

# SMARTLINK DOLLAR MANAGED FUND

## November 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		9.20%
Best Month	Dec-08	9.61%
Worst Month	Oct-08	-10.66%

### Portfolio Breakdown

Treasury Bonds	90.54%
Corporate Bonds	6.31%
Cash/Deposit	3.15%

### Top Five Bonds Holding

RI-2030	8.58%
MTN Sritex II	6.14%
RI-2029	5.48%
RI-2038	4.85%
RI-0727	4.60%

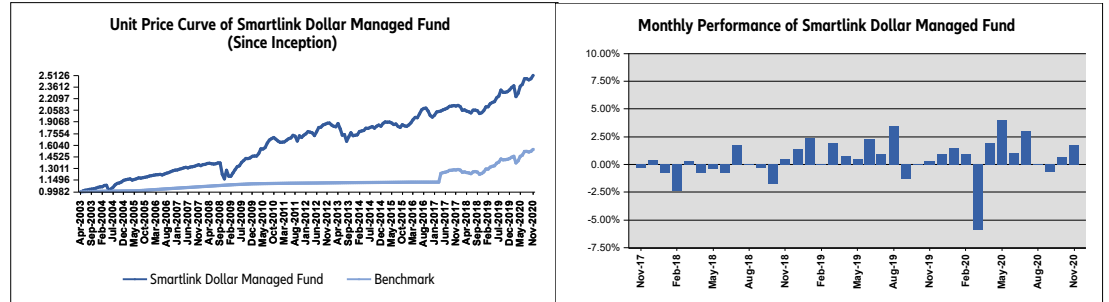
### Key Fund Facts

Fund Size (in mio USD)	USD 81.84
Risk Profile	Moderate
Launch Date	07 Apr 2003
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	34,283,395.4818

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Smartlink Dollar Managed Fund	1.73%	1.69%	5.96%	9.20%	18.82%	8.14%	151.26%
Benchmark*	1.59%	1.66%	6.21%	9.07%	20.80%	8.32%	55.08%

\*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 November 2020 inflation at +0.28% mom (vs consensus inflation +0.19%, +0.07% in Oct 2020). On yearly basis, inflation was +1.59% yoy (vs consensus inflation +1.54%, +1.44% in Oct 2020). Core inflation was printed at +1.67% yoy (vs consensus inflation +1.73%, +1.74% in Oct 2020). The increment of inflation is contributed by the inflation on volatile food group, such as: increasing chicken & egg, horticultural plants, and fried oil on the back of higher CPO prices. While, the slightly higher on core inflation is caused by the increment inflation on clothes and footwear, healthcare, and education group prices. The BI Board of Governors agreed on 18-19 November 2020 to cut the BI 7-Day Reverse Repo Rate by 25bps to be 3.75%, and also cut the Deposit Facility (DF) and Lending Facility (LF) rates by 25bps to be 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 +3.82% from 14,690 at end of Oct 2020 to 14,128 at end of November 2020. Indonesia's trade balance recorded surplus amounting to USD +3,607mn in Oct 2020 vs previous month surplus USD +2,438mn. The better number of trade surplus was still affected by increment on commodity price, especially CPO. Non-oil and gas trade balance in Oct 2020 recorded surplus USD +4,057mn, which was higher than the previous month that recorded trade surplus amounting to USD +2,908mn. Meanwhile, oil and gas trade balance still recorded deficit to USD -450mn in Oct 2020, which was lower than the deficit on Aug 2020 amounting to USD -470mn. Indonesia's official foreign reserve as of November 2020 was at USD 133.56 billion, lower than October 2020's number at USD 133.66 billion. The decrement of foreign reserve was caused by partly due to the gov't's external debt payment.

USD government bond yields were lower across all curves supported by both onshore and offshore inflows. Market rallied due to positive sentiments from global and domestic. From the global side, the market mostly supported by: lower unemployment rate in US, positive growth of export and import activity in China, Pfizer, AstraZeneca & Moderna vaccine's trial success, Joe Biden winning over Donald Trump, and also the announcement of FED to increase the monetary stimulus for the US economic. While from the domestic side, the positive sentiments came from BI cut rate, the highest trade surplus since 2010, and the surplus of BoP amounting to USD 2.1bn in 3Q2020. Indonesia's CDS 5yr level was better in November 2020 compared with previous month, from 94/97 to 88/90. The 5Y yield November 2020 ended -18bps lower to +1.20% (+1.38% in Oct 2020), 10yr tenor ended -39bps lower to +1.85% (+2.24% on Oct 2020), 15yr tenor ended -27bps lower to +3.07% (+3.34% on Oct 2020), and 25yr ended lower -26bps to +3.29% (+3.55% on Oct 2020).

In regards to our recent portfolio we maintain an overweight position in the weighting with slightly underweight 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:

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Price per Unit	Bid	Offer
(As of Nov 30, 2020)	USD 2.3870	USD 2.5126

Managed by PT. Asuransi Allianz Life Indonesia