

Fund Information

Fund Name

Public Aggressive Growth Fund (PAGF)

Fund Category

Equity

Fund Investment Objective

To seek high capital growth over the medium to long term period through investments in situational and high growth stocks.

Fund Performance Benchmark

The benchmark of the Fund is the FTSE Bursa Malaysia KLCI (FBM KLCI).

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Fund Distribution Policy

Incidental

Breakdown of Unitholdings of PAGF as at 31 March 2018

Size of holdings	No. of unitholders	% of unitholders	No. of units held (million)
5,000 and below	4,232	18.71	13
5,001 to 10,000	4,472	19.77	34
10,001 to 50,000	11,284	49.87	239
50,001 to 500,000	2,614	11.55	264
500,001 and above	23	0.10	18
Total	22,625	100.00	568

Note: Excluding Manager's Stock.

Fund Performance

Average Total Return for the Following Years Ended 31 March 2018

	Average Total Return of PAGF (%)
1 Year	7.44
3 Years	2.88
5 Years	5.26

Fund Performance

For the Financial Year Ended 31 March 2018

Annual Total Return for the Financial Years Ended 31 March

Year	2018	2017	2016	2015	2014
PAGF (%)	7.44	6.25	-4.82	2.61	13.32

The calculation of the above returns is based on computation methods of Lipper.

Notes:

1. **Total return** of the Fund is derived by this formulae:

$$\left(\frac{\text{End of Period FY}_{\text{Current Year}} \text{ NAV per unit}}{\text{End of Period FY}_{\text{Previous Year}} \text{ NAV per unit}} \right) - 1$$

(Adjusted for unit split and distribution paid out for the period)

The above total return of the Fund was sourced from Lipper.

2. **Average total return** is derived by this formulae:

$$\frac{\text{Total Return}}{\text{Number of Years Under Review}}$$

Other Performance Data for the Past Three Financial Years Ended 31 March

	2018	2017	2016
Unit Prices (MYR)*			
Highest NAV per unit for the year	0.6859	0.6468	0.6669
Lowest NAV per unit for the year	0.6218	0.5848	0.5619
Net Asset Value (NAV) and Units in Circulation (UIC) as at the End of the Year			
Total NAV (MYR'000)	370,672	392,040	401,798
UIC (in '000)	567,800	627,977	664,442
NAV per unit (MYR)	0.6528	0.6243	0.6047
Total Return for the Year (%)	7.44	6.25	-4.82
Capital growth (%)	5.73	4.89	-6.70
Income (%)	1.62	1.30	2.01
Management Expense Ratio (%)	1.52	1.54	1.54
Portfolio Turnover Ratio (time)	0.27	0.25	0.33

* All prices quoted are ex-distribution.

Notes: Management Expense Ratio is calculated by taking the total management expenses expressed as an annual percentage of the Fund's average net asset value.

Portfolio Turnover Ratio is calculated by taking the average of the total acquisitions and disposals of the investments in the Fund for the year over the average net asset value of the Fund calculated on a daily basis.

Fund Performance

For the Financial Year Ended 31 March 2018

Distribution and Unit Split

Financial year	2018	2017	2016
Date of distribution	30.3.18	31.3.17	31.3.16
Distribution per unit			
Gross (sen)	1.80	1.75	2.00
Net (sen)	1.80	1.75	1.94
Unit split	-	-	-

Impact on NAV Arising from Distribution (Final) for the Financial Years

	2018	2017	2016
	Sen	Sen	Sen
	per unit	per unit	per unit
Net asset value before distribution	67.08	64.18	62.41
Less: Net distribution per unit	(1.80)	(1.75)	(1.94)
Net asset value after distribution	65.28	62.43	60.47

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

Asset Allocation for the Past Three Financial Years

	As at 31 March (Percent of NAV)		
	2018	2017	2016
	%	%	%
EQUITY SECURITIES			
Quoted			
Malaysia			
Basic Materials	1.0	1.7	1.0
Communications	6.4	11.1	10.5
Consumer, Cyclical	8.4	9.4	8.4
Consumer, Non-cyclical	9.9	6.6	7.4
Diversified	1.6	7.8	4.0
Energy	0.7	3.5	5.3
Financial	41.1	34.5	30.2
Industrial	2.4	4.3	2.9
Utilities	10.0	9.5	10.4
	81.5	88.4	80.1
Outside Malaysia			
Great Britain			
Communications	-	0.2	-
Hong Kong			
Communications	1.1	1.9	0.1
Financial	-	-	1.3
	1.1	1.9	1.4
Korea			
Technology	1.1	-	-

