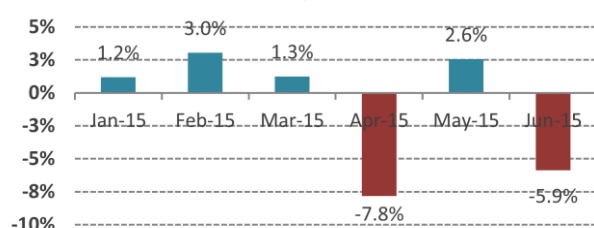


Equity Fund Commentary

Market Environment

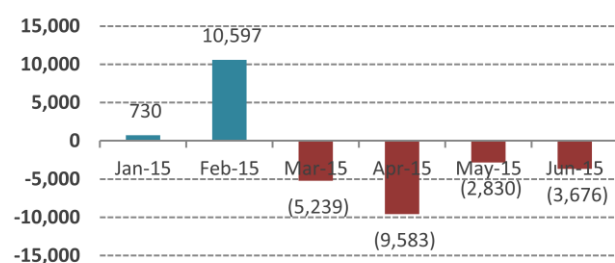
Another extraordinary month for Indonesian stock market as the JCI plunged 5.9% in June, bringing YTD return to -6.1%. This was second time the index declined by more than 5.0% in a single month in 2015, after a sharp drop of -7.8% in April.

JCI Montly Returns



There is clearly lack of enthusiasm in the market as uninspiring economic data and uncertainty on the ability of the new government to turnaround the economy in a short period of time created limited catalysts in the market. The latest figures show that foreign confidence is at this year's low as evident from the continued outflows in the past four months.

Foreign Equity Flows



Fund Performance

The table at the bottom of this page shows that Panin equity funds took a hit in June as negative sentiments on banking stocks in particular hurt the funds' performance. Interestingly, all four equity funds, Panin Dana Maksima, Panin Dana Prima, Panin Dana Ultima, and Panin Dana Syariah Saham booked identical monthly return of -8.4%.

Outlook

As we have passed the midpoint of the year, it has been a disappointment for most, if not all equity investors in Indonesia. Emerging Markets as a whole have not performed as strongly – with some argued that developing economies are now facing structural as opposed to cyclical slowdown. In the case of Indonesia, we attributed the negative performance mostly due to domestic issues. Business and consumer confidence are at all-time low, with companies holding back expansion and workers fear losing their jobs – particularly non-contracted employees.

With companies preparing to report Q2 results, we are quite certain that earnings will stay lackluster. That said, we have incorporated this into our projections and feel that earnings' downside risks are mostly priced in. For those chasing for upsides, it is unfortunate that we have to say that the single most important catalyst i.e. investors' confidence - is currently at the hand of the government. Keeping your fingers crossed is one thing, but it is our job to protect clients' wealth. In current environment, we believe it is prudent to position our funds more defensively, thus, protecting from further downside risks.

EQUITY FUNDS	MORNINGSTAR	INCEPTION	AuM (IDR bn)	1 month	YTD	1 Year	3 Years
Panin Dana Maksima	★★★★★	Apr-97	5.707	-8.4%	-9.6%	0.5%	22.3%
Panin Dana Prima	★★★	Dec-07	1.389	-8.4%	-12.9%	-5.1%	16.8%
Panin Dana Ultima	NA	Jun-13	1.450	-8.4%	-9.3%	1.4%	-
Panin Dana Syariah Saham	NA	Jul-12	341	-8.4%	-10.7%	-1.1%	8.9%
BALANCED FUNDS							
Panin Dana Bersama	★★★★★	Feb-09	359	-7.8%	-8.2%	3.7%	11.8%
Panin Dana Bersama Plus	★★★★★	Dec-11	908	-6.7%	-8.6%	-0.4%	23.9%
Panin Dana Unggulan	★★★★★	Jun-05	345	-4.7%	-6.8%	0.9%	19.0%
Panin Dana US Dollar	★	Dec-07	56	-3.4%	-6.1%	0.0%	-0.7%
Panin Dana Syariah Berimbang	NA	Sep-12	58	-6.6%	-7.9%	1.3%	-
Jakarta Composite Index (IHSG)				-5.9%	-6.1%	0.7%	24.1%
LQ45				-7.2%	-6.6%	2.0%	24.4%
Indonesia Syariah Equity Index (ISSI)				-5.5%	-6.4%	-1.1%	20.0%

As of May 31st, 2015

This commentary reflects the view of the investment team of Panin Asset Management. The view and opinion in this report reflect the author's judgment on the date of this report and are subject to change without notice. This commentary is for information purpose only and not an endorsement of any security, mutual fund, or sector.

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