

SmartWealth US Dollar Equity IndoAsia Fund

January 2015


BLOOMBERG: AZUSIAS:IJ
INVESTMENT OBJECTIVE

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

INVESTMENT STRATEGY

To achieve the investment objective, this fund shall be invested 80 - 100% in equity instruments (directly through stocks and / or through equity mutual funds) and 0 - 20% in short-term instruments (such as deposits). Furthermore, the fund shall be invested in equity instruments in the Asia Pacific region, excluding Japan, not exceeding 20% of the fund. This fund is a conversion of the Smartwealth IndoAsia Equity Fund (IDR). The unit price for the USD is calculated using the Bank Indonesia's middle rate.

PERFORMANCE INDICATOR
Return Performance

Last 1-year period	14.64%
Best Month	9.16% Jul-14
Worst Month	-11.54% Aug-13

Portfolio Breakdown

Equity	91.38%
Cash/Deposit	8.62%

Top Five Stocks Holding

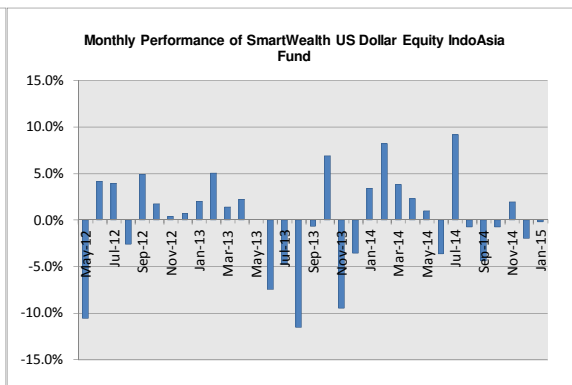
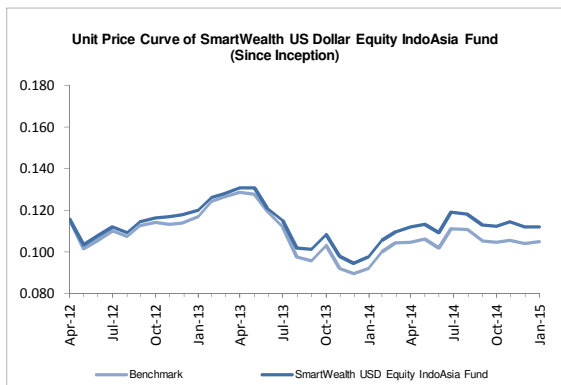
BANK CENTRAL ASIA PT	6.27%
TELEKOMUNIKASI TBK PT	5.67%
ASTRA INTERNATIONAL TBK	5.56%
BANK MANDIRI	5.31%
BANK RAKYAT INDONESIA	4.75%

Country Breakdown (Stock)

Indonesia	73.72%
Philippines	0.00%
Hongkong	8.43%
South Korea	3.35%
Malaysia	1.05%
Singapore	1.10%
Taiwan	3.72%
Thailand	0.00%

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
SmartWealth USD Equity IndoAsia Fund	-0.18%	-0.27%	-6.04%	14.64%	NA	-0.18%	-3.36%
Benchmark*	0.77%	0.28%	-5.68%	14.00%	NA	0.77%	-9.47%

*80% Jakarta Composite Index (JCI) and 20% MSCI AC Far East Ex-Japan Index (MXFEJ)


KEY FUND FACTS

Fund Size (in mn USD)	: USD 39.38
Risk Profile	: Aggressive Investor
Launch Date	: 01 May 2012
Fund Currency	: US Dollar
Managed by	: PT. Asuransi Allianz Life Indonesia

Pricing Frequency	: Daily
Price per Unit (As of Jan 30, 2015)	Bid : USD 0.1064 Offer : USD 0.1120
Bid-Offer Spread	: 5.00%
Management Fee	: 2.00% p.a.

MANAGER COMMENTARY

Asian (MXASJ) equities rose 2.5% and outperformed MSCI World Index (MXWO) by 4.4%. Philippines market was the best performing market with PCOMP delivering 6.4% return. In India, a surprise rate cut by the Reserve Bank of India aided investor confidence and drove SENSEX up another 6.1%. The Thai market also saw some strong performance with 5.6% performance while Hong Kong equity market also had a strong start to the year but consolidated towards the end of the month amid the weaker-than expected China macro data. The laggards during the month were SHCOMP (-0.8%), TWSE (0.6%) and FSSTI (0.8%). The ECB's larger than expected QE program resulted in the EUR depreciating 6.7%. The DXY rallied 5% and JPY 1.8%. All currencies in Asia Pacific Ex-Japan depreciated against the USD except the INR, PHP and THB. Crude oil continued its downward trajectory in January 2015, its seventh consecutive monthly decline. However towards the end of the month, we saw slight rebound in oil prices as industry majors announced further plans to cut capex and OPEC reaffirming that they are open to work with non-OPEC countries to rebalance supply.

