

# Pi 7 Global Portfolio

JULY 2018

## INVESTMENT OBJECTIVE & FOCUS

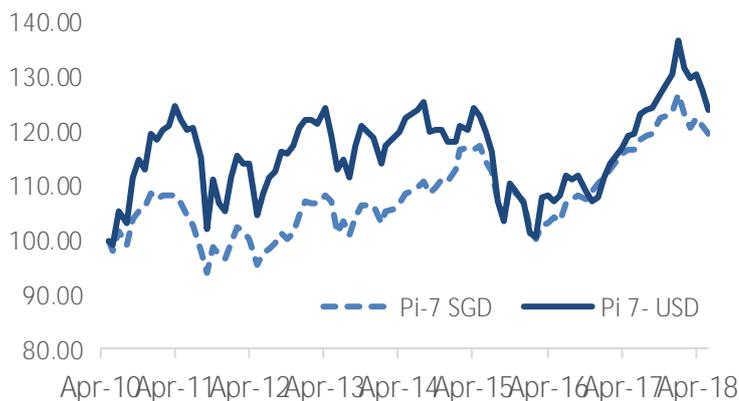
The investment objective of the Pi-7 Global Portfolio is to aim to achieve medium to long term capital appreciation, in line with the respective asset class/market performance. The strategic allocation of this fund is 80% equities, 15% bonds and 5% commodities (excluding cash). For all the three asset classes, we buy into relevant Exchange Traded Funds ("ETFs") to replicate the targeted exposure. For the bonds asset class, we also buy into mutual funds. We impose a 5% deviation limit to the asset class allocation, which are intended to be rebalanced on a quarterly basis. We also reserve the full and absolute discretion to vary the above percentages.

The fund primarily buys into ETFs and underlying funds and collective investment schemes from all asset classes, subject to the code on collective investment schemes. We may also invest into equity funds, balanced funds, fixed income funds and/or money market funds, including equity, balanced, fixed income and/or money market funds managed by Phillip Capital Management. We may use derivatives for hedging and efficient portfolio management purposes in the portfolio and such derivatives are not used to gear

## FUND INFORMATION

Current Fund Size	SGD 22.99 million
NAV Price	SGD 1.084 USD 0.795
Inception Date	4th June 2010
Inception Price:	SGD 1.0000/ USD 0.7087
Investment Manager:	Phillip Capital Management (S) Ltd
Currencies Available:	USD and SGD
Bloomberg Ticker (US\$):	PPI7GLU SP
Bloomberg (SG\$):	PPI7GLS SP
ISIN Code (US\$):	SG9999006696
ISIN (SG\$):	SG9999006654
SRS Code:	UR0507
Min. Initial Investment	USD/SGD 5000.00
Min. Sub. Investment:	USD/SGD 1000.00
Min. Holdings:	1000 units
Min. Partial Realisation:	500 units
Dealing Frequency:	Daily
Initial Sales Charge:	Currently NIL, max 5%
Redemption Charge	Currently NIL, max 5%
Switching Fee:	Currently NIL, max 1% Subject to a min. of S\$25
Ann. Management Fee:	1.5% p.a., max 1.5%
Ann. Trustee Fee:	Currently 0.09%, max 0.1%

## FUND PERFORMANCE (AS AT 31 JULY 2018)



TOTAL RETURNS	SGD	USD
Since Inception	22.06%	26.51%
1 month	1.98%	2.14%
Year To Date	-1.37%	-3.17%
1 year	2.88%	2.57%

ANNUALISED RETURNS	SGD	USD
Since Inception	2.47%	2.92%
3 years	2.69%	2.86%
5 years	3.33%	1.97%

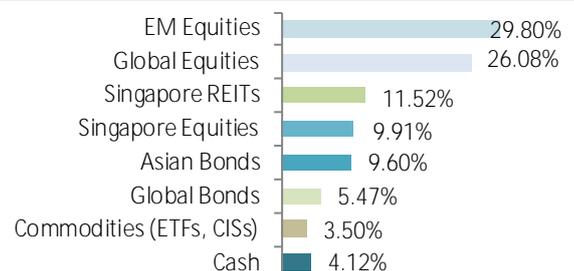
**ANNUALISED VOLATILITY (SINCE INCEPTION, SGD)** 7.46%

*Fund Performance are cumulative returns and calculated on a Single pricing basis, with any income or dividends reinvested as of 31 July 2018. Source: Bloomberg & Phillip Capital Management (S) Ltd.*

## TOP 10 HOLDINGS

X MSCI Emerging Markets ETF	12.11%
iShares MSCI EM ACC ETF	10.17%
SPDR S&P 500 ETF Trust	9.20%
Lion-Phillip S-REIT ETF	7.41%
Nikko AM Singapore STI ETF	6.20%
SPDR DJIA Trust	4.77%
Phillip SGX APAC Divd Ldrs REIT ETF	4.11%
SPDR Straits Times Index ETF	3.72%
Fullerton Asian Bond Fund	3.45%
iShares 1-3 Years Treasury Bond	3.28%

## ASSET ALLOCATION



**MANAGER'S COMMENTARY**

July was a month of partial recovery for global equity markets, which rallied after a series of concerns ranging from rate hikes to looming trade wars.

For the month, the MSCI World Total Return Index rose 3.0%, while the MSCI Emerging Market Total Return Index rallied 2.0%. The domestic FSSTI Total Return Index rose 2.0% while the FTSE REIT Index total return rose 4.0%. For bonds, the JP Morgan Global Bond Index weakened 0.4%, while the iBoxx Asian Local Bond Index was down 0.1%. The Jeffries CRB Index dropped 3.1%. All above returns are in SGD terms.

As a more aggressive portfolio of bonds, commodities and equities, the Pi-7 Global Portfolio was up 2.0% for the month of July.

We maintain that current market valuations are fairly attractive, but we are increasingly concerned that a trade war could do considerable damage to global economic confidence and derail the cyclical recovery. The current US Federal Reserve under new head Jerome Powell also seems more hawkish than predecessor Janet Yellen. Nonetheless, the current sombre market mood has thrown out opportunities for buying at better valuations than earlier in the year.

For equities, we have a balanced allocation to developed market equities and emerging market equities for the Fund. Our belief is that this allocation lends stability to the portfolio. Emerging market equities are expected to have higher long-term potential growth but are susceptible to foreign fund flows which can be volatile. For bonds, we continue to like high-quality bond exposures as a cushion for the overall portfolio.

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