Fund Performance

For the Financial Year Ended 31 March 2018

Asset Allocation for the Past Three Financial Years (cont'd)

	As at 31 March (Percent of NAV)		
	2018 %	2017 %	2016 %
Singapore			
Consumer, Non-cyclical	-	-	0.8
Thailand			
Consumer, Cyclical	1.7	-	-
United States			
Communications	-	-	0.9
Financial	0.9	1.1	1.0
	0.9	1.1	1.9
TOTAL QUOTED EQUITY SECURITIES	86.3	91.6	84.2
COLLECTIVE INVESTMENT FUNDS			
Quoted			
Outside Malaysia			
United States			
Funds	0.8	1.4	1.2
TOTAL QUOTED COLLECTIVE INVESTMENT FUNDS	0.8	1.4	1.2
COLLECTIVE INVESTMENT SCHEMES			
Unquoted			
Funds	3.6	2.9	1.5
TOTAL UNQUOTED COLLECTIVE INVESTMENT SCHEMES	3.6	2.9	1.5
DEPOSITS WITH FINANCIAL INSTITUTIONS	9.0	5.0	14.3
OTHER ASSETS & LIABILITIES	0.3	-0.9	-1.2

Statement Of Distribution Of Returns

For the Financial Year Ended 31 March 2018

	Sen Per Unit
Gross Distribution	1.8000
Net Distribution	1.8000
Total Returns	4.6500

Effects of Distribution on NAV per unit before and after Distribution:

	Before Distribution	After Distribution
NAV per unit (MYR)	0.6708	0.6528

Manager's Report

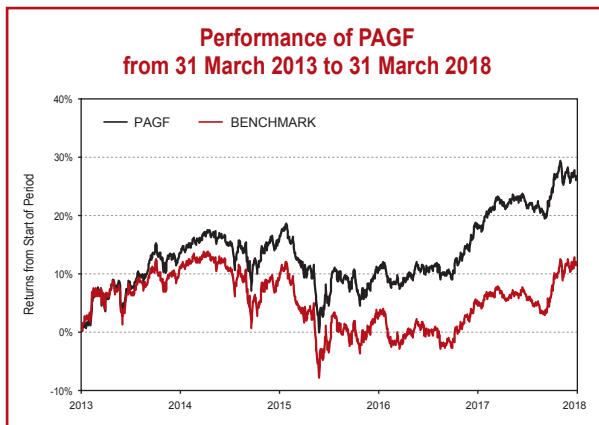
Overview

This Annual Report covers the financial year from 1 April 2017 to 31 March 2018.

Public Aggressive Growth Fund (PAGF or the Fund) aims to seek high capital growth over the medium to long term period through investments in situational and high growth stocks.

For the financial year under review, the Fund registered a return of +7.44% as compared to its Benchmark's return of +7.09%. The Fund's equity portfolio registered a return of +9.74% while its money market portfolio registered a return of +3.10% during the financial year under review. A detailed performance attribution analysis is provided in the sections below.

For the five financial years ended 31 March 2018, the Fund generated a total return of +26.33% and outperformed its Benchmark's return of +11.48% over the same period. Consequently, it is the opinion of the Manager that the Fund has met its objective of achieving high capital growth over the said period.



The Benchmark of the Fund is the FTSE Bursa Malaysia KLCI (FBM KLCI) which comprises the 30 largest companies by full market capitalisation listed on the Bursa Malaysia Main Market.

Income Distribution and Impact on NAV Arising from Distribution

The gross distribution of 1.80 sen per unit (net distribution of 1.80 sen per unit) for the financial year ended 31 March 2018 had the effect of reducing the Net Asset Value (NAV) of the Fund after distribution. As a result, the NAV per unit of the Fund was reduced to RM0.6528 from RM0.6708 after distribution.

Effect of Distribution Reinvestment on Portfolio Exposures

	31-Mar-18	
	Before Distribution Reinvestment*	After Distribution Reinvestment*
Equities & Related Securities	90.7%	88.3%
Money Market	9.3%	11.7%

* Assumes full reinvestment.

