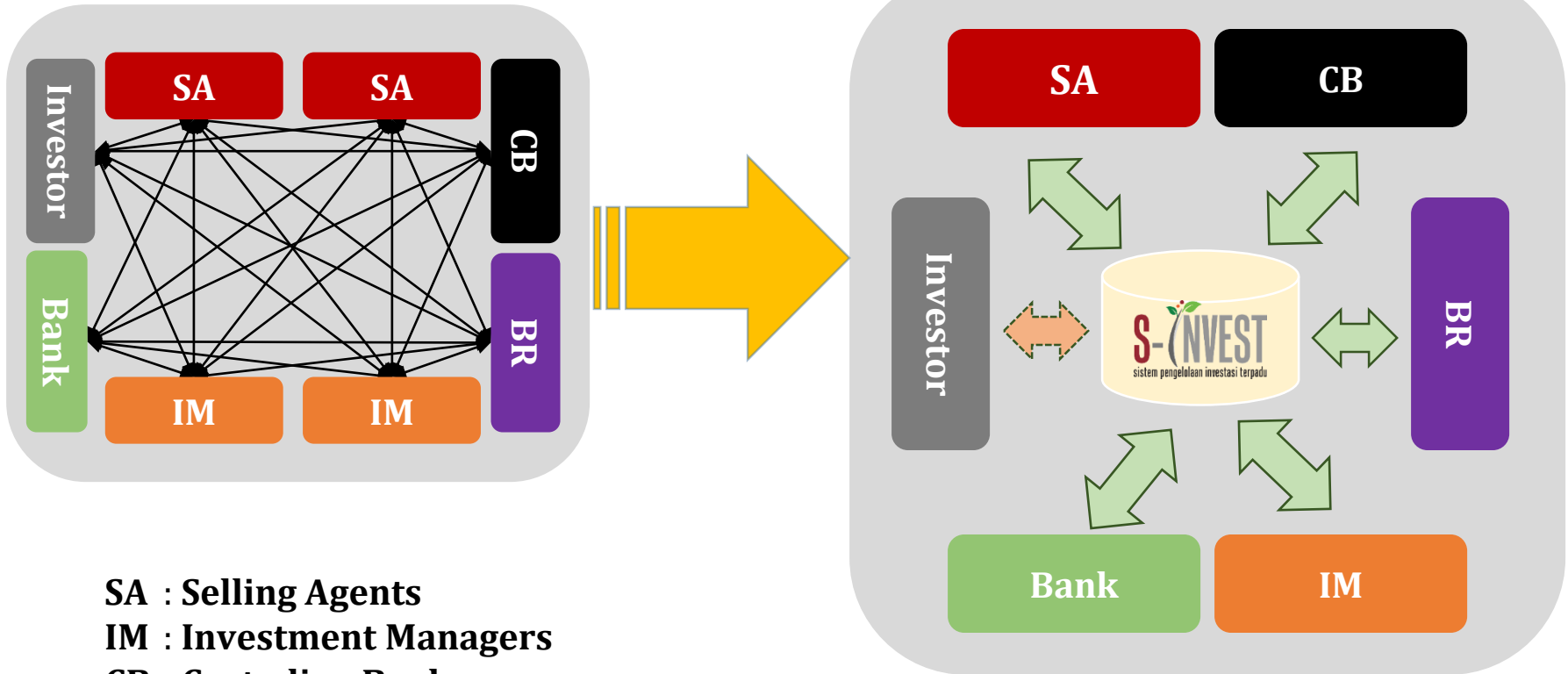


S-INVEST

Indonesia Mutual Fund Infrastructure Updates & Future Plan



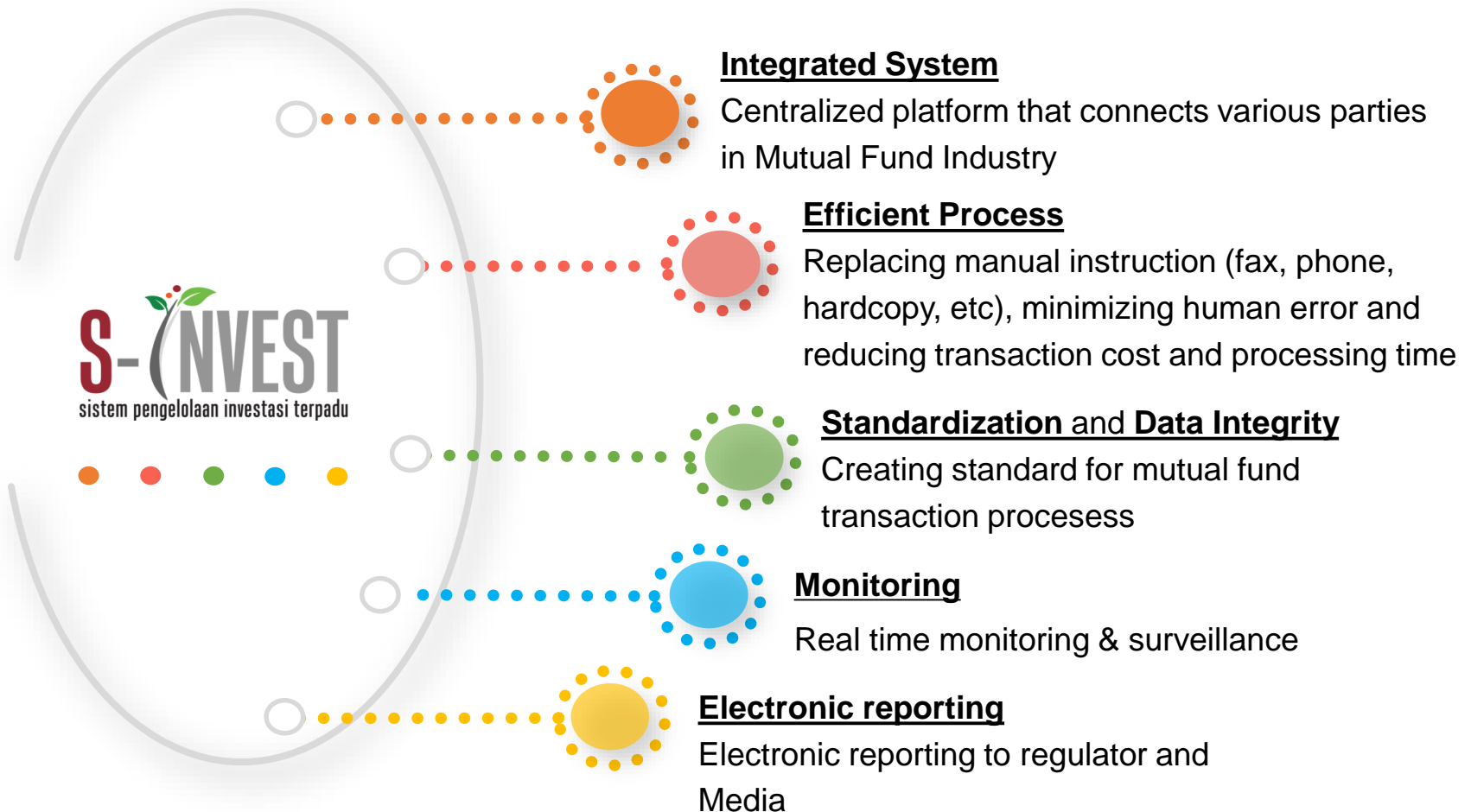
AFSF 2019 Knowledge Sharing Workshop
Bangkok, 13 - 14 November 2019



SA : Selling Agents
IM : Investment Managers
CB : Custodian Banks
BR : Brokerages

 **Via Securities Ownership Reference Facility (AKSes KSEI)**

“S-INVEST is an integrated mutual fund platform in Indonesia that involves various parties interconnections in conducting investment fund business activities”



