

# DPLK Equity Fund

## November 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	1.65%
Best Month	15.22% Jul-09
Worst Month	-16.21% Oct-08

#### Portfolio Breakdown

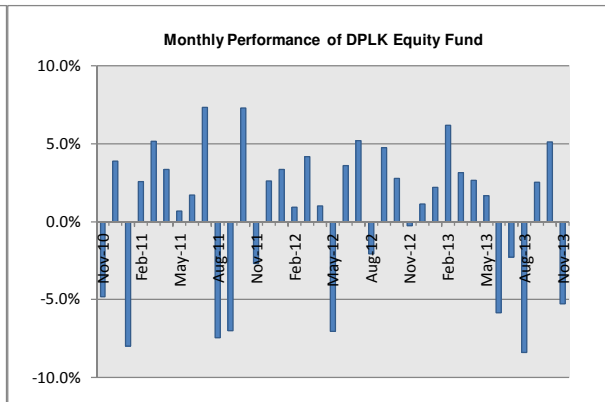
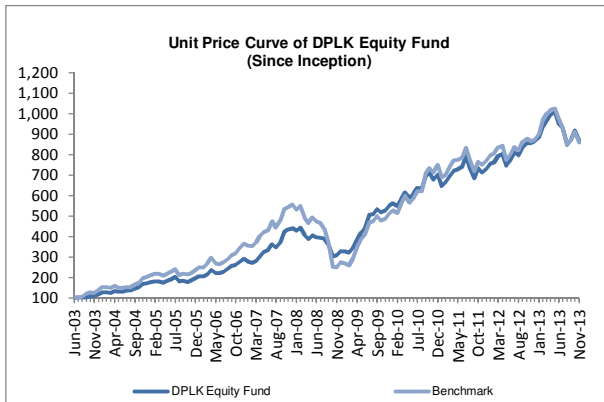
Equity	86.00%
Cash/Deposit	14.00%

#### Top Five Stocks Holding

TELEKOMUNIKASI	7.23%
BANK CENTRAL ASIA	7.06%
BANK MANDIRI	6.26%
ASTRA INTERNATIONAL	5.56%
BANK RAKYAT INDONESIA	5.32%

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
DPLK Equity Fund	-5.27%	2.11%	-13.97%	1.65%	28.40%	0.50%	769.56%
Benchmark*	-5.64%	1.46%	-16.02%	-0.46%	20.54%	-1.40%	760.28%

\*Jakarta Composite Index (JCI)



### KEY FUND FACTS

Fund Size (in bn IDR)	: IDR 62.37
Risk Profile	: Aggressive Investor
Launch Date	: 31 May 2003
Fund Currency	: Indonesian IDR
Managed by	: PT. Asuransi Allianz Life Indonesia

Pricing Frequency	: Daily
Price per Unit	: IDR 869.56
(As of Nov 29, 2013)	

### 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.

The JCI (Jakarta Composite Index) closed lower in November, falling lower by -5.64% MoM. Broad market sold off seeing UNVR, BMRI, BBCA, TLKM, and ASII falling by -11.33%, -11.05%, -7.66%, -7.45%, and -6.02% MoM respectively. On the contrary, there were several stocks that supported the index such as SCMA, AALI, EXCL, ADRO, and UNTR which posted +21.28%, +19.62%, +11.73%, +10.78%, and +4.29% MoM gains respectively. The adjustment for moderating economic growth for Indonesia along with policy uncertainty in the lead up for elections and recovering developed western nation made offshore investors shift investments away from Indonesia. Foreign flows booked a net sell amounting US\$336.5mn in Nov-13 despite on the back of the expectation that the CAD (Current Account Deficit) is expected to be lower in 4Q13. Investors are more concerned on the higher interest rate environment and depreciating Rupiah in the near-medium term. The government seems deliberate in slowing the pace of economic growth and letting the IDR depreciate as an effort to reduce purchasing power and consequently reduce import which in turn improve balance of payments. In light of all the above, money had flowed towards export oriented economies such as North Asia to ride on the U.S economic recovery. Sector wise, the Property Sector was the worst performing sector this month where it fell by -14.38% MoM. LPCK (Lippo Cikarang) and CTRA (Cipta Development) dropped by -30.74% and -29.13% MoM respectively. This is in reflection of higher interest rate environment and weakening IDR that would lead up to a reduction in buyers' affordability and higher material cost in light of the falling broad market. The Agriculture Sector outperformed this month which appreciated by +10.28% MoM driven by BWPT (BW Plantation) and AALI (Astra Agro Lestari) appreciating by +37.63% and +19.62% MoM respectively. This is in reflection of lower CPO replanting in Indonesia, declining CPO inventory in Malaysia as well as potential increase in CPO consumption from the B10 (Biodiesel 10%) program. CPO prices have risen to MYR2,600 level from the MYR2,300 level in September 2013.

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