

SMARTLINK DOLLAR MANAGED FUND

December 2020

BLOOMBERG: AZUSMGD:IJ

Investment Objective

The objective of the fund is to provide relatively stable income with capital preservation for the long term in U.S. Dollars.

Investment Strategy

To achieve the investment objective, this fund shall be invested 0-20% in short-term instruments (such as deposits), and 80-100% in the medium- or long-term instruments (such as government bonds, corporate bonds, and / or fixed-income funds), in U.S. Dollars.

Return Performance

Last 1-year Period		7.95%
Best Month	Dec-08	9.61%
Worst Month	Oct-08	-10.66%

Portfolio Breakdown

Treasury Bonds	98.82%
Cash/Deposit	1.18%

Top Five Bonds Holding

RI-2030	11.85%
RI-2029	5.71%
RI-2038	5.01%
RI-0727	4.81%
RI-2025	4.29%

Key Fund Facts

Fund Size (in mio USD)	USD 78.52
Risk Profile	Moderate
Launch Date	01 Jan 1900
Fund Currency	United States Dollar
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Management Fee	1.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	32,955,622.8464

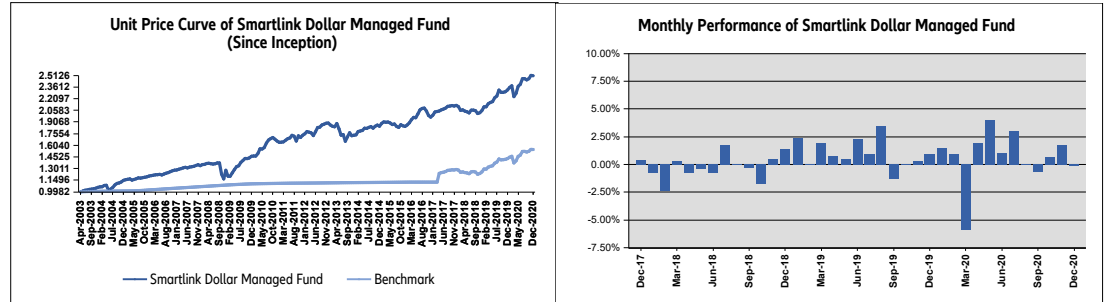
Price per Unit	Bid	Offer
(As of Dec 30, 2020)	USD 2.3827	USD 2.5081

Managed by PT. Asuransi Allianz Life Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Smartlink Dollar Managed Fund	-0.18%	2.18%	4.67%	7.95%	18.13%	7.95%	150.81%
Benchmark*	-0.09%	2.12%	4.91%	8.22%	20.08%	8.22%	54.95%

*80% Indonesia Bond Pricing Agency (IBPA) USD Bond Index and 20% Average Time Deposit (1 Month) of Bank BNI, BCA and Citibank)

(Benchmark assessment: before Jul 2018: 80% Bloomberg USD Emerging Market Indonesia Sovereign (BEMSID) Index and 20% Average Time Deposit (1 Month) of Bank BNI, BCA and Citibank; before Mar 2016: Average Time Deposit (1 Month) of Bank BNI, BCA and Citibank)



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced December 2020 inflation at +0.45% mom (vs consensus inflation +0.37%, +0.28% in Nov 2020). On yearly basis, inflation was +1.68% yoy (vs consensus inflation +1.61%, +1.59% in Nov 2020). Core inflation was printed at +1.60% yoy (vs consensus inflation +1.67%, +1.67% in Nov 2020). The increment of inflation is only contributed by the inflation on food, beverage and tobacco group, while there was still weak demand on other group which was impacted by lower purchasing power, affected to the lower core inflation. The BI Board of Governors agreed on 16-17 December 2020 to hold the BI 7-Day Reverse Repo Rate at 3.75%, and also hold the Deposit Facility (DF) and Lending Facility (LF) rates at 3.00% and 4.50%, respectively. This policy was in line with the inflation expectation remain low, maintain external stability, and to accelerate the economic recovery. Rupiah appreciated by +0.16% from 14,128 at end of November 2020 to 14,105 at end of December 2020. Indonesia's trade balance recorded surplus amounting to USD +2,612mn in Nov 2020 vs previous month surplus USD +3,607mn. The increment of CPO prices is still be the main contributor to the higher export number. The other reason is the increment of export volume of iron & steel to China. Non-oil and gas trade balance in Nov 2020 recorded surplus USD +2,935mn, which was lower than the previous month that recorded trade surplus amounting to USD +4,057mn. Meanwhile, oil and gas trade balance still recorded deficit to USD -323mn in Nov 2020, which was lower than the deficit on Oct 2020 amounting to USD -450mn.

USD government bond yields were higher across all curves in line with the higher of 10yr tenor US Treasury Yield (from 0.845% to 0.919% MoM). The higher US Treasury Yield was affected by the approval of additional stimulus budget by President Trump amounting to USD 900bn as stock market recover. While, Indonesia's bond market opened with sideways trend on the back of the rising of new cases of Covid-19 in Indonesia. Even though, then market players reacted positively with the reshuffle announcement on President Jokowi's cabinet. Indonesia's CDS 5yr level was better in December 2020 compared with previous month, from 88/90 to 66/68. The 5Y yield December 2020 ended +2bps higher to +1.22% (+1.20% in Nov 2020). 10yr tenor ended +14bps higher to +1.99% (+1.85% on Nov 2020), 15yr tenor ended +2bps higher to +3.09% (+3.07% on Nov 2020), and 20yr ended +5bps higher to +3.28% (+3.23% on Nov 2020).

In regards to our recent portfolio we maintain an overweight position in the weighting with neutral duration.

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:

Smartlink Dollar Managed 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.