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Exceptional & Rich Indonesia 30™ Factsheet

Description

Exceptional & Rich Indonesia 30 Index [E&R Indonesia 30] has been created to improve the statistical and scientific design flaws of the market capitalization methodology used in the Jakarta Composite Index, which is widely regarded as the best single gauge of large-cap Indonesia equities. Unlike market capitalization methodology which is risk-increasing and return-reducing owing to its concentration, the E&R's [3N] methodology is designed to own 30 large-cap Indonesia equities, and deliver higher risk-weighted excess returns while maintaining low tracking error vs. the Jakarta Composite Index.

Index Attributes

Launched on January 3, 2023, the E&R Indonesia 30 leads a new generation of Smart Beta Indices that electronically delivers investable fund processes direct to Institutional and Individual investors. The lack of secondary market delivery is an essential attribute for the Index as it reduces the overall systematic risk inherent in Exchange Traded Funds today and allow the final investor to only pay-for-alpha above the Jakarta Composite Index.

Methodology

E&R methodology is based on a mathematical and physics innovation, which combines the mathematical process of Preferential Detachment with Preferential attachment and explains their interaction using the [3N] methodology. The method allows a dynamic scoring of any set of components in a group, weighting and rebalancing them dynamically to deliver higher risk-weighted excess returns. The method removes the conflict between Efficient and Inefficient market thinking, statistically normal and non-normal behavior, or in simple terms the conflict between Value and Growth investing. The methodology is dynamic, not Size biased, and obviates the need for concentration and running after winners but rather adopts a slower weight readjustment compared to the Jakarta Composite Index.

1. Exceptional & Rich Indonesia 30 - Inception date January 2016

1.1. Sector Breakdown

E&R Indonesia 30

1.2. Top 10 Components

Nr./Symbol		Name	Current Price	P&L(%)	E&R Indonesia 30 Proportion(%)
1	TPIA.JK	Chandra Asri Petrochemical	2350	30.10	7.33
2	UNVR.JK	Unilever Indonesia	4750	11.76	6.29
3	HMSP.JK	Hanjaya Mandala Sampoerna Tbk PT Company Profile	975	-1.02	5.58
4	SMGR.JK	Semen Indonesia	7275	-1.36	5.56
5	BRPT.JK	Barito Pacific	840	-2.33	5.50
6	MDKA.JK	Merdeka Copper Gold	4750	9.95	4.44
7	BBNI.JK	Bank Negara Indonesia	9550	4.09	4.21
8	AMRT.JK	Alfamart	2790	1.82	4.11
9	BMRI.JK	Bank Mandiri	10025	0.00	4.04
10	GOTO.JK	GoTo	117	23.16	3.89