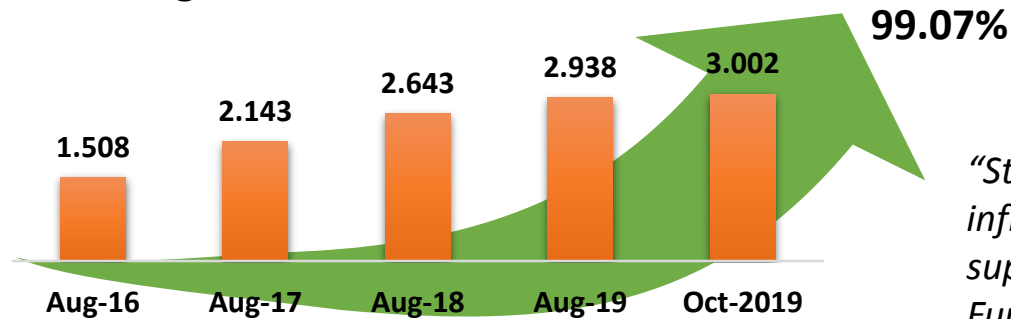
“Mandatory as per OJK Regulation No. 28/POJK.04/2016 about Integrated Investment Management System (S-INVEST)”



* as of October 31, 2019

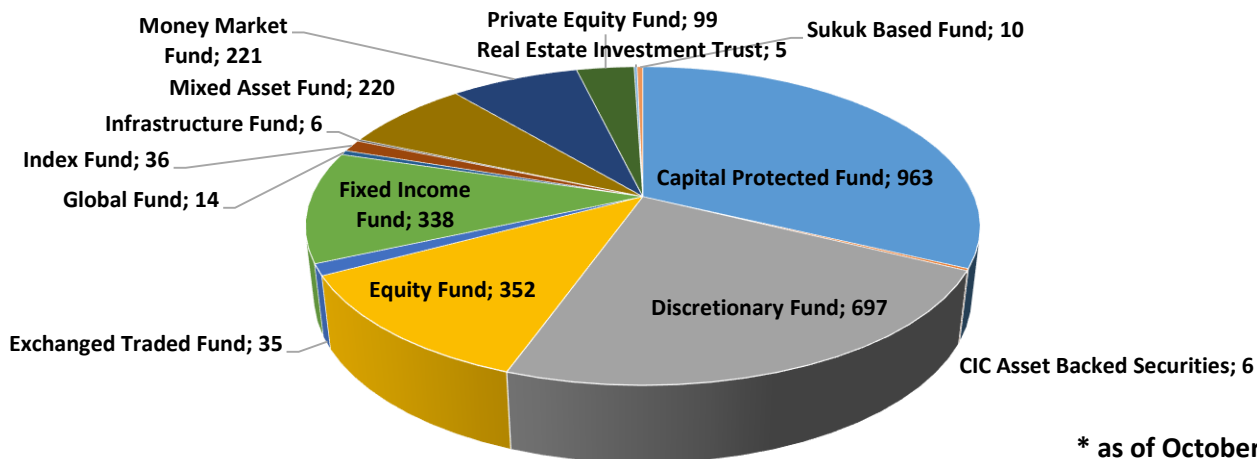


Registered Product in S-INVEST



“Strong infrastructure to support Mutual Fund Transaction”

