

Allisya Rupiah Equity Fund

May 2023

BLOOMBERG: AZSRPEQ IJ

Investment Objective

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

Investment Strategy: Equity

To achieve the investment objective, this fund shall be invested 0-20% in short-term sharia instruments and 80 - 100% the sharia based equity instruments in accordance to OJK's decision.

Return Performance

Last 1-year Period		-16.21%
Best Month	Jul-09	14.81%
Worst Month	Mar-20	-13.80%

Portfolio Breakdown

Sharia Equity	89.06%
Sharia Money Market	10.94%

Top 10 Holding

(in Alphabetical Order)

- Adaro Energy
- Charoen Pokphand Indonesia
- Indofood CBP Sukses Makmur
- Indofood Sukses Makmur
- Kalbe Farma
- Semen Indonesia Persero
- Telekomunikasi Indonesia
- Unilever Indonesia
- United Tractors
- XL Axiata

*there is no investment on related parties

Industry Sector

Consumer Non-Cyclical	27.54%
Infrastructure	23.96%
Basic Industry	16.75%
Health	11.85%
Energy	7.11%
Industry	6.44%
Consumer Cyclical	3.96%
Finance	2.39%

Key Fund Facts

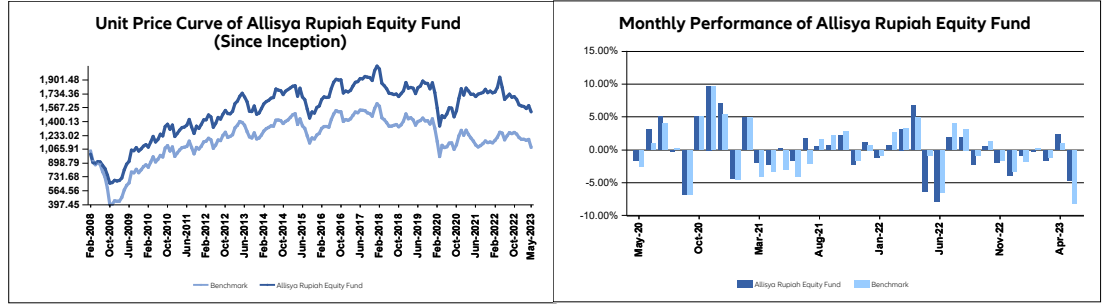
Fund Size (in bn IDR)	IDR 1,083.81
Risk Level	Aggressive
Launch Date	01 Feb 2008
Fund Currency	Indonesian Rupiah
Launch Date NAV Price	IDR 1,000.00
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Investment Management Fee	2.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	751,994,231.5919

Price per Unit	Bid	Offer
(As of May 31, 2023)	IDR 1,441.25	IDR 1,517.11

Managed by PT. Asuransi Allianz Life Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	Since Inception
Allisya Rupiah Equity Fund	-4.70%	-4.07%	-9.02%	-16.21%	4.80%	-15.47%	-5.26%	51.71%
Benchmark*	-8.10%	-8.21%	-12.81%	-13.64%	0.29%	-21.46%	-9.78%	8.87%

*Jakarta Islamic Index (JII)



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced May 2023 inflation at +0.09% mom (vs consensus inflation +0.30%, +0.33% in Apr 2023). On yearly basis, inflation was at +4.00% yoy (vs consensus inflation +4.21%, +4.33% in Apr 2023). Core inflation was printed at +2.66% yoy (vs consensus inflation +2.81%, +2.83% in Apr 2023). The lower inflation mom was contributed by the lower price of transportation group and lower inflation from clothing. The BI Board of Governors agreed on 24-25 May 2023 to hold the BI 7-Day Reverse Repo Rate at 5.75% and also hold the Deposit Facility (DF) and Lending Facility (LF) rates at 5.00% and 6.50%, respectively. In total, Bank Indonesia had increased their benchmark rate by 225bps up to Jan 2023. This decision for this policy is as front loaded, pre-emptive and forward-looking movement to lower the expectation inflation and to ensure the core inflation back to their target level at 3±1% on 1H 2023. Bank Indonesia mention BI focus slight change into enhancing IDR value stabilization in order avoid imported inflation and reduce the spread of uncertainty on global financial markets Rupiah depreciated against USD by -2.33% from 14,661 at end of April 2023 to 15,003 at end of May 2023. The depreciation of Rupiah was impacted by uncertainty from debt ceiling talk in US and concern from China's Economic. Indonesia's trade balance recorded surplus amounting to USD +3.940mn in Apr 2023 vs previous month surplus USD +2.830mn in Mar 2023. The higher trade surplus was impacted by the export fell deeper than import. Non-oil and gas trade balance in Apr 2023 recorded surplus USD +5.640mn, which was higher than the previous month that recorded trade surplus amounting to USD +4.510mn in Mar 2023. Meanwhile, oil and gas trade balance still recorded deficit to USD -1,700mn in Apr 2023, which was higher than the deficit in Mar 2023 amounting to USD -1,670mn.

The JAKISL Index ended the month lower at 530.52 (-8.10% MoM). Market laggards were ADRO, UNTR, TLKM, ITMG, and PTBA as they fell -27.84%, -23.10%, -4.94%, -33.56%, and -26.09% MoM respectively. Global equities performance was mixed in May as Powell's latest dovish stance and expectation of US Debt ceiling deal to be reached before 1 June failed to be propped up equity rally in China and Europe region on the back of weak manufacturing data in both regions. Domestically in Indonesia, the JAKISL closed the month with negative return driven by correction among commodity names ie. coal and nickel proxies. Concerns are also arising on Indonesia's capability to maintain fiscal stability at times when its key exporting commodity prices are facing huge correction. Sector wise, the Energy Sector was the worst performing sector during the month, declining -18.39% MoM. Ticker wise, ADRO (Adaro Energy) and ITMG (Indo Tambangraya) were the laggards, depreciating -27.84% and -33.56% MoM respectively. This was followed by the Basic Materials Sector which dropped -16.02% MoM. Ticker wise, BRMS (Bumi Resources Minerals) and TPIA (Chandra Asri Petrochemical) posted -28.40% and -9.10% MoM losses respectively. On the other hand, the best sector during the month was the Consumer Non-Cyclicals Sector, which recorded a gain of +1.47% MoM. Ticker wise, INDF (Indofood Sukses) and ICPB (Indofood CBP Sukses) were the movers which rose +10.08% and +10.64% MoM respectively.

Portfolio positioning strategy wise, we are slightly underweight and selective. We are beginning to factor in that 2023 would be a year of normalization where strong commodity prices are set to normalize with aggregate corporate earnings growth is expected to grow at high single digit compared to double digit growth in 2022. Structurally, we are also adjusting to a new era of higher cost of capital and hence equity. Despite a challenging and volatile short-term outlook, we still believe that the direction of digital and down streaming theme is structural and playing an important role for Indonesia over the mid-long term. Our preference on equities that have pricing power, efficient balance sheet and good corporate governance has not changed regardless of conditions. However, we have increased our cash portion over rising recession risk, complex geopolitical factors and lingering uncertainty over abrupt type adjustment period(s).

About Allianz Indonesia

PT Asuransi Allianz Life Indonesia is a financial service institution licensed and supervised by the Otoritas Jasa Keuangan (OJK) according to POJK 6/2022 which 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 corporate insurance services, ranging from property, life and health insurance to credit insurance and business insurance services globally.

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