

Fund Information

Fund Name

Public Dividend Select Fund (PDSF)

Fund Category

Equity

Fund Investment Objective

To provide steady recurring income by investing in a portfolio of stocks which offer or have the potential to offer attractive dividend yields*.

* Stocks which offer attractive dividend yields refer to stocks with consistency in rewarding shareholders via dividend payouts.

Fund Performance Benchmark

The benchmarks of the Fund and their respective percentages are 90% FTSE Bursa Malaysia Top 100 Index (FBM 100) and 10% of 3-Month Kuala Lumpur Interbank Offered Rate (KLIBOR).

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Fund Distribution Policy

Semi-annual

Breakdown of Unitholdings of PDSF as at 31 May 2018

Size of holdings	No. of unitholders	% of unitholders	No. of units held (million)
5,000 and below	8,424	8.46	25
5,001 to 10,000	10,088	10.13	78
10,001 to 50,000	47,358	47.56	1,239
50,001 to 500,000	32,871	33.02	4,109
500,001 and above	827	0.83	720
Total	99,568	100.00	6,171

Note: Excluding Manager's Stock.

Fund Performance

Average Total Return for the Following Years Ended 31 May 2018

	Average Total Return of PDSF (%)
1 Year	0.16
3 Years	1.82
5 Years	1.85

Fund Performance

For the Financial Year Ended 31 May 2018

Annual Total Return for the Financial Years Ended 31 May

Year	2018	2017	2016	2015	2014
PDSF (%)	0.16	9.53	-3.86	-3.32	7.15

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

Notes:

- 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.

- 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 May

	2018	2017	2016
Unit Prices (MYR)*			
Highest NAV per unit for the year	0.2899	0.2801	0.2755
Lowest NAV per unit for the year	0.2670	0.2540	0.2472
Net Asset Value (NAV) and Units in Circulation (UIC) as at the End of the Year			
Total NAV (MYR'000)	1,662,132	1,936,666	1,838,421
UIC (in '000)	6,171,300	7,043,968	7,162,853
NAV per unit (MYR)	0.2693	0.2749	0.2567
Total Return for the Year (%)	0.16	9.53	-3.86
Capital growth (%)	-1.04	7.81	-5.30
Income (%)	1.21	1.60	1.52
Management Expense Ratio (%)	1.54	1.54	1.55
Portfolio Turnover Ratio (time)	0.41	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.

The Portfolio Turnover Ratio for the financial year 2018 rose to 0.41 time from 0.25 time in the previous financial year on account of higher level of rebalancing activities performed by the Fund during the year.

Fund Performance

For the Financial Year Ended 31 May 2018

Distribution and Unit Split

Financial year	2018		2017		2016	
	31.5.18	30.11.17	31.5.17	30.11.16	31.5.16	30.11.15
Date of distribution	Final	Interim	Final	Interim	Final	Interim
Distribution per unit						
Gross (sen)	0.30	0.30	0.30	0.30	0.25	0.50
Net (sen)	0.30	0.30	0.30	0.30	0.25	0.50
Unit split	-	-	-	-	-	-

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

	2018		2017		2016	
	Final	Interim	Final	Interim	Final	Interim
	Sen	Sen	Sen	Sen	Sen	Sen
	per unit	per unit	per unit	per unit	per unit	per unit
Net asset value before distribution	27.23	27.22	27.79	25.91	25.92	26.45
Less: Net distribution per unit	(0.30)	(0.30)	(0.30)	(0.30)	(0.25)	(0.50)
Net asset value after distribution	26.93	26.92	27.49	25.61	25.67	25.95

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 May (Percent of NAV)		
	2018	2017	2016
	%	%	%
EQUITY SECURITIES			
Quoted			
Malaysia			
Ordinary Shares			
Basic Materials	1.1	1.2	1.8
Communications	5.6	9.0	10.2
Consumer, Cyclical	9.5	10.2	8.4
Consumer, Non-cyclical	11.3	12.7	14.2
Diversified	2.2	7.8	4.2
Energy	4.1	5.7	4.7
Financial	30.5	27.7	20.2
Industrial	10.0	6.2	5.7
Technology	-	0.2	0.2
Utilities	4.0	4.3	7.6
	78.3	85.0	77.2
Preference Shares			
Financial	0.6	-	-

