

SMARTLINK DOLLAR MANAGED FUND

January 2022

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		-4.30%
Best Month	Dec-08	9.61%
Worst Month	Oct-08	-10.66%

Portfolio Breakdown

Treasury Bonds	90.83%
Cash/Deposit	9.17%

Top Ten Bonds Holding

(in Alphabetical Order)

- RI0124 15/01/2024
- RI0125 15/01/2025
- RI0126 08/01/2026
- RI0229 11/02/2029
- RI0230 14/02/2030
- RI0727 18/07/2027
- RI0929 18/09/2029
- RI1030 15/10/2030
- SNI0630 23/06/2030
- SNI25 28/05/2025

Key Fund Facts

Fund Size (in mio USD)	USD 60.42
Risk Profile	Moderate
Launch Date	07 Apr 2003
Fund Currency	United States Dollar
Launch Date NAV Price	USD 1.00
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Management Fee	1.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	26,580,558.3728

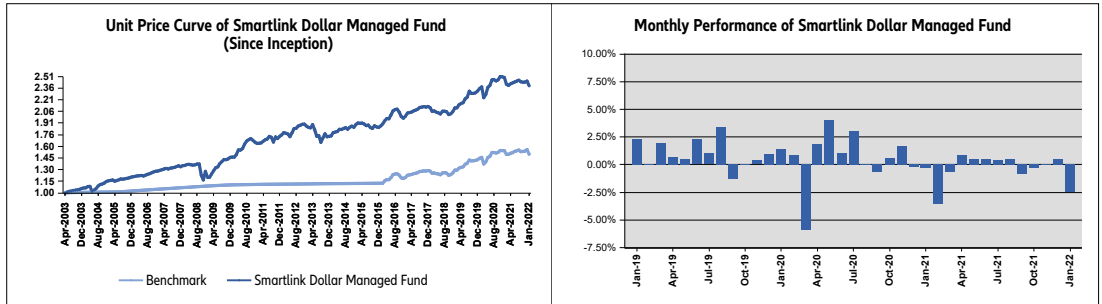
Price per Unit	Bid	Offer
(As of Jan 31, 2022)	USD 2.2730	USD 2.3926

Managed by PT. Asuransi Allianz Life Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	Since Inception
Smartlink Dollar Managed Fund	-2.45%	-1.85%	-2.42%	-4.30%	13.71%	19.91%	-2.45%	139.26%
Benchmark*	-3.83%	-2.38%	-2.84%	-2.93%	15.96%	25.16%	-3.83%	50.29%

*IBPA - Indonesia Government Global Bond Index

(Benchmark assessment; before Oct 2021: 80% IBPA - Indonesia Government Global Bond Index and 20% Average Time Deposit (1 Month) of Bank BNI, BCA and Citibank; 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 January 2022 inflation +0.56% mom (vs consensus inflation +0.56%, +0.57% in Dec 2021). On yearly basis, inflation was +2.18% yoy (vs consensus inflation +2.17%, +1.87% in Dec 2021). Core inflation was printed at +1.84% yoy (vs consensus inflation +1.70%, +1.56% in Dec 2021). The slightly lower monthly inflation was impacted by the lower inflation on volatile food and administered prices group. While, the increment on core inflation was caused by the higher inflation on car commodity and also house rent in line with the reduction of mobility restriction. The BI Board of Governors agreed on 29-20 January 2022 to hold the BI 7-Day Reverse Repo Rate at 3.50%, and also hold the Deposit Facility (DF) and Lending Facility (LF) rates at 2.75% and 4.25%, respectively. This policy is in line with stable inflation, exchange rate and financial system amid higher external pressure. However, Bank Indonesia plan to increase rupiah reserve requirements gradually by up to 300bps for conventional banks and by up to 150bps for sharia banks and sharia business units. Rupiah depreciated against USD by -0.79% from 14,278 at end of Dec 2021 to 14,392 at end of Jan 2022. Indonesia's trade balance recorded surplus amounting to USD 1,019mn in Dec 2021 vs previous month surplus USD 3,513mn in Nov 2021. The lower trade surplus was caused by higher import on oil import which was in line with better mobility index, while for the non-oil and gas sector, the increasing of imports was impacted by the machineries, vaccine goods related, and also healthcare related. Non-oil and gas trade balance in Dec 2021 recorded surplus USD +3,304mn, which was lower than the previous month that recorded trade surplus amounting to USD +5,206mn in Nov 2021. Meanwhile, oil and gas trade balance still recorded deficit to USD -2,285mn in Dec 2021, which was higher than the deficit in Nov 2021 amounting to USD -1,693mn. The Indonesia' actual GDP growth 4Q21 recorded +5.02% YoY (vs previous +3.51%, consensus +4.81%), and also recorded growth by +1.06% QoQ (vs previous +1.55%, consensus +1.01%). The consumption which accounts more than 50% of Indonesia's GDP, was grew by +3.55% YoY in line with Indonesia's economic recovery, while government spending also grew with positive growth by +5.25% which was supported by additional stimulus budget to overcome the impact of Covid-19. The better growth was also supported by the export number which grew by +29.83% YoY which was impacted by the better global commodity prices and global recovery. Indonesia's official foreign reserve in the end of Jan 2022 was at USD 141.3bn, slightly lower than Dec 2021 number at USD 144.9bn due to external debt payment and reduction of banks' foreign currency placement in Bank Indonesia.

USD government bond yields were mostly higher all across the curve amid negative global sentiments, such as: hawkish tone from FED (the expectation of raising benchmark rate by 4 times this year), higher US Treasury (breach 1.8% level), higher US inflation data, and also raising of Omicron new cases. Indonesia's CDS 5yr level was worsening in Jan 2021 compared with previous month from 72/74 to 89/91. The 5Y yield January 2022 ended +41bps higher to +2.46%(vs +2.05% in Dec 2021), 10yr tenor ended +54bps higher at +2.71%(vs +2.17% in Dec 2021), 20yr tenor ended +50bps higher to +3.99(vs +3.49% in Dec 2021), and 25yr ended +45bps higher to +4.04%(+3.59% in Dec 2021).

In regards to our recent portfolio we maintain our underweight position.

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.

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