

# Allisya Rupiah Equity Fund

November 2022

**BLOOMBERG: AZSRPEQ IJ**

**Investment Objective**

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

**Investment Strategy**

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		-4.61%
Best Month	Jul-09	14.81%
Worst Month	Mar-20	-13.80%

**Portfolio Breakdown**

Sharia Equity	87.28%
Sharia Money Market	12.72%

**Top 10 Holding**

(in Alphabetical Order)

- Adaro Energy
- Charoen Pokphand Indonesia
- Indofood CBP Sukses Makmur
- Kalbe Farma
- Perusahaan Gas Negara
- Semen Indonesia Persero
- Telekomunikasi Indonesia
- Unilever Indonesia
- United Tractors
- Vale Indonesia

**Industry Sector**

Basic Industry	20.66%
Infrastructure	17.47%
Consumer Non-Cyclical	17.03%
Energy	14.91%
Industry	10.49%
Health	9.75%
Consumer Cyclical	2.94%
Finance	2.86%
Technology	2.26%
Transportation	1.63%

**Key Fund Facts**

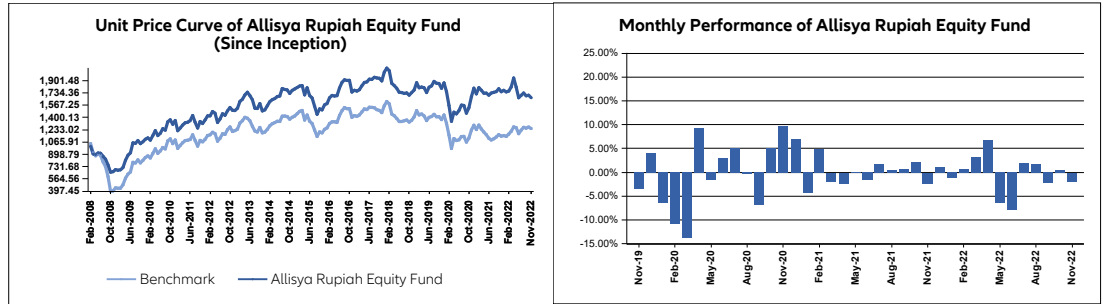
Fund Size (in bn IDR)	IDR 1,165.45
Risk Level	Aggressive
Launch Date	01 Feb 2008
Fund Currency	Indonesian Rupiah
Launch Date NAV Price	IDR 1,000.00
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Investment Management Fee	2.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	735,712,642.9315

Price per Unit	Bid	Offer
(As of Nov 30, 2022)	IDR 1,584.11	IDR 1,667.48

Managed by PT. Asuransi Allianz Life Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	YTD	Since Inception
Allisya Rupiah Equity Fund	-1.96%	-3.65%	-7.90%	-4.61%	-7.08%	-11.99%	11.45%	-5.66%	66.75%
Benchmark*	-1.60%	-1.34%	-0.95%	9.02%	-8.83%	-14.74%	3.35%	8.27%	24.86%

\*Jakarta Islamic Index (JII)



**Manager Commentary**

Central Bureau Statistics of Indonesia (BPS) announced Nov 2022 inflation at +0.09% mom (vs consensus inflation +0.17%, -0.11% in Oct 2022). On yearly basis, inflation was at +5.42% yoy (vs consensus inflation +5.50%, +5.71% in Oct 2022). Core inflation was printed at +3.30% yoy (vs consensus inflation +3.42%, +3.31% in Oct 2022). The monthly inflation was impacted by the inflation on volatile food group, such as: eggs, cigarette, and tomato. While the contributor of the yearly inflation came from administered prices group, such as: fuel and airfare. The BI Board of Governors agreed on 16-17 Nov 2022 to increase the BI 7-Day Reverse Repo Rate by 50bps to be 5.25% and also increase the Deposit Facility (DF) and Lending Facility (LF) rates by 50bps to be 4.50% and 6.00%, respectively. In total, Bank Indonesia had increased their benchmark rate by 175bps until Nov 2022. This decision for this policy is as front loaded, pre-emptive and forward-looking movement to lower the expectation inflation, to ensure the core inflation back to their target level at 3% on 1H 2023, and also to strengthen the Rupiah currency amid the uncertainty of global financial market. Rupiah depreciated against USD by -0.39% from 15,681 at end of October 2022 to 15,742 at end of November 2022. The depreciation of Rupiah was impacted by the strengthening of Dollar which was caused by the Fed Fund Rate hike by FED. Indonesia's trade balance recorded surplus amounting to USD +5,674mn in Oct 2022 vs previous month surplus USD +4,994 mn in Sep 2022. The higher of trade surplus was mostly impacted by the slowing down in imports number on capital & raw material goods. The exports number actually experienced declining on coal and palm oil by -23% and -37% since 1H 2022. Non-oil and gas trade balance in Oct 2022 recorded surplus USD +7,663mn, which was higher than the previous month that recorded trade surplus amounting to USD +7,094mn in Sep 2022. Meanwhile, oil and gas trade balance still recorded deficit to USD -1,989mn in Oct 2022, which was slightly lower than the deficit in Sep 2022 amounting to USD -2,100mn. Indonesia's official foreign reserve in the end of November 2022 was at USD 134.0bn, similar with October 2022 number at USD 130.20bn. The higher foreign reserve was impacted tax & service receipts as well as oil & gas foreign exchange receipts.

The JAKISL Index ended the month lower at 608.48 (-1.60% MoM). Market laggards were TLKM, EMTK, UNTR, EXCL, and ADRO as they fell -7.97%, -16.50%, -4.64%, -13.89%, and -2.76% MoM respectively. Global equities extended its gain in November as lower than expected October CPI print provided relief to the market that Fed rate hike cycle could finally be coming to an end sooner than expected. During a recent meeting, the Fed's Powell also came out with a slightly less hawkish tone which the market digested as the possibility for a soft landing. November private payrolls data shows the slowing growth trend where November ADP private payrolls numbers increased by 127K vs consensus for 198K, showing job growth slowed by the most since January 2021 which was adding to the slowing growth narrative. Moving on to Indonesia, JCI again underperformed its global peers as investors are switching preference towards laggard market that trade at relatively cheaper valuation vs. those that have performed well such as Indonesia. Sector wise, the Technology Sector was the worst performing sector during the month, declining 8.61% MoM. Ticker wise, EMTK (Elang Mahkota Teknologi) was the laggards, depreciating 16.50% MoM. This was followed by the Infrastructure Sector which dropped 4.89% MoM. Ticker wise, TLKM (Telkom Indonesia) and EXCL (XL Axiata) posted 7.97% and 13.89% MoM losses respectively. On the other hand, the best sector during the month was the Consumer Non-Cyclicals Sector, which recorded a gain of 1.32% MoM. Ticker wise, UNVR (Unilever Indonesia) and ICBP (Indofood CBP Sukses Makmur) were the movers which rose 4.99% and 3.86% MoM respectively.

For portfolio strategy, we are constructive on the new economy sector as well as green energy value chain related sectors, however very selective. Even though short-term outlook is quite challenging and volatile, we still believe that the direction of digital and green economy theme is structural and playing an important role for Indonesia over the mid-long terms. Our preference on equities that have pricing power, efficient balance sheet and good corporate governance has not changed regardless of condition. However, we have increased our cash portion over rising recession, geopolitical risks and relative market outperformance.

**About Allianz Indonesia**

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