

Fund Information

Fund Name

Public Worldwide Equity Fund (PWEF)

Fund Category

Equity

Fund Investment Objective

To achieve capital growth over the medium to long-term period by investing in global markets.

Fund Performance Benchmark

The benchmarks of the Fund and their respective percentages are 50% Dow Jones Industrial Average, 30% STOXX Europe 50 Index, 10% TOPIX Core 30 Index and 10% 3-Month Kuala Lumpur Interbank Offered Rate (KLIBOR).

Note: Upon the issuance of master prospectus on 30 April 2016, Public Natural Resources Equity Fund (PNREF) has adopted its new name Public Worldwide Equity Fund (PWEF) to reflect the change in investment objective, investment policy, investment strategy and benchmark of the Fund.

Fund Distribution Policy

Incidental

Breakdown of Unitholdings of PWEF as at 31 May 2018

Size of holdings	No. of unitholders	% of unitholders	No. of units held (million)
5,000 and below	1,486	11.37	5
5,001 to 10,000	1,508	11.53	12
10,001 to 50,000	6,012	45.99	163
50,001 to 500,000	3,896	29.80	507
500,001 and above	171	1.31	146
Total	13,073	100.00	833

Note: Excluding Manager's Stock.

Fund Performance

Average Total Return for the Following Year Ended 31 May 2018

	Average Total Return of PWEF (%)
1 Year	2.38

Fund Performance

For the Financial Period Ended 31 May 2018

Annual Total Return for the Financial Years Ended 30 November

Year	2017	2016	2015	2014	2013	
		30/4/16 - 30/11/15 - 30/11/16 29/4/16				
PWEF (%)	14.29	8.54*	0.25	-7.62	-5.57	9.80

* The figure shown is for period since PWEF commencement (30 April 2016).

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:

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

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

Other Performance Data for the Past Three Financial Periods Ended 31 May

	2018	2017	2016	
Unit Prices (MYR)				
Highest NAV per unit for the period	0.2523	0.2335	0.1989	
Lowest NAV per unit for the period	0.2285	0.2135	0.1795	
Net Asset Value (NAV) and Units in Circulation (UIC) as at the End of the Period				
Total NAV (MYR'000)	197,270	241,142	161,434	
UIC (in '000)	832,749	1,041,937	813,777	
NAV per unit (MYR)	0.2369	0.2314	0.1984	
		30/4/16	30/11/15	
		to	to	
		31/5/16	29/4/16	
Total Return for the Period (%)	-3.54	7.68	0.20**	0.25
Capital growth (%)	-3.30	7.86	0.10**	0.10
Income (%)	-0.25	-0.17	0.10**	0.15
Management Expense Ratio (%)	1.79	1.80	1.80	
Portfolio Turnover Ratio (time)	0.13	0.29	0.71	

** The figure shown is for period since PWEF's commencement (30 April 2016).

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 period over the average net asset value of the Fund calculated on a daily basis.

The Portfolio Turnover Ratio for the financial period 2018 dropped to 0.13 time from 0.29 time in the previous financial period on account of lower level of rebalancing activities performed by the Fund during the period.

Fund Performance

For the Financial Period Ended 31 May 2018

Asset Allocation for the Past Three Financial Periods

	As at 31 May (Percent of NAV)		
	2018 %	2017 %	2016 %
EQUITY SECURITIES			
Quoted			
Malaysia			
Consumer, Non-cyclical	-	-	0.9
Outside Malaysia			
France			
Basic Materials	-	-	1.4
Germany			
Consumer, Cyclical	-	-	3.7
Great Britain			
Communications	-	-	2.7
Consumer, Non-cyclical	-	-	4.5
	-	-	7.2
Switzerland			
Consumer, Non-cyclical	-	-	1.6
United States			
Basic Materials	0.9	1.3	-
Communications	2.6	3.7	3.0
Consumer, Cyclical	7.1	7.4	2.6
Consumer, Non-cyclical	7.9	9.6	6.9
Energy	3.1	2.5	-
Financial	10.9	10.5	5.5
Industrial	12.3	11.0	2.3
Technology	7.6	7.2	8.6
	52.4	53.2	28.9
TOTAL QUOTED EQUITY SECURITIES	52.4	53.2	43.7
COLLECTIVE INVESTMENT FUNDS			
Quoted			
Outside Malaysia			
France			
Funds	5.3	4.7	-
Germany			
Funds	14.7	16.4	-
Japan			
Funds	10.1	10.1	8.2
Netherlands			
Funds	9.3	8.9	-