Fund Performance

For the Financial Year Ended 31 May 2018

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

	As at 31 May (Percent of NAV)		
	2018 %	2017 %	2016 %
Outside Malaysia			
Hong Kong			
Consumer, Cyclical Financial	0.5 -	- 1.6	- 0.8
	0.5	1.6	0.8
Korea			
Technology	-	0.8	-
Singapore			
Consumer, Non-cyclical Financial	- 0.3	1.0 -	- -
	0.3	1.0	-
Taiwan			
Industrial Technology	2.0 0.3	- 1.6	- 0.5
	2.3	1.6	0.5
United States			
Communications Technology	- 5.0	- 2.5	0.3 -
	5.0	2.5	0.3
TOTAL QUOTED EQUITY SECURITIES	87.0	92.5	78.8
COLLECTIVE INVESTMENT FUNDS			
Quoted			
Malaysia			
Financial	3.2	3.3	4.3
Outside Malaysia			
Hong Kong			
Funds	-	-	2.0
TOTAL QUOTED COLLECTIVE INVESTMENT FUNDS	3.2	3.3	6.3
WARRANTS			
Quoted			
Malaysia			
Warrants	-	0.1	0.1
TOTAL QUOTED WARRANTS	-	0.1	0.1
COLLECTIVE INVESTMENT SCHEMES			
Unquoted			
Funds	0.1	0.5	-
TOTAL UNQUOTED COLLECTIVE INVESTMENT SCHEMES	0.1	0.5	-

Public Dividend Select Fund

Fund Performance

For the Financial Year Ended 31 May 2018

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

	As at 31 May (Percent of NAV)		
	2018 %	2017 %	2016 %
FIXED INCOME SECURITIES			
Unquoted			
Ringgit-denominated			
Redeemable Non-convertible Bonds	0.6	1.1	0.6
TOTAL UNQUOTED FIXED INCOME SECURITIES	0.6	1.1	0.6
DEPOSITS WITH FINANCIAL INSTITUTIONS	5.6	3.1	14.3
OTHER ASSETS & LIABILITIES	3.5	-0.6	-0.1

Public Dividend Select Fund

Statement Of Distribution Of Returns

For the Financial Year Ended 31 May 2018

	Interim Sen Per Unit	Final Sen Per Unit
Gross Distribution	0.3000	0.3000
Net Distribution	0.3000	0.3000
Total Returns	-0.2700	0.0400

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

	Interim		Final	
	Before Distribution	After Distribution	Before Distribution	After Distribution
NAV per unit (MYR)	0.2722	0.2692	0.2723	0.2693

Manager's Report

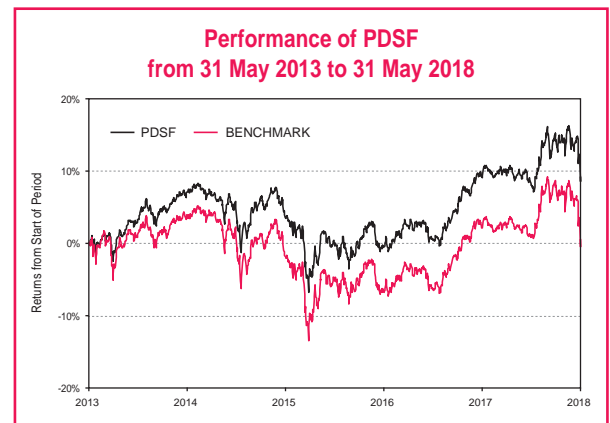
Overview

This Annual Report covers the financial year from 1 June 2017 to 31 May 2018.

Public Dividend Select Fund (PDSF or the Fund) aims to provide steady recurring income by investing in a portfolio of stocks which offer or have the potential to offer attractive dividend yields.

For the financial year under review, the Fund registered a return of +0.16% as compared to its Benchmark's return of -1.60%. The Fund's equity portfolio registered a return of +1.92% while its bond and money market portfolios registered returns of +3.93% and +3.12% respectively during the financial year under review. A detailed performance attribution analysis is provided in the sections below.

For the five financial years ended 31 May 2018, the Fund generated a total return of +9.26% and outperformed its Benchmark's return of +0.54% over the same period. As the Fund has made distributions for each of its respective financial years, it is the opinion of the Manager that the Fund has met its objective of providing steady recurring income over the said period.



The Fund's Benchmark is a composite index of 90% FTSE Bursa Malaysia Top 100 Index (FBM 100) and 10% 3-Month Kuala Lumpur Interbank Offered Rate (KLIBOR).

