

# DPLK Equity Fund

## October 2013



### INVESTMENT OBJECTIVE

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

### 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 in equity instruments (whether directly on stocks or indirectly through mutual funds).

### PERFORMANCE INDICATOR

#### Return Performance

|                    |                       |
|--------------------|-----------------------|
| Last 1-year period | <b>7.03%</b>          |
| Best Month         | <b>15.22% Jul-09</b>  |
| Worst Month        | <b>-16.21% Oct-08</b> |

#### Portfolio Breakdown

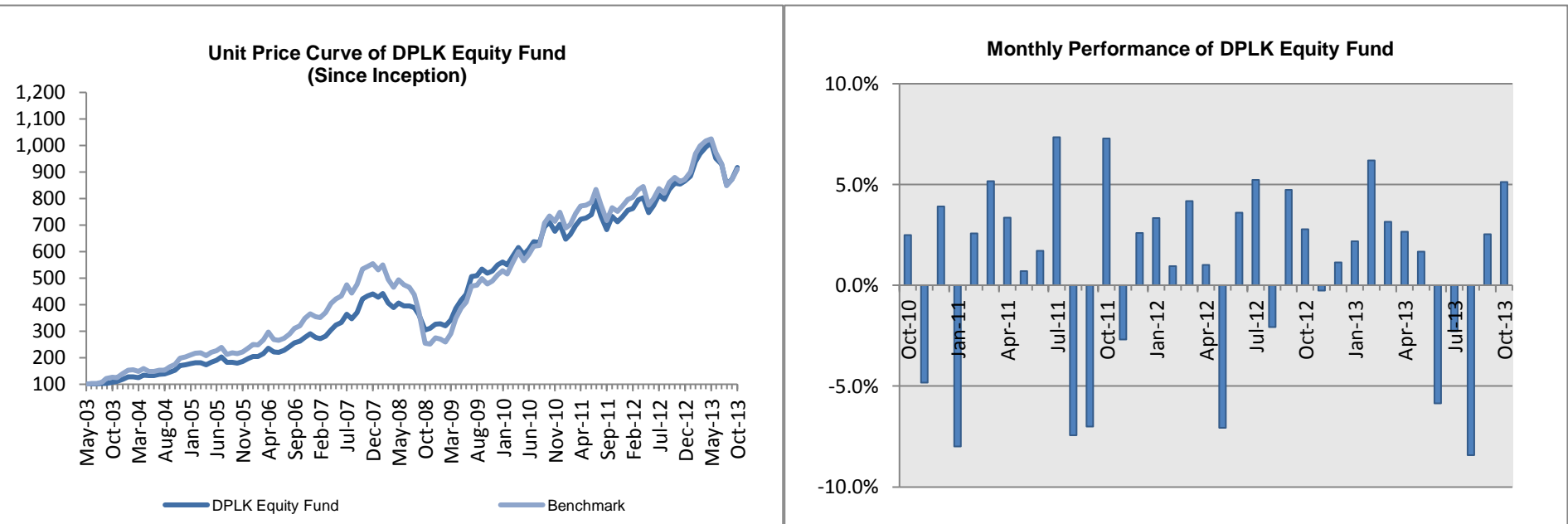
|              |
|--------------|
| Equity       |
| Cash/Deposit |

#### Top Five Stocks Holding

|               |                            |              |
|---------------|----------------------------|--------------|
| <b>87.15%</b> | TELEKOMUNIKASI TBK PT      | <b>7.45%</b> |
| <b>12.85%</b> | BANK CENTRAL ASIA PT       | <b>7.29%</b> |
|               | BANK MANDIRI               | <b>6.33%</b> |
|               | BANK RAKYAT INDONESIA      | <b>5.75%</b> |
|               | ASTRA INTERNATIONAL TBK PT | <b>5.64%</b> |

|                  | 1 Month      | 3 Months      | 6 Months       | 1 Year       | 3 Years       | YTD          | Since Inception |
|------------------|--------------|---------------|----------------|--------------|---------------|--------------|-----------------|
| DPLK Equity Fund | <b>5.13%</b> | <b>-1.28%</b> | <b>-7.68%</b>  | <b>7.03%</b> | <b>29.01%</b> | <b>6.09%</b> | <b>817.94%</b>  |
| Benchmark*       | <b>4.51%</b> | <b>-2.16%</b> | <b>-10.40%</b> | <b>3.69%</b> | <b>24.08%</b> | <b>4.49%</b> | <b>811.65%</b>  |

