

ALLISYA RUPIAH EQUITY FUND

March 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		1.79%
Best Month	Jul-09	14.81%
Worst Month	Oct-08	-12.99%

Portfolio Breakdown

Equity	97.45%
Sharia Cash/Deposit	2.55%

Top Five Stocks Holding

Unilever Indonesia	15.57%
Telekomunikasi Indonesia	15.55%
Astra International	13.40%
United Tractors	7.54%
Chandra Asri Petrochemical	5.05%

Key Fund Facts

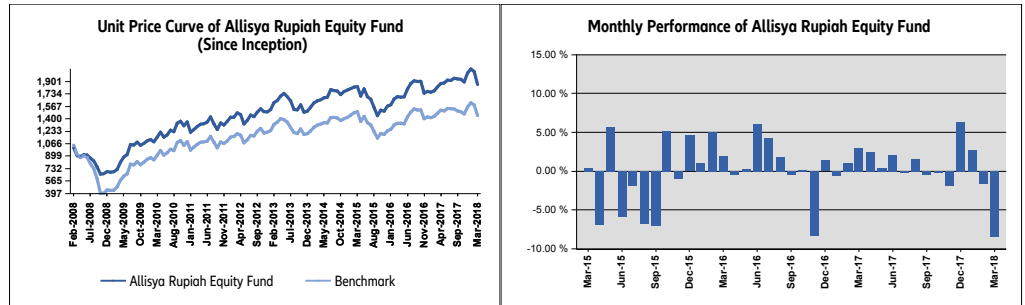
Fund Size (in bn IDR)	IDR 924.05
Risk Profile	Aggressive
Launch Date	01 Feb 2008
Fund Currency	Indonesian Rupiah
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Management Fee	2.00% p.a.

Price per Unit	Bid	Offer
(As of Mar 29, 2018)	IDR 1,768.60	IDR 1,861.68

Managed by PT. Asuransi Allianz Life Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Allisya Rupiah Equity Fund	-8.46%	-7.56%	-3.80%	1.79%	1.61%	-7.56%	86.17%
Benchmark*	-8.75%	-7.22%	-3.96%	-1.96%	-3.29%	-7.22%	44.52%

*Jakarta Islamic Index (JII)



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced Mar 2018 inflation at +0.20% mom (vs consensus inflation +0.12%, +0.17% in Feb 2018). On yearly basis, inflation was +2.67%yoy (vs consensus inflation +2.69%, +2.58% in Feb 2018). Core inflation was printed at +3.40%yoy (vs consensus inflation +3.35%, +3.18% in Feb 2018). Inflation mostly caused by higher several staple foods and adjustments in retail gasoline prices, namely Peralite (RON 90) and high speed diesel. In the Board of Governors' Meeting on 21&22 Mar 2018, Bank Indonesia maintained the BI 7-day Reverse Repo Rate at 4.25%, while maintaining the Deposit Facility (DF) and Lending Facility (LF) rates at 3.50% and 5.00% respectively. Rupiah depreciated by +0.36% to 13,756/USD at end of Mar 2018 from 13,707/USD in previous month. Indonesia's foreign reserve assets stood at USD126.00 billion as of end-Mar 2018, lower than the end of Feb 2018 level at USD128.06 billion. The decline in the reserve assets in Mar 2018 was mainly due to the use of foreign exchange to repay government external debt and stabilize rupiah amidst increasing global financial market uncertainty.

The JAKISL Index ended the month lower at 704.28 (-8.75% MoM). Market laggards were TLKM, UNVR, ASII, UNTR, and PGAS as they fell -10%, -8.12%, -9.6%, -10.11% and -13.86% MoM respectively. Combination of global and domestic issues brought the JCI to a negative territory in Mar-18. Foreign investors continued selling aggressively as a further US\$1.1bn of net outflows was recorded in Mar-18, notably larger than US\$760mn in Feb-18. Investors' risk appetite had significantly fallen as a result of concerns over the US-China trade war. Globally volatility had notably increased as well. On the domestic side, weak YTD private consumption, government interventions in Coal Sectors on DMO pricing and tariff cut for the new toll roads had given additional selling pressure to the equity market as well. On this backdrop, we are watching closely for a prolonged risk off sentiment which could effectively pressure the IDR as outflows from capital market continues. Sector wise, the Consumer Sector was the worst performing sector during the week, declining 9.01% MoM. Ticker wise, UNVR (Unilever Indonesia) and ICBP (Indofood CBP Sukses Makmur) were the laggards, depreciating 8.12% and 7.8% MoM respectively. This was followed by the Infrastructure, Utilities and Transportation Sector which dropped 8.92% MoM. Ticker wise, EXCL (XL Axiata) and PGAS (Perusahaan Gas Negara Persero Tbk) posted 14.58% and 13.86% MoM losses respectively.

Our portfolio strategy leans towards a more defensive 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.