Fund Performance

For the Financial Period Ended 31 May 2018

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

	As at 31 May (Percent of NAV)		
	2018 %	2017 %	2016 %
United States Funds	-	-	2.2
TOTAL QUOTED COLLECTIVE INVESTMENT FUNDS	39.4	40.1	10.4
DEPOSITS WITH FINANCIAL INSTITUTIONS	7.8	6.8	19.9
OTHER ASSETS & LIABILITIES	0.4	-0.1	26.0

Manager's Report

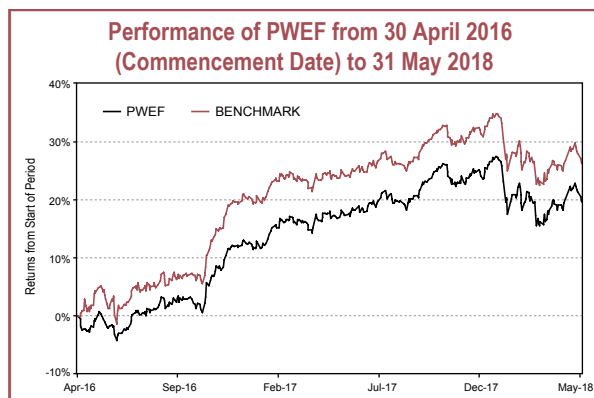
Overview

This Interim Report covers the financial period from 1 December 2017 to 31 May 2018.

Public Worldwide Equity Fund (PWEF or the Fund) aims to achieve capital growth over the medium to long-term period by investing in global markets.

For the financial period under review, the Fund registered a return of -3.54% as compared to its Benchmark's return of -3.65%. The Fund's equity portfolio registered a return of -2.90% while its money market portfolio registered a return of +1.59% during the financial period under review. A detailed performance attribution analysis is provided in the sections below.

From PWEF's commencement on 30 April 2016 to 31 May 2018, the Fund generated a total return of +19.65% as compared to its Benchmark's return of +26.22% over the same period.



The Fund's Benchmark is a composite index of 50% Dow Jones Industrial Average, 30% STOXX Europe 50 Index, 10% TOPIX Core 30 Index and 10% 3-Month Kuala Lumpur Interbank Offered Rate (KLIBOR).

Effect of Distribution Reinvestment on Portfolio Exposures

There were no distributions declared for the period ended 31 May 2018.

Change in Portfolio Exposures from 30-Nov-17 to 31-May-18

	30-Nov-17	31-May-18	Change	Average Exposure
Equities & Related Securities	92.1%	91.8%	-0.3%	92.41%
Money Market	7.9%	8.2%	+0.3%	7.59%

Manager's Report

Returns Breakdown by Asset Class

	Returns On Investments	Market / Benchmark Returns	Benchmark Index Used	Average Exposure	Attributed Returns
Equities & Related Securities	-2.90%	-3.65%	Equity Benchmark Overnight Rate	92.41%	-2.68%
Money Market	1.59%	1.54%		7.59%	0.12%
less: Expenses					-0.98%
Total Net Return for the Period					-3.54%

Overnight Rate = Bank Negara Weighted Average Overnight Interbank Rate

Equity Portfolio Review

For the financial period under review, the Fund's equity portfolio registered a return of -2.90% as compared to the equity Benchmark's return of -3.65%. The Fund's equity portfolio outperformed the equity Benchmark as its selected investments in the U.S. market outperformed the broader markets during the financial period under review.

The Fund commenced the financial period under review with an equity exposure of 92.1% and its equity weight was maintained at above 90% to capitalise on investment opportunities in the global markets. The Fund ended the financial period under review with an equity exposure of 91.8%. Based on an average equity exposure of 92.41%, the Fund's equity portfolio is deemed to have registered a return of -2.68% to the Fund as a whole for the financial period under review. A full review of the performance of the equity markets is tabled in the following sections.

