

# Smartwealth Rupiah Equity IndoAsia Fund

March 2024

**BLOOMBERG: AZRPIAS IJ**

**Investment Objective**

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

**Investment Strategy: Equity**

To achieve the investment objective, this fund shall be invested 80 - 100% in equity instruments (directly through stocks and / or through equity mutual funds) and 0 - 20% in short-term instruments (such as deposits). Furthermore, the fund shall be invested in equity instruments in the Asia Pacific region, excluding Japan, not exceeding 20% of the fund.

**Return Performance**

Last 1-year Period	5.71%
Best Month	Oct-11 8.45%
Worst Month	Mar-20 -16.90%

**Portfolio Breakdown**

Equity	92.24%
Money Market	7.76%

**Top 10 Holding**

(in Alphabetical Order)

- Bank Central Asia
  - Bank Danamon Indonesia 3.5%
  - Bank Mandiri Persero
  - Bank Rakyat Indonesia
  - Bukalapak.Com
  - GoTo Gojek Tokopedia Tbk
  - Indofood CBP Sukses Makmur
  - Merdeka Copper Gold Tbk
  - Sumber Alfaria Trijaya
  - Telekomunikasi Indonesia
- \*there is no investment on related parties

**Industry Sector**

Finance	42.05%
Infrastructure	13.63%
Technology	11.92%
Consumer Non-Cyclical	10.29%
Industry	5.31%
Energy	4.82%
Basic Industry	4.67%
Consumer Cyclical	4.49%
Health	2.25%
Property	0.56%

**Key Fund Facts**

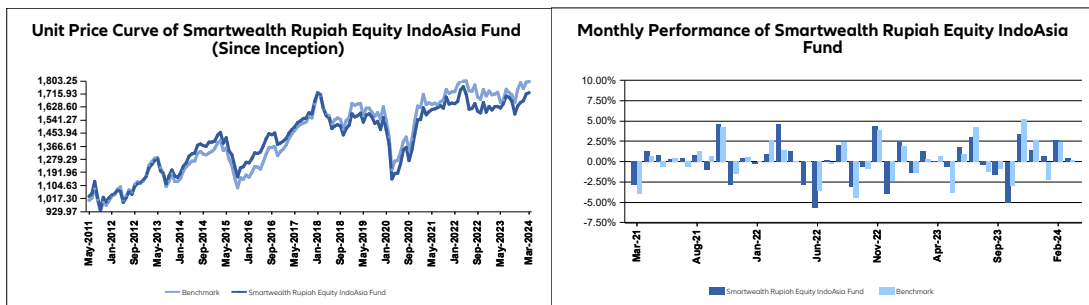
Fund Size (in bn IDR)	IDR 188.99
Risk Level	Aggressive
Launch Date	05 May 2011
Fund Currency	Indonesian Rupiah
Launch Date NAV Price	IDR 1,000.00
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Investment Management Fee	2.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	115,300,193.8498

Price per Unit	Bid	Offer
(As of Mar 28, 2024)	IDR 1,639.14	IDR 1,725.41
Managed by	PT. Asuransi Allianz Life Indonesia	

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	Since Inception
Smartwealth Rupiah Equity IndoAsia Fund	0.50%	3.96%	3.50%	5.71%	9.37%	9.80%	3.96%	72.54%
Benchmark*	0.17%	0.37%	5.24%	4.83%	9.32%	9.09%	0.37%	79.93%

\*80% Jakarta Composite Index (JCI) and 20% MSCI AC Far East Ex-Japan Index (MXFEJ Index)

(New benchmark assessment as of May 2012; previously: Jakarta Composite Index (JCI))



