

ALLISYA RUPIAH BALANCED FUND

July 2021

BLOOMBERG: AZSRPBL IJ
Investment Objective

The objective of this fund is to achieve conservative long term capital growth while earning relatively stable income.

Investment Strategy

To achieve the investment objectives, this fund shall be invested with a target of 25%-50% in sharia based money market and fixed income instruments (such as deposits of sharia, sharia SBI, sharia SPN, and / or money market mutual funds, sharia bonds, sharia corporate bonds and / or sharia fixed income mutual funds), and 50%-75% in the sharia based equity instruments in accordance to OJK's decision (either directly through sharia stocks or through sharia equity mutual funds).

Return Performance

Last 1-year Period		8.56%
Best Month	Jul-09	10.95%
Worst Month	Oct-08	-14.39%

Portfolio Breakdown

Equity	71.39%
Treasury Bonds	4.70%
Mutual Funds - Bonds	18.24%
Sharia Cash/Deposit	5.66%

Top 5 Bonds

SBSN Seri PBS012	8.16%
SBSN Seri PBS026	4.70%
SBSN Seri PBS017	2.42%
SBSN Seri PBS004	1.54%
SBSN Seri PBS025	1.31%

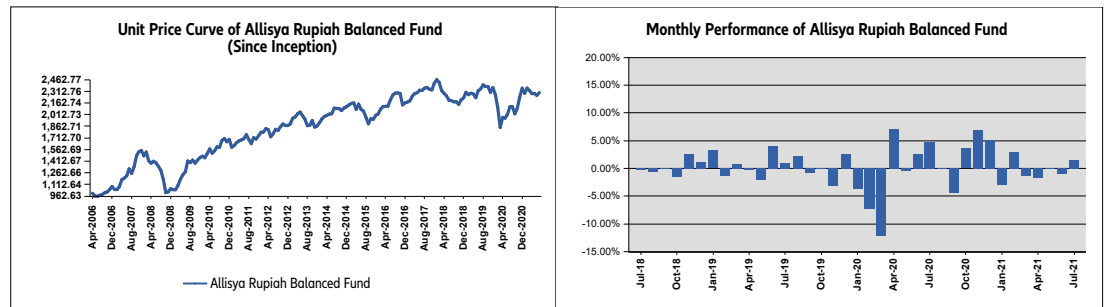
Top Five Stocks Holding

Telekomunikasi Indonesia	11.89%
Surya Citra Media	6.02%
Unilever Indonesia	4.95%
Merdeka Copper Gold	4.56%
Elang Mahkota Teknologi	4.27%

Key Fund Facts

Fund Size (in bn IDR)	IDR 458.81
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	210,342,522.9281

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Allisya Rupiah Balanced Fund	1.55%	0.59%	0.45%	8.56%	4.65%	-2.42%	129.60%


Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced July 2021 inflation at +0.08% mom (vs consensus inflation +0.01%, -0.16% on June 2021). On yearly basis, inflation was +1.52% yoy (vs consensus inflation +1.47%, +1.33% on June 2021). Core inflation was printed at +1.40% yoy (vs consensus inflation +1.43%, +1.49% on June 2021). The higher July inflation was contributed by the administered price group which was impacted by the higher tobacco price, and also volatile food group which was caused by the lower supply of several goods on the back of harvest time. The BI Board of Governors agreed on 21-22 July 2021 to hold the BI 7-Day Reverse Repo Rate to be 3.50%, and also hold the Deposit Facility (DF) and Lending Facility (LF) rates to be 2.75% and 4.25%, respectively. This policy is to maintain Rupiah stability in the middle of global uncertainty and also the lower inflation. Rupiah appreciated against USD by +0.55% from 14,542 at end of June 2021 to 14,462 at end of July 2021. Indonesia's trade balance recorded surplus amounting to USD +1,316mn in June 2021 vs previous month surplus USD +2,360mn. The lower of trade surplus was affected by the better growth of import number, especially non-oil and gas sector (capital goods imports), however the growth of gas export number also showed improvement on the back of higher global oil price. Non-oil and gas trade balance in June 2021 recorded surplus USD +2,382mn, which was lower than the previous month that recorded trade surplus amounting to USD +3,485mn. Meanwhile, oil and gas trade balance still recorded deficit to USD -1,066mn in June 2021, which was lower than the deficit on May 2021 amounting to USD -1,125mn. Indonesia's economy grew by +7.07% YoY in Q2 2021 (vs previous -0.74% on Q1 2021), and +3.31% QoQ (vs previous -0.96% on Q1 2021). The better YoY growth was mainly caused by the low base effect which last year GDP contracted by -5.32% YoY. In terms of business sector, the positive growth was happened on all of sectors, especially Manufacturing Sector (the highest) which grew +1.35% YoY. While, in terms of expense, the highest growth came from the household consumption by +3.17% YoY. Indonesia's official foreign reserve in the end of July 2021 was at USD 137.3billion, slightly higher than June 2021 number at USD 137.1billion due to the Government's Global Bond Issuance as well as tax and services receipts.

