

SmartWealth US Dollar Equity IndoAsia Fund

July 2013


BLOOMBERG: AZUSIAS:IJ
INVESTMENT OBJECTIVE

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

INVESTMENT STRATEGY

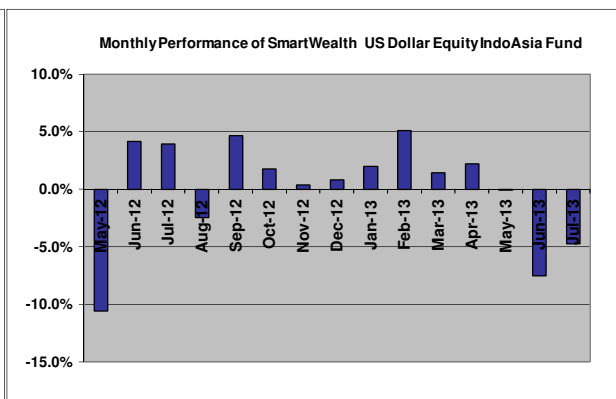
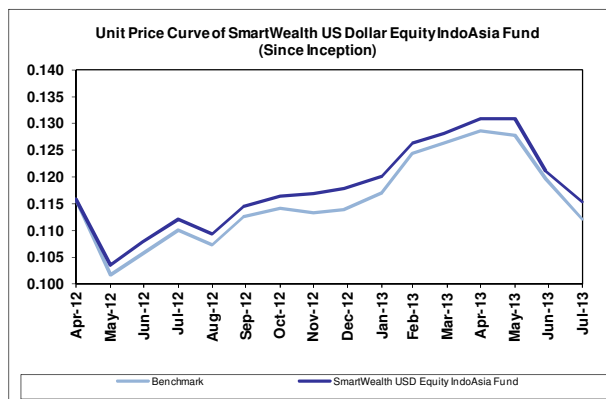
To achieve the investment objective, this fund shall be invested 80 - 100% in equity instruments (directly through stocks and / or through equity mutual funds) and 0 - 20% in short-term instruments (such as deposits). Furthermore, the fund shall be invested in equity instruments in the Asia Pacific region, 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	Portfolio Breakdown	Top Five Stocks Holding	Country Breakdown (Stock)
Last 1-year period	Equity	TELEKOMUNIKASI TBK PT	Indonesia
Best Month	Cash/Deposit	BANK CENTRAL ASIA PT	Philippines
Worst Month		BANK MANDIRI	Hongkong
		UNILEVER INDONESIA TBK F	South Korea
		BANK RAKYAT INDONESIA	Malaysia
			Singapore
			Taiwan
			Thailand

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
SmartWealth USD Equity IndoAsia Fund	-4.74%	-11.90%	-4.00%	2.85%	NA	-2.12%	-0.44%
Benchmark*	-6.28%	-12.85%	-4.21%	1.82%	NA	-1.57%	-3.20%

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


KEY FUND FACTS

Fund Size (in mn USD) : USD 15.80
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 : *Bid* / *Offer*
(As of July 31, 2013) : USD 0.1096 / USD 0.1153
Bid-Offer Spread : 5.00%
Management Fee : 2.00% p.a.

MANAGER COMMENTARY

In the month of July, MSCI Asia Ex-Japan Index rebounded 1.5% but lagged the rebound in equity markets in the other parts of the world. The best performing market in the region was Hong Kong Hang Seng Index (+5.2%), Korea KOSPI (+2.7%), Philippines PCOMP (+2.7%) and Singapore (+2.3%). On the other hand, Indonesia JCI (-4.3%) and Thailand SET (-2.0%) indices closed significantly lower. In Asia, the focus this month was on significant policy changes in China and India. India RBI announced the first set of liquidity tightening measures. The measurements demonstrated the central bank's continued determination to curb currency volatility. In China, liquidity conditions eased after quarter-end, reflected in the pullback of repo and SHIBOR in the beginning of the month. Premier Li's speech that China could achieve the official GDP growth target (7.5%) this year solidified sentiment.

Head Inflation rose to 8.61% yoy, 3.29% mom in July (vs consensus 8.04% yoy, 2.79% mom) from 5.9% yoy, 1.03% mom in June, driven by fuel price hikes and seasonal price increases due to the upcoming Eid Mubarak holiday. The core inflation also rose to 4.44% yoy (vs consensus 4.56%) from 3.98% YoY in June. In the Board of Governors' Meeting on July 11th, 2013, Bank Indonesia increased its reference rate by 50 bps to 6.50% and the deposit facility rate (FASBI) by 50bps to 4.75%. Rupiah depreciated against USD (BI middle exchange rate) by -3.51% to 10,278 at end of July compared to previous month 9,929. Indonesia's 2Q 2013 GDP expanded to 5.81% yoy vs prior quarter at 6.03%, median estimate was 5.9%. Indonesia's June trade balance posted higher deficit at USD -0.85bn compared to deficit at USD -0.59bn in May 2013. Export decreased by -8.63% MoM while imports lowered by -6.44% MoM.

The JCI (Jakarta Composite Index) ended lower in July, falling by -4.33% MoM. Most of the large cap stocks led the decline including ASII, GGRM, CPIN, INTP and SMGR that declined by -7.14%, -16.30%, -16.50%, -14.72%, and -11.11% MoM respectively. On the other hand, there were several stocks moved positively which were TLKM, BBRI, BBKA, UNVR, and MLBI which appreciated by +5.78%, +6.45%, +4.00%, +3.41% and +16.67% MoM respectively. Volatility remains high with thin trading volume as offshore investors have mostly sold exited in June, who were concerned on worsening Indonesian Macro data as GDP, inflation and trade balance were below consensus forecast. On the contrary, the developed countries economic data improved, as seen on US's PMI reached 56.0 (vs. June at 52.2) and unemployment rate improved to 7.4% (vs. June at 7.6%). Euro zone also began to see improvement, seen in UK's manufacturing production that rose to +1.9% MoM in July (vs. June at -0.7% MoM) and German's factory orders grew +3.8% MoM (vs. June -0.5% MoM). Offshore investors continued to sell in Emerging market due to risk-reward ratio diminishes. Foreign investors posted net sell amounting US\$250mn worth of equities in July. The Agriculture Sector posted the lowest performance this month where it depreciated by -16.61% MoM. The largest contribution came from LSIP (London Sumatera) and BWPT (BW Plantation) which fell by -34.88% and -23.96% MoM respectively. This was followed by Basic Industry Sector that also posted -11.35% MoM, driven by Poultry names like JPFA (Japfa Comfeed), CPIN (Charoen Pokphand) and INTP (Indocement) posted -24.22%, -16.50%, and -14.72% MoM losses 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.