SMARTLINK DOLLAR MANAGED CLASS B FUND
June 2022

BLOOMBERG: AZUSMGB 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, and 80-100% in the medium-or long-term instruments, in U.S. Dollars.

Return Performance

Last 1-year Period		-9.21%
Best Month	Jun-21	0.53%
Worst Month	Apr-22	-3.17%

Portfolio Breakdown

Bonds	95.23%
Money Market	4.77%

Top 10 Holding
(in Alphabetical Order)

Ind Eurobonds 2.8% 06/23/30
INDON 3.85 07/18/27
Bank Maybank Indonesia Tbk 0.45% 08/07/2022
RI-2019 4.75% 02/11/29
RI-2024 5.875% 01/15/2024
RI-2025 4.125% 15/1/25
RI-2025 4.325% 28/05/25
RI-2026 4.75% 01/08/2026
RI-2027 4.15% 03/29/27
RI-2029 3.4% 09/18/29

Industry Sector

Government	91.23%
Finance	8.77%

Key Fund Facts

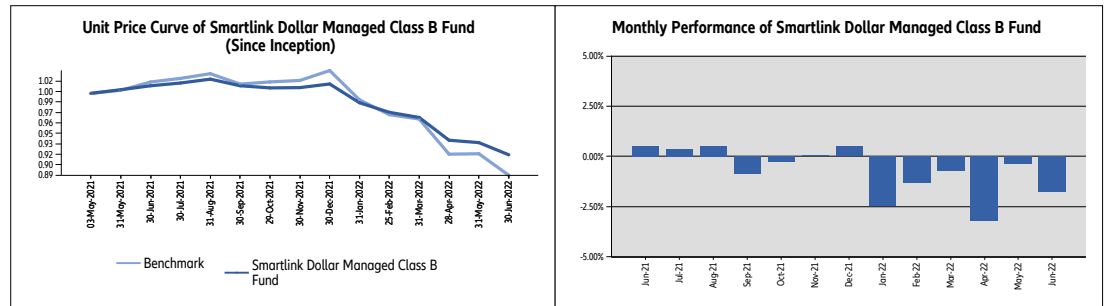|	
Fund Size (in mio USD)	USD 0.48
Risk Profile	Moderate
Launch Date	15 Dec 2020
Fund Currency	United States Dollar
Launch Date NAV Price	USD 1.00
Pricing Frequency	Daily
Investment Management Fee	1.50% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	522,059.7194

Price per Unit	
(As of Jun 30, 2022)	USD 0.9172

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 Class B Fund	-1.76%	-5.20%	-9.42%	-9.21%	N/A	N/A	-9.42%	-8.28%
Benchmark*	-3.15%	-7.84%	-13.68%	-12.38%	N/A	N/A	-13.68%	-11.04%

*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)

Unit Price Curve of Smartlink Dollar Managed Class B Fund (Since Inception)

Monthly Performance of Smartlink Dollar Managed Class B Fund

Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced June 2022 inflation +0.61% mom (vs consensus inflation +0.45%, +0.40% in May 2022). On yearly basis, inflation was +4.35% yoy (vs consensus inflation +3.55%, +4.19% in May 2022). Core inflation was printed at +2.63% yoy (vs consensus inflation +2.70%, +2.58% in May 2022). The higher inflation was mainly contributed by the volatile food group, especially the horticulture commodity. The BI Board of Governors agreed on 22-23 June 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 for maintaining the inflation level and exchange rate, and also to support the economic growth amid higher external pressure which was impacted by the risk of stagflation in most of country in the world. Rupiah depreciated against USD by -2.49% from 14,592 at end of May 2022 to 14,956 at end of June 2022. Indonesia's trade balance recorded surplus amounting to USD 2,895mn in May 2022 vs previous month surplus USD 7,557mn in April 2022. The lower trade surplus was impacted by the export ban of palm oil which was showed by the declining of palm oil export to EU from 45% to 3% YoY in May 2022. Non-oil and gas trade balance in May 2022 recorded surplus USD +4,753mn, which was lower than the previous month that recorded trade surplus amounting to USD +9,938mn in April 2022. Meanwhile, oil and gas trade balance still recorded deficit to USD -1,858mn in May 2022, which was lower than the deficit in April 2022 amounting to USD -2,381mn.

USD government bond yields were closed higher across the curve in line with higher US Treasury yield 10yr tenor (from 2.844 to 2.974). The negative sentiment on bond denominated dollar was impacted by the hawkish tone from FED to accelerate the monetary policy with increasing the FED Fund Rate by 75bps in June 2022. The lower monthly trade surplus also impacted the market. Indonesia's CDS 5yr level was worsening in June 2022 compared with previous month from 98/100 to 142/144. The 5Y yield June 2022 ended +43bps higher to +4.32%(vs +3.89% in May 2022), 10yr tenor ended +56bps higher at +4.52%(vs +3.96% in May 2022), 20yr tenor ended +45bps higher to +5.48 (vs +5.03% in May 2022), and 25yr ended +42bps higher to +5.50%(+5.08% in May 2022).

In regards to our recent portfolio we maintain our underweight duration strategy against benchmark.

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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