

DPLK Fixed Income Fund

June 2024

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 term interest bearing instruments (such as deposits, SBI) and medium or long term interest bearing instruments (such as bonds and/or fixed income mutual funds).

Return Performance

Last 1-year Period	2.46%
Best Month	Jan-15 6.42%
Worst Month	Nov-13 -5.61%

Portfolio Breakdown

Bonds	95.75%
Money Market	4.25%

Top 10 Holding

(in Alphabetical Order)

FR0079	8.375%	15/04/2039
FR0080	7.5%	15/06/2035
FR0089	6.875%	15/08/2051
FR0091	6.375%	15/04/2032
FR0096	7%	15/02/2033
FR0097	7.125%	15/06/2043
FR0098	7.125%	15/06/2038
FR0100	6.625%	15/02/2034
FR0101	6.875%	15/04/2029
FR0102	6.875%	15/07/2054

*there is no investment on related parties

Industry Sector

Government	93.69%
Finance	3.33%
Basic Industry	1.86%
Infrastructure	0.74%
Industry	0.38%

Key Fund Facts

Fund Size (in bn IDR)	IDR 277.82
Risk Level	Moderate
Launch Date	31 May 2003
Fund Currency	Indonesian Rupiah
Launch Date NAV Price	IDR 100.00
Pricing Frequency	Daily
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	483,867,255.5795

Price per Unit

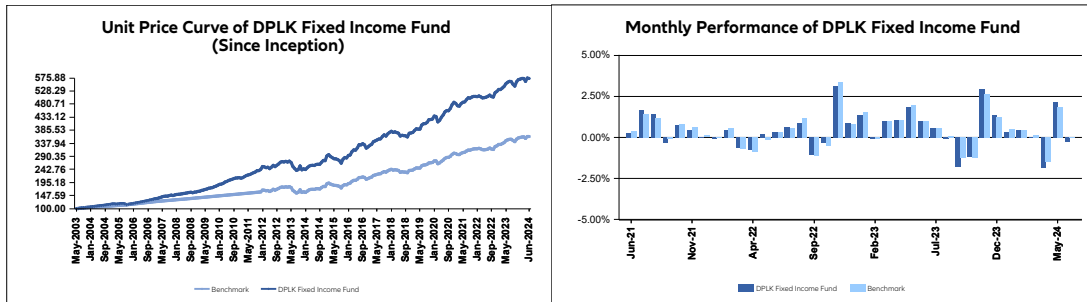
(As of Jun 28, 2024)	IDR 574.1735
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Managed by	DPLK Allianz Indonesia
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	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	Since Inception
DPLK Fixed Income Fund	-0.30%	0.00%	0.72%	2.46%	17.45%	41.88%	0.72%	474.17%
Benchmark*	0.01%	0.36%	1.46%	3.46%	18.75%	41.68%	1.46%	262.74%

*IBPA INDOBeX Government Total Return Index (IBPRXGTR Index)

(Benchmark assessment; before Oct 2021: 80% IBPA Indonesia Government Bond Total Return Index (IBPRTRI) & 20% Average Time Deposit (1 month) from BNI, BCA and Citibank; before Jul 2018: 80% Bloomberg Indonesia Local Sovereign Bond (BINDO) & 20% Average Time Deposit (1 month) from BNI, BCA and Citibank; before Mar 2016: 80% HSBC Indonesia Local Bond Index & 20% Average Time Deposit (1 month) from BNI, BCA and Cit; before Jan 2012: Average 1 Month Deposit of BNI, BCA and Cit)



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced June 2024 inflation at -0.08% MoM (vs consensus inflation +0.06%, -0.03% in May 2024). On yearly basis, inflation was at +2.51% YoY (vs consensus inflation +2.70%, +2.84% in May 2024). Core inflation was printed at +1.90% YoY (vs consensus inflation +1.94%, +1.93% in May 2024). The monthly deflation was contributed by the lower price of food group. The BI Board of Governors agreed in their meeting on 19-20 June 2024 to hold the BI-Rate at 6.25%, while also maintaining the Deposit Facility (DF) rate and Lending Facility (LF) at 5.50% and 7.00% respectively. This decision is consistent with the pro-stability focus of monetary policy, namely as a pre-emptive and forward-looking measure to maintain inflation within the 2.5%±1% target corridor in 2024 and 2025, which includes effectively sustaining foreign capital inflows and safeguarding Rupiah stability. Rupiah was weakening against USD by -0.88% from 16,251 at the end of May 2024 to 16,394 at the end of June 2024. The weakening of the Rupiah was impacted by the Fed's hawkish stance in the last FOMC Meeting which the Fed is expected to have a one-time cut rate this year. Indonesia's trade balance recorded a surplus amounting to USD +2,927mn in May 2024 vs the previous month's surplus of USD +2,720mn in April 2024. The higher trade surplus was impacted by the positive growth in exports goods, while imports showed negative growth in May 2024. Non-oil and gas trade balance in May 2024 recorded a surplus of USD +4,258mn, which was lower than the previous month recorded a trade surplus amounting to USD +4,354mn in April 2024. Meanwhile, the oil and gas trade balance still recorded a deficit of USD -1,329mn in May 2024, which was lower than the deficit in April 2024, amounting to USD -1,634mn. Indonesia's official reserve assets position amassed USD 140.2 billion as of the end of June 2024, increased from USD 139.0 billion as of May 2024. The increase was impacted by several factors, including tax and services receipts as well as government foreign loan withdrawals.

IDR Government bond yields were higher across all the curves in line with IDR depreciation. The bearish sentiments came from the global impact of the June FOMC Meeting, which stated the expectation for interest rate cut will be only one for this year. From domestic side, most of Investors are still concerned about the uncertainty of fiscal deficit and debt-to-GDP ratio for the next government, which can be widened. Although sentiment improved following reassurances for 2025 fiscal deficit from the Minister of Finance that will not pass 3% level. Indonesia's fiscal balance still show stability and resilience. 5M24 state budget realization recorded good performance with manageable government spending, while government revenue still remains high. Indonesia's fiscal balance recorded a deficit of IDR -21.76tn (5M23: IDR +204.14tn) or -0.10% (prev: +0.97% 5M23) of GDP in 5M24. Offshore accounts increased their holding by IDR +1.13tn in June 2024 (+0.14% MoM), from IDR 806.97tn as of 31 May 2024 to IDR 808.10tn which brought their holding similar to 13.93% of total outstanding tradable government bond (from 14.05% in the previous month). The 5Y yield June 2024 ended +8bps higher to +6.97%(vs +6.89% in May 2024), 10Y tenor ended +15bps higher at +7.07%(vs +6.92% in May 2024), 15Y tenor ended +11bps higher to +7.07% (vs +6.96% in May 2024) and 20Y tenor ended +12bps lower to +7.11% (vs +6.99% in May 2024).

About Allianz Indonesia

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