

# Smartwealth Dollar Equity Global Artificial Intelligence Fund

May 2024

**BLOOMBERG: AZUSWAI J**

**Investment Objective**

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

**Investment Strategy: Equity**

To achieve the investment objective, these funds are invested 0% -20% in money market instruments and 80% -100% in offshore stock instruments that related with artificial intelligence technology.

**Return Performance**

Last 1-year Period		N/A
Best Month	May-24	2.73%
Worst Month	Apr-24	-4.02%

**Portfolio Breakdown**

Equity	95.98%
Money Market	4.02%

**Top 10 Holding**

(in Alphabetical Order)

- Alphabet Inc
- Amazon.com Inc
- AstraZeneca PLC
- Broadcom Inc
- Elastic NV
- First Solar Inc
- Meta Platforms Inc
- Microsoft Corp
- NVIDIA Corp
- Tesla Inc

\*there is no investment on related parties

**Industry Sector**

Technology	68.53%
Consumer Non-Cyclical	8.57%
Energy	8.46%
Finance	4.16%
Industry	3.69%
Infrastructure	3.20%
Consumer Cyclical	3.12%
Basic Materials	0.27%

**Key Fund Facts**

Fund Size (in mio USD)	USD 17.54
Risk Level	Aggressive
Launch Date	26 Feb 2024
Fund Currency	United States Dollar
Launch Date NAV Price	USD 1.00
Pricing Frequency	Daily
Investment Management Fee	2.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	17,543,252.5055

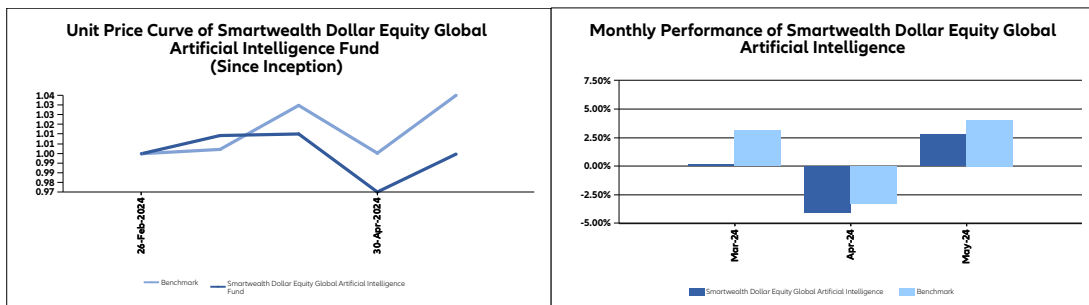
**Price per Unit**

(As of May 31, 2024)	USD 0.9997
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Smartwealth Dollar Equity Global Artificial Intelligence Fund is managed by Allianz Global Investors Asset Management Indonesia based on an investment management agreement between Allianz Global Investors Asset Management Indonesia as Investment Manager and PT Asuransi Allianz Life Indonesia.

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	Since Inception
Smartwealth Dollar Equity Global Artificial Intelligence	2.73%	-1.29%	N/A	N/A	N/A	N/A	N/A	-0.03%
Benchmark*	4.06%	3.79%	N/A	N/A	N/A	N/A	N/A	4.10%

\*100% MSCI ACWI Net Total Return (M1WD Index)



**Manager Commentary**

Global equities advanced over May. US equities were higher, setting fresh record highs, although the market came off its best in the closing days of the month. The appreciation was mostly driven by robust gains from the technology sector. As a result, the tech-heavy Nasdaq Composite Index outperformed the broad-based S&P 500 Index, with growth stocks topping value ones by a sizable margin. In contrast, Japanese and UK shares rose only modestly, while the MSCI Emerging Markets Index was pressured by weak returns from Brazil and Mexico, among others. On the monetary policy front, Federal Reserve chair Jay Powell signaled that investors would need to be "patient and let restrictive policy do its work" in reducing inflation; however, he also confirmed that the likelihood of a further increase in rates was "very small". In the eurozone, the European Central Bank (ECB) gave its strongest hint yet that rates would be cut in June, despite higher-than-expected wage growth. Hopes that the Bank of England would also cut rates in June were dashed when UK inflation fell less than forecast and the government unexpectedly called a general election, to be held on 4 July. In the commodity markets, oil prices eased, touching their lowest level since March on fears of a looming supply glut. Conversely, metals prices moved higher. Gold touched a fresh high of \$2,450 a troy ounce, while copper topped \$11,000 a ton for the first time on record as concerns over curtailed supply added to expectations of a pick-up in demand. From a sector perspective for global equities, as measured by the MSCI All Country World Index, all sectors had positive returns. The information technology sector was the top performer, with outperformance from the semiconductors & semiconductor equipment industry group. The utilities sector was another outperformer. Conversely, the energy and consumer discretionary sectors lagged broader markets.