Product Structure in S-INVEST*

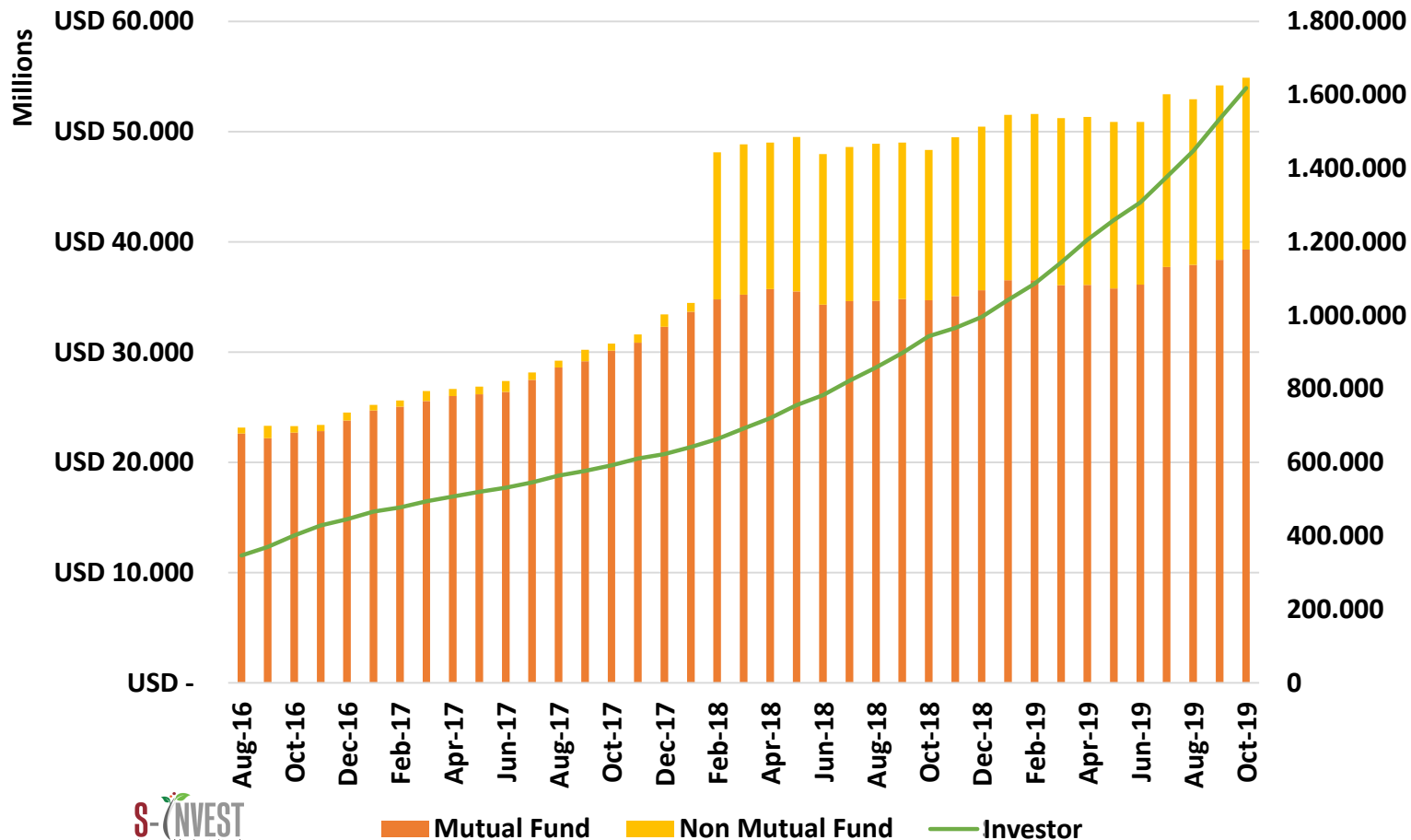


* as of October 31, 2019

S-INVEST Statistics Data

II. Asset Under Management & Investor Growth

Total Asset Under Management & Investor in S-INVEST



Total AUM

USD 54 B
31 Oct 2019

↑ 137%

USD 23 B
31 Aug 2016

Total Investor

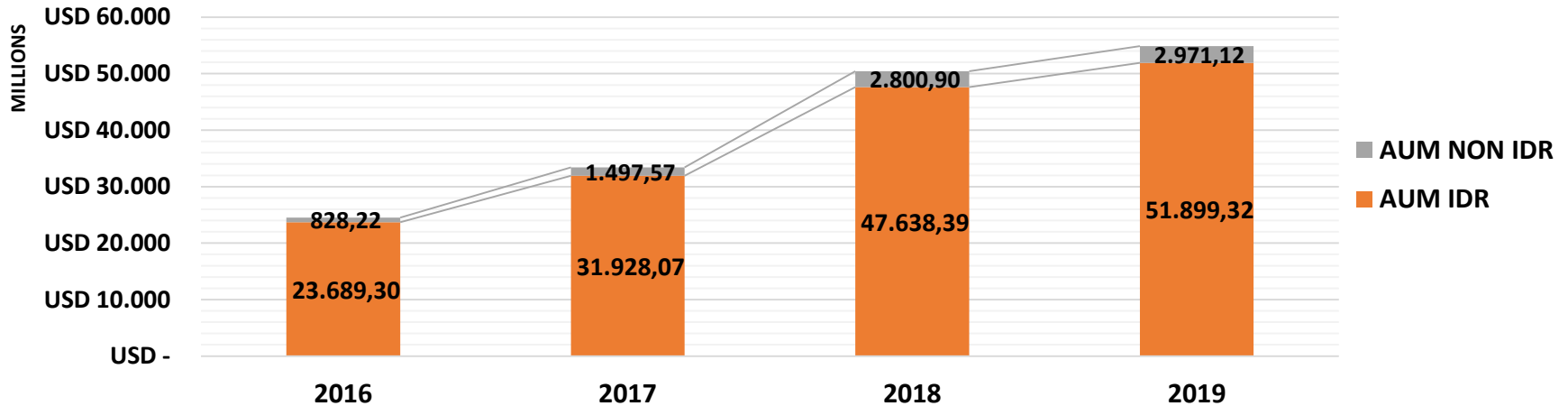
1.618.589
31 Oct 2019

↑ 368%

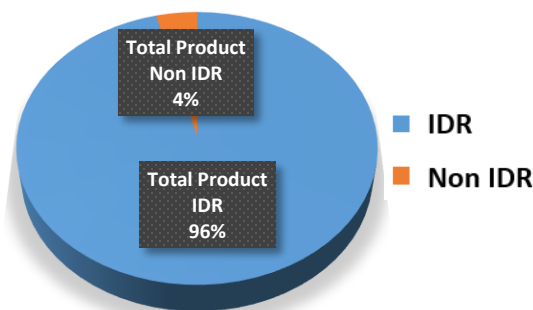
346.206
31 Aug 2016



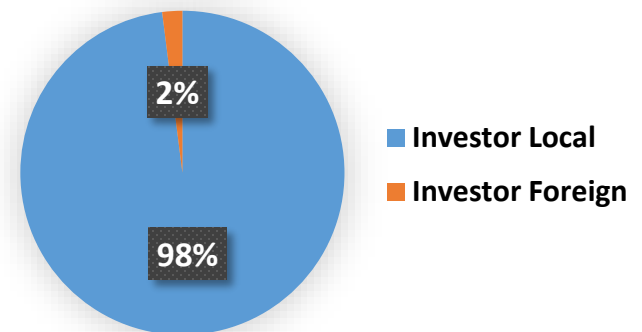
Asset under Management
IDR and NON IDR FUND



Product Composition
as of 6 Nov 2019

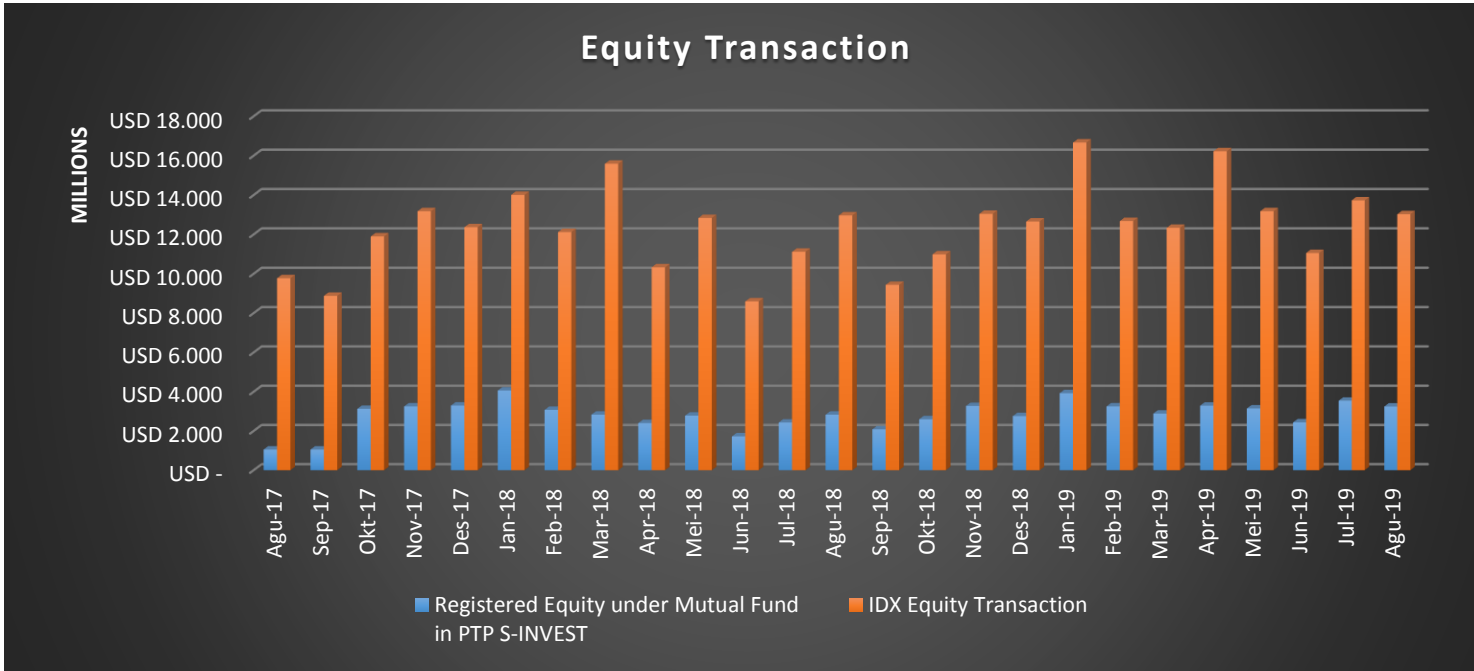


Investor Local and Foreign Ownership
as of 31 Oct 2019

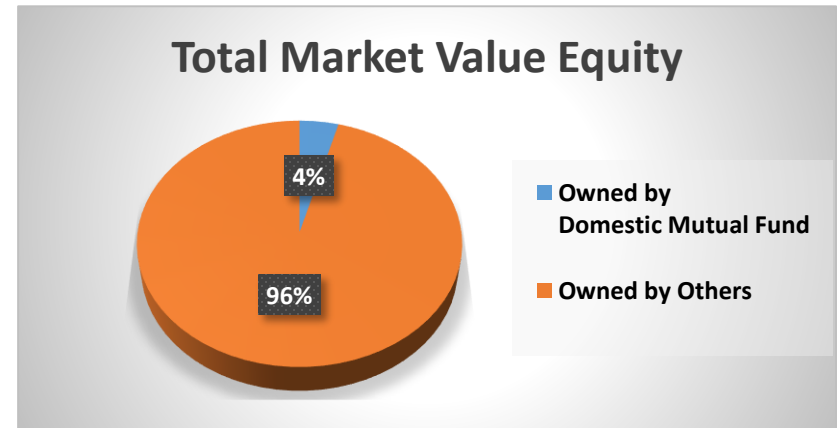
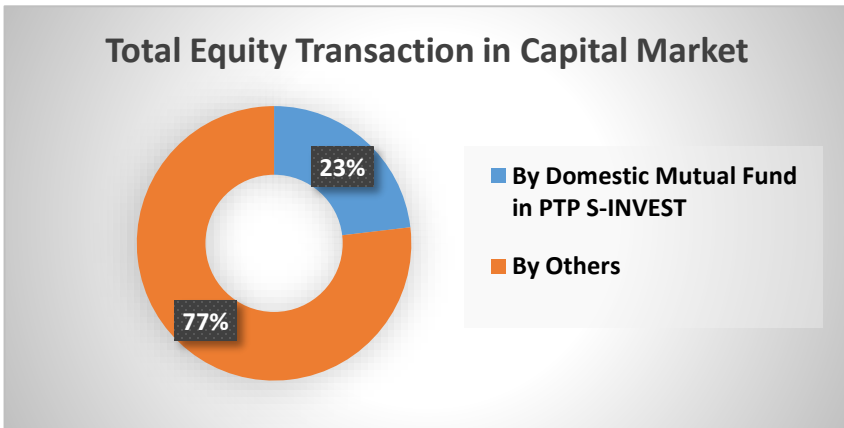


