

SMARTWEALTH US DOLLAR EQUITY INDOASIA FUND

February 2021

BLOOMBERG: AZUSIAS:IJ

Investment Objective

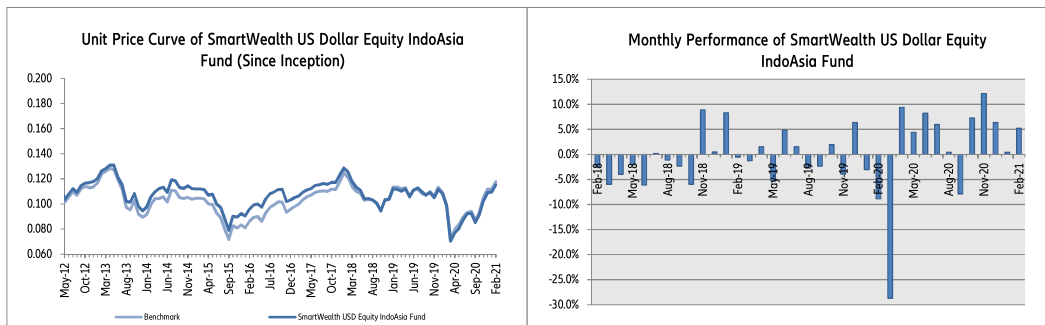
The objective of this fund is to provide maximum long term investment yield.

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
SmartWealth US Dollar Equity IndoAsia	5.21%	12.39%	24.54%	16.84%	-8.21%	5.69%	-0.52%
Benchmark*	5.45%	11.80%	25.01%	18.95%	-2.91%	5.20%	1.58%

*80% Jakarta Composite Index (JCI) and 20% MSCI AC Far East Ex-Japan Index (MXFEI)

Investment Strategy

To achieve the investment objective, this fund shall be invested 80 - 100% in equity instruments (directly through stocks and / or through equity mutual funds) and 0 - 20% in short-term instruments (such as deposits). Furthermore, the fund shall be invested in equity instruments in the Asia Pacific region, excluding Japan, not exceeding 20% of the fund. This fund is a conversion of the Smartwealth IndoAsia Equity Fund (IDR). The unit price for the USD is calculated using the Bank Indonesia's middle rate.



Return Performance

Last 1-year period		16.84%
Best Month	Oct-15	14.32%
Worst Month	Mar-20	-28.70%

Manager Commentary

The Asian market had an overall return of 0.77% for the month of February. The top performers for the month were Hong Kong (+4.70%) and Singapore (+2.59%). The bottom performer for the region was China (-1.03%). Hong Kong was a top performer led by the consumer discretionary and real estate sectors. Singapore was a top performer led by the Industrials and consumer staples sectors. China was a bottom performer due to a lagging performance in the consumer staples and information technology sectors.

Portfolio Breakdown

Equity	94.19%
Mutual Fund - ETF	1.59%
Cash/Deposit	4.22%

Top Five Stocks Holding

Bank Central Asia	10.24%
Bank Rakyat Indonesia	6.99%
Telekomunikasi Indonesia	4.93%
Bank Jago	3.22%
Unilever Indonesia	3.11%

Country Breakdown (Stock)

Indonesia	79.08%
Philippines	0.00%
Hongkong	9.20%
South Korea	2.98%
Malaysia	0.00%
Singapore	0.06%
Taiwan	2.88%
Thailand	0.00%

Key Fund Facts

Fund Size (in mn USD)	USD 34.85
Risk Profile	Aggressive
Launch Date	01 May 2012
Fund Currency	United States Dollar
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Management Fee	2.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia

Central Bureau Statistics of Indonesia (BPS) announced February 2021 inflation at +0.10% mom (vs consensus inflation +0.10%, +0.26% on Jan 2021). On yearly basis, inflation was +1.38% yoy (vs consensus inflation +1.40%, +1.55% on Jan 2021). Core inflation was printed at +1.53% yoy (vs consensus inflation +1.53%, +1.56% on Jan 2021). The deceleration on monthly inflation was caused by the deflation on volatile foods group (lower prices of chicken and meat) and the decelerated of core inflation, while the inflation administered prices group still accelerated which caused by higher transportation and toll road cost. The BI Board of Governors agreed on 17-18 Feb 2021 to cut by 25bps the BI 7-Day Reverse Repo Rate to be 3.50%, and also cut by 25bps the Deposit Facility (DF) and Lending Facility (LF) rates to be 2.75% and 4.25%, respectively. This policy is in line with lower inflation expectation, stable Rupiah currency, and also to push the economic recovery. Rupiah depreciated against USD by -1.03% from 14,084 at end of January to 14,229 at end of Feb 2021. Indonesia's trade balance recorded surplus amounting to USD +1,959mn in Jan 2021 vs previous month surplus USD +2,102mn. The surplus was still supported by the export of non-oil and gas which are commodity source, such as coal, CPO, and iron & steel. Non-oil and gas trade balance in Jan 2021 recorded surplus USD +2,627mn, which was higher than the previous month that recorded trade surplus amounting to USD +2,565mn. Meanwhile, oil and gas trade balance still recorded deficit to USD -668mn in Jan 2021, which was higher than the deficit on Dec 2020 amounting to USD -463mn. Indonesia's official foreign reserve as of February 2021 was at USD 138.79 billion, higher than January 2021 number at USD138.00 billion. The higher of foreign reserve was caused by the withdrawal of government loans and government's tax revenue.

The JCI ended the month higher at 6,241.8 (+6.47% MoM). Market movers were BBRI, ARTO, TLKM, BRPT, and TOWR as they rose 12.68%, 49.25%, 12.22%, 24.29% and 31.77% MoM respectively. Global equity market recovered in February as optimism returned to the equity markets with easing new virus cases reported and with accelerating vaccine rollouts in the backdrop. On the stimulus front, a big pandemic relief bill has reinforced positive sentiments as the US Democrats moved along to pass the USD 1.9tn fiscal stimulus package, proposed by the newly elected President Joe Biden. On the monetary front, the FED reiterated that monetary policy would remain simulative for a longer period of time, which added optimism in the market. Back in Indonesia, several positive news flow including faster than projected vaccine distribution, revelation of a more detailed Omnibus law regulation and strong increase in the commodity prices (coal, CPO, oil, nickel, tin) continue to provide support for the JCI. Despite market expectation on faster economic recovery, investors need to anticipate the rising bond yield that has climbed to its highest level in the past 1 year on reflation expectations. Sector wise, the Infrastructure, Utilities and Transportation Sector was the best performing sector during the month, gaining 11.03% MoM. Ticker wise, ASSA (Adi Sarana Armada) and FREN (Smartfren Telecom) were the movers, appreciating 55.9% and 42.59% MoM respectively. This was followed by the Finance Sector which rallied 9.72% MoM. Ticker wise, BNBA (Bank Bumi Arta) and INPC (Bank Artha Graha Internasional) posted 305.21% and 196.88% MoM gains respectively. On the other hand, the worst sector during the month was the Miscellaneous Industries Sector, which recorded a decline of 6.87% MoM. Ticker wise, STAR (Star Petrochem) and TRIS (Trisula Internasional) were the laggards which fell 15.46% and 13.22% MoM respectively.

About Allianz Indonesia

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Price per Unit	Bid	Offer
(As of Feb 26, 2021)	USD 0.1094	USD 0.1152

Managed by PT. Asuransi Allianz Life Indonesia