IDR Government bond yields were closed lower across all curves. Indonesia's bond market was opened weaker on the back of the rising new cases of Covid-19 which made government re implemented restriction again in several cities, especially in Java. However, after MoF announced that the debt financing will be lower than their target bond issuance for 2021 amounting to IDR 958tn, the strengthening in market was seen which was supported by the local players. MoF plans to use SILPA from last year to finance the 2021 Budget, they also plan to utilize the bilateral loan which is not used yet. While from the global, positive sentiment were seen after Jerome Powell signed that tapering off will not be happened in the near term and still hold their dovish tone. Offshore accounts decreased their holding by IDR -11.53tn in July 2021 (-1.18% MoM), to IDR 965.78tn as of 30 Jul 2020 from IDR 977.31tn as of 30 Jun 2021, which brought their holding to 22.53% of total outstanding tradable government bond (from 22.82% in the previous month). The 5Y yield July 2021 ended -23bps lower to +5.17% (vs +5.40% on June 2021), 10Y tenor ended -30bps lower to +6.29% (vs +6.59% on June 2021), 15Y tenor ended -11bps lower to +6.32% (vs +6.43% on June 2021) and 20Y tenor ended -23bps lower to +7.04% (vs +7.27% on June 2021).

The JAKISL Index ended the month lower at 532.79 (-2.12% MoM). Market laggards were UNVR, SMGR, TPIA, KLBF and BTPS as they fell 14.75%, 18.95%, 4.33%, 10.00% and 17.71% MoM respectively. Global equity markets movement during the month of July was mixed, on the back of the spread of COVID delta variants spreads sparking lockdowns and hence concerns over slower economic recovery trajectory. US equities recorded its new highs in July due to strong Q2'21 GDP growth as well as better than expected Q2'21 corporate earnings. Equities within Asia however, were pulling back as China's regulators intervened on the tech sector. As such, the return gap between DM and EM equity market since the start of 2021 has continued to widen. Locally, Indonesia's economic activity is set to improve after several encouraging leading indicators such as property pre-sales numbers, cement volumes as well as retail sales are on the rise. Daily Covid cases in Indonesia reached a new high at 56k cases/day in mid-July (from 20k/day in June) which triggered the government to impose strict mobility restrictions. Despite the new restrictions will result in a reduction in mobility and slower economic activity within the next 1-2 months, increased number of daily testing and vaccination doses should help to reduce growing new infections going forward and help fuel economic activity over the longer term. Valuation wise, despite its fair valuation of 17.2x FY21 P/E at the moment, the interest towards Indonesia equity market has improved on the back of upcoming tech IPOs. Sector wise, the Consumer Non-Cyclicals Sector was the worst performing sector during the month, declining 6.31% MoM. Ticker wise, GGRM (Gudang Garam) and UNVR (Unilever Indonesia) were the laggards, depreciating 25.79% and 14.75% MoM respectively. This was followed by the Industrial Sector which dropped 0.52% MoM. Ticker wise, SMGR (Semen Indonesia) and INTP (Indocement Tunggak Prakarsa) posted 18.95% and 10.38% MoM losses respectively. On the other hand, the best sector during the month was the Energy Sector, which recorded a gain of 5.58% MoM. Ticker wise, INCO (Vale Indonesia) and ANTM (Aneka Tambang) were the movers which rose 19.31% and 9.57% MoM respectively.

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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Price per Unit	Bid	Offer
(As of Jul 30, 2021)	IDR 2,181.24	IDR 2,296.04

Managed by PT. Asuransi Allianz Life Indonesia