S-INVEST Statistics Data

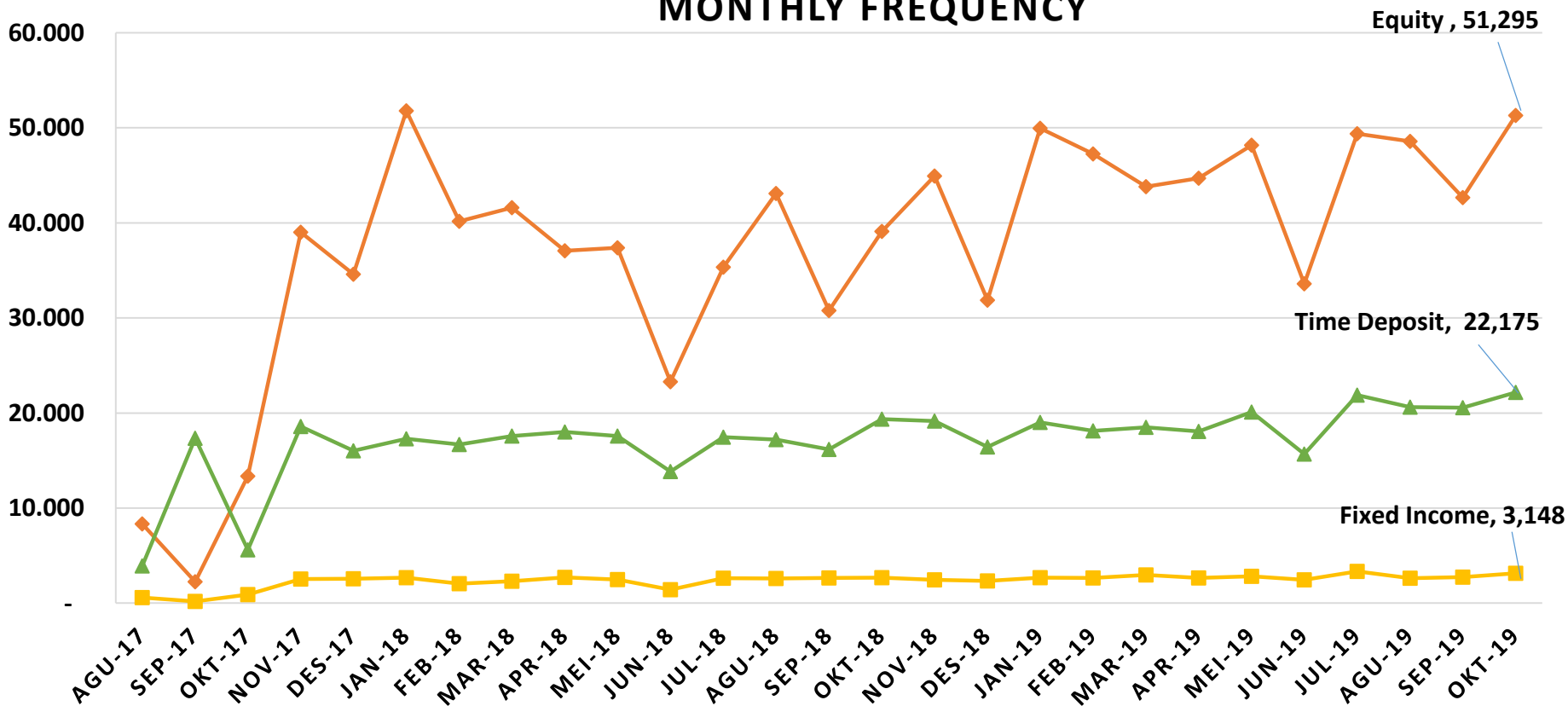
IV. Mutual Fund Transaction & Value Compared to IDX Data



“Mutual Fund contributes high liquidity to total Equity Market in Indonesia”



MUTUAL FUND ASSET TRANSACTIONS MONTHLY FREQUENCY



**Daily
Average**

3,031 trx/day

**Monthly
Average**

60,640 trx/month



S-INVEST Tapera (Government Public Housing Scheme)



S-INVEST PTP for Insurance Company & Pension Fund



Cash Management System for Selling Agent Fintech

Tapera

The Tapera program is a Government's new scheme to help the low-income communities on financing their needs of housing by adding the mandatory savings obligation for employers and workers.

This initiative regulated based on Republic of Indonesia Law No. 4 on 2016 about Tapera (Savings on Public Housing).

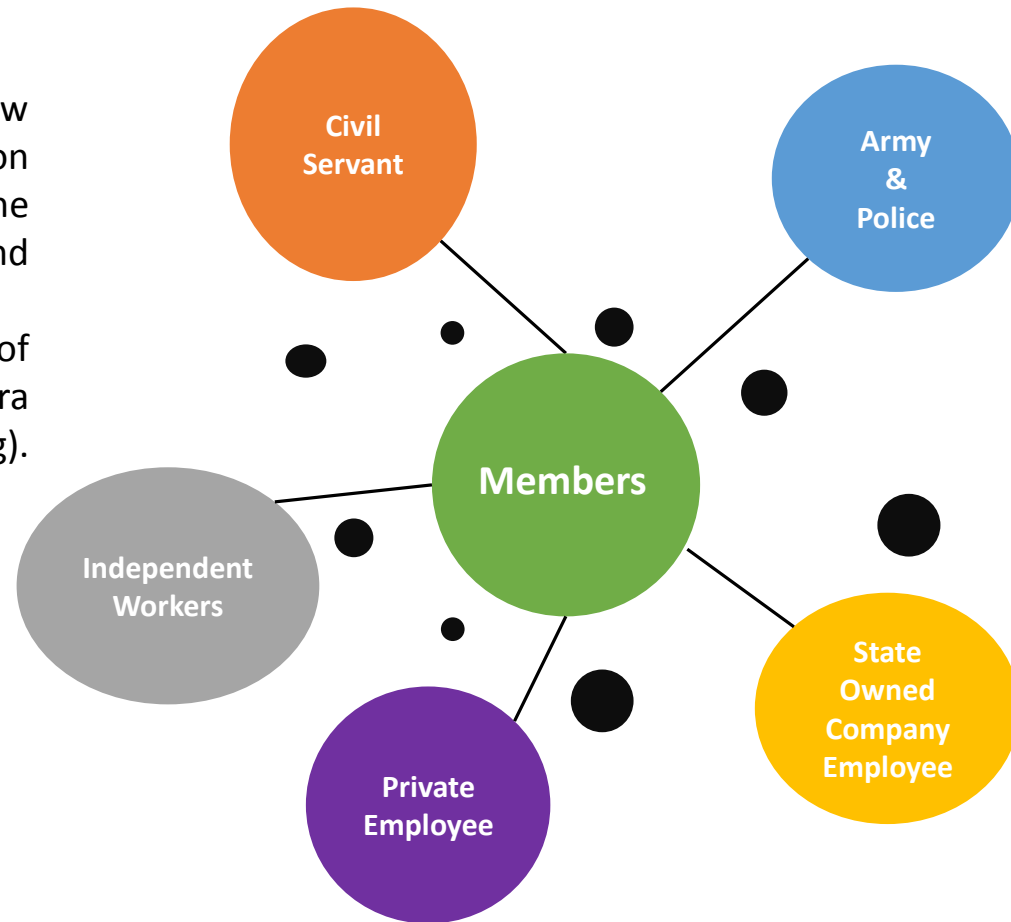
Target Implementation = 2020.