Income Distribution and Impact on NAV Arising from Distribution

The total cumulative gross distribution of 0.60 sen per unit (net distribution of 0.60 sen per unit) for the financial year ended 31 May 2018 had the effect of reducing the Net Asset Value (NAV) of the Fund after distribution. For example, the gross distribution of 0.30 sen per unit (net distribution of 0.30 sen per unit) declared for the month of May 2018 has reduced the NAV per unit of the Fund to RM0.2693 from RM0.2723 after distribution.

Manager's Report

Effect of Distribution Reinvestment on Portfolio Exposures

	31-May-18	
	Before Distribution Reinvestment*	After Distribution Reinvestment*
Equities & Related Securities	90.2%	89.2%
Bonds & Other Fixed Income Securities	0.6%	0.6%
Money Market	9.2%	10.2%

* Assumes full reinvestment.

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

	31-May-17	31-May-18	Change	Average Exposure
Equities & Related Securities	94.9%	89.2%	-5.7%	92.52%
Bonds & Other Fixed Income Securities	1.0%	0.6%	-0.4%	1.00%
Money Market	4.1%	10.2%	+6.1%	6.48%

Returns Breakdown by Asset Class

	Market /		Average Exposure	Attributed Returns
	Returns On Investments	Benchmark Returns		
Equities & Related Securities	1.92%	-2.19%	FBM 100	1.78%
Bonds & Other Fixed Income Securities	3.93%	2.45%	Bond Index Overnight	0.04%
Money Market	3.12%	3.04%	Rate	0.20%
less: Expenses				-1.86%
Total Net Return for the Year				0.16%

FBM 100 = FTSE Bursa Malaysia Top 100 Index

Bond Index = Quant Shop MGS All 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 +1.92% and outperformed the equity Benchmark's return of -2.19%. The Fund's equity portfolio outperformed the equity Benchmark as the Fund's selected holdings within the Consumer and Industrial sectors outperformed the broader market during the financial year under review.

Manager's Report

The Fund commenced the financial year under review with an equity exposure of 94.9% and its equity exposure was reduced to below 90% in April 2018 as the Fund locked in profits on selected equity investments. The Fund ended the financial year under review with an equity exposure of 89.2%. Based on an average equity exposure of 92.52%, the Fund's equity portfolio is deemed to have registered a return of +1.78% 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 70.7% of the NAV of the Fund and 78.4% of the Fund's equity portfolio. The weightings of the top 5 sectors in Malaysia (unless otherwise indicated) are in the following order: Financial (34.3%), Consumer, Non-cyclical (11.3%), Industrial (10.0%), Consumer, Cyclical (9.5%) and Communications (5.6%).

Bonds and Other Fixed Income Securities Portfolio Review

For the financial year under review, the Fund's bond portfolio which comprises corporate bonds registered a return of +3.93%. In comparison, the Quant Shop MGS All Index which tracks the performance of all Malaysian Government Securities (MGS) with maturities of 1 year and above, registered a return of +2.45% over the same period. The returns of the Fund's bond portfolio outperformed the Quant Shop MGS All Index as MGS yields moved higher relative to corporate bond yields during the financial year under review.

During the financial year under review, the Fund's bond exposure decreased from 1.0% to 0.6% following the disposal of selected bond investments. Based on an average exposure of 1.00%, the bond portfolio is estimated to have contributed +0.04% to the Fund's overall return for the financial year under review. For a full review of the bond market, please refer to the following sections of this report.

Money Market Portfolio Review

During the financial year under review, the Fund's money market portfolio, which was invested primarily in deposits, yielded a return of +3.12%. In comparison, the Bank Negara Weighted Average Overnight Interbank Rate (Overnight Rate) registered a return of +3.04% over the same period.

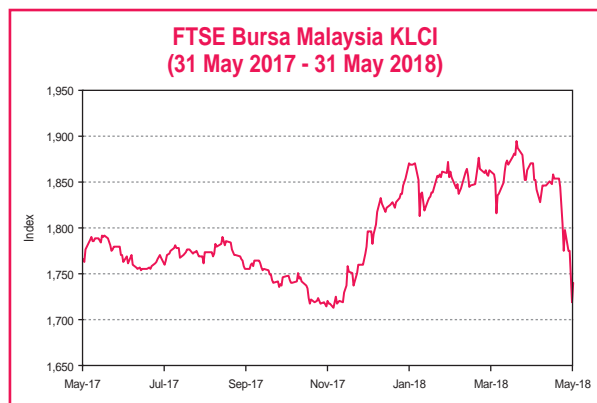
During the financial year under review, the Fund's exposure to money market investments increased from 4.1% to 10.2% following the disposal of selected equity and bond investments. Based on an average exposure of 6.48%, the money market portfolio is estimated to have contributed +0.20% to the Fund's overall return for the financial year under review.

