50%, respectively. This policy was in line with the inflation expectation remain low, maintain external stability, and to accelerate the economic recovery. Rupiah appreciated by +3.82% from 14,690 at end of Oct 2020 to 14,128 at end of November 2020. Indonesia's trade balance recorded surplus amounting to USD +3,607mn in Oct 2020 vs previous month surplus USD +2,438mn. The better number of trade surplus was still affected by increment on commodity price, especially CPO. Non-oil and gas trade balance in Oct 2020 recorded surplus USD +4,057mn, which was higher than the previous month that recorded trade surplus amounting to USD +2,908mn. Meanwhile, oil and gas trade balance still recorded deficit to USD -450mn in Oct 2020, which was lower than the deficit on Aug 2020 amounting to USD -470mn. Indonesia's official foreign reserve as of November 2020 was at USD 133.56 billion, lower than October 2020's number at USD 133.66 billion. The decrement of foreign reserve was caused by partly due to the govt's external debt payment.

The JAKISL Index ended the month higher at 597.8 (+9.56% MoM). Market movers were TLKM, TPIA, BRPT, SMGR, and ADRO as they rose 23.28%, 16.25%, 16.67%, 22.19% and 23.56% MoM respectively. Equity indices globally reached to new highs driven by multiple positive news flows throughout November. Joe Biden's victory in the US presidential election outcome with total of 306 electoral voters, improved market sentiments removing one uncertainty. On the vaccine front, encouraging phase 3 vaccine result from Pfizer and Moderna, in which both 95% efficacy rate fueled growing optimism of economic recovery and subsequently fuelled stock market and commodity prices higher. On the domestic front, there has been a notable news flow coming from the EV Battery Company named CATL, to build USD 5.1bn factory in Indonesia. Along with that news flow, there has also been news that the IDFC (International Development Finance Corporation) had signed the LOI (Letter of Interest) to invest USD 2bn in Indonesia's Sovereign Wealth Fund. Collectively, it enhanced investors' confidence increasing the realization of FDI and new job creation. Sector wise, the Mining Sector was the best performing sector during the month, gaining 18.06% MoM. Ticker wise, ADRO (Adaro Energy) and PTBA (Tambang Batubara Bukit Asam Persero Tbk) were the movers, appreciating 23.56% and 20.41% MoM respectively. This was followed by the Infrastructure, Utilities and Transportation Sector which rallied 16.87% MoM. Ticker wise, PGAS (Perusahaan Gas Negara Persero Tbk) and TLKM (Telekomunikasi Indonesia Persero) posted 29.3% and 23.28% MoM gains respectively. On the other hand, the worst amongst the best sector during the month was the Miscellaneous Industries Sector, which only recorded a gain of 0.02% MoM. Ticker wise, ASII (Astra International) was the laggards which fell -2.30% MoM.

Portfolio strategy wise, we have started to progressively shift to increase non defensives cyclical exposures on economic recovery expectation in 2021. Generally speaking, we have been selective on equities that have pricing power, relatively low gearing and well-disciplined corporate governance. We are putting a larger emphasis on managing earnings expectations to a more conservative approach rather than growth seeking and assess value on that front.

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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