

Smartwealth Equity IndoGlobal Fund

June 2016



BLOOMBERG: AZRPGLB: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 Global region (directly through stocks or equity mutual funds), not exceeding 20% of the portfolio at any given time.

PERFORMANCE INDICATOR

Return Performance

Last 1-year Period	7.62%
Best Month	6.36% Oct-15
Worst Month	-6.27% Apr-15

Portfolio Breakdown

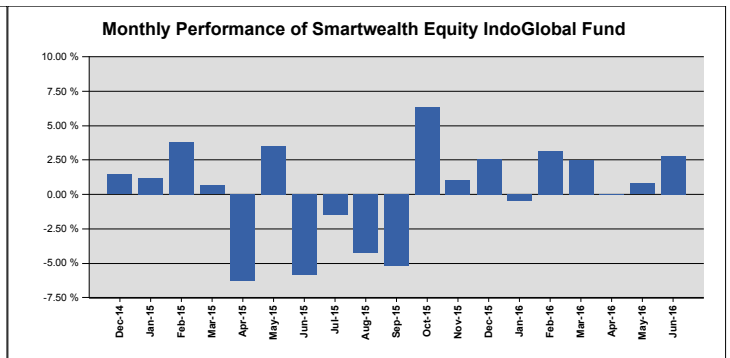
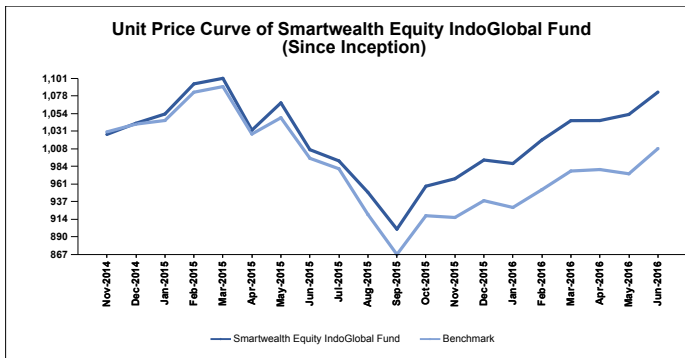
Equity	78.65%
Mutual Funds - Equities	14.18%
Cash/Deposit	7.17%

Top Five Stocks Holding

Telekomunikasi Indonesia	8.44%
Hanjaya Mandala Sampoerna	6.41%
Bank Central Asia	6.30%
Unilever Indonesia	5.64%
Bank Rakyat Indonesia	4.92%

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Smartwealth Equity IndoGlobal Fund	2.82%	3.64%	9.12%	7.62%	N/A	9.12%	8.30%
Benchmark*	3.44%	3.05%	7.39%	1.30%	N/A	7.39%	0.77%

*20% MSCI Daily TR Net World USD Index and 80% JCI performance



KEY FUND FACTS

Fund Size (in bn IDR)	: IDR 11.19
Risk Profile	: Aggressive
Launch Date	: 07 Nov 2014
Fund Currency	: Indonesian Rupiah
Managed by	: PT Asuransi Allianz Life Indonesia

Pricing Frequency	: Daily
Price per Unit (As of Jun 30, 2016)	: Bid IDR 1,028.89 : Offer IDR 1,083.04
Bid-Offer Spread	: 5.00%
Management Fee	: 2.00% p.a.

MANAGER COMMENTARY

Central Bureau Statistics of Indonesia (BPS) announced Jun's inflation at 0.66% mom (vs consensus 0.54%, inflation 0.24% in May 2016) mostly were caused by higher food ingredients, process food and beverages prices. On yearly basis, inflation stood at 3.45% YoY (vs consensus 3.40%, 3.33% in May 2016). Core inflation printed at 3.49% YoY, slightly higher from previous month (vs 3.41% in Apr 2016). In the Board of Governors' Meeting on Jun 16th, 2016, Bank Indonesia cut its reference rate by 25bps to 6.50%, Lending Facility to 7.00% along with its facility rate (FASBI) to 4.50%. Rupiah appreciated by +3.12% to 13,180/USD at end of Jun as opposed to 13,615/USD previous month. Trade balance booked a surplus of +US\$0.38bn (non-oil and gas surplus +US\$1.09bn, oil and gas deficit US\$-0.71bn) in May 2016. Export fell by -9.75% YoY mostly driven by a reduction in exports of machineries/mechanic, while imports fell by -4.12% YoY. FX Reserves rose by US\$6.198bn from US\$103.591bn in May 2016 to US\$109.789bn in Jun 2016 on the back of offshore inflow to the bond market.

The JCI (Jakarta Index) closed higher in June, gaining +4.58% MoM to close at 5,016.65 for the month. movers were ASII, TLKM, UNVR, BMRI, and BBRI which rose +12.12%, +7.57%, +4.58%, +5.54%, and +4.35% MoM respectively. Meanwhile the laggards were PGAS, ISAT, MLBI, VIVA, and JSRM which fell -5.65%, -3.04%, -3.91%, -15.22%, and -2.31% MoM respectively. Index reached its highest level this year after the parliament passed the tax amnesty law on 28th June. Initially, investors were pessimistic as the tax amnesty progress was very slow initially, suggesting that the probability of delay on tax amnesty approval became relatively higher. Externally, Brexit and EU disintegration fears also increases the risk of weakening currency and capital outflow in emerging market, despite Indonesia's direct exposure to the UK is not significant, it could adversely impact financial/currency markets. However, on the positive side, the passing of the tax amnesty bill has offset the external fear factor, for now. Improvements in growth outlook are key to keeping the positive sentiment intact. Additionally, the implementation of tax amnesty law and lower BI rate by 25bps will potentially improve purchasing power, especially in the middle and middle-upper income segments. Bottom line, the growth outlook will improve and 3Q16 could mark an upward revision in earnings growth. Sector wise, the Mining Sector was the best performing sector this month, rising by +9.57% MoM. DOID (Delta Dunia) and PSAB (J Resources) were the movers; gaining by +65.54% and +50.00% MoM respectively. This was followed by the Miscellaneous Industry Sector that posted +9.50% MoM gains, driven by GJTL (Gajah Tunggal) and ASII (Astra International) which rose +37.32% and +12.12% MoM respectively. On the other side, Agriculture Sector was the worst amongst the best performing sector this month, gaining by +1.61% MoM. AALI (Astra Agro Lestari) and SSMS (Sawit Sumbermas) were the movers, rising +9.03% and +6.82% MoM respectively.