Central Bureau Statistics of Indonesia (BPS) announced inflation in Jan 2015 at -0.24% mom (vs consensus 0.24%, inflation 2.46% in Dec 2014). CPI was lower than expected was driven by the fuel cut policy, which caused a price reduction in transportation costs and communication. On yearly basis, inflation printed at 6.96% YoY (vs consensus 7.46%, 8.36% in Dec 2014). Core inflation printed at 4.99% YoY (vs consensus 4.70%, 4.93% in Dec 2014). In the Board of Governors' Meeting on Jan 15th, 2015, Bank Indonesia maintained its reference rate at 7.75%, Lending Facility at 8.0%, and the deposit facility rate (FASB) at 5.75%. Rupiah depreciated against USD by -0.64% to 12,670 at end of Jan compared to previous month 12,589. Trade balance was surplus +0.19bn USD (non-oil and gas surplus 1.22bn, oil and gas deficit -1.04bn USD) in Dec 2014 (vs consensus surplus +0.17bn USD, deficit -0.43bn USD in Nov 2014). Export decreased by -13.83% YoY mostly driven from export in jewelry, while imports decreased -6.61% YoY. FX Reserves increased +2.388bn USD from 111.862bn USD in Dec 2014 to 114.250bn USD in Jan 2015. BPS announced Q4 2014 GDP expanded by only 5.02% YoY (vs consensus 4.9%) and 2.06% QoQ (vs consensus 1.5%), lower compared to previous quarter with net export decline as the driver. By industry level, GDP growth was driven by agriculture, forestry and fisheries.

The JCI (Jakarta Composite Index) closed higher in January, gaining +1.19% MoM to close at 5,289.40 for the month. Movers were UNVR, ASII, EMTK, ICBP and INDF which rose +10.91%, +5.72%, +21.79%, +10.69% and +11.85% MoM. Meanwhile the laggards were PGAS, SMGR, INTP, GGRM, and SMAR which fell -15.83%, -10.03%, -8.00%, -4.78%, and -15.43% MoM respectively. Investor appetite towards the Indonesian stock market improved as the 2015 Revised Budget discussion between government and parliament went relatively smooth. Foreign investors net flows was at US\$18.54mn for the month where the bulk of the inflows happened during the last 2 weeks of the month, more than offsetting the first two weeks of the month which saw US\$146.5mn foreign net outflows. The outflows were driven by the worry that government will impose some sort of price fixing in a free market environment towards certain industries when the Indonesian government instructed to lower cement selling prices for its state owned cement company in which is operating in an oligopolistic market. Post this action, the government communicated to various media sources that it had no intention to intervene the free market, somewhat bringing positive sentiment back towards the market. Sector wise, the Construction and Property Sector was the best performing sector this month, appreciating by +7.00% MoM. APLN (Agung Podomoro) and WSKT (Waskita Karya) were the movers; rising by +33.13% and +16.67% MoM respectively. This was followed by the Consumer Sector that posted +5.48% MoM gains, driven by MYOR (Mayora) and INDF (Indofood) which saw +16.03% and +11.85% MoM gains respectively. On the other hand, the Agriculture Sector was the worst performing this month which fell -4.47% MoM, the laggards were SMAR (Sinarmas Agro) and BWPT (Eagle High Plantation) which fell by -15.43%, and -11.25% MoM respectively.

Disclaimer: SmartWealth US Dollar Equity IndoAsia Fund is a unit-linked fund offered by PT Asuransi Allianz Life Indonesia (Allianz). This fact sheet is prepared by Allianz. The information presented is for informational use only. The performance of the Fund is not guaranteed and the value of the units and the income from them may increase or decrease. Past returns and any forecast are not necessarily a guide to future performance. Allianz does not warrant or make any representations regarding the use or the results of the use of the figures generated in terms of their correctness, accuracy, reliability, or otherwise. You are advised to seek your financial consultant before making any investment.