

# Smartlink Rupiah Money Market Fund

## May 2017



BLOOMBERG: AZRPMMF:IJ

### INVESTMENT OBJECTIVE

The objective of this fund is to preserve value and maintain a high degree of liquidity while providing current income.

### INVESTMENT STRATEGY

To achieve the investment objective, this fund shall be invested 100% in short-term instruments (such as deposits, SBI, SPN, and / or money market mutual funds) and / or obligations (such as government bonds and / or corporate bonds) under 1 year.

### PERFORMANCE INDICATOR

#### Return Performance

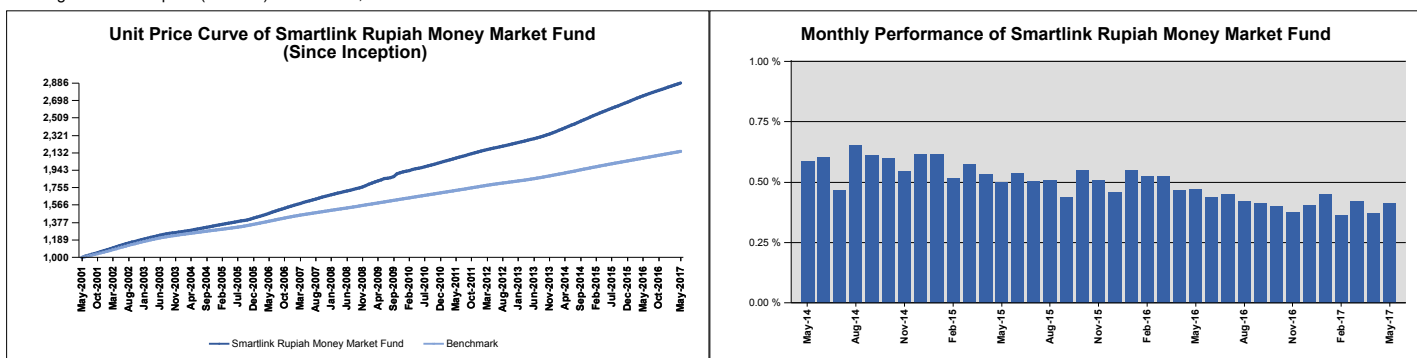
|                    |                     |
|--------------------|---------------------|
| Last 1-year Period | <b>5.03%</b>        |
| Best Month         | <b>1.58%</b> Oct-09 |
| Worst Month        | <b>0.13%</b> Jul-09 |

#### Portfolio Breakdown

|                             |               |
|-----------------------------|---------------|
| Corporate Bonds < 1 Year    | <b>8.95%</b>  |
| Govt. Related Bond < 1 Year | <b>4.96%</b>  |
| Cash/Deposit                | <b>86.08%</b> |

|                                    | 1 Month      | 3 Months     | 6 Months     | 1 Year       | 3 Years       | YTD          | Since Inception |
|------------------------------------|--------------|--------------|--------------|--------------|---------------|--------------|-----------------|
| Smartlink Rupiah Money Market Fund | <b>0.41%</b> | <b>1.21%</b> | <b>2.45%</b> | <b>5.03%</b> | <b>19.42%</b> | <b>2.03%</b> | <b>188.65%</b>  |
| Benchmark*                         | <b>0.31%</b> | <b>0.88%</b> | <b>1.74%</b> | <b>3.52%</b> | <b>11.78%</b> | <b>1.45%</b> | <b>114.75%</b>  |

\*Average 1 Month Deposit (1 Month) of Bank BNI, BCA and Citibank



### KEY FUND FACTS

|                              |                                      |
|------------------------------|--------------------------------------|
| <b>Fund Size (in bn IDR)</b> | : IDR 610.41                         |
| <b>Risk Profile</b>          | : Conservative                       |
| <b>Launch Date</b>           | : 25 May 2001                        |
| <b>Fund Currency</b>         | : Indonesian Rupiah                  |
| <b>Managed by</b>            | : PT Asuransi Allianz Life Indonesia |

|                      |                |              |
|----------------------|----------------|--------------|
| Pricing Frequency    | : Daily        |              |
| Price per Unit       | <i>Bid</i>     | <i>Offer</i> |
| (As of May 31, 2017) | : IDR 2,742.14 | IDR 2,886.46 |
| Bid-Offer Spread     | : 5.00%        |              |
| Management Fee       | : 1.00% p.a.   |              |

### MANAGER COMMENTARY

Central Bureau Statistics of Indonesia (BPS) announced May 2017 inflation at +0.39% mom (vs consensus 0.38%, 0.09% in Apr 2017). On yearly basis, inflation was higher to +4.33%yoy (vs consensus 4.31%, 4.17% in Apr 2017). Core inflation was printed at +3.20% yoy (vs consensus 3.30%, 3.28% in Apr 2017). Higher inflation was due to higher food prices on lead to and on fasting month. In the Board of Governors' Meeting on 17-18 May 2017, Bank Indonesia maintained the BI 7-day (Reverse) Repo Rate (BI-7 day RR Rate) at 4.75%, while maintaining the Deposit Facility (DF) and Lending Facility (LF) rates at 4.00% and 5.50% respectively. Rupiah appreciated by +0.05% to 13,321/USD at end of May 2017 from 13,327/USD in previous month. April trade balance was surplus \$1.238bn (vs consensus \$0.946bn, \$1.234bn prior), with import rose 10.31% yoy (vs last 18.19%) and export rose 12.63% yoy (from before 23.55%). Indonesia's foreign reserves increased \$1.703bn to \$124.953bn in May 2017 from \$123.25bn in Apr 2017. The increase was primarily attributable to foreign exchange receipts, among other from tax revenues and government oil & gas export proceeds, as well as auction of Bank Indonesia foreign exchange bills. S&P upgraded Indonesia rating to BBB-/stable from BB+/positive on the back of improvement in the budget. "The government's new focus on realistic budgeting has lowered the risks that budget deficits will widen significantly when government revenue disappoints," S&P said.

In regards to our recent portfolio strategy, we maintain the portfolio mostly in deposits and would seek the opportunity to buy high rating corporate bonds with maturity under 1Y.