Central Bureau Statistics of Indonesia (BPS) announced May 2024 inflation at -0.03% MoM (vs consensus inflation +0.07%, +0.25% in April 2024). On yearly basis, inflation was at +2.84% YoY (vs consensus inflation +2.97%, +3.00% in April 2024). Core inflation was printed at +1.93% YoY (vs consensus inflation +1.82%, +1.82% in April 2024). The deflation MoM was contributed by the lower price of food group and transportation group. The BI Board of Governors agreed in their meeting on 21-22 May 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 strengthening against USD by +0.15% from 16,276 at the end of April 2024 to 16,251 at the end of May 2024. The strengthening of the Rupiah was impacted by the Fed will still be in the "Higher for Longer" Stance, but they confirmed that the rate has already peaked and would not be hiked this year. Indonesia's trade balance recorded a surplus amounting to USD +3,559mn in April 2024 vs the previous month's surplus of USD +4,578mn in March 2024. The lower trade surplus was impacted by export show slowing down in April 2024. Non-oil and gas trade balance in April 2024 recorded a surplus of USD +5,169mn, which was lower than the previous month recorded a trade surplus amounting to USD +6,514mn in March 2024. Meanwhile, the oil and gas trade balance still recorded a deficit of USD -1,610mn in April 2024, which was lower than the deficit in March 2024, amounting to USD -2,041mn. Indonesia recorded current account deficit of USD -2.16 billion in Q1 of 2024 from Current Account Surplus USD 2.78 billion in the same period of the previous year, accounting for -0.64 percent of the country's GDP. The deficit driven by goods balance surplus thinner at USD 9,80bn in Q1 of 2024 from USD 14.70bn in Q1 of 2023. Indonesia's official reserve assets position amassed USD 139.0 billion as of the end of May 2024, increased from USD 136.2 billion as of April 2024. The increase was impacted by several factors, including tax and services receipts as well as government bonds issuance.

The JCI ended the month lower at 6,970.74 (-3.64% MoM). Market laggards were BMRI, BBRI, BREN, BBKA, and BBNI as they fell -14.49%, -12.15%, -10.84%, -5.61%, and -16.19% MoM respectively. Global equities rebounded in May due to combination of lower-than-expected US job market prints as well as in-line US inflation report, which resulted in market pricing in the possibility of rate cut by the Fed in 2H24. Domestically in Indonesia, the JCI fell further in May (-3.64% MoM) as combination of IDR depreciation and foreign investors switching preference into China equities resulting in sell-offs in big banks within the JCI. Sector wise, the Industrial Sector was the worst performing sector during the month, declining -8.01% MoM. Ticker wise, MHKI (Multi Hanna Kreasindo) and ARKA (Arkha Jyanti Persada) were the laggards, depreciating -72.59% and -42.86% MoM respectively. This was followed by the Infrastructure Sector which dropped -7.26% MoM. Ticker wise, TOPS (Totalinda Eka Persada) and WIKA (Wijaya Karya) posted -33.33% and -30.86% MoM losses respectively. On the other hand, the best sector during the month was the Basic Material Sector, which recorded a gain of +4.52% MoM. Ticker wise, TIRT (Tirta Mahakam Resources) and ZINC (Kapuas Prima Coal) were the movers which rose +140.00% and +100.00% MoM respectively.

**About Allianz Indonesia**

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