Manager's Report

Change in Portfolio Exposures from 31-Mar-17 to 31-Mar-18

	31-Mar-17	31-Mar-18	Change	Average Exposure
Equities & Related Securities	93.3%	88.3%	-5.0%	91.89%
Money Market	6.7%	11.7%	+5.0%	8.11%

Returns Breakdown by Asset Class

	Returns On Investments	Market / Benchmark Returns	Benchmark Index Used	Average Exposure	Attributed Returns
Equities & Related Securities	9.74%	7.09%	FBM KLCI	91.89%	8.95%
Money Market	3.10%	3.00%	Overnight Rate	8.11%	0.25%
less: Expenses					-1.76%
Total Net Return for the Year					7.44%

FBM KLCI = FTSE Bursa Malaysia Kuala Lumpur Composite Index
Overnight Rate = Bank Negara Weighted Average Overnight Interbank Rate

Equity Portfolio Review

For the financial year under review, the Fund's equity portfolio registered a return of +9.74% and outperformed the Benchmark's return of +7.09%. The Fund's equity portfolio outperformed the Benchmark as its investments in selected Financial and Consumer stocks outperformed the broad market during the financial year under review.

The Fund commenced the financial year under review with an equity exposure of 93.3%. The Fund generally maintained a relatively high equity weight of above 90% to capitalise on investment opportunities in the domestic and foreign markets before subsequently reducing its equity exposure to below 90% in February 2018 to lock in profits on selected equity investments. The Fund ended the financial year under review with an equity exposure of 88.3%. Based on an average equity exposure of 91.89%, the Fund's equity portfolio is deemed to have registered a return of +8.95% to the Fund as a whole for the financial year under review. A full review of the performance of the equity markets is tabled in the following sections.

Sector Allocation

In terms of sector allocation within the equity portfolio, the top 5 sectors accounted for 75.8% of the NAV of the Fund and 83.6% of the Fund's equity portfolio. The weightings of the top 5 sectors in Malaysia (unless otherwise indicated) are in the following order: Financial (41.1%), Utilities (10.0%), Consumer, Non-cyclical (9.9%), Consumer, Cyclical (8.4%) and Communications (6.4%).

Manager's Report

Money Market Portfolio Review

For the financial year under review, the Fund's money market portfolio, which was invested primarily in deposits, yielded a return of +3.10%. In comparison, the Bank Negara Weighted Average Overnight Interbank Rate (Overnight Rate) registered a return of +3.00% over the same period.

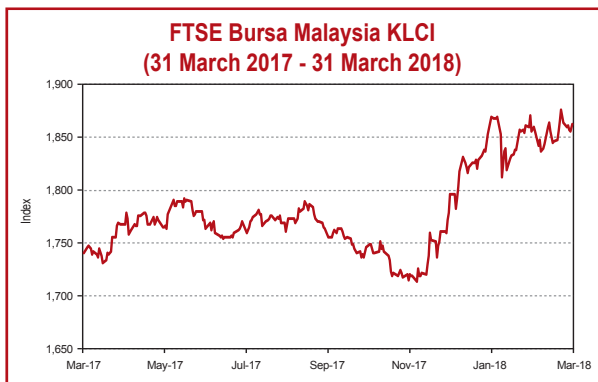
During the financial year under review, the Fund's exposure to money market investments increased from 6.7% to 11.7% following the disposal of selected equity investments. Based on an average exposure of 8.11%, the money market portfolio is estimated to have contributed +0.25% to the Fund's overall return for the financial year under review.

Stock Market Review

Starting the financial year under review at 1,740.09 points, the FBM KLCI strengthened in April 2017, led by firmer regional currencies, stable oil prices and positive sentiment arising from the U.S. president's pro-growth policies. The Index subsequently traded range-bound in May 2017 as global equity prices softened.

The market edged higher in early June 2017 amid sustained buying interest in selected blue chips, before moving lower in mid-July 2017 due to softer oil prices and a lack of fresh leads. After rising in early September 2017, the Index retraced in October and November 2017 as market sentiment was dampened by a lack of fresh catalysts and a sell-down in selected blue chips.

The FBM KLCI rebounded in December 2017 and continued to rally in January 2018 on the back of firmer oil prices and buying interest from foreign investors. In early February 2018, the Index fell in tandem with global markets due to concerns over the prospect of higher-than-expected interest rates in the U.S. The FBM KLCI subsequently rebounded in March 2018 amid buying interest in selected blue chips to close at 1,863.46 points, registering a gain of 7.09% for the financial year under review.