Objectives

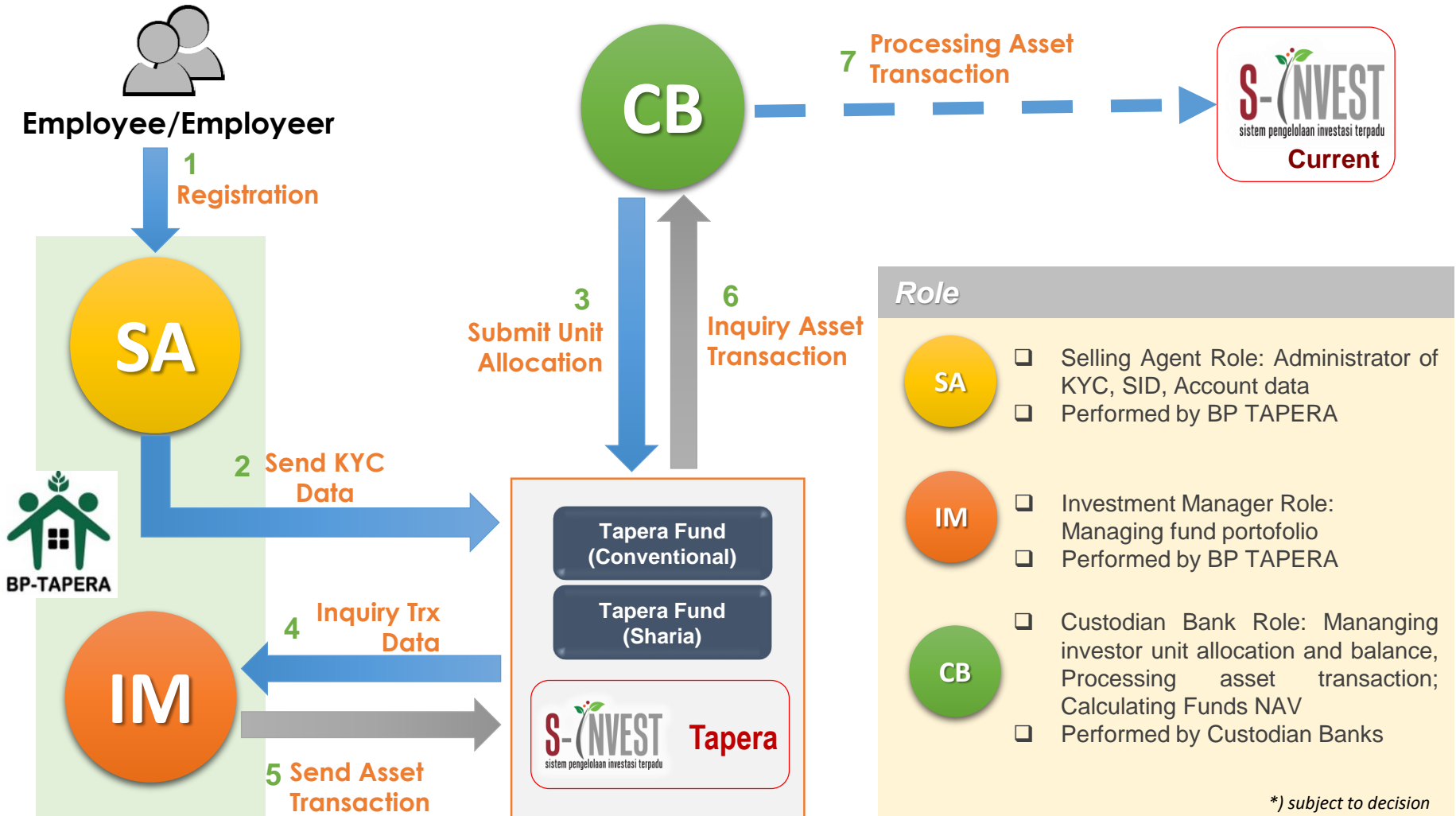
- ✓ Collecting and providing long-term and low-cost fund for financing an affordable housing
- ✓ To give a simplicity method for the member of Tapera to access financial fund for housing
- ✓ Providing investment scheme through a collective investment contract

Type of Product

Conventional and Sharia Fund



Increase the number of members up to 4.5 million for the first phase (civil servant)

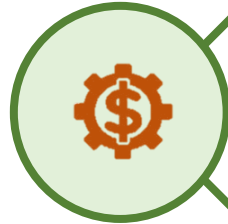




**Pension Fund
(PF)**



**Insurance
(IS)**



The fund management process and types of investment products are similar to mutual funds



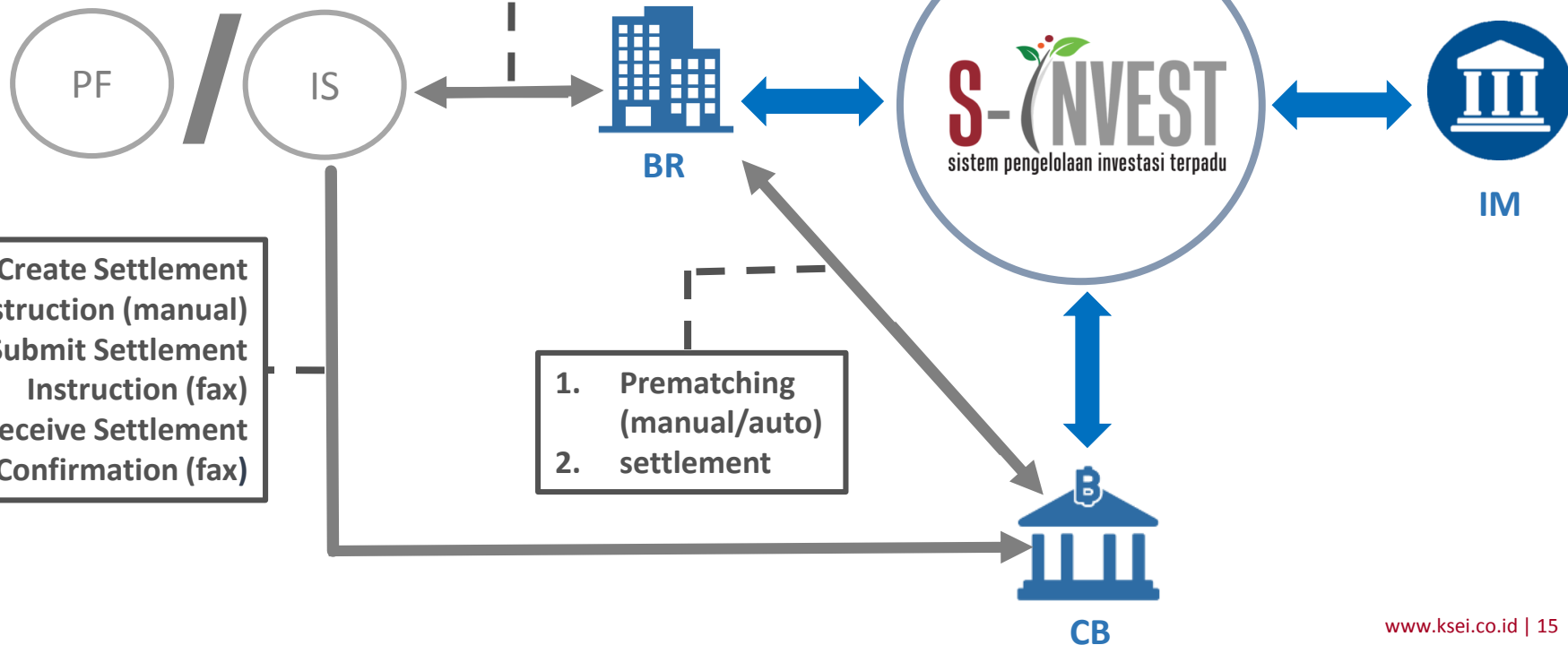
Inefficient manual processes using paper, fax, and e-mail as the primary means of communication



The need for an integrated system for communication between similar parties

The process, types of assets for investment, and similar related parties form the basis for the potential expansion of the use of S-INVEST for Pension Funds and Insurance Companies.