Manager's Report

Stock Market Review

Starting the financial year under review at 1,765.87 points, the FTSE Bursa Malaysia KLCI (FBM KLCI) edged up 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 Index 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 FBM KLCI fell in tandem with global markets due to concerns over the prospect of higher-than-expected interest rates in the U.S. The Index subsequently rebounded to an all-time closing high of 1,895.18 points on 19 April 2018 amid net foreign inflows before easing in early May 2018 on cautious sentiment in the run-up to Malaysia's 14th General Election. Post-election, the local market moved in a trading range before trending lower in late May 2018, weighed by foreign selling amid the outflow of funds from the emerging markets. The FBM KLCI closed at 1,740.62 points to register a loss of 1.43% for the financial year under review.



The regional equity markets, as proxied by the Morgan Stanley Capital International All Country Far-East Ex-Japan (MSCI FEExJ) Index, commenced the financial year under review at 581.26 points. The Index moved higher over the remainder of 2017, driven by improving liquidity conditions in China, a rosier global economic outlook, robust corporate earnings as well as the strengthening of regional currencies against the U.S. Dollar.

The MSCI FEExJ Index started 2018 on a strong note but retreated from February to May 2018, weighed by concerns over the prospect of faster-than-expected interest rate hikes in the U.S. as well as trade tensions between the U.S. and China. The MSCI FEExJ closed at 673.29 points to register a gain of 15.83% (+7.71% in Ringgit terms) for the financial year under review.

Manager's Report

Regional markets, namely the Hong Kong, Singapore, Taiwan and Korea markets registered returns of +9.69%, +2.70%, +1.11% and -0.30% (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 2,411.80 points. The Index moved higher from June to September 2017 on the back of robust 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 Index to a record high of 2,872.87 points on 26 January 2018.

The S&P 500 Index corrected in February 2018 amid 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 before rebounding in April and May 2018 as trade tensions eased and corporate earnings remained robust. The S&P 500 Index closed at 2,705.27 points to register a gain of 12.17% (+4.31% in Ringgit terms) for the financial year under review.

Bond Market and Money Market Review

Buying interest in the domestic bond market eased towards June 2017 amid higher global bond yields following the announcement of the second U.S. interest rate hike in 2017, coupled with growing concerns that the U.S. Federal Reserve may reduce its holdings of government and mortgage bonds. Buying interest returned to the domestic bond market in August 2017 on the back of firmer U.S. Treasuries, a broadly weaker U.S. Dollar as well as accelerating economic growth and lower inflation in Malaysia.

The domestic bond market subsequently retreated in September and October 2017, driven by rising optimism over the U.S. tax reform as well as the Federal Reserve's announcement that it would start its balance sheet reduction program in October 2017, while affirming the likelihood of a 25 basis points (bps) rate hike in December 2017. Buying interest gradually returned to the domestic bond market in November and December 2017 on the back of a firmer Ringgit.

In January 2018, domestic bond yields edged up amid higher U.S. Treasury yields and the increase in the Overnight Policy Rate (OPR) by 25 bps to 3.25% on 25 January 2018. Domestic bond yields climbed further in February 2018 as higher U.S. Treasury yields and the easing of the Ringgit weighed on market sentiment. In March 2018, the domestic bond market rebounded in tandem with a firmer Ringgit and a rally in U.S. Treasuries amid concerns over rising trade tensions between the U.S. and China.

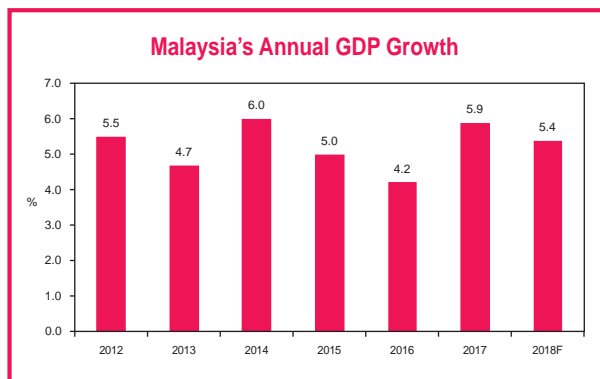
The domestic bond market softened in April 2018, mainly on concerns over higher U.S. interest rates as the 10-year U.S. Treasury yield breached the 3.0% mark. In May, the domestic bond market weakened further as the U.S. Dollar continued to strengthen against the Ringgit, but subsequently recovered.

