

ALLISYA RUPIAH EQUITY FUND

December 2018

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		-12.05%
Best Month	Jul-09	14.81%
Worst Month	Oct-08	-12.99%

Portfolio Breakdown

Equity	93.25%
Sharia Cash/Deposit	6.75%

Top Five Stocks Holding

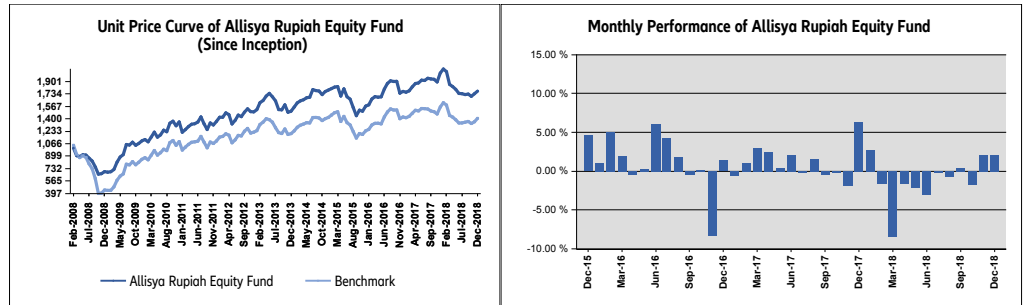
Telekomunikasi Indonesia	15.52%
Astra International	14.71%
Unilever Indonesia	13.62%
Chandra Asri Petrochemical	5.37%
Indofood CBP Sukses Makmur	4.85%

Key Fund Facts

Fund Size (in bn IDR)	IDR 985.14
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.

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Allisya Rupiah Equity Fund	2.01%	2.27%	1.76%	-12.05%	12.79%	-12.05%	77.12%
Benchmark*	3.42%	3.05%	4.65%	-9.73%	13.57%	-9.73%	40.61%

*Jakarta Islamic Index (JII)



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced December 2018 inflation at +0.62% mom (vs consensus inflation +0.53%, +0.27% in Nov 2018). On yearly basis, inflation was +3.13% yoy (vs consensus inflation +3.01%, +3.23% in Nov 2018). Core inflation was printed at +3.07% yoy (vs consensus inflation +3.07%, +3.03 in Nov 2018). The inflation was contributed by increment of food stuff prices (especially, chicken meat and egg price). In the Board of Governors' Meeting on 19th and 20th December 2018, Bank Indonesia kept the BI 7-day Reverse Repo Rate unchanged on 6.00%, while also maintaining the Deposit Facility (DF) and Lending Facility (LF) rates at 5.25% and 6.75% respectively. Rupiah depreciated by -0.99% to 14,481/USD at end of December 2018 from 14,339/USD in previous month. Indonesia's trade balance recorded deficit amounting to USD -2.050 billion in November 2018 vs consensus deficit USD -1.820 billion. Non-oil and gas trade balance in November 2018 recorded deficit USD -0.583bn, worse than the previous month which was deficit amounting to USD -0.4bn. Meanwhile, oil and gas trade balance recorded deficit to USD -1.46bn in Nov 2018, higher than deficit on Oct 2018 amounting to USD -1.42bn. This month deficit was the worst deficit since June 2017, which was mainly caused by the decrement of exports income of palm oil, pulp & paper, and crude oil. Indonesia's official foreign reserve as of December 2018 was at USD 120.7 billion, higher than the November 2018 which stood at USD 117.2 billion. The increment in the reserve assets in December 2018 was caused by the foreign exchange income from oil & gas income, withdrawal of government external debt, and global bonds issuance.

The JAKISL Index ended the month higher at 685.22 (+3.42% MoM). Market movers were UNVR, TPIA, INDF, ICBP, and TLKM as they rose 7.46%, 11.27%, 12.88%, 6.09% and 1.9% MoM respectively. The index and overall EM continued to be positive on the back of improvement in US-China trade talks and weakening oil prices. On the domestic front, the strength in CPO price, higher social spending, and IDR currency stabilization provided some positive tailwind towards purchasing power confidence for 2019. However, despite the sentiment turning bullish on emerging markets, volatility is expected to remain driven mainly by external developments. Investors are still keeping a close check towards the developments of trade tariffs, energy prices and slower economy growth in China which is undergoing a major shift in its economic characteristics. Sector wise, the Agriculture Sector was the best performing sector during the week, gaining 6.47% WoW. Ticker wise, AALI (Astra Agro Lestari) was the mover, appreciating 7.74% MoM. This was followed by the Basic Industry Sector which rallied 6.19% MoM. Ticker wise, BRPT (Barito Pacific) and TPIA (Chandra Asri Petrochemical) posted 13.27% and 11.27% MoM gains respectively. On the other hand, the worst sector during the week was the Miscellaneous Industries Sector, which recorded a decline of 2.2% MoM. Ticker wise, ASII (Astra International) was the laggard which fell 3.8% MoM respectively.

Our portfolio strategy leans towards a more a value approach where risk/reward is still the bottom up main focus. 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 also bearing in mind forex, leverage exposures and cash flow generation ability.

Disclaimer:

Allisya Rupiah Equity Fund 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.

Price per Unit	Bid	Offer
(As of Dec 31, 2018)	IDR 1,682.61	IDR 1,771.17

Managed by PT. Asuransi Allianz Life Indonesia