

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	7.89%
Best Month	15.22% Jul-09
Worst Month	-16.21% Oct-08

Portfolio Breakdown

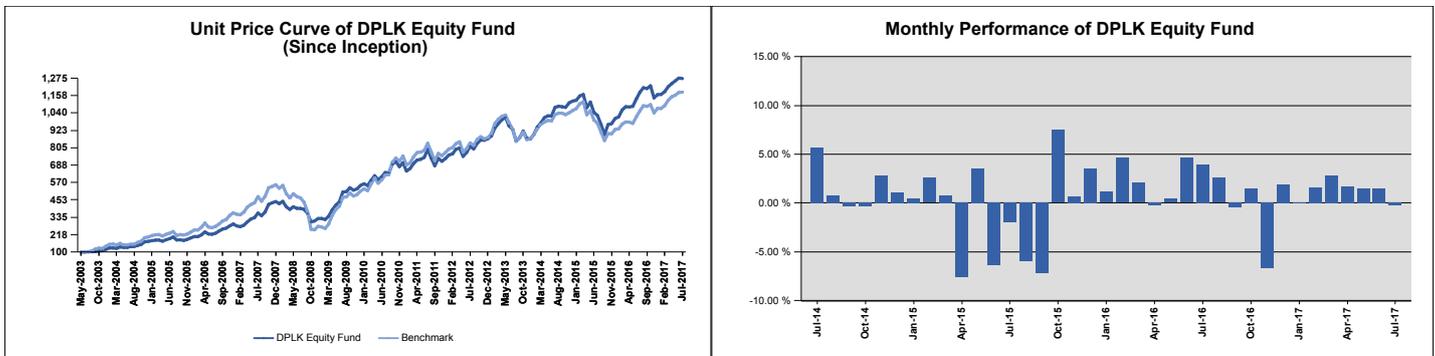
Equity	86.62%
Cash/Deposit	13.38%

Top Five Stocks Holding

Telekomunikasi Indonesia	8.49%
Bank Central Asia	7.23%
Unilever Indonesia	5.94%
Hanjaya Mandala Sampoerna	5.68%
Bank Rakyat Indonesia	5.67%

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
DPLK Equity Fund	-0.22%	2.79%	9.24%	7.89%	18.15%	9.35%	1172.56%
Benchmark*	0.19%	2.74%	10.33%	11.98%	14.78%	10.27%	1080.52%

*Jakarta Composite Index (JCI)



KEY FUND FACTS

Fund Size (in bn IDR)	: IDR 114.70
Risk Profile	: Aggressive
Launch Date	: 31 May 2003
Fund Currency	: Indonesian Rupiah
Managed by	: DPLK Allianz Indonesia

Pricing Frequency	: Daily
Price per Unit	
(As of Jul 31, 2017)	: IDR 1,272.5562

MANAGER COMMENTARY

Central Bureau Statistics of Indonesia (BPS) announced Jul 2017 inflation at 0.22% mom (vs consensus 0.19%, 0.69% in Jun 2017). On yearly basis, inflation was higher to +3.88%yoy (vs consensus 3.92%, 4.37% in Jun 2017). Core inflation was printed at +3.05% yoy (vs 3.13% in Jun 2017). Higher inflation was due to seasonally higher food, beverages, cigarettes and tobacco. In the Board of Governors' Meeting on 20 Jul 2017, Bank Indonesia maintained the BI 7-day (Reverse) Repo Rate (BI-7 day RR Rate) at 4.75%, while maintaining the Deposit Facility (DF) and Lending Facility (LF) rates at 4.00% and 5.50% respectively. Rupiah appreciated by +0.03% to 13,323/USD at end of Jul 2017 from 13,319/USD in previous month. Trade balance booked a surplus of USD 1.63bn (non-oil and gas surplus USD 1.96bn, oil and gas deficit USD 0.33bn) in Jun 2017. Export down by -11.82% YoY mostly driven by animal fats and vegetable oil, while imports down by -17.21% YoY. Indonesia's foreign reserves increased USD 4.67bn to USD 127.76bn in Jul 2017 from USD 123.09bn in Jun 2017. The increase was primarily attributable to foreign exchange receipts, among other from global bond issuance, tax revenues, government oil and gas export proceeds, as well as auction of Bank Indonesia foreign exchange bills. Indonesia 2Q 2017 GDP unchanged 5.01% yoy, vs consensus 5.08% yoy, and from 5.01% yoy in Q1 2017. From production segment, higher growth reached by information and communication sector at 10.88%. From expense segment, higher growth reached by Consumption Expenditure of Non-Profit Institutions that Serving the Household that grew 8.49%.

Jakarta Composite Index (JCI) ended the month higher at 5,840.94 (+0.19% MoM). Market movers were BMRI, PADI, TLKM, BNNI, and BBCA as they rose 7.06%, 148.74%, 3.76%, 12.88% and 3.03% MoM respectively. Market continued to appreciate further during the month of July. Locals' investors were defending large cap names while foreign investors took profit booking net outflow of approximately US\$797mn. On the macro side, BI indicates that 1H17 GDP will be at 5%, slightly below their previous guidance at 5.1% as they see weaknesses in manufacturing and retail sectors which is driven by 1) Late disbursement on civil servants 13th month salary and delay in spending power from commodity recovery outside Java, 2) higher electricity tariff which affects the mid-to-low class and 3) middle-upper-class income earners cut their consumption as savings rate evidently was on the uptrend recently. According to Nielsen data, retail sales growth was only at 3.7% YoY during 1H17 and 2Q17 performance was lower with 3.5% YoY vs. 3.9% YoY during 1Q17. Sales in Jun (during Ramadhan) only grew by 5%, much lower than multiple previous year growth of 10% average. Given weaker consumption growth along with current valuation of 16.5x FY17 P/E, a premium compared to 15.6x and 14.8x on 5 and 10 years P/E avg respectively, risk/reward is less compelling at this stage. Sector wise, the Mining Sector was the best performing sector during the week, gaining 5.56% MoM. Ticker wise, CKRA (Cakra Mineral) and BIPI (Benakat Integra) were the movers, appreciating 37.25% and 32.1% MoM respectively. This was followed by the Finance Sector which rallied 3.39% WoW. Ticker wise, PADI (Minna Padi Investama) and TRIM (Trimegah Securities) posted 148.74% and 56.19% MoM gains respectively. On the other hand, the worst sector during the week was the Miscellaneous Industries Sector, which recorded a decline of 8.72% MoM. Ticker wise, NIPS (Nipress) and GJTL (Gajah Tunggal) were the laggards which fell 16.67% and 15.04% MoM respectively.