Manager's Report

The regional equity markets, as proxied by the Morgan Stanley Capital International All Country Far-East Ex-Japan (MSCI FEXJ) Index, commenced the financial year under review at 545.39 points. The Index moved higher in 2017, driven by improving liquidity conditions in China, an improving global economic outlook, robust corporate earnings as well as the strengthening of regional currencies against the U.S. Dollar.

The MSCI FEXJ Index started 2018 on a strong note before retreating in February and March 2018, weighed by concerns over the prospect of faster-than-expected interest rate hikes in the U.S. as well as rising trade tensions between the U.S. and China. The MSCI FEXJ Index closed at 681.18 points to register a gain of 24.90% (+9.16% in Ringgit terms) for the financial year under review.

Regional markets, namely the Thailand, Hong Kong, Korea and Great Britain markets registered returns of +8.31%, +8.02%, +3.82% and -5.51% (in Ringgit terms) respectively for the financial year under review.

The U.S. equity market, as proxied by the Standard & Poor's (S&P) 500 Index, commenced the financial year under review at 2,362.72 points. The Index moved higher in 2Q 2017-3Q 2017 on the back of better-than-expected U.S. corporate earnings and economic data as well as easing geopolitical tensions in the Korean Peninsula. The Index extended its rally in 4Q 2017 as the U.S. tax reform bill was approved by Congress and subsequently signed into law by President Trump in December 2017.

Optimism over the impact of the new tax legislation as well as upward corporate earnings revisions bolstered the S&P 500 Index to a record high of 2,872.87 points on 26 January 2018. However, the Index corrected sharply in February 2018 on concerns over inflationary pressures and the prospect of faster-than-expected interest rate hikes in the U.S. The Index slid further in March 2018 amid escalating trade tensions between the U.S. and China. The S&P 500 Index closed at 2,640.87 points to register a gain of 11.77% (-2.31% in Ringgit terms) for the financial year under review.

Money Market Review

The Overnight Rate commenced the financial year under review at 3.00% and ended the financial year under review higher at 3.25%.

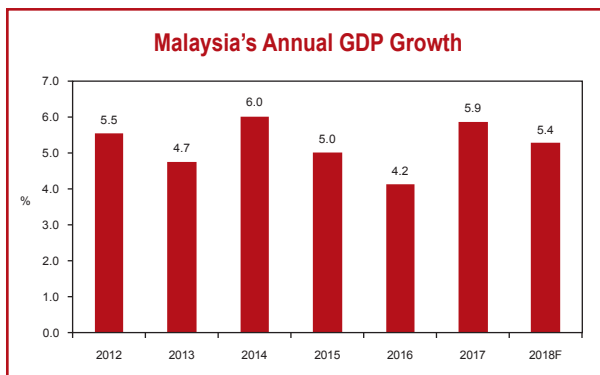
Economic Review

Malaysia's GDP growth gained pace from 4.2% in 2016 to 5.9% in 2017 on the back of higher domestic demand and export growth. Growth in the services sector rose from 5.6% in 2016 to 6.2% in 2017. Meanwhile, growth in manufacturing activities increased from 4.4% to 6.0% over the same period.

Malaysia's export growth accelerated to 18.9% in 2017 from 1.2% in 2016 due mainly to higher exports of electrical and electronic products. Import growth surged to 19.9% from 1.9% over the same period. Malaysia's cumulative trade surplus widened to RM97.2 billion in 2017 from RM88.1 billion in 2016. Due to capital inflows, Malaysia's foreign reserves increased to US\$103.7 billion as at end-February 2018 compared to US\$95.0 billion a year ago.

Manager's Report

Malaysia's inflation rate slowed to 2.0% in the first two months of 2018 from 3.7% in 2017 on the back of moderating food and transportation costs. On 25 January 2018, Bank Negara Malaysia (BNM) raised the Overnight Policy Rate (OPR) by 25 basis points (bps) from 3.00% to 3.25% amid resilient economic growth. Loans growth edged up to 4.5% in the first two months of 2018 from 4.1% in 2017 due to higher demand from the household sector.



Source: Bloomberg

Led by resilient consumer spending and higher export growth, Thailand's GDP growth increased from 3.3% in 2016 to 3.9% in 2017.

