

Smartlink US Dollar Managed Fund

November 2015


BLOOMBERG: AZUSMGD:IJ
INVESTMENT OBJECTIVE

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

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) **-0.52%**
 Best Month **9.61% Dec-08**
 Worst Month **-10.66% Oct-08**

Portfolio Breakdown

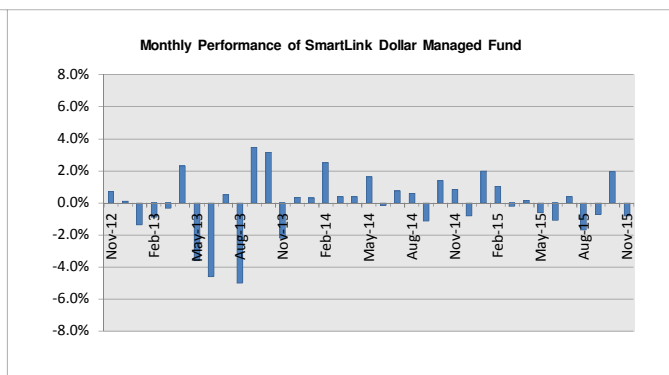
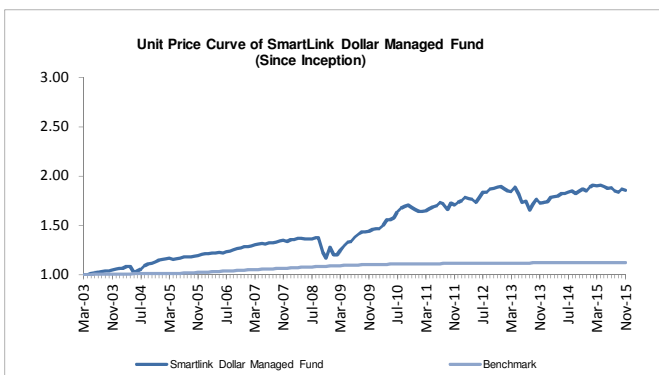
Treasury Bonds **64.42%**
 Govt. Related Bonds **30.97%**
 Cash/Deposit **4.61%**

Top Five Bonds Holding

Pertamina USD 2021 **10.20%**
 Indon 2019 **9.32%**
 Indon 2014 **7.95%**
 Indon 2017 **7.78%**
 Indon 2022 **6.98%**

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
Smartlink Dollar Managed Fund	-0.80%	0.42%	-1.97%	-0.52%	-1.79%	0.29%	85.75%
Benchmark*	0.02%	0.07%	0.15%	0.28%	0.82%	0.26%	12.50%

*Average Time Deposit (1 Month) of Bank BNI, BCA and Citibank


KEY FUND FACTS

Fund Size (in mn USD) : USD 27.75
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 (As of Nov 30, 2015) : **Bid** USD 1.7647 **Offer** USD 1.8575
Bid-Offer Spread : 5.00%
Management Fee : 1.00% p.a

MANAGER COMMENTARY

Central Bureau Statistics of Indonesia (BPS) announced November's inflation at 0.21% mom (vs consensus +0.17%, deflation -0.08% in Oct 2015) mostly were caused by higher food ingredients. On yearly basis, inflation printed at 4.89% YoY (vs consensus 4.85%, 6.25% in Oct 2015). Core inflation printed at +4.77% YoY, lower compared to previous month (vs consensus +4.91%, +5.02% in Oct 2015). In the Board of Governors' Meeting on Nov 17th, 2015, Bank Indonesia maintained its reference rate at 7.50%, Lending Facility at 8.0%, and also facility rate (FASBI) to 5.50%, however cut reserve requirement by 50bps effective per December 2015. Rupiah depreciated against USD by -1.47% to 13,840 at end of November compared to previous month 13,639. Trade balance was surplus +1.01bn USD (non-oil and gas surplus 1.39bn, oil and gas deficit 0.38bn USD) in Oct 2015. Export decreased by -20.98% YoY mostly driven from export in natural oil, while imports decreased by -27.81% YoY. FX Reserves decreased -0.47bn USD from 100.71bn USD in Oct 2015 to 100.24bn USD in Nov 2015.

USD government bond yields closed higher across all tenor in Nov 2015. Negative sentiment came from strong US NFP result which brings the possibility of fed rate hike becomes higher and Paris attack. U.S. job growth increased at it strongest pace of 2015 during October. Non-farm payrolls rose a seasonally adjusted 271,000 (Mkt est: 185k). Revisions added a combined 12,000 jobs over the prior two months bringing the three-month average through October to a solid 187k. The 6th stimulus package includes fiscal incentives for special economic zones and allows existing packaged drinking water companies to continue business activities despite a Constitutional Court ruling early this year that banned a private monopoly on the nation's water resources. Indonesia's CDS 5yr level improved significantly from 221/227 to 218/224. The 5Y yield Nov was high by +35bps to 3.47% (3.12% in Oct 2015), 10yr tenor was high by +15bps to 4.56% (4.41% in Oct 2015), and 30yr was high by +15bps to 5.72% (5.57% in Oct 2015).

For the portfolio strategy: we maintain fixed income weighting and duration.

Disclaimer:

Smartlink Dollar Managed Fund is a unit-linked fund offered by PT Asuransi Allianz Life Indonesia (Allianz). This fact sheet is prepared by Allianz. The information presented is for informational use only. The performance of the Fund is not guaranteed and the value of the units and the income from them may increase or decrease. Past returns and any forecast are not necessarily a guide to future performance. Allianz does not warrant or make any representations regarding the use or the results of the use of the figures generated in terms of their correctness, accuracy, reliability, or otherwise. You are advised to seek your financial consultant before making any investment.