- Manual process**
1. Order via phone
 2. Receive trade confirmation (fax)
 3. Confirmation checking (manual)
 4. Create trade allocation (manual)
 5. Submit trade allocation (fax)
 6. Receive allocation confirmation (fax)
 7. Create Settlement Instruction (manual)
 8. Submit settlement instruction (fax)





IS and PF may become S-INVEST User after approval from Financial Services Authority (OJK)



IS and PF will take role as IM in S-INVEST to manage their respective funds



IS and PF as S-INVEST User must comply with KSEI's regulations, agreements, and procedures

+ BENEFITS



Facilitate top managements to monitor the funds transaction



Mitigate the risks of human error, system Interconnectivity & operational fees.



Systemized Pre-matching process through S-INVEST PTP





Static Data

- Parameter Setting
- User Rights Mgt
- Participant Data
- Product Data
- Investor Data
- Investor Acct



Post Trade Processing

- Pre-Matching Process
- Settlement Instruction
- OTC Instruction



**Module for
IS & PF**



Order Routing

- Subs/Redm/Swtc
- Dist Income
- Liquidation
- Unit Allocation
- Unit Balance



Monitoring

- Reports to Regulator
- Media Publication
- Statistics



Conventional Funds



Private Equity Fund



Exchange Traded Fund



**Real Estate Investment
Trust**



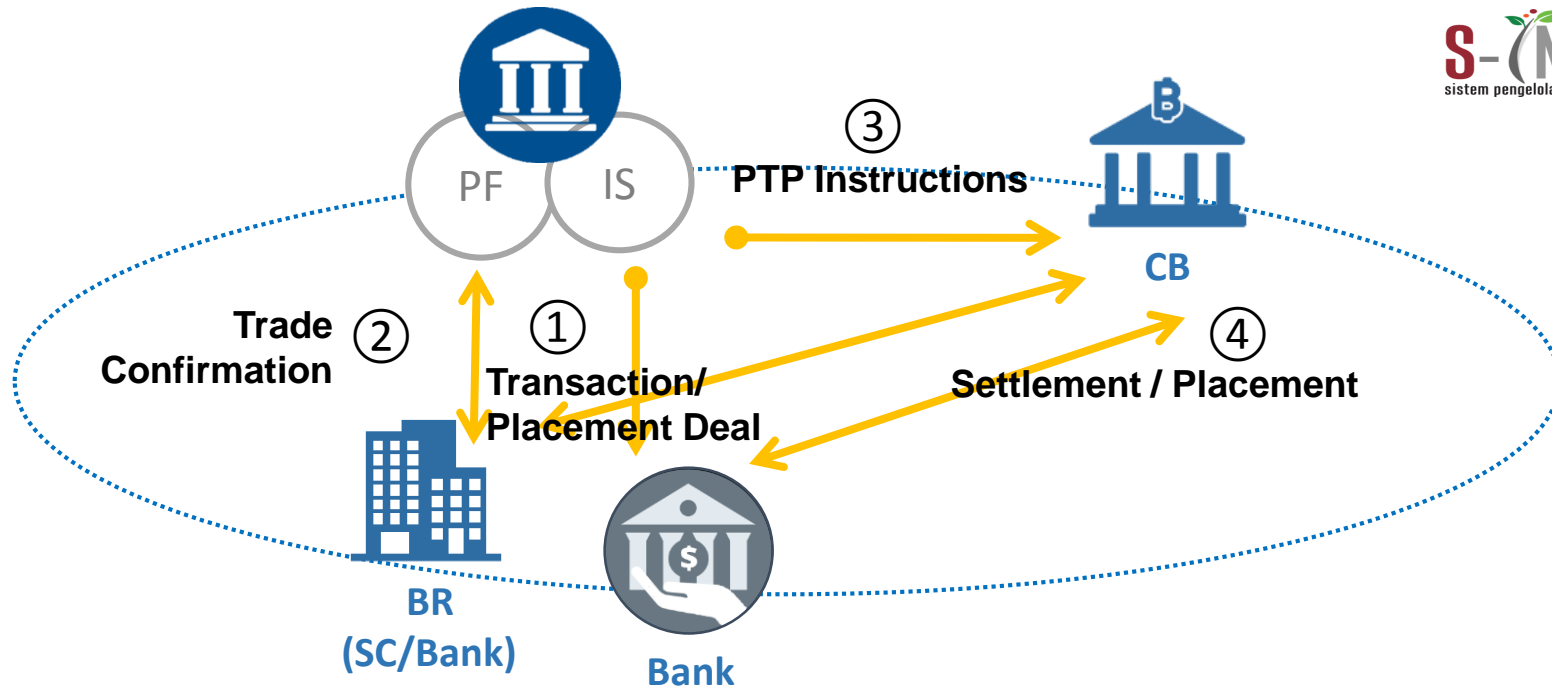
**Discretionary
Fund**



NEW!

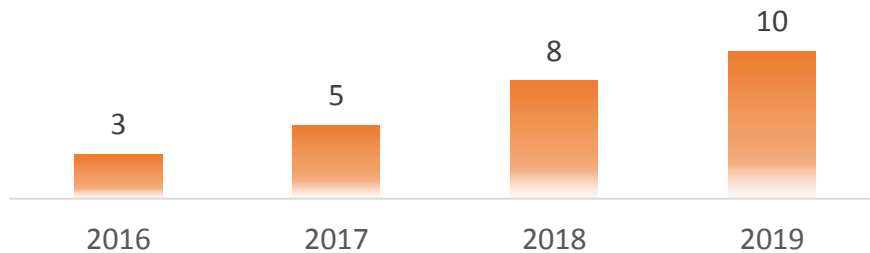


**PF / IS's
Investment Product**



1. Pension funds or insurance companies deal with brokers / dealers or bank placements in terms of managing their respective funds.
2. After the transaction deal done, Brokers / dealers will deliver the transaction confirmation (trade confirmation) to the Pension Fund or the Insurance Company.
3. Pension Funds or Insurance Companies give instructions to Custodian to carry out transaction settlement processes.
4. Furthermore, the relevant Custodian Bank will complete the transaction with the broker / dealer or send instructions for time deposit to the placement bank.

NUMBER OF SA FINTECH IN INDONESIA



Characteristics:

- Online Based (Via website, mobile apps, etc)

