Smartlink Rupiah Fixed Income Fund

May 2026

BLOOMBERG: AZRPFIF IJ

Investment Objective

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

Investment Strategy: Fixed Income

To achieve the investment objective, this fund shall be invested 0 - 20% in short-term instruments, and 80 - 100% in the medium or long-term instruments.

Return Performance

Last 1-year Period		3.88%
Best Month	Dec-08	9.19%
Worst Month	Oct-08	-9.36%

Portfolio Breakdown

Bonds	93.18%
Money Market	6.82%

Top 10 Holding

(in Alphabetical Order)

Bond - FR0068
Bond - FR0082
Bond - FR0087
Bond - FR0091
Bond - FR0096
Bond - FR0100
Bond - FR0101
Bond - FR0103
Bond - FR0104
Bond - FR0108

*there is no investment on related parties

Industry Sector*

Government	98.54%
Communications	1.21%
Financial	0.16%
Industrial	0.09%

*Sector classification naming changed from IDX convention to BICS convention (Bloomberg Industry Classification System) as per January 2026

Key Fund Facts

Fund Size (in bn IDR)	IDR 1,646.45
Risk Level	Moderate
Launch Date	25 May 2001
Fund Currency	Indonesian Rupiah
Launch Date NAV Price	IDR 1,000.00
Pricing Frequency	Daily
Bid-Offer Spread	5.00%
Investment Management Fee	2.00% p.a.
Custodian Bank Name	Bank HSBC Indonesia
Total Unit	337,395,300.8961

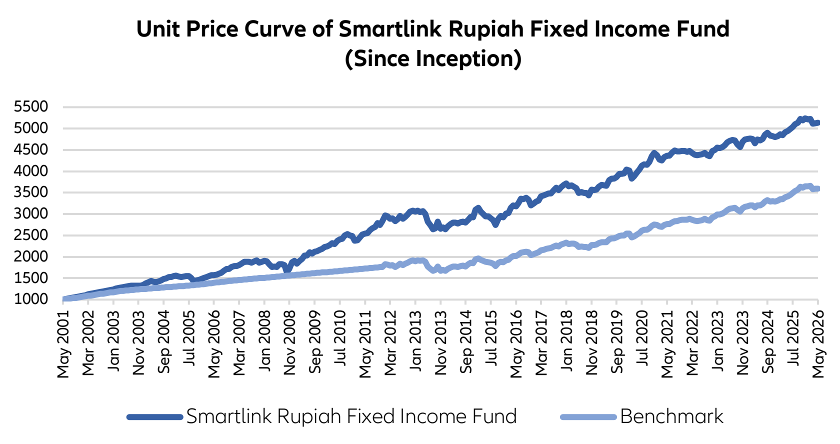
Price per Unit	Bid	Offer
(As of May 29, 2026)	IDR 4,879.89	IDR 5,136.73

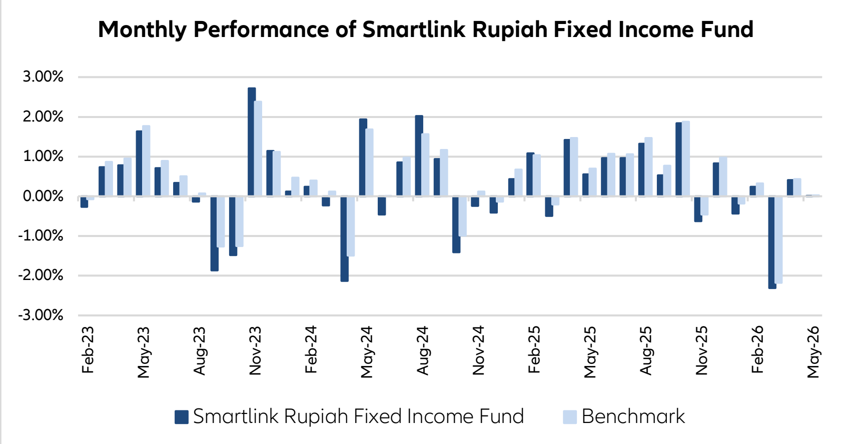
Smartlink Rupiah Fixed Income Fund is managed by Allianz Global Investors Asset Management Indonesia based on an investment management agreement between Allianz Global Investors Asset Management Indonesia as Investment Manager and PT Asuransi Allianz Life Indonesia.

