

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	20.35%
Best Month	15.22% Jul-09
Worst Month	-16.21% Oct-08

Portfolio Breakdown

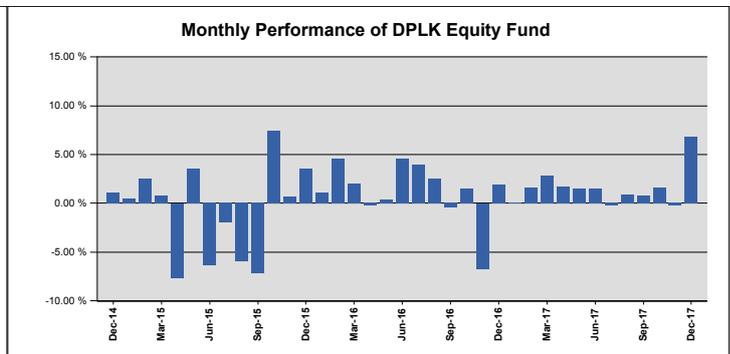
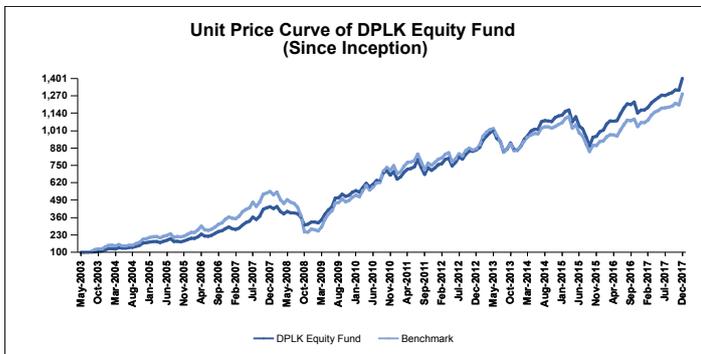
Equity	92.75%
Cash/Deposit	7.25%

Top Five Stocks Holding

Bank Central Asia	7.74%
Telekomunikasi Indonesia	6.63%
Bank Rakyat Indonesia	6.39%
Hanjaya Mandala Sampoerna	6.24%
Unilever Indonesia	6.20%

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
DPLK Equity Fund	6.81%	8.22%	9.82%	20.35%	25.03%	20.35%	1300.54%
Benchmark*	6.78%	7.71%	9.02%	19.99%	21.59%	19.99%	1184.55%

*Jakarta Composite Index (JCI)



KEY FUND FACTS

Fund Size (in bn IDR)	: IDR 125.46
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 Dec 29, 2017)	: IDR 1,400.5353

MANAGER COMMENTARY

Central Bureau Statistics of Indonesia (BPS) announced Dec 2017 inflation at +0.71% mom (vs consensus inflation +0.45%, +0.20% in Nov 2017). On yearly basis, inflation was higher to +3.61%yoy (vs consensus inflation +3.35%, +3.30% in Nov 2017). Core inflation was printed at +2.95%yoy (vs consensus inflation +3.07%, +3.05% in Nov 2017). The increasing inflation is primarily attributable to inflation of volatile food group and administered prices group amidst the low core inflation. In the Board of Governors' Meeting on 14 Dec 2017, Bank Indonesia maintained the BI 7-day Reverse Repo Rate at 4.25%, while maintaining the Deposit Facility (DF) and Lending Facility (LF) rates at 3.50% and 5.00% respectively. Rupiah depreciated by -0.25% to 13,548/USD at end of Dec 2017 from 13,514/USD in previous month. Trade balance booked surplus of USD 0.13bn (non-oil and gas surplus USD 1.27bn, oil and gas deficit USD 0.96bn) in Nov 2017. Export rose by +13.18% YoY mostly driven by animal fats and vegetable oil, while imports rose by +19.62% YoY. Indonesia's foreign exchange reserve in Dec 2017 reached the highest recorded in 2017 at USD130bn. This significant increase in foreign exchange reserves from Nov 2017 (USD125.97bn) and Dec 2016 (USD116.4bn) is attributed to the issuance of Global Bonds, which was used for 2018 pre-funding that reached USD4bn.

The JCI ended the month higher at 6,355.65 (+6.78% MoM). Market movers were HMSP, BBRI, UNVR, BBKA, and BBNB as they rose 15.37%, 13.4%, 13.39%, 7.62% and 22.22% MoM respectively. The index closed the year end with the new record high, which supported by some degree of window dressing as well as positive sentiment as Fitch upgrade Indonesia's credit rating to BBB/Stable Outlook, which was the highest rating Indonesia has gotten since 1995. On the macro side, there was a positive trend from Indonesia's trade balance as well as the government making a bold statement to manage its 2017 fiscal budget deficit at 2.6%. These have resulted in a positive sentiment towards investors in general and contributed positively in regards to foreign money inflow. Looking ahead into 2018, household consumption is expected to improve going forward as regional election spending will increase Indonesia's money supply in 2018. Particularly within the grassroots level. Despite topish valuation for Indonesia, so is most parts of the world generally speaking. That being said Indonesia's broad market EPS growth still offers a relatively better buffer relative to its regional peers. Sector wise, the Consumer Sector was the best performing sector during the week, gaining 11.76% MoM. Ticker wise, INAF (Indofarma Persero) and SKBM (Sekar Bumi) were the movers, appreciating 133.2% and 45.33% MoM respectively. This was followed by the Basic Industry Sector which rallied 9.38% WoW. Ticker wise, NIKL (Pelat Timah Nusantara) and SMBR (Semen Baturaja Persero) posted 83.33% and 59.66% MoM gains respectively. On the other hand, the worst sector during the week was the Agriculture Sector, which recorded a decline of 4.54% MoM. Ticker wise, BWPT (Eagle High Plantations) and UNSP (Bakrie Sumatera Plantations) were the laggards which fell 17.57% and 12.83% MoM respectively.