

# SMARTWEALTH EQUITY SMALL MEDIUM CAPITAL FUND

## March 2020

**BLOOMBERG: AZRPSMC:IJ****Investment Objective**

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

**Investment Strategy**

To achieve the investment objective, this fund shall be invested 0 - 20% in short-term instruments (such as deposits, SBI, SPN, and / or money market mutual funds) and 80 - 100% in small and medium cap equity instruments (either directly through stocks and / or through equity mutual funds).

**Return Performance**

Last 1-year Period		-30.00%
Best Month	Jan-18	17.35%
Worst Month	Mar-20	-22.23%

**Portfolio Breakdown**

Equity	92.49%
Mutual Funds - Equities	1.89%
Cash/Deposit	5.62%

**Top Five Stocks Holding**

Bank Central Asia	12.46%
Bank Permata	10.83%
Tower Bersama Infrastruct	7.96%
Merdeka Copper Gold	7.69%
Bank Rakyat Indonesia	6.73%

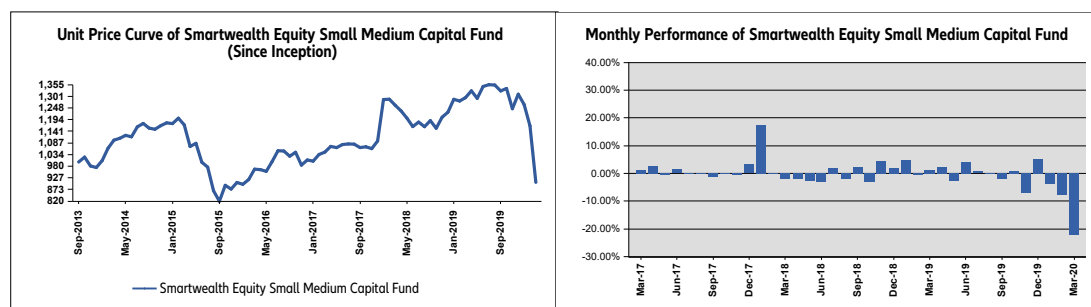
**Key Fund Facts**

Fund Size (in bn IDR)	IDR 60.77
Risk Profile	Aggressive
Launch Date	27 Sep 2013
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	70,548,272.7227

Price per Unit	Bid	Offer
(As of Mar 31, 2020)	IDR 861.39	IDR 906.73

Managed by PT. Asuransi Allianz Life Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Smartwealth Equity Small Medium Capital Fund	-22.23%	-30.84%	-31.63%	-30.00%	-13.25%	-30.84%	-9.33%

**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.

The JCI ended the month lower at 4,538.93 (-16.76% MoM). Market laggards were BBRI, BMRI, BBCA, ASII, and TPIA as they fell -27.92%, -35.67%, -12.16%, -29.41% and -34.38% MoM respectively. The JCI continued its decline in March across the global stock markets as Covid-19 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, PBRX (Pan Brothers) and IMAS (Indomobil Sukses Internasional) were the laggards, depreciating 45.65% and 37.31% MoM respectively. This was followed by the Basic Industry Sector which dropped 23.53% MoM. Ticker wise, MAIN (Malindo Feedmill) and KRAS (Kratatau Steel Persero) posted 40.29% and 35.22% 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, GGRM (Gudang Garam) and HMSP (HM Sampoerna) were the laggards which fell 19.41% and 16.18% MoM respectively.

**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.

**Disclaimer:**

Smartwealth Equity Small Medium Capital 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.