

PB U.S. EAGLE FUND

Soar on the wings of U.S. market potential