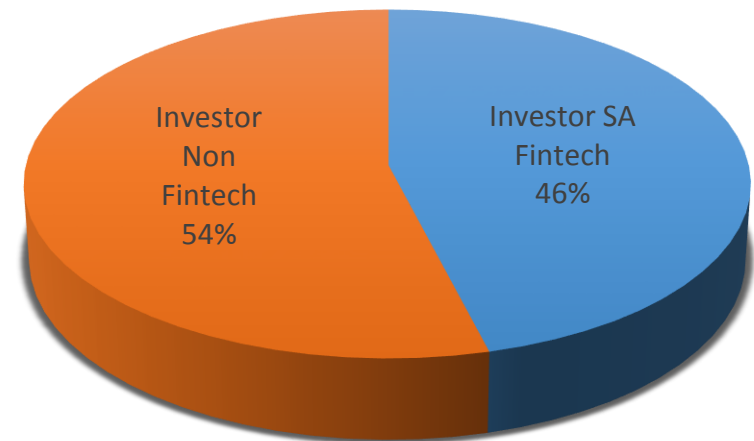
- Retail-Based Investor

- High Frequency Transaction

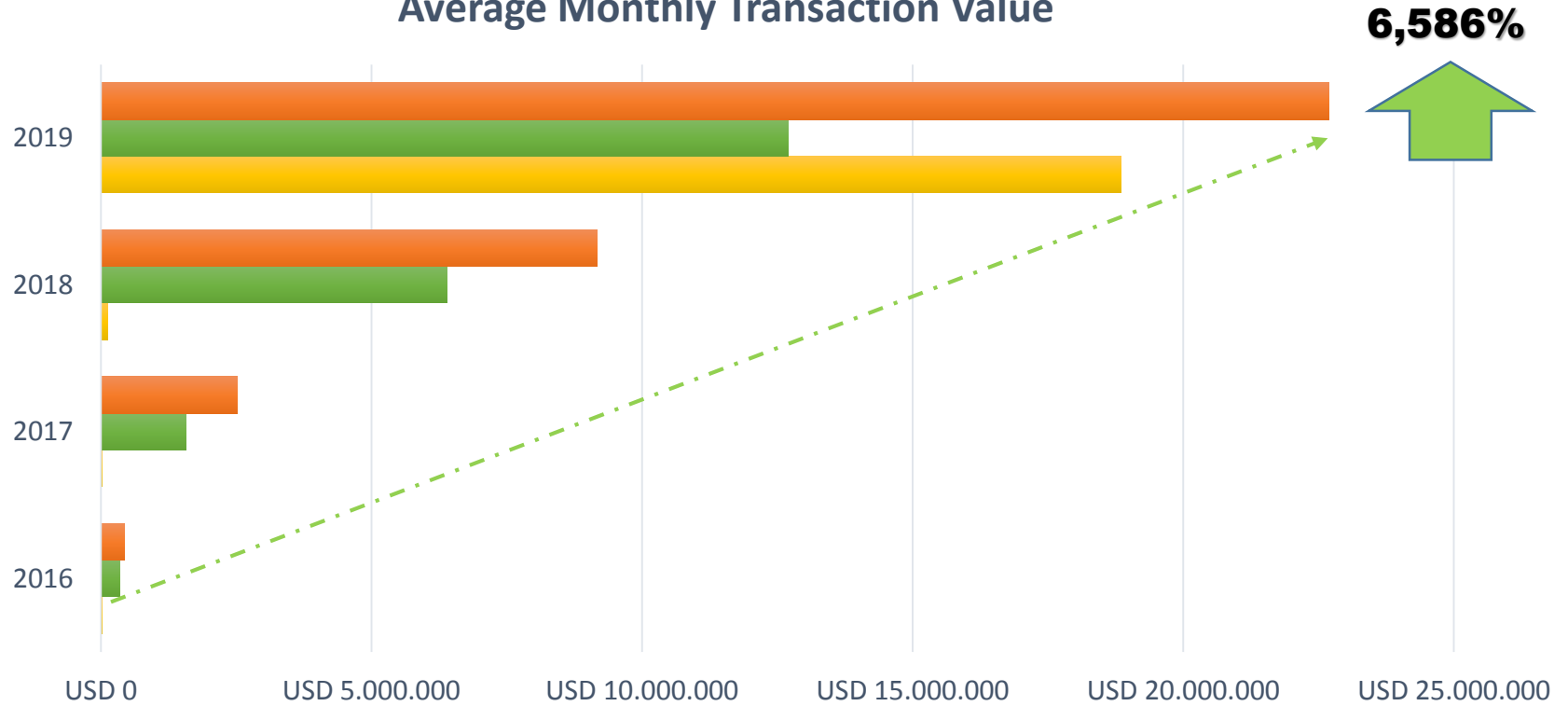
- 24/7 Investor Registration

- Small Transaction Value

% of KYC registered in S-INVEST as per 6 November 2019

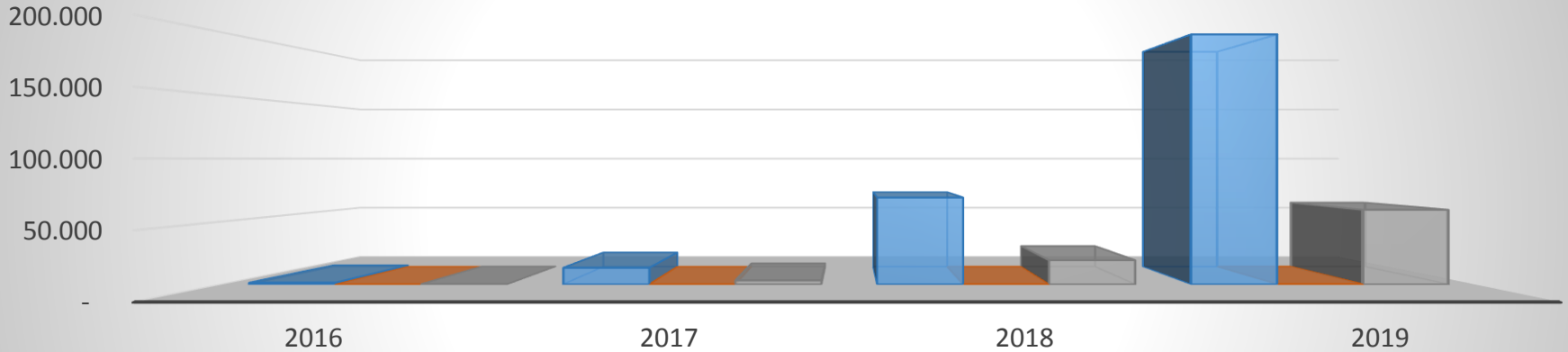


Selling Agent (Fintech) Average Monthly Transaction Value



	2016	2017	2018	2019
Subscription	USD 432.861	USD 2.516.609	USD 9.163.001	USD 22.694.898
Redemption	USD 354.089	USD 1.578.560	USD 6.395.052	USD 12.708.132
Switching In	USD 24.413	USD 19.890	USD 129.346	USD 18.843.025

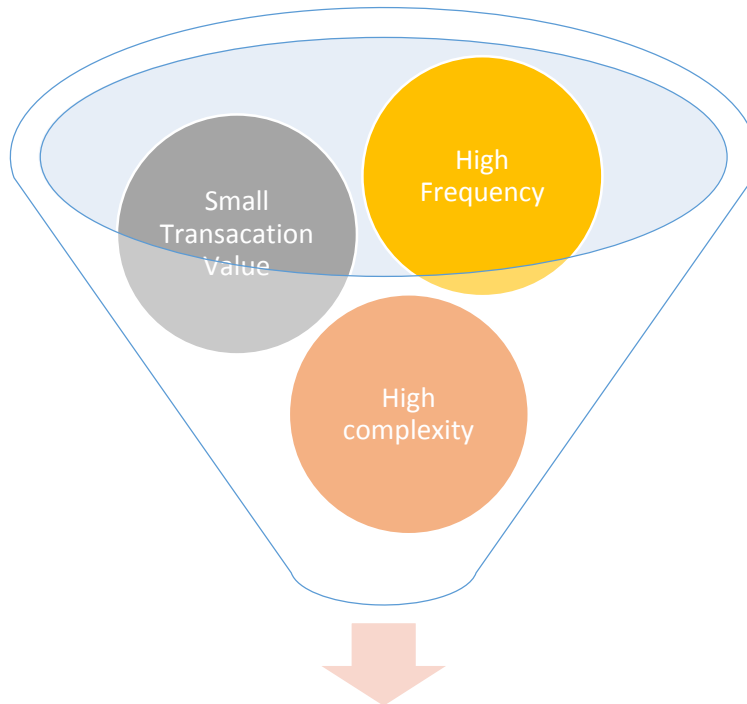
**Selling Agent (Fintech) Order Routing
Average Monthly Frequency**



	2016	2017	2018	2019
Subscription	1.460	13.294	69.065	198.316
Switching In	17	59	100	209
Redemption	234	3.244	19.275	59.379