In North Asia, China's GDP growth expanded from 6.7% in 2016 to 6.9% in 2017, driven by firmer growth in the services sector. Hong Kong's GDP growth gained pace from 2.1% in 2016 to 3.8% in 2017 due to higher consumer spending and export growth. Driven by higher consumer and investment spending, South Korea's GDP growth rose to 3.1% in 2017 from 2.9% in 2016.

Led by higher investment spending and export growth, U.S. GDP growth rose from 1.5% in 2016 to 2.3% in 2017. Investment spending increased by 3.3% in 2017 compared to a contraction of 1.6% in 2016 due to higher investment in equipment. Likewise, exports expanded by 3.4% compared to a decline of 0.3% over the same period. At the Federal Open Market Committee (FOMC) meeting on 20-21 March 2018, the Federal Reserve raised the Federal funds rate target range by 25 bps from 1.25%-1.50% to 1.50%-1.75%.

Eurozone GDP growth gained pace from 1.8% in 2016 to 2.3% in 2017 on the back of higher export growth. At its monetary policy meeting on 8 March 2018, the European Central Bank (ECB) kept its main refinancing and deposit rates at 0.00% and -0.40% respectively. The ECB extended its quantitative-easing program from January 2018 until at least September 2018. However, it reduced the monthly pace of bond-buying from €60 billion to €30 billion with effect from January 2018.

In a referendum held on 23 June 2016, British voters voted in favour of exiting the European Union (EU). The United Kingdom (UK) formally notified of its exit from the EU under Article 50 on 29 March 2017, which commences a 2-year process of trade negotiations with the EU.

Manager's Report

Outlook and Investment Strategy

Global and regional equity markets traded on a positive note in January but retraced in February on concerns over the prospect of faster-than-anticipated interest rate hikes in the U.S. Global and regional equity markets declined further in March due to the U.S. government's proposed protectionist measures. While concerns over inflationary pressures in the U.S. as well as U.S.-China trade tensions may result in volatile market conditions in the near term, the performance of equity markets over the longer term will depend on the economic outlook and market valuations of the U.S., Europe and the Asia Pacific region.

U.S. economic growth is projected to edge up from 2.3% in 2017 to 2.8% in 2018, driven by higher investment spending on the back of tax reform measures.

In the Eurozone, economic growth is envisaged to inch higher from 2.3% in 2017 to 2.4% in 2018 on expectations of firmer export growth.

In North Asia, China's GDP growth is estimated to moderate from 6.9% in 2017 to 6.5% in 2018 as China continues to transform from a manufacturing-driven and export-led economy to one underpinned by services and domestic consumption. Meanwhile, China's inflation rate is projected to increase from 1.6% in 2017 to 2.3% in 2018.

Hong Kong's GDP growth is expected to ease from 3.8% in 2017 to 3.0% in 2018 amid moderating export growth. Going forward, the Hong Kong government is anticipated to maintain its tightening stance on the residential property market. However, ample liquidity, demand for better living standards and resilient economic growth should lend support to Hong Kong's property market over the long term.

South Korea's GDP growth is anticipated to edge lower from 3.1% in 2017 to 3.0% in 2018 on the back of softer domestic demand.

Meanwhile, Thailand's GDP growth is envisaged to edge up from 3.9% in 2017 to 4.0% in 2018, driven by higher investment spending.

On the domestic front, Malaysia's GDP growth is projected to ease from 5.9% in 2017 to 5.4% in 2018 amid moderating export growth. However, domestic demand will be supported by sustained consumer and investment spending backed by government measures to increase disposable incomes as well as the ongoing implementation of infrastructure projects.

The budget deficit is projected to narrow to RM39.8 billion (2.8% of GDP) in 2018 from the RM39.9 billion (3.0% of GDP) estimated for 2017, while the federal revenue is forecast to expand by 6.4% to RM239.9 billion in 2018. Meanwhile, operating expenditure and net development expenditure are expected to grow by 6.5% to RM234.3 billion and 0.2% to RM45.4 billion respectively in 2018.

As at end-March 2018, the local stock market was trading at a prospective P/E ratio of 16.6x, which was above its 10-year average of 16.5x. The market's dividend yield was 3.28%.

Manager's Report

Among the regional markets, South-East Asian markets were generally trading at premiums while selected North Asian markets were generally trading at discounts to their historical averages following their respective performances over the same period.