\*Jakarta Composite Index (JCI)



### KEY FUND FACTS

|                              |                                       |
|------------------------------|---------------------------------------|
| <b>Fund Size (in bn IDR)</b> | : IDR 65.07                           |
| <b>Risk Profile</b>          | : Aggressive Investor                 |
| <b>Launch Date</b>           | : 31 May 2003                         |
| <b>Fund Currency</b>         | : Indonesian IDR                      |
| <b>Managed by</b>            | : PT. Asuransi Allianz Life Indonesia |

|                             |              |
|-----------------------------|--------------|
| <b>Pricing Frequency</b>    | : Daily      |
| <b>Price per Unit</b>       |              |
| <b>(As of Oct 31, 2013)</b> | : IDR 917.94 |

### MANAGER COMMENTARY

Central Bureau Statistics of Indonesia (BPS) announced inflation in Oct at 0.09% mom (vs consensus 0.20%, deflation -0.35% in Sept). On yearly basis, inflation printed at 8.32% yoy (vs consensus 8.44%, lower than 8.40% in Sept), caused by lower food and clothes prices. Core inflation was slightly rose to 4.73% yoy (vs consensus 4.78%, 4.72% in Sept). In the Board of Governors' Meeting on Oct 8<sup>th</sup>, 2013, BI kept its reference rate at 7.25%, Lending Facility at 7.25%, and the deposit facility rate (FASBI) at 5.5%. Rupiah appreciated against USD by +3.37% to 11,234 at end of October compared to previous month 11,613. Trade balance was deficit -US\$ 0.657bn in Sept (vs consensus surplus US\$0.096bn, surplus US\$0.133bn in Aug) on the back of higher import. Export increased by 13.19% MoM while imports increased by 18.86% MoM. Deficit was caused by the decreasing surplus of non-oil and gas trade balance to USD 0.5bn and the increasing deficit of oil and gas trade balances to USD 1.2 bn. Indonesia Parliament has approved 2014 budget, with the following assumptions: GDP Growth 6.00%, Inflation 5.50%, USD/IDR average 10,500, Budget Deficit 1.69% of GDP, Target net bond issuance IDR 205.07 Tn, and Energy subsidy is IDR 282.1 Tn (Oil subsidy is IDR 210.7 Tn and Electricity subsidy is IDR 71.40 Tn).

The JCI (Jakarta Composite Index) ended higher in October, increased by +4.51% MoM. Large cap stocks in particular, where Banking Related Sector experienced the increase. The index saw TLKM, BBRI, BMRI, BBNI, and BBKA posted +11.90%, +8.97%, +8.18%, +17.79%, and +4.50% MoM gains respectively. On the flip side, several stock particular in media names as the sector with premium valuation led a decline. INDF, SCMA, and MNCN depreciated by -5.67%, -7.84%, and -7.41% MoM respectively. Positive sentiment came from US fiscal agreement has been approved to raise of debt ceiling and the funding of the federal government on 17th October 13 coupled with China's growth accelerated to 7.8% yoy in 3Q13 from 7.5% in 2Q12. Domestically, several 3Q13 earnings has came out which Banking Sectors still posted a good loan growth in 9M13, around 25% YoY. In general, banks experienced margin expansion due to growing net interest margins (NIMs) on improved assets yields. Additionally, non-performing loans (NPLs) were down due to enhanced collection and assets quality improvements, which paved the way for provisioning charges to come down. From macroeconomic perspective, the government plans to publish policies oriented to attract FDI and capital inflow, boost export, slow import especially that of consumption goods, reduce dependency over capital goods import, and incentive for foreign reinvestment which hope those policies will improved investment climate in Indonesia. Sector wise, the Basic Industry Sector was the best performing sector this month where it appreciated by +9.74% MoM. Ticker wise, came from INTP (Indocement) and CPIN (Charoen Pokphand) which increased by +16.11% and +14.71% MoM respectively. This was followed by Banking Sector that posted +6.88% MoM gains, driven by BBNI (Bank Negara Indonesia), and PNLF (Panin Life) which posted +17.79% and +16.96% MoM gains respectively.

#### Disclaimer:

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