

SMARTWEALTH EQUITY SMALL MEDIUM CAPITAL FUND

June 2022

BLOOMBERG: AZRPSMC IJ

Investment Objective

The objective of this fund is to provide maximum long term investment yield.

Investment Strategy

To achieve the investment objective, this fund shall be invested 0 - 20% in short-term instruments and 80 - 100% in small and medium cap equity instruments.

Return Performance

Last 1-year Period	0.51%
Best Month	Jan-18 17.35%
Worst Month	Mar-20 -22.23%

Portfolio Breakdown

Equity	94.39%
Money Market	5.61%

Top 10 Holding

(in Alphabetical Order)

Bank Central Asia	
Bank HSBC Indonesia 1.5% 01/07/2022	
Bank Rakyat Indonesia	
Bukalapak.Com	
GoTo Gojek Tokopedia Tbk	
Impack Pratama Industri Tbk	
M Cash Integrasi	
Merdeka Copper Gold Tbk	
Telekomunikasi Indonesia	
Tower Bersama Infrastruct	

Industry Sector

Finance	24.87%
Technology	19.44%
Basic Industry	15.78%
Infrastructure	10.77%
Industry	10.60%
Energy	8.12%
Health	4.84%
Consumer Cyclical	2.91%
Consumer Non-Cyclical	2.67%

Key Fund Facts

Fund Size (in bn IDR)	IDR 237.68
Risk Profile	Aggressive
Launch Date	27 Sep 2013
Fund Currency	Indonesian Rupiah
Launch Date NAV Price	IDR 1,000.00
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Investment Management Fee	2.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	148,393,658.7598

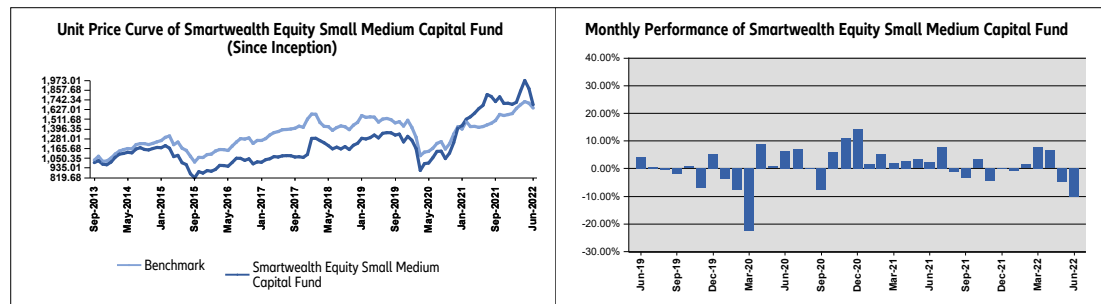
Price per Unit	Bid	Offer
(As of Jun 30, 2022)	IDR 1,601.66	IDR 1,685.96

Managed by PT. Asuransi Allianz Life Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	Since Inception
Smartwealth Equity Small Medium Capital Fund	-10.19%	-8.85%	-1.02%	0.51%	25.19%	56.12%	-1.02%	68.60%
Benchmark*	-3.32%	-2.26%	5.02%	15.47%	8.70%	18.56%	5.02%	64.75%

*Jakarta Composite Index (JCI)

(Benchmark assessment; using benchmark since Oct 2021, backdated to inception date)



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.

The JCI Index ended the month lower at 6,911.58 (-3.32% MoM). Market laggards were BBRI, MDKA, BBKA, ASII, and BMRI as they fell -10.37%, -26.79%, -6.45%, -9.86% and -6.76% MoM respectively. Global stock markets sentiment fell in the month of June as persistent US inflation numbers, where May-22 inflation posted 8.6% YoY, which above market expectation of 8.3%. This was followed by more aggressive US tightening, where the FED raised Fed Fund Rate by 75bps which indicated further tightening ahead until inflation number close to the FED target at 2-4% range. All these events increased market concerns on potential economy recession, whereby market expects the Fed be more aggressive in its liquidity tightening plan, which could lead to US economy recession in 2023. Indonesia stock market also affected by current global tightening. We have seen big outflows this year even though foreign ownerships in bonds were low, which has depreciated rupiah currency to IDR 14,800/USD at the end of the month. On the valuation front, the JCI currently trades at 2022 earnings multiple of 16.2x, which is slightly below its mean but considering low foreign investors positioning combined with improving economic activity, we believe investors' appetite in Indonesian stocks will continue to improve in the longer run. However, we can't rule out that recession risk could pressure commodity price which in turn would Indonesia's fiscal balance vulnerable. Sector wise, the Transportation and Logistic Sector was the worst performing sector during the month, declining 15.13% MoM. Ticker wise, CMPP (Airasia Indonesia) and TNCA (Trimuda Nuansa Citra) were the laggards, depreciating 40.56% and 40.00% MoM respectively. This was followed by the Basic Materials Sector which dropped 12.89% MoM. Ticker wise, TIRT (Tirta Mahakam) and SULI (Sumalindo Lestari) posted 47.37% and 37.50% MoM losses respectively. On the other hand, the best sector during the month was the Technology Sector, which recorded a gain of 2.26% MoM. Ticker wise, TECH (Indosterling Technomedia) and GOTO (Goto Gojek Tokopedia) were the movers which rose 50.24% and 27.63% 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.

Disclaimer:

Smartwealth Equity Small Medium Capital 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.