Given the above factors, the Fund will continue to rebalance its investment portfolio accordingly with the objective of seeking high capital growth over the medium to long term period through investments in situational and high growth stocks.

Note: Q = Quarter

Policy on Soft Commissions

The management company may receive goods or services which include research materials, data and quotation services and investment related publications by way of soft commissions provided they are of demonstrable benefit to the Fund and unitholders.

During the financial year under review, PAGF has received data and quotation services by way of soft commissions. These services were used to provide financial data on securities and price quotation information to the Fund Manager during the financial year under review.

Statement Of Assets And Liabilities

As at 31 March 2018

	2018 MYR'000	2017 MYR'000
Assets		
Investments	336,375	376,042
Due from brokers/financial institutions, net	-	381
Tax recoverable	192	192
Other receivables	1,294	559
Deposits with financial institutions	33,224	19,604
Cash at banks	11,811	7,162
	382,896	403,940
Liabilities		
Due to brokers/financial institutions, net	1,279	-
Due to the Manager, net	642	842
Due to the Trustee	21	22
Other payables	62	46
Distribution payable	10,220	10,990
	12,224	11,900
Total net assets	370,672	392,040
Net asset value ("NAV") attributable to unitholders (Total equity)	370,672	392,040
Units in circulation (in '000)	567,800	627,977
NAV per unit, ex-distribution (in sen)	65.28	62.43

Statement Of Income And Expenditure

For the Financial Year Ended 31 March 2018

	2018 MYR'000	2017 MYR'000
Income		
Interest income	761	712
Distribution income	323	212
Dividend income	11,305	10,748
Net gain from investments	23,924	16,952
Net realised/unrealised foreign exchange (loss)/gain	(1,008)	1,815
	35,305	30,439
Less: Expenses		
Trustee's fee	250	253
Management fee	5,996	6,159
Audit fee	7	7
Tax agent's fee	3	3
Brokerage fee	604	563
Administrative fees and expenses	56	61
	6,916	7,046
Net income before taxation	28,389	23,393
Taxation	(80)	(60)
Net income after taxation	28,309	23,333
Net income after taxation is made up as follows:		
Realised	10,049	7,011
Unrealised	18,260	16,322
	28,309	23,333
Final distribution for the financial year	10,220	10,990

Statement Of Changes In Net Asset Value

For the Financial Year Ended 31 March 2018

	Unitholders' capital MYR'000	Retained earnings MYR'000	Total MYR'000
As at 1 April 2016	365,509	36,289	401,798
Creation of units	13,045	-	13,045
Cancellation of units	(35,146)	-	(35,146)
Net income after taxation	-	23,333	23,333
Distribution	-	(10,990)	(10,990)
As at 31 March 2017	343,408	48,632	392,040
As at 1 April 2017	343,408	48,632	392,040
Creation of units	11,091	-	11,091
Cancellation of units	(50,548)	-	(50,548)
Net income after taxation	-	28,309	28,309
Distribution	-	(10,220)	(10,220)
As at 31 March 2018	303,951	66,721	370,672

Statement Of Cash Flows

For the Financial Year Ended 31 March 2018

	2018 MYR'000	2017 MYR'000
Cash flows from operating activities		
Proceeds from sale of investments	138,242	95,320
Purchase of investments	(73,848)	(105,197)
Capital distribution received	277	-
Maturity of deposits	6,042,722	5,639,418
Placement of deposits	(6,056,342)	(5,601,641)
Interest income received	757	716
Distribution income received	323	212
Net dividend income received	10,491	10,508
Trustee's fee paid	(251)	(253)
Management fee paid	(6,027)	(6,178)
Audit fee paid	(7)	(7)
Tax agent's fee paid	(3)	(3)
Payment of other fees and expenses	(40)	(71)
Net cash inflow from operating activities	56,294	32,824
Cash flows from financing activities		
Cash proceeds from units created	11,323	12,904
Cash paid on units cancelled	(50,949)	(34,641)
Distribution paid	(10,990)	(12,869)
Net cash outflow from financing activities	(50,616)	(34,606)
Net increase/(decrease) in cash and cash equivalents	5,678	(1,782)
Effect of changes in foreign exchange rates	(1,029)	1,859
Cash and cash equivalents at the beginning of the financial year	7,162	7,085
Cash and cash equivalents at the end of the financial year	11,811	7,162