Manager's Report

For the financial year under review, the yields of 3-year and 10-year MGS rose by 50 bps and 30 bps respectively to 3.79% and 4.18%. The Overnight Rate commenced the financial year under review at 3.00% and ended the financial year under review higher at 3.22%.

Economic Review

Malaysia's GDP growth eased from 5.9% in 2017 to 5.4% in 1Q 2018 on the back of slower investment spending and export growth. Growth in the services sector rose from 6.2% in 2017 to 6.5% in 1Q 2018. Meanwhile, growth in manufacturing activities moderated from 6.0% to 5.3% over the same period.



Source: Bloomberg

Malaysia's export growth decelerated to 5.8% in 1Q 2018 from 18.9% in 2017 due mainly to slower exports of electrical and electronic products. Imports declined by 0.8% compared to a growth of 19.9% over the same period on the back of lower imports of capital and intermediate goods. Malaysia's cumulative trade surplus widened to RM33.4 billion in 1Q 2018 compared to RM18.9 billion in the corresponding period of the prior year. Due to capital inflows, Malaysia's foreign reserves increased to US\$109.5 billion as at end-April 2018 compared to US\$96.1 billion a year ago.

Malaysia's inflation rate slowed to 1.7% in the first four months of 2018 from 3.7% in 2017 amid moderating food prices and transportation costs. On 25 January 2018, Bank Negara Malaysia (BNM) raised the OPR by 25 bps from 3.00% to 3.25% on the back of resilient economic growth. Loans growth climbed to 4.8% in the first four months of 2018 from 4.1% in 2017 due to higher demand from the household sector.

In South-East Asia, Singapore's GDP growth strengthened from 3.6% in 2017 to 4.4% in 1Q 2018, helped by robust services activities.

In North Asia, China's GDP growth inched down from 6.9% in 2017 to 6.8% in 1Q 2018 following a moderation in the services sector. Hong Kong's GDP growth gained pace from 3.8% in 2017 to 4.7% in 1Q 2018 due to higher consumer and investment spending.

Manager's Report

Weighed by slower investment spending and export growth, South Korea's GDP growth eased from 3.1% in 2017 to 2.8% in 1Q 2018. Meanwhile, Taiwan's GDP growth inched up from 2.9% in 2017 to 3.0% in 1Q 2018 amid higher consumer and government spending.

Led by higher investment spending and export growth, U.S. GDP growth rose from 2.3% in 2017 to 2.8% in 1Q 2018. Investment spending increased from 3.3% in 2017 to 5.8% in 1Q 2018 due to higher investment in equipment. Likewise, export growth expanded from 3.4% to 4.2% over the same period. At the Federal Open Market Committee (FOMC) meeting on 1-2 May 2018, the Federal Reserve maintained the Federal funds rate target range at 1.50%-1.75%.

Eurozone GDP growth was sustained at 2.5% in 1Q 2018 compared to a similar growth rate in 2017, backed by resilient economic activities in Germany and France. At its monetary policy meeting on 26 April 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.

Outlook and Investment Strategy

Global and regional equity markets experienced volatile trading conditions in the first five months of 2018 on concerns over the prospect of higher U.S. interest rates and the U.S. government's proposed protectionist measures. This caused profit-taking across selected equity markets after a strong start to the year. Fund outflows from emerging markets to the developed markets were seen in April and May on the back of weaker local currencies. While concerns over rising interest rates 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 ease from 2.5% in 2017 to 2.3% in 2018 on expectations of a moderation in consumer and investment spending.

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 2.2% in 2018.

Manager's Report

Hong Kong's GDP growth is expected to slow 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 2.9% in 2018 due to a slowdown in investment spending. Meanwhile, Taiwan's GDP growth is envisaged to inch down from 2.9% in 2017 to 2.7% in 2018 due to slower export growth.

In South-East Asia, Singapore's GDP growth is estimated to ease from 3.6% in 2017 to 3.0% in 2018 on expectations of moderating export growth.

On the domestic front, Malaysia's GDP growth is estimated to ease from 5.9% in 2017 to 5.4% in 2018 amid moderating export growth. However, domestic demand is projected to be supported by sustained consumer spending.

As at end-May 2018, the local stock market was trading at a prospective P/E ratio of 15.8x, which was below its 10-year average of 16.5x. The market's dividend yield was 3.52%.