**Manager Commentary**

Equity markets in Asia ex Japan generally advanced over March. Sentiment was lifted by signs of a pick-up in growth in China and Europe, as well as the ongoing resilience of the US economy. While major central banks moved to dispel speculation that rates could be cut as soon as March, they continued to forecast lower borrowing costs were on the cards in 2024. Chinese equities rose modestly over March. After several months of deflation, consumer prices rose 0.7% in February compared to the same month the year before, marking the strongest acceleration in 11 months. Hopes of further stimulus measures were also boosted when the 2024 National People's Congress set a GDP growth target for 2024 of "about 5%". This was the same target as in 2023 when the economy grew 5.2%, although this outcome was flattered by base effects. Australian stocks advanced over the month, with the ASX closing at record highs, after softer-than-expected monthly inflation data boosted hopes that the Reserve Bank of Australia would cut rates in the second half of 2024. Stocks surged in Taiwan and South Korea as semiconductor companies benefited from the AI wave. Taiwan's central bank unexpectedly raised rates by 12.5 basis points, citing inflationary risks caused by higher electricity prices. Hong Kong stocks were mixed, with the MSCI Hong Kong Index falling sharply while the local Hang Seng Index posted a slight gain. ASEAN markets generally appreciated, with Singapore gaining the most. Singapore's annual inflation rate increased to 3.4% in February, rising from a more than two-year low of 2.9% in January, while the S&P Global Singapore purchasing managers' index increased to 56.8 in February, the fastest growth since October 2022. Indonesian equities also advanced, as did shares in Thailand and Malaysia to a lesser extent, while the Philippines was broadly flat.

Central Bureau Statistics of Indonesia (BPS) announced March 2024 inflation at +0.52% MoM (vs consensus inflation +0.4%, +0.37% in February 2024). On yearly basis, inflation was at +3.05% YoY (vs consensus inflation +2.91%, +2.75% in February 2024). Core inflation was printed at +1.77% YoY (vs consensus inflation +1.71%, +1.68% in February 2024). The higher inflation MoM was contributed by the higher price of health group and personal care & other service group. The BI Board of Governors agreed in their meeting on 19-20 March 2024 to hold the BI 7-Day Reverse Repo Rate at 6.00% and also held the Deposit Facility (DF) and Lending Facility (LF) rates at 5.25% and 6.75%, respectively. In total, Bank Indonesia had increased their benchmark rate by 250bps up to Dec 2023. The decision remains consistent with the pro-stability focus of monetary policy, namely to strengthen rupiah stabilization policy, and as a pre-emptive and forward-looking measure to maintain inflation within the 2.5%±1% target corridor in 2024. Rupiah weakening against USD by -1.01% from 15,715 at the end of February 2024 to 15,873 at the end of March 2024. The weakening of Rupiah was impacted by the release of U.S. Macroeconomic data that showed more robust results than expected. The Fed will not be rushed to cut policy this year and is still in a "higher-for-longer" stance to push inflation to 2.00%. Indonesia's trade balance recorded a surplus amounting to USD +867mn in February 2024 vs the previous month's surplus of USD +2,000mn in January 2024. The lower trade surplus was impacted by exports showing negative growth; on the other hand, imports showed positive growth in February 2024. Non-oil and gas trade balance in February 2024 recorded a surplus of USD +2,630mn, which was lower than the previous month recorded a trade surplus amounting to USD +3,300mn in January 2024. Meanwhile, the oil and gas trade balance still recorded a deficit of USD -1,763mn in February 2024, which was higher than the deficit in January 2024, amounting to USD -1,301mn. Indonesia's official reserve assets position amassed USD 140.4 billion as of the end of March 2024, decrease from USD 144.0 billion as of February 2024. The decrease was impacted by anticipation of corporate liquidity needs, and the need for Rupiah stabilisation in line with persistently high global financial market uncertainty.

The JCI ended the month lower at 7,288.81 (-0.37% MoM). Market laggards were TLKM, BREN, CUAN, MBMA, and BYAN as they fell -13.25%, -11.16%, -30.39%, -19.34%, and -2.56% MoM respectively. Global equities rallied further in March on an improving outlook for the US economy and expectations that the US Federal Reserve will soon begin its long-awaited cuts to benchmark interest rates. Domestically in Indonesia, the JCI ended the month flat (-0.37% MoM) as market awaits more color from non-banks 4Q23 earnings results and each companies' FY24 guidance, which was released on the end of March. Sector wise, the Transportation and Logistic Sector was the worst performing sector during the month, declining -6.79% MoM. Ticker wise, HATM (Habco Trans Maritima) and TAXI (Express Transindo Utama) were the laggards, depreciating -35.09% and -32.00% MoM respectively. This was followed by the Technology Sector which dropped -3.44% MoM. Ticker wise, IOTF (Sumber Sinergi Makmur) and MPIX (Mitra Pedagang Indonesia) posted -54.85% and -51.22% MoM losses respectively. On the other hand, the best sector during the month was the Basic Material Sector, which recorded a gain of +2.80% MoM. Ticker wise, NIKL (Pelat Timah Nusantara) and NICE (Adhi Kartiko Pratama) were the movers which rose +93.18% and +61.49% MoM respectively.

**About Allianz Indonesia**

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