

# Savings Plan Fixed Income Fund November 2013



## INVESTMENT OBJECTIVE

The Objective of the fund is to provide relatively stable income with capital preservation for the long term.

## INVESTMENT STRATEGY

The Fund seeks to attain its objectives by investing in short term interest bearing instruments (such as deposits, SBI or money market mutual funds) and medium or long term interest bearing instruments (such as bonds and/or fixed income mutual funds).

## PERFORMANCE INDICATOR

### Return Performance

Last 1-year period	-11.45%
Best Month	5.71% Oct-13
Worst Month	-6.87% Oct-08

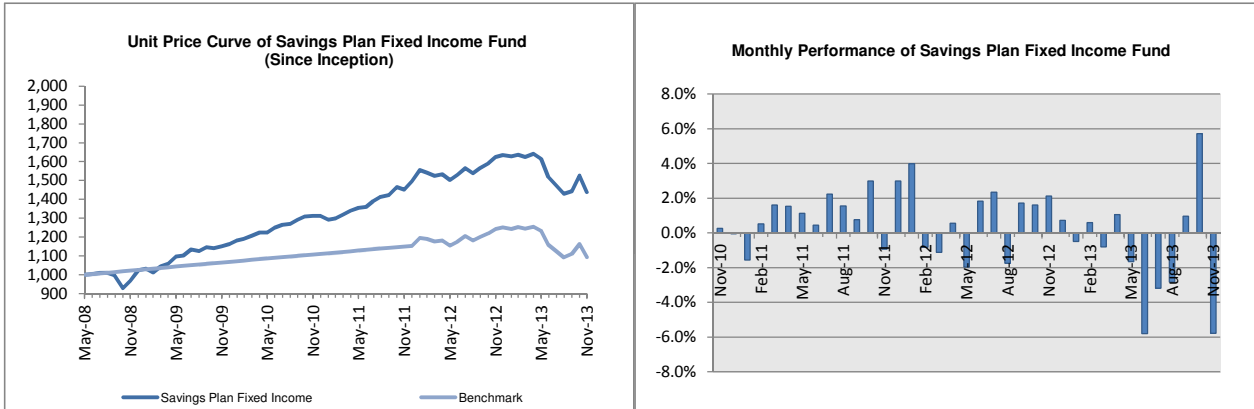
### Portfolio Breakdown

Government Bonds	72.96%
Corporate Bonds	9.44%
Cash/Deposit	17.60%

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Savings Plan Fixed Income Fund	-5.78%	0.57%	-10.89%	-11.45%	9.55%	-12.08%	43.79%
Benchmark*	-5.87%	0.17%	-11.20%	-11.95%	-1.18%	-12.55%	9.37%

\*80% HSBC Bond Index & 20% Average Time Deposit (1 month) from BNI, BCA and Citibank

(New benchmark assessment as of January 2012; previously: Average 1 Month Deposit of Bank BNI, BCA and Citibank)



## KEY FUND FACTS

<b>Fund Size (in bn IDR)</b>	: IDR 160.10	<b>Pricing Frequency</b>	: Daily
<b>Risk Profile</b>	: Moderate Investor	<b>Price per Unit</b>	
<b>Launch Date</b>	: 31 May 2008	<b>(As of Nov 29, 2013)</b>	: IDR 1,437.86
<b>Fund Currency</b>	: Indonesian IDR		
<b>Managed by</b>	: PT. Asuransi Allianz Life Indonesia		

## MANAGER COMMENTARY

Central Bureau Statistics of Indonesia (BPS) announced inflation in Nov at +0.12% mom (vs consensus +0.17%, inflation +0.09% in Oct). On yearly basis, inflation printed at 8.37% yoy (vs consensus +8.45%, lower than 8.32% in Oct). Core inflation rose to +4.80% yoy (vs consensus +4.75%, +4.73% in Oct), on the back of weakening IDR and electricity tariff hike. Suryamin, head of National Statistic Agency inform that the Agency will use 2012 base year for calculating consumer price index (CPI) starting in January. Number of cities covered by CPI will be expanded to 82 from 66 and number of items included in consumer price basket will also be expanded. In the Board of Governors' Meeting on Nov 12<sup>th</sup>, 2013, BI increased its reference rate 25bps to 7.5%, Lending Facility at 7.5%, and the deposit facility rate (FASBI) at 5.75%. Rupiah depreciated against USD by -6.61% to 11,977 at end of November compared to previous month 11,234. Trade balance was surplus US\$0.042bn in Oct (vs consensus deficit -US\$0.775bn, deficit -US\$ 0.657bn in Sept) on the back of positive growth in exports. Export increased by 6.87% MoM while imports increased by 1.06% MoM. Foreign reserves in November slightly decreased by -USD0.036bn (-0.04% mom) from USD96.996bn in Oct to USD96.96bn in Nov.

IDR government bond yields bearish flattened, closed higher all across the curve in November. Worries on Fed tapering re-appeared post stronger than expected employment report (US added 204,000 jobs in October vs 120,000 forecasted by economists and the unemployment rate was 7.3% vs forecast 7.4%), and minutes meeting of the Federal Open Market Committee (FOMC) that were released on November 21 which indicated tapering is being considered. Lower Indonesia's 3Q13 GDP result also added negative sentiment in the market despite higher foreign reserves and better 3Q13 CAD. Offshore accounts increased their holding by IDR 6.09Tn in November 2013 (+1.91% mom), from IDR 318.11Tn as of October 31, 2013 to IDR 324.20Tn as of November 29, 2013, which brought their holding to 32.31% of total outstanding tradable government bond (from 32.33% in the previous month). The 5Y yield November was higher by 121bps to 8.16% (6.95% in October 2013), 10Y yield November higher by 120bps to 8.67% (7.47% in October 2013), 20Y yield November higher by 113bps to 9.25% (8.12% in October 2013), and 29Y yield November higher by 112bps to 9.40% (8.28% in October 2013).

### Disclaimer:

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