Valuation of regional markets in North-East and South-East Asia were generally mixed relative 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 providing steady recurring income by investing in a portfolio of stocks which offer or have the potential to offer attractive dividend yields.

Note: Q = Quarter

Cross-Trade Transactions

Cross-trade transactions were undertaken by PDSF during portfolio rebalancing activities over the financial year under review. The transactions, which have been reviewed by the Investment Committee, were deemed to be in the best interest of the Fund and transacted through a dealer on an arm's length and fair value basis.

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, PDSF 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 May 2018

	2018 MYR '000	2017 MYR '000
Assets		
Investments	1,510,514	1,888,583
Due from brokers/financial institutions, net	6,810	197
Tax recoverable	602	602
Other receivables	1,431	7,860
Deposits with financial institutions	93,186	60,145
Cash at banks	78,096	5,860
	1,690,639	1,963,247
Liabilities		
Due to brokers/financial institutions, net	5,911	-
Due to the Manager, net	3,984	5,299
Other payables	98	150
Distribution payable	18,514	21,132
	28,507	26,581
Total net assets	1,662,132	1,936,666
Net asset value ("NAV") attributable to unitholders (Total equity)	1,662,132	1,936,666
Units in circulation (in '000)	6,171,300	7,043,968
NAV per unit, ex-distribution (in sen)	26.93	27.49

Statement Of Income And Expenditure

For the Financial Year Ended 31 May 2018

	2018 MYR'000	2017 MYR'000
Income		
Interest income	3,207	5,511
Distribution income	4,118	5,692
Dividend income	44,379	51,277
Net (loss)/gain from investments	(7,884)	147,216
Amortisation of premium, net of accretion of discount	(1)	(2)
Net realised/unrealised foreign exchange loss	(1,301)	(224)
	42,518	209,470
Less: Expenses		
Trustee's fee	636	636
Management fee	29,156	30,372
Audit fee	7	7
Tax agent's fee	3	3
Brokerage fee	4,230	2,454
Administrative fees and expenses	203	225
	34,235	33,697
Net income before taxation	8,283	175,773
Taxation	(1,063)	(589)
Net income after taxation	7,220	175,184
Net income after taxation is made up as follows:		
Realised	36,747	40,051
Unrealised	(29,527)	135,133
	7,220	175,184
Distributions for the financial year	37,959	42,793

Statement Of Changes In Net Asset Value

For the Financial Year Ended 31 May 2018

	Unitholders' capital MYR'000	Retained earnings/ (accumulated loss) MYR'000	Total MYR'000
As at 1 June 2016	1,954,164	(115,743)	1,838,421
Creation of units	67,585	-	67,585
Cancellation of units	(101,731)	-	(101,731)
Net income after taxation	-	175,184	175,184
Distributions	-	(42,793)	(42,793)
As at 31 May 2017	1,920,018	16,648	1,936,666
As at 1 June 2017	1,920,018	16,648	1,936,666
Creation of units	39,923	-	39,923
Cancellation of units	(283,718)	-	(283,718)
Net income after taxation	-	7,220	7,220
Distributions	-	(37,959)	(37,959)
As at 31 May 2018	1,676,223	(14,091)	1,662,132

Statement Of Cash Flows

For the Financial Year Ended 31 May 2018

	2018 MYR'000	2017 MYR'000
Cash flows from operating activities		
Proceeds from sale of investments	940,338	403,873
Purchase of investments	(587,682)	(570,451)
Capital distribution received	12,885	-
Maturity of deposits	18,474,362	36,998,195
Placement of deposits	(18,507,403)	(36,795,491)
Interest income received	3,173	5,434
Net distribution income received	3,819	3,478
Net dividend income received	50,039	51,404
Trustee's fee paid	(636)	(636)
Management fee paid	(29,459)	(30,210)
Audit fee paid	(7)	(7)
Tax agent's fee paid	(3)	(3)
Payment of other fees and expenses	(250)	(216)
Net cash inflow from operating activities	359,176	65,370
Cash flows from financing activities		
Cash proceeds from units created	39,923	68,980
Cash paid on units cancelled	(284,730)	(99,427)
Distributions paid	(40,577)	(39,568)
Net cash outflow from financing activities	(285,384)	(70,015)
Net increase/(decrease) in cash and cash equivalents	73,792	(4,645)
Effect of changes in foreign exchange rates	(1,556)	(303)
Cash and cash equivalents at the beginning of the financial year	5,860	10,808
Cash and cash equivalents at the end of the financial year	78,096	5,860