1.3. Top 10 Comparisons
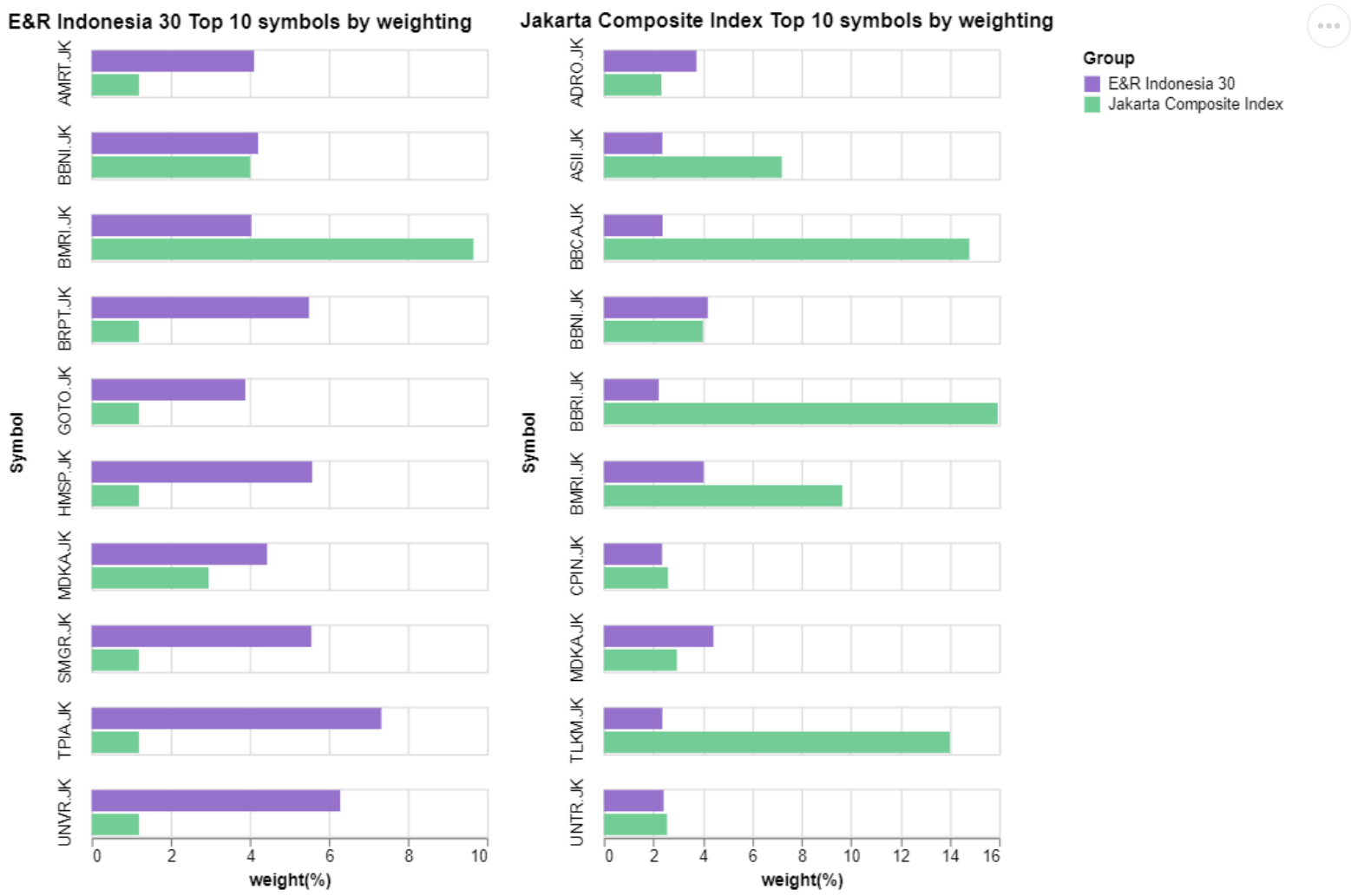
## 1.4. Performance Plot Since January 2007

Out[92]:

1.5. Performance Metrics

The table illustrates the performance across various parameters. The Performance(%) of Portfolio from different starting points, Current Portfolio Value of the funds invested at the start of the Portfolio, Annualized (%) Returns, Annualized Standard Deviation (%), Average Tracking Error (%), Average Information Ratio (%).

Out[93]:

|	NAME	E&R Indonesia 30	Jakarta Composite Index
0	Performance (%) since January 2017	274.40	30.25
1	Performance (%) since January 2019	111.78	11.37
2	Performance (%) since January 2021	39.01	15.39
3	Performance (%) since January 2023	2.76	0.7
4	Current Portfolio Value (Invested in January 2016)	607.22	152.43
5	Annualized (%) Return (Since January 2016)	29.07	6.15
6	Annualized Std. Deviation (%)	17.12	15.14
7	Average Tracking Error (%)	10.85	-
8	Average Information Ratio (%)	1.80	-

