

# Pi 5 Global Portfolio

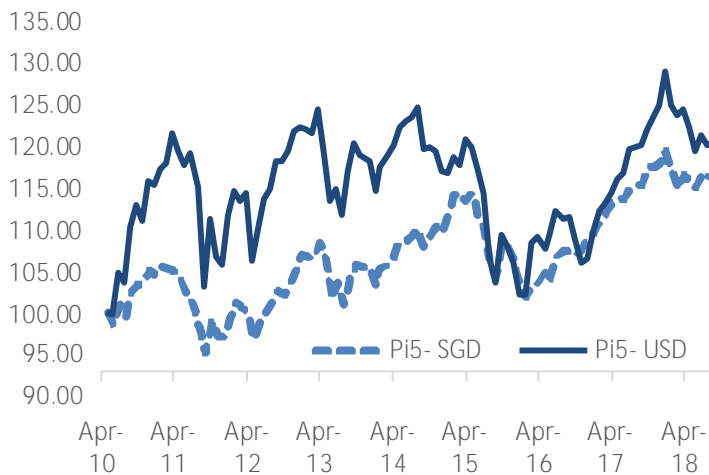
SEPTEMBER 2018

## INVESTMENT OBJECTIVE & FOCUS

The investment objective of the Pi-5 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 60% equities, 35% 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 the overall portfolio.

## FUND PERFORMANCE (AS AT 28 SEP 2018)



TOTAL RETURNS	SGD	USD
Since Inception	16.44%	20.25%
1 month	-0.07%	0.20%
Year To Date	-1.49%	-3.65%
1 year	0.80%	0.18%
<b>ANNUALISED RETURNS</b>		
Since Inception	1.85%	2.22%
3 years	3.71%	5.10%
5 years	2.29%	0.56%
<b>ANNUALISED VOLATILITY (SINCE INCEPTION, SGD)</b>		
	5.71%	

Fund Performance are cumulative returns and calculated on a Single pricing basis, with any income or dividends reinvested as of 28 Sep 2018. Source: Bloomberg & Phillip Capital Management (S) Ltd.

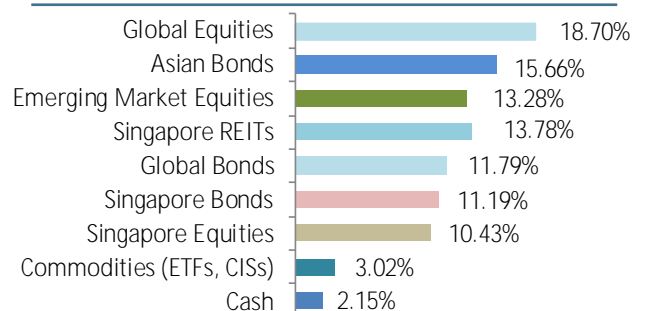
## FUND INFORMATION

Current Fund Size	SGD 20.24 million
NAV Price	SGD 1.095 USD 0.801
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 (USD):	PPI5GLU SP
Bloomberg (SGD):	PPI5GLS SP
ISIN Code (USD):	SG9999006704
ISIN (SGD):	SG9999006647
SRS Code:	UR0506
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%

## TOP 10 HOLDINGS

Lion-Phillip S-REIT ETF	9.81%
Nikko Am Singapore STI ETF	9.19%
United Asian Bond Fund	7.88%
Nikko Am Short Term Bond	7.37%
X Msci Emerging Markets	7.07%
Phillip S-Apac Divd Ldr REIT ETF	6.14%
Fullerton Asian Bond Fund	5.79%
iShares 1-3 Year Treasury Bond	5.61%
Spdr S&P 500 ETF Trust	5.50%
Fullerton Sgd Income Fund	4.17%

## ASSET ALLOCATION



**MANAGER'S COMMENTARY**

The market continued to be troubled by concerns surrounding the negative impact of US dollar strengthening and US rate hikes, while trade tension between China and the US continued unabated. In such an environment, US equities has outperformed most other equity markets strongly over the last few months, while selective emerging markets such as Argentina and Turkey (and to a lesser extent South Africa, Indonesia and India) have seen significant weakening of their currencies as they are seen to be more susceptible to negative impact of fund outflows, generally because of current account deficits, high external debt and less proactive monetary policies. Meanwhile, the continued rate hike cycle has had a negative impact on bonds, especially those of a higher maturity.

For the month, the MSCI World Total Return Index rose 0.1%, while the MSCI Emerging Market Total Return Index was down 0.9%. The domestic FSSTI Total Return Index rebounded 1.5% while the FTSE REIT Index total return dropped 0.2%. For bonds, the JP Morgan Global Bond Index dropped 1.0%, the Singapore Government Bond Index dropped 0.6%, while the iBoxx Asian Local Bond Index was down 1.0%. The Jeffries CRB Index rose 0.7%. All above returns are in SGD terms.

As a balanced portfolio of bonds, commodities and equities, the Pi-5 Global Portfolio was down 0.1% for the month of September.

Recent trade war worries may be starting to affect general economic confidence for Asia-Pacific markets, with reports of consumer and business confidence weakening; we expect these in turn would have knock-on effects on consumption and business spending respectively.

For equities, we are focused on having a bigger allocation to developed market equities for the Fund, with a big majority in US equities and a minority in Europe and Japan. Our belief is that this allocation lends stability to the portfolio, given that emerging market equities 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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