Country Allocation

In terms of country allocation within the equity portfolio, 5 countries accounted for 91.8% of the Net Asset Value (NAV) of the Fund and 100.0% of the Fund's equity portfolio. The weightings of the 5 countries are in the following order: The United States (52.4%), Germany (14.7%), Japan (10.1%), the Netherlands (9.3%) and France (5.3%).

Money Market Portfolio Review

During the financial period under review, the Fund's money market portfolio, which was invested primarily in deposits, yielded a return of +1.59%. In comparison, the Bank Negara Weighted Average Overnight Interbank Rate (Overnight Rate) registered a return of +1.54% over the same period.

During the financial period under review, the Fund's exposure to money market investments increased from 7.9% to 8.2% following the disposal of selected equity investments. Based on an average exposure of 7.59%, the money market portfolio is estimated to have contributed +0.12% to the Fund's overall return for the financial period under review.

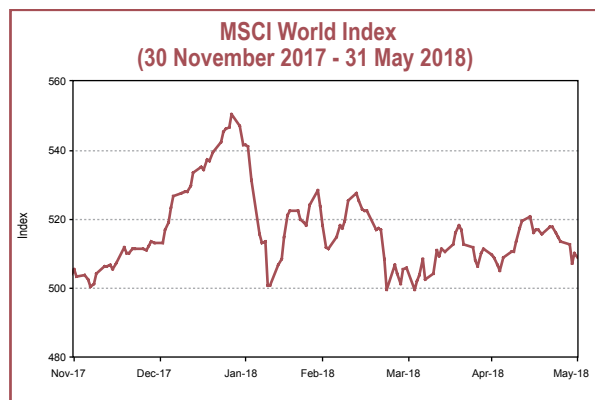
Manager's Report

Stock Market Review

Commencing the financial period under review at 505.44 points, global equity markets, as proxied by the Morgan Stanley Capital International (MSCI) World Index, rallied in December 2017 and January 2018 on optimism over the impact of the new U.S. tax legislation as well as upward corporate earnings revisions, bolstering the Index to a record high of 550.32 points on 26 January 2018. The 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 MSCI World Index slid further amid escalating trade tensions between the U.S. and China before rebounding in April 2018 as trade tensions eased and corporate earnings remained robust. The Index traded range-bound in May 2018 as uncertainties surrounding Italy's new populist government weighed on the global markets and overshadowed strong corporate profits. The MSCI World Index closed at 508.77 points to register an increase of 0.66% (-2.04% in Ringgit terms) for the financial period under review.

Global markets, namely the U.S., Japan, Netherlands, France and Germany markets, registered returns of -0.56%, -2.25%, -2.48%, -4.27% and -7.79% (in Ringgit terms) respectively for the financial period under review.



Money Market Review

The Overnight Rate commenced the financial period under review at 2.99% and ended the financial period under review higher at 3.22%.

Economic Review

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%.

Manager's Report

After declining to 3.9% in April 2018 from 4.4% in 2017, the Federal Reserve projects the unemployment rate to further drop to a range of 3.6%-3.8% by the end of 2018. The U.S. Personal Consumption Expenditures (PCE) inflation rate was sustained at 1.8% in the first four months of 2018, remaining below the Federal Reserve's target of 2.0%. Meanwhile, the Institute for Supply Management's manufacturing Purchasing Managers' Index (PMI) rose to an average of 59.1 points in the first four months of 2018 from 57.4 points in 2017 amid higher new orders and production levels.

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.

Japan's GDP growth eased from 1.7% in 2017 to 1.0% in 1Q 2018 amid slower consumer spending and export growth. Driven by higher food prices and transportation costs, the inflation rate climbed to 1.1% in the first four months of 2018 from 0.5% in 2017. To support economic growth, the Bank of Japan left its interest rate unchanged at -0.1%.

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.

Japan's economic growth is projected to ease from 1.7% in 2017 to 1.3% in 2018 amid moderating consumer spending and export growth.

Manager's Report

Valuation of regional markets in North-East Asia was generally mixed relative to their historical averages following their respective performances over the same period.

Among the developed markets, the U.S. market was trading at a prospective P/E ratio of 17.0x, lower than its 20-year average of 17.3x. Meanwhile, the European markets were trading at a prospective P/E ratio of 13.9x, in line with its 20-year average.

