

ALLISYA RUPIAH FIXED INCOME FUND

March 2021

BLOOMBERG: AZSRPFI IJ

Investment Objective

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

Investment Strategy

To achieve the investment objective, this fund shall be invested 0 - 20% in short-term sharia instruments (such as deposits of sharia, sharia SBI, sharia SPN, and / or money market mutual funds), and 80 - 100% in medium or long term instruments (such as sharia bonds, sharia corporate bonds and / or sharia fixed income mutual funds).

Return Performance

Last 1-year Period		11.88%
Best Month	Nov-18	3.58%
Worst Month	Nov-13	-3.68%

Portfolio Breakdown

Treasury Bonds	3.08%
Mutual Funds - Bonds	86.20%
Sharia Cash/Deposit	10.71%

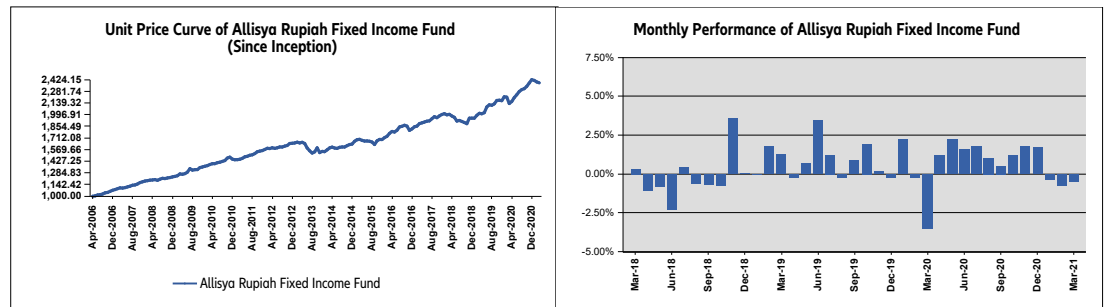
Top 5 Bonds

SBSN Seri PBS012	38.34%
SBSN Seri PBS017	11.30%
SBSN Seri PBS004	7.00%
SBSN Seri PBS025	6.07%
SBSN Seri PBS026	4.63%

Key Fund Facts

Fund Size (in bn IDR)	IDR 169.00
Risk Profile	Moderate
Launch Date	25 Apr 2006
Fund Currency	Indonesian Rupiah
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Management Fee	2.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	74,559,108.0782

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Allisya Rupiah Fixed Income Fund	-0.45%	-1.57%	3.09%	11.88%	19.25%	-1.57%	138.60%



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced March 2021 inflation at +0.08% mom (vs consensus inflation +0.12%, +0.10% on Feb 2021). On yearly basis, inflation was +1.37% yoy (vs consensus inflation +1.40%, +1.38% on Feb 2021). Core inflation was printed at +1.21% yoy (vs consensus inflation +1.44%, +1.53% on Feb 2021). The lower inflation in March 2021 was caused by the lower core inflation. The decline in core inflation was mainly driven by deflation in auto commodities in line with the provision of incentives to reduce the Sales Tax on Luxury Goods (PPnBM) rates for certain motor vehicles and deflation in the gold jewelry commodity that continued in line with the slowing of global gold inflation. The BI Board of Governors agreed on 17-18 March 2021 to hold the BI 7-Day Reverse Repo Rate to be 3.50%, and also hold the Deposit Facility (DF) and Lending Facility (LF) rates to be 2.75% and 4.25%, respectively. This policy is in line with lower inflation expectation, stable Rupiah currency, and also to push the economic recovery. Rupiah depreciated against USD by -2.41% from 14,229 at end of Feb 2021 to 14,572 at end of March 2021. Indonesia's trade balance recorded surplus amounting to USD +2,010mn in Feb 2021 vs previous month surplus USD +1,959mn. The support for trade surplus were still coming from higher export of iron and steel to China, and also the increment of vehicle export to ASEAN and Japan. Non-oil and gas trade balance in Feb 2021 recorded surplus USD +2,445mn, which was lower than the previous month that recorded trade surplus amounting to USD +2,627mn. Meanwhile, oil and gas trade balance still recorded deficit to USD -443mn in Feb 2021, which was lower than the deficit on Jan 2021 amounting to USD -668mn. Indonesia's official foreign reserve as of March 2021 was at USD 137.1 billion, lower than February 2021 number at USD 138.8 billion. The lower of foreign reserve was caused by the external government debt payment.

IDR Government bond yields were higher across all curves in line with offshore outflows and Rupiah depreciation. Market was already opened with bearish tone on the back of concern of market players over the higher US Treasury Yield (breached 1.7% level), Governor Powell's speech which focused on unemployment and inflation level, and also the new expectation of infrastructure budget by President Biden amounting to USD 3tn to support US' economic recovery. However, there were some positive sentiments, such as: standby buyer and reverse auction by Bank Indonesia and also the affirmation for Indonesia's sovereign rating by Fitch on BBB with stable outlook. On 22 March 2021, Fitch affirm Indonesia's rating on BBB with stable outlook. The pandemic resulted contraction on growth by -2.1% in 2020, while the budget deficit is doubled from the ceiling level. Compared with the regional peers, Indonesia still could maintain their prudent fiscal policy. Offshore accounts decreased their holding by IDR -19.99tn in March 2021 (-2.06% MoM), from IDR 971.40tn as of 26 Feb 2021 to IDR 951.41 as of 31 March 2021, which brought their holding to 22.89% of total outstanding tradable government bond (from 23.81% in the previous month). The 5Y yield March 2021 ended +20bps higher to +5.91% (vs +5.71% on Feb 2021), 10Y tenor ended +17bps higher to +6.78% (vs +6.61% on Feb 2021), 15Y tenor ended +23bps higher to +6.65% (vs +6.42% on Feb 2021) and 20Y tenor ended +24bps higher to +7.50% (vs +7.26% on Jan 2021).

About Allianz Indonesia

PT Asuransi Allianz Life Indonesia 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 insurance services, companies, ranging from property, life and health insurance to credit insurance and business insurance services globally.

Disclaimer:

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Price per Unit	Bid	Offer
(As of Mar 31, 2021)	IDR 2,266.70	IDR 2,386.00

Managed by PT. Asuransi Allianz Life Indonesia