

Smartlink Dollar Managed Fund

March 2013



BLOOMBERG: AZUSMGD:IJ (USD)

INVESTMENT OBJECTIVE

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

INVESTMENT STRATEGY

To achieve the investment objective, this fund shall be invested 0-20% in short-term instruments (such as deposits), and 80-100% in the medium-or long-term instruments (such as government bonds, corporate bonds, and / or fixed-income funds), in U.S. Dollars.

PERFORMANCE INDICATOR

Return Performance

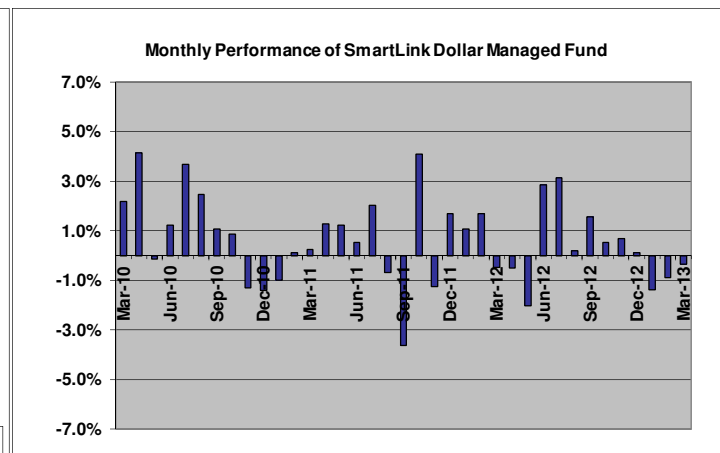
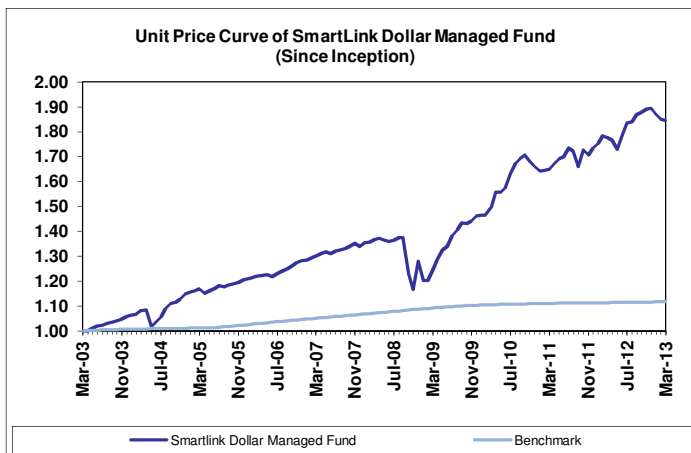
(Last 1-year period) **3.96%**
 Best Month **9.61% Dec-08**
 Worst Month **-10.66% Oct-08**

Portfolio Breakdown

Corporate Bonds **31.29%** Pertamina USD **9.64%**
 Government Bonds **63.28%** Indon 2019 **8.62%**
 Cash/Deposit **5.43%** Indon 2017 **6.88%**
 Indon 2016 **6.83%**
 Indon 2015 **6.70%**

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception	Compound Annual Growth Rate
Smartlink Dollar Managed Fund	-0.33%	-2.57%	-1.24%	3.96%	23.30%	-2.57%	84.50%	8.46%
Benchmark*	0.02%	0.07%	0.15%	0.28%	1.07%	0.07%	11.69%	1.17%

*Average 1 Month USD Deposit of Bank BNI, BCA and Citibank



KEY FUND FACTS

Fund Size (in mn USD) : USD 33.986
Risk Profile : Moderate Investor
Launch Date : 07 Apr 2003
Fund Currency : US Dollar
Managed by : PT. Asuransi Allianz Life Indonesia

Pricing Frequency : Daily
Price per Unit : **Bid** 1.7529 **Offer** 1.8450
 (As of Mar 28, 2013)
Bid-Offer Spread : 5.00%
Management Fee : 1.00% p.a.

MANAGER COMMENTARY

Indonesia March's Inflation was higher compared to market consensus i.e. Mar CPI YoY 5.9% (consensus 5.56%) vs Feb 5.31%, Mar MoM 0.63% (consensus 0.36%) vs Feb 0.75%; mainly due to food prices where the biggest contributors were onion, garlic and chilies. March's Core inflation was slightly lower compared to previous month figure which mostly due to the decline in jewelry prices, YoY 4.21% (consensus 4.3%) vs Feb 4.29%. BI maintained its reference rate unchanged at 5.75% and FASBI rate at 4% on 7 March 2013's meeting. Rupiah depreciated against USD by -0.68% to 9735 at end of March from 9669 compared to previous month. Indonesia February' trade balance deficit was wider, of -US\$0.3bn compared to the revised figure of -US\$0.1bn in Jan13. Export decreased by -2.5% MoM while imports decreased by -0.86% MoM. February's foreign reserves decreased -USD3.6bn from USD108.78bn in January due to Bank Indonesia's intervention.

USD govt bond yields closed higher all across the curve due to concern over Cyprus. Eurozone finance ministers and the IMF agreed on a bailout of Cyprus up to EUR10bn. The bailout mechanism is that bank deposits in Cypriot banks will be subjected to a levy of 6.75% for funds less than EUR100K and 9% for funds more than EUR100K. Fitch upgraded Thailand sovereign credit rating by one notch to BBB+ with stable outlook. BRI successfully issued USD500mn senior bond with 5yr tenor at yield 3.125% , coupon set at 2.95%. Indonesia's CDS 5yr level was higher from 135/140 to 157/163. The 5Yr tenor yield increased by 12.1bps to 2.745% (2.624% in Feb 2013), 9yr tenor yield increased by 25.6bps to 3.534% (3.278% in Feb 2013), and the longest 29Yr tenor yield increased by 9bps to 4.798% (4.708% in Feb 2013).

For the portfolio strategy: we maintain to have a medium duration.

Disclaimer:

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