DPLK USD Fund

September 2023

Investment Objective

The objective of the fund is to provide relatively stable income with capital preservation for the long term.

Investment Strategy: Fixed Income

The Fund seeks to attain its objectives by investing in short or medium term interest bearing instruments (such as deposits or mutual funds).

Return Performance

Last 1-year Period		3.37%
Best Month	Sep-15	39.75%
Worst Month	Aug-15	-18.34%

*Error at Net Asset Value in Aug-15 and correction in Sep-15.

Portfolio Breakdown

Bonds	98.31%
Money Market	1.69%

Top 10 Holding

(in Alphabetical Order)

Schroder USD Bond Fund

*there is no investment on related parties

Industry Sector

Finance	100.00%

Key Fund Facts

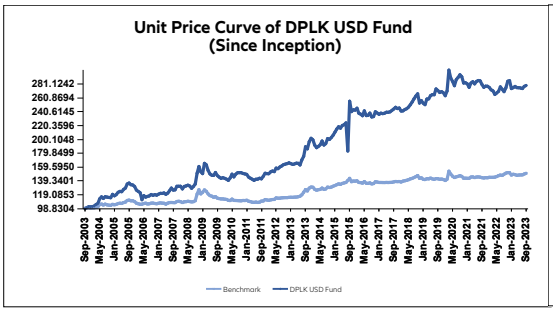
Fund Size (in bn IDR)	IDR 6.24
Risk Level	Moderate
Launch Date	10 Sep 2003
Fund Currency	Indonesian Rupiah
Pricing Frequency	Daily
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	22,364,030.7734

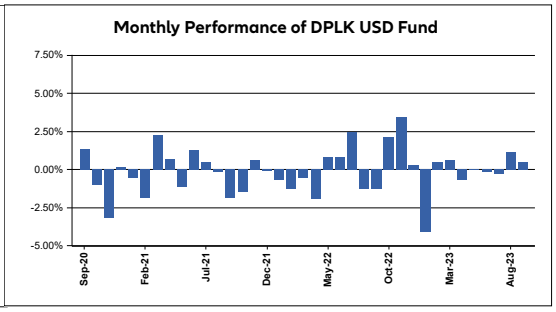
Price per Unit	
(As of Sep 29, 2023)	IDR 278.9389

Managed by DPLK Allianz Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	Since Inception
DPLK USD Fund	0.48%	1.35%	0.50%	3.37%	-5.32%	5.88%	-2.45%	178.94%
Benchmark*	0.67%	1.58%	1.30%	0.91%	2.30%	3.34%	-0.62%	50.48%

*Asset valuation in IDR **50% Forex IDR/USD & 50 % the average time deposit (1 month) BNI, BCA and Citibank





Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced September 2023 inflation at +0.19% MoM (vs consensus inflation +0.12%, -0.02% in August 2023). On yearly basis, inflation was at +2.28% YoY (vs consensus inflation +2.20%, +3.27% in August 2023). Core inflation was printed at +2.00% YoY (vs consensus inflation +2.06%, +2.18% in August 2023). The higher inflation MoM was contributed by the higher price of food, beverage, tobacco group, and clothing group. The BI Board of Governors agreed on 20-21 September 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. The decision is consistent with the monetary policy stance of managing inflation under 3.0% this year and 2.5% in 2024. The policy concentrate on rupiah stability in order to manage imported inflation and limit the spreading effect of global financial market uncertainties. Rupiah weakened against USD by -1.64% from 15,237 at end of August 2023 to 15,487 at end of September 2023. The weakened of Rupiah was impacted by hawkish statement from Jerome Powell and many Fed official that stated the Fed still need hike rate until the Fed get assurance that inflationary path to inflation target of 2% without causing damage to US economy. Indonesia's trade balance recorded surplus amounting to USD +3,124mn in August 2023 vs previous month surplus USD +1,292mn in July 2023. The higher trade surplus was impacted by import fell deeper and export. Non-oil and gas trade balance in August 2023 recorded surplus USD +4,468mn, which was higher than the previous month that recorded trade surplus amounting to USD +3.197mn in July 2023. Meanwhile, oil and gas trade balance still recorded deficit to USD -1,343mn in August 2023, which was lower than the deficit in July 2023 amounting to USD -1,905mn. Indonesia's official reserve assets position amassed USD 134.9 billion as of the end of September 2023, decrease from USD 137.1 billion as of August 2023. The decrease was impacted by the government's external debt repayments and the need for Rupiah stabilization.

IDR Government bond yields were higher across all the curves in line with IDR Depreciation and Offshore outflow. The bearish sentiments were due to Jerome Powell's statement and Fed Official after The FOMC Meeting that stated the Fed will hold the rate for longer, and they still believe that the Fed needs to hike rates to control inflation. Indonesia's fiscal balance continues to show improvement and resilience. 8M23 state budget realization recorded great performance driven by low government spending, while government revenue remains high. Indonesia's fiscal balance recorded a surplus of IDR147.22 (7M23: IDR153.5tn) or 0.70% (prev: 0.72% 7M23) of GDP in 8M23. Offshore accounts decreased their holding by IDR -23.30tn in September 2023 (-2.75% MoM), from IDR 846.30tn as of 31 August 2023 to IDR 823.00 which brought their holding decreased to 14.95% of total outstanding tradable government bond (from 15.37% in the previous month). The 5Y yield September 2023 ended +38bps higher to +6.57%(vs +6.19% in August 2023), 10Y tenor ended +53bps higher at +6.91%(vs +6.38% in August 2023), 15Y tenor ended +54bps higher to +7.03% (vs +6.49% in August 2023) and 20Y tenor ended +36bps higher to +6.99% (vs +6.63% in August 2023).

About Allianz Indonesia

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