

ALLISYA RUPIAH FIXED INCOME FUND

September 2020

BLOOMBERG: AZSRPF:IJ

Investment Objective

The Objective of the fund is to provide relatively stable income with capital preservation for the long term.

Investment Strategy

To achieve the investment objective, this fund shall be invested 0 - 20% in short-term sharia instruments (such as deposits of sharia, sharia SBI, sharia SPN, and / or money market mutual funds), and 80 - 100% in medium or long term instruments (such as sharia bonds, sharia corporate bonds and / or sharia fixed income mutual funds).

Return Performance

Last 1-year Period		8.72%
Best Month	Nov-18	3.58%
Worst Month	Nov-13	-3.68%

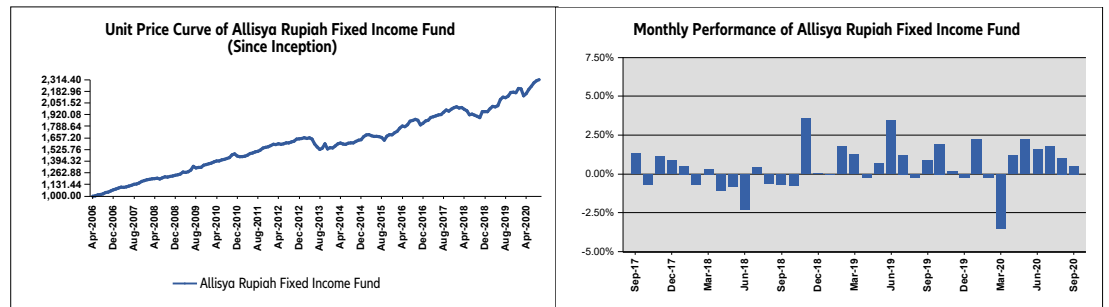
Portfolio Breakdown

Treasury Bonds	3.69%
Mutual Funds - Bonds	88.22%
Sharia Cash/Deposit	8.09%

Key Fund Facts

Fund Size (in bn IDR)	IDR 141.72
Risk Profile	Moderate
Launch Date	25 Apr 2006
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	64,456,327.4917

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Allisya Rupiah Fixed Income Fund	0.51%	3.32%	8.52%	8.72%	17.34%	6.78%	131.44%



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced Oct 2020 deflation at -0.05% mom (vs consensus inflation -0.03%, -0.05% in Sep 2020). On yearly basis, inflation was +1.42% yoy (vs consensus inflation +1.40%, +1.32% in Sep 2020). Core inflation was printed at +1.86% yoy (vs consensus inflation +2.00%, +2.03% in Sep 2020). The monthly deflation was contributed by the deflation on volatile food and administered price group. The deflation on volatile food group was affected by the declining of chicken price, while the administered price group was impacted by the declining of transportation cost. In the Board of Governors' Meeting on 16-17 Sep 2020, Bank Indonesia hold the BI 7-day Reverse Repo Rate at 4.00%, and also hold the Deposit Facility (DF) and Lending Facility (LF) rates at 3.25% and 4.75% level, respectively. This policy is expected to maintain the external stability in line with their expectation that the inflation remain low. Rupiah depreciated by +2.50% from 14,554 at the end of Aug 2020 to 14,918 at end of Sep 2020. Indonesia's trade balance recorded surplus amounting to USD +2,327mn in Aug 2020 vs previous month surplus USD +3,263mn. The surplus was caused by increment on commodities prices, especially CPO price and also the increasing in export number for iron & steel, especially to China & US. However, our import number also showed recovery from the previous month by +3% MoM which could indicated the recovery on Indonesia's economic activity that was caused by the relaxation of public restriction. Non-oil and gas trade balance in Aug 2020 recorded surplus USD +2,666mn, which was lower than the previous month that recorded trade surplus amounting to USD +3,516mn. Meanwhile, oil and gas trade balance still recorded deficit to USD -338mn in Aug 2020, which was higher than the deficit on July 2020 amounting to USD -253mn. Indonesia's official foreign reserve as of September 2020 was at USD 135.2 billion, lower than August 2020's number at USD 137.0 billion. The decrement of foreign reserve was caused by the payment of external debt and to stabilize the Rupiah exchange rate.

IDR Government bond yields were mostly posted higher, except the 20yr tenor which was lower by -1bps. Offshore were seen selling their inventories, while the biggest buyer on market last month were still onshore banks. Market was actually opened with bullish tone on the back of global risk on which was supported by the indication that FED will hold the lower rate for longer time and also the optimism for Covid-19 vaccine. However, the mood in the market was changed which was triggered by the news that Parliament propose to change the Undang-Undang Bank Sentral and set Monetary Council, and also the announcement of re-implementation of Large Scale Social Distancing (PSBB) in Jakarta by Governor Anies Baswedan. While negative sentiments from global side, the increment of new cases of Covid-19 which was still considered high, the rising tension between US and China, and also the uncertainty of additional stimulus budget for US economics' recovery, were affected to the weaker market as well. On 24 Sep 2020, MoF succeed to issue new bonds on private placement which the only buyer is Bank Indonesia with burden sharing scheme. This issuance is expected to finance Public Goods amounting to IDR 397.56tn. The total issuance itself is amounting to IDR 84.4 with four new bonds, as follows: VR42 (2025), VR43 (2026), VR44 (2027), and VR45 (2028). The coupon for these bonds is 3.84002% for the first three months. Offshore accounts decreased their holding by IDR -8.79tn in Sep 2020 (-0.93% MoM), to IDR 933.15tn as of 30 Sep 2020 from IDR 941.94tn as of 31 Aug 2020, which brought their holding to 26.96% of total outstanding tradable government bond (from 28.24% in the previous month). The 5Y yield Sep 2020 ended +19bps higher to +5.73% (+5.54% in Aug 2020), 10Y tenor ended +9bps higher to +6.96% (+6.87% in Aug 2020), 15Y tenor ended +5bps higher to +7.45% (+7.40% in Aug 2020) and 20Y tenor ended -1bps lower to +7.44% (+7.45% in Aug 2020).

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, ranging from property, life and health insurance to credit insurance and business insurance services globally.

Disclaimer:

Allisya Rupiah Fixed Income 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.

Managed by PT. Asuransi Allianz Life Indonesia

Price per Unit	Bid	Offer
(As of Sep 30, 2020)	IDR 2,198.68	IDR 2,314.40