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	Since Inception
Smartlink Rupiah Fixed Income Fund	0.02%	-1.77%	-1.15%	3.88%	11.49%	18.56%	-1.96%	413.67%
Benchmark*	0.03%	-1.60%	-0.50%	5.39%	18.37%	31.37%	-1.46%	260.16%

*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) Index & 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 Citi; before Jan 2012: Average 1 Month Deposit of BNI, BCA and Citi)





Manager Commentary

Central Bureau Statistics of Indonesia (BPS) announced May 2026 inflation at +0.28% MoM (versus consensus inflation +0.14%, +0.13% in April 2026). On yearly basis, inflation was at +3.08% YoY (versus consensus inflation +2.98%, +2.42% in April 2026). Core inflation was printed at +2.59% YoY (versus consensus inflation +2.5%, +2.44% in April 2026). The higher yearly inflation was caused by the higher food, beverage & tobacco group which grew by +4.94% YoY.

The Bank Indonesia (BI) Board of Governors agreed in their meeting on 19-20 May 2026 to increase the BI-Rate by +50bps to be +5.25%, while also increased the Deposit Facility (DF) rate and Lending Facility (LF) rate by +50bps to be +4.25% and 6.00%, respectively. The rate hike was to support the Rupiah stabilization. Addition to hike rate decision, BI also tightened FX purchase rules.

Rupiah depreciated by -3.00% MoM from IDR 17,353 at end of April 2026 to IDR 17,874 in May 2026. The primary driver of IDR weakening was the strengthened the US dollar which was affected by the escalation Middle East conflict and pushed oil prices higher. Besides that, there were seasonal FX demand pressures from outbound dividend repatriation and loan payments, combined with outflow from Indonesian bonds market.

Indonesia's trade balance recorded a surplus amounting to USD +0.09bn in April 2026 vs the previous month's surplus of USD +3.32bn in March 2026. The lower trade surplus was caused by increased imports where the biggest contributor was the import of machinery/mechanical equipment & parts by +17.91% YoY. Non-oil and gas trade balance in April 2026 recorded a surplus of USD +3.53bn, which was lower than the previous month recorded a trade surplus amounting to USD +5.21bn in March 2026. Meanwhile, the oil and gas trade balance still recorded a deficit of USD -3.44bn in April 2026, which was higher compared with March 2026, amounting to USD -1.89bn.

Indonesia's official reserve assets position decreased at USD 146.2 billion as of the end of April 2026 compared to March 2026 numbers at USD 148.2 billion. The lower reserve was impacted by stabilization policy in response to heightened uncertainty in the global financial markets.

IDR government bond yields closed mixed across the curve. Starting the month on a positive note as easing geopolitical tensions and resilient domestic macro data supported a rally in bond prices and declining yields. However, market conditions reversed mid-month as stronger-than-expected US inflation and rising US Treasury yields triggered a selloff across emerging markets, including Indonesia, leading to IDR depreciation and higher yields. This pressure intensified further following BI's 50bps policy rate hike to 5.25% which was higher than consensus +25bps, combined with persistent US Federal Reserve hawkish expectations. The lower Indonesia's bond market was also impacted by the new policy that was announced by President Prabowo involving to centralize exports of key commodities — including coal, palm oil, nickel, tin, and copper — through a new state-controlled entity supervised by Danantara. Both of Moody's and S&P warned that tighter Indonesian export controls could harm investor sentiment despite potential benefits for government revenues and currency stability. S&P even mentioned they could pose higher downside uncertainty to ratings for the country. To prevent the market falling deeper, Minister of Finance deployed daily bond market injections of approximately IDR 2 trillion to support the bond market and stabilize the Rupiah, even though the impact to support the bond market, was quite limited.

Offshore holding increased by IDR 2.00tn (0.23%) to IDR 864.36tn as of 29 May 2026, from IDR 862.36tn as of 30 April 2026. Current offshore holding (as of 26 May 2026) was higher to 12.78% of total outstanding government holding (from 12.74% as of 30 April 2026). Onshore Bank holding decreased by IDR -10.39tn (-0.85%) to IDR 1,217.70tn as of 29 May 2026, from IDR 1,228.09tn as of 30 April 2026.

The May 2026 yields: 5Y tenor ended unchanged to +6.75% (vs +6.75% in April 2026), 10Y tenor ended -13bps lower to +6.72%(vs +6.85% in April 2026), 15Y tenor ended -3bps lower to +6.87% (vs +6.90% in April 2026) and 20Y tenor ended +7bps higher to +6.88% (vs +6.81% in April 2026).

In regard to our recent portfolio, we maintain neutral and defensive position while still prioritizing volatility control.

About Allianz Indonesia

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