1.6. Annualized Rolling Return
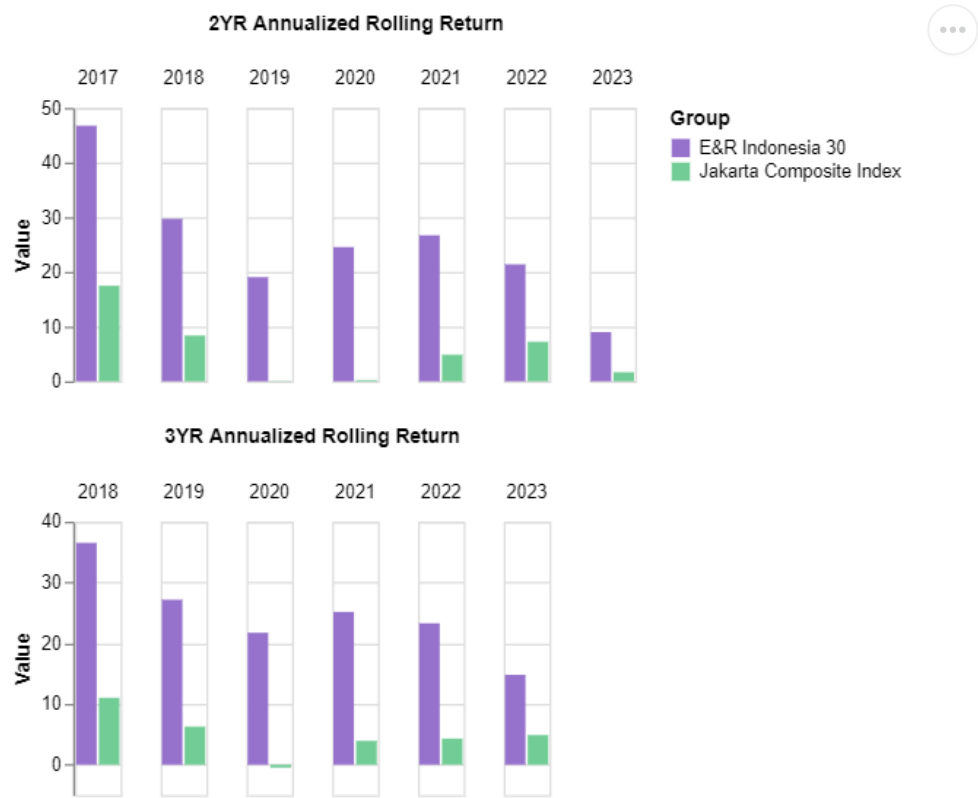
1.7. Drawdown Analysis

A daily time series plot illustrating drawdowns of more than 10% from peak equity.

Out[95]:
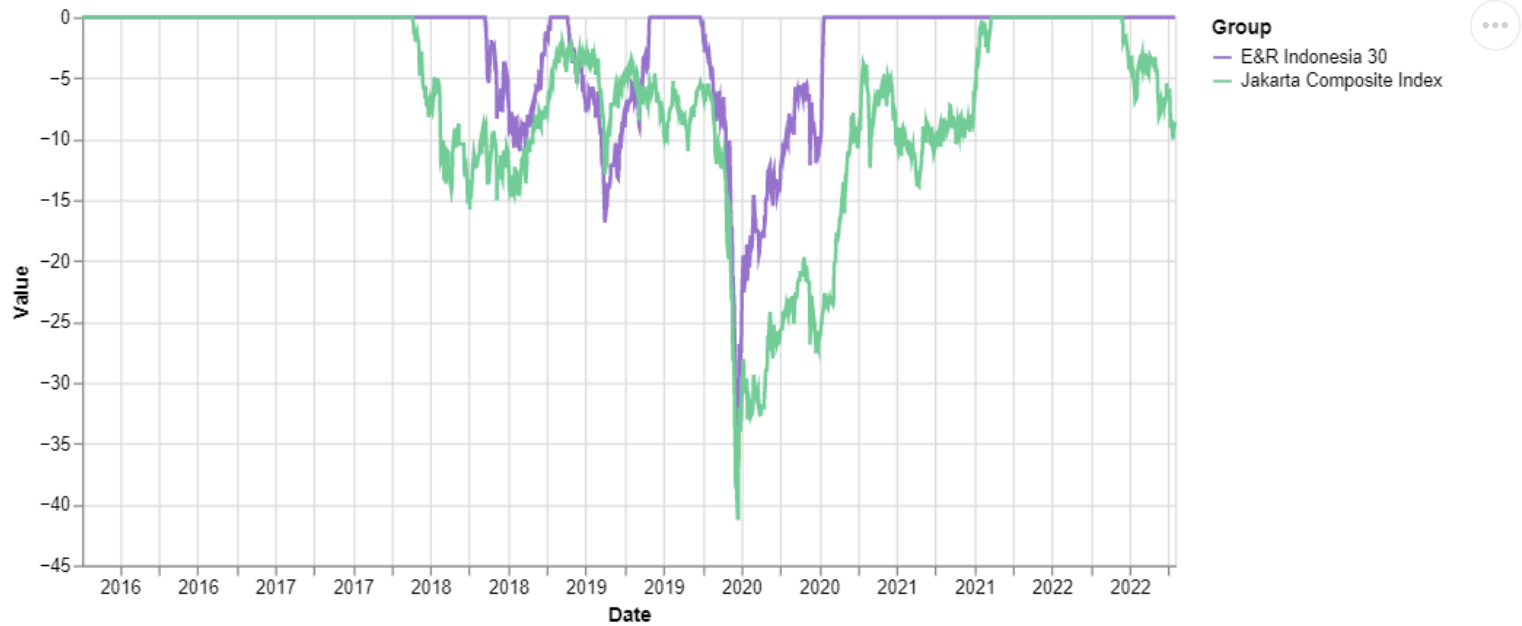
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