Given the above factors, the Fund will continue to rebalance its investment portfolio accordingly with the objective of achieving capital growth over the medium to long-term period by investing in global markets.

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 period under review, PWEF 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 period under review.

Extracts Of Financial Statements

The following pages are extracts of the audited financial statements of the Fund for the financial period ended 31 May 2018. The full set of the audited financial statements together with the Independent Auditors' Report is available upon request without charge.

Statement of Assets and Liabilities

As at 31 May 2018

	31.5.2018 MYR'000	30.11.2017 MYR'000
Assets		
Investments	181,042	213,277
Due from brokers/financial institutions, net	-	663
Other receivables	451	431
Deposits with financial institutions	15,342	6,891
Cash at banks	1,364	11,965
	198,199	233,227
Liabilities		
Due to the Manager, net	888	1,596
Due to the Trustee	11	12
Other payables	30	69
	929	1,677
Total net assets	197,270	231,550
Net asset value ("NAV") attributable to unitholders (Total equity)	197,270	231,550
Units in circulation (in '000)	832,749	942,921
NAV per unit (in sen)	23.69	24.56

Extracts Of Financial Statements (cont'd)

Statement of Income and Expenditure

For the Financial Period Ended 31 May 2018

	1.12.2017 to 31.5.2018 MYR'000	1.12.2016 to 31.5.2017 MYR'000
Income		
Interest income	216	207
Distribution income	486	587
Dividend income	1,192	1,478
Net (loss)/gain from investments	(7,182)	17,088
Net realised/unrealised foreign exchange loss	(135)	(228)
	(5,423)	19,132
Less: Expenses		
Trustee's fee	68	74
Management fee	1,909	2,081
Audit fee	3	3
Tax agent's fee	1	1
Brokerage fee	70	184
Administrative fees and expenses	31	54
	2,082	2,397
Net (loss)/income before taxation	(7,505)	16,735
Taxation	(365)	(448)
Net (loss)/income after taxation	(7,870)	16,287
Net (loss)/income after taxation is made up as follows:		
Realised	3,017	1,021
Unrealised	(10,887)	15,266
	(7,870)	16,287

Extracts Of Financial Statements (cont'd)

Statement of Changes in Net Asset Value

For the Financial Period Ended 31 May 2018

	Unitholders' capital MYR'000	Accumulated loss MYR'000	Total MYR'000
As at 1 December 2016	241,014	(46,273)	194,741
Creation of units	41,584	-	41,584
Cancellation of units	(11,470)	-	(11,470)
Net income after taxation	-	16,287	16,287
As at 31 May 2017	271,128	(29,986)	241,142
As at 1 December 2017	247,404	(15,854)	231,550
Creation of units	1,476	-	1,476
Cancellation of units	(27,886)	-	(27,886)
Net loss after taxation	-	(7,870)	(7,870)
As at 31 May 2018	220,994	(23,724)	197,270

Extracts Of Financial Statements (cont'd)

Statement of Cash Flows

For the Financial Period Ended 31 May 2018

	1.12.2017 to 31.5.2018 MYR'000	1.12.2016 to 31.5.2017 MYR'000
Cash flows from operating activities		
Proceeds from sale of investments	39,829	50,525
Purchase of investments	(14,224)	(86,661)
Maturity of deposits	1,659,002	1,661,905
Placement of deposits	(1,667,453)	(1,670,788)
Interest income received	215	206
Net distribution income received	382	311
Net dividend income received	907	1,050
Taxation recovered	-	27
Trustee's fee paid	(69)	(70)
Management fee paid	(1,952)	(1,975)
Audit fee paid	(4)	(4)
Payment of other fees and expenses	(68)	(52)
Net cash inflow/(outflow) from operating activities	16,565	(45,526)
Cash flows from financing activities		
Cash proceeds from units created	1,476	48,884
Cash paid on units cancelled	(28,551)	(10,529)
Net cash (outflow)/inflow from financing activities	(27,075)	38,355
Net decrease in cash and cash equivalents	(10,510)	(7,171)
Effect of changes in foreign exchange rates	(91)	(61)
Cash and cash equivalents at the beginning of the financial period	11,965	7,743
Cash and cash equivalents at the end of the financial period	1,364	511