

GROUP LINK EQUITY FUND

May 2018

Investment Objective

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

Investment Strategy

The fund seeks to attain its objectives by investing in short term interest bearing instruments (such as deposits, SBI or money market mutual funds) and in equity instruments (whether directly through stocks or indirectly through mutual funds).

Return Performance

Last 1-year Period		-0.83%
Best Month	Sep-10	10.56%
Worst Month	May-12	-9.51%

Portfolio Breakdown

Mutual Funds - Equities	93.87%
Cash/Deposit	6.13%

Key Fund Facts

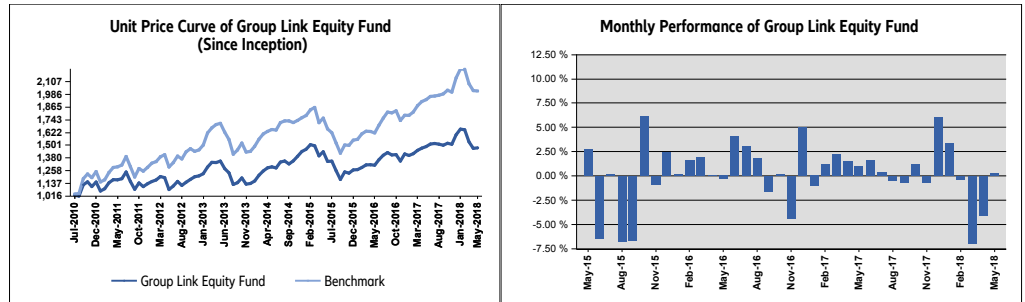
Fund Size (in bn IDR)	IDR 0.90
Risk Profile	Aggressive
Launch Date	12 Jul 2010
Fund Currency	Indonesian Rupiah
Pricing Frequency	Daily

Price per Unit	
(As of May 31, 2018)	IDR 1,475.62

Managed by PT. Asuransi Allianz Life Indonesia

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Group Link Equity Fund	0.31%	-10.49%	-2.29%	-0.83%	2.57%	-7.81%	47.56%
Benchmark*	-0.18%	-9.30%	0.53%	4.28%	14.71%	-5.85%	101.86%

*Jakarta Composite Index (JCI)



Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced May 2018 inflation at +0.21% mom (vs consensus inflation +0.25%, +0.10% in Apr 2018). On yearly basis, inflation was +3.23% yoy (vs consensus inflation +3.30%, +3.41% in Apr 2018). Core inflation was printed at +2.75% yoy (vs consensus inflation +2.80%, +2.69% in Apr 2018). Inflation mostly caused by the slowing down of volatile food inflation. In the Board of Governors' Meeting on 30 May 2018, Bank Indonesia raised the BI 7-day Reverse Repo Rate by 25 bps to 4.75%, while also raising the Deposit Facility (DF) and Lending Facility (LF) rates by 25bps to 4.00% and 5.50% respectively. Rupiah depreciated by +0.02% to 13,896 /USD at end of May 2018 from 13,892/USD in previous month. Indonesia's trade balance in April 2018 records deficit of USD -1.269bn vs consensus USD 733mn. Non-oil and gas trade balance deficit in April 2018 is recorded USD 0.50bn, lower than the previous month which was surplus amounting to USD 2.02bn. Meanwhile, oil and gas trade balance deficit to USD 1.13bn in April 2018.

The JCI ended the month lower at 5983.59 (-0.18% MoM). Market laggards were TLKM, BBRI, ASII, BDMN, and SMGR as they fell -7.25%, -4.35%, -3.5%, -12.41% and -12.95% MoM respectively. The index fell in the first week of May-18 as market concerned that higher US yield and oil prices will provide more pressure to the EM market. As a dollarize economy structure and past foreign portfolio investor favorite, Indonesia has experienced massive foreign outflows from both equity and bond markets, which had triggered the IDR currency to decline surpassing the IDR 14k/USD handle. On a positive note, there had been a proactive response from BI to stabilize the currency by raising its benchmark 7-day repo rate by 50bps to 4.75% and also provide macro prudential relaxation measure had partially restored investors' confidence. That being said, external risks will however still linger within EM market space, Indonesia no exception, in the short run as a result of a persistent trend of the US treasury yield and higher crude oil price backdrop. Sector wise, the Infrastructure, Utilities and Transportation Sector was the worst performing sector during the week, declining 4.46% MoM. Ticker wise, SAFE (Steady Safe) and WEHA (Panorama Transportasi PT) were the laggards, depreciating 30.56% and 26.19% MoM respectively. This was followed by the Agriculture Sector which dropped 4.2% WoW. Ticker wise, GOLL (Golden Plantation) and BWPT (Eagle High Plantations) posted 45.3% and 25.2% MoM losses respectively. On the other hand, the best sector during the week was the Mining Sector, which recorded a gain of 6.02% MoM. Ticker wise, MITI (Mitra Investindo) and HRUM (Harum Energy) were the movers which rose 119.64% and 26.17% MoM respectively.

Disclaimer:

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