**Average Monthly Transaction
Growth from Aug'16 –
Oct'19 : 14,890%**



Infrastructure support for
Mutual Fund cash flow
Cash Mangement System

BENEFITS



Transparency



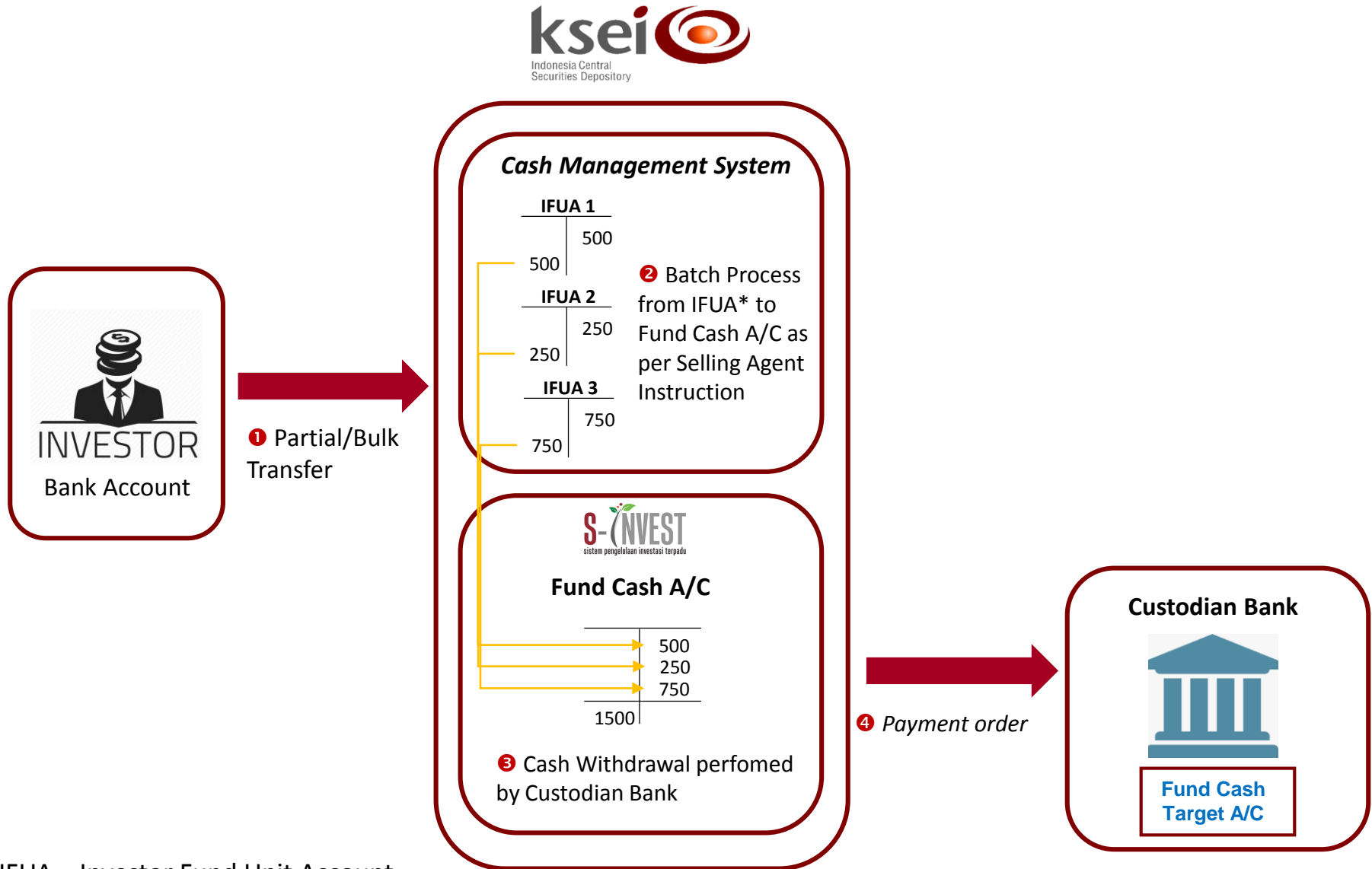
Convenience



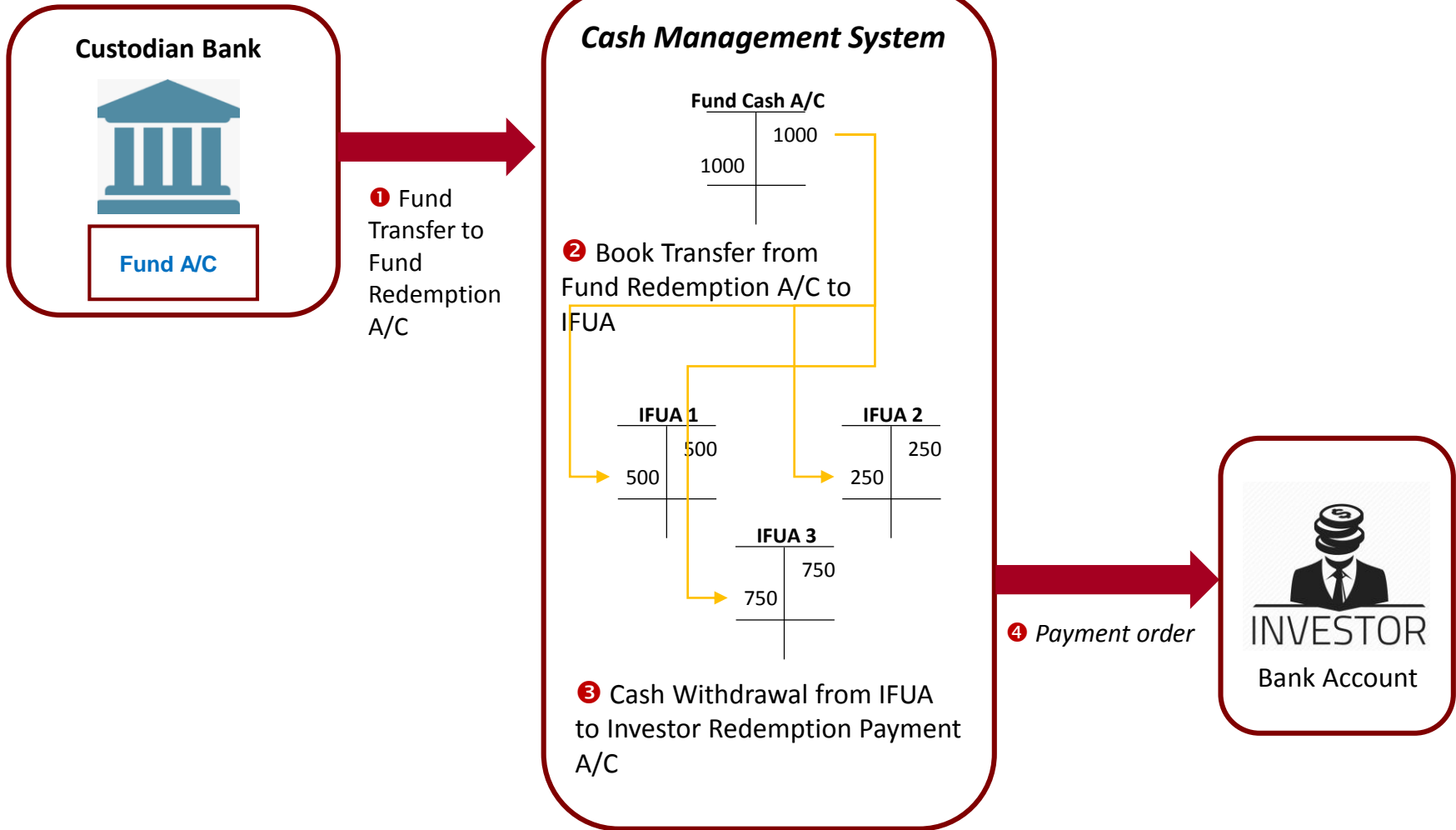
Connectivity



Reconciliation



* IFUA = Investor Fund Unit Account





Thank you
for your
attention



PT Kustodian Sentral Efek Indonesia
Gedung Bursa Efek Indonesia Tower 1 Lt.5
Jl. Jend Sudirman Kav. 52-53, Jakarta 12190
Call Center: (62-21) 515 2855
Toll Free: 0800 186 5734

 www.ksei.co.id

 [@ksei.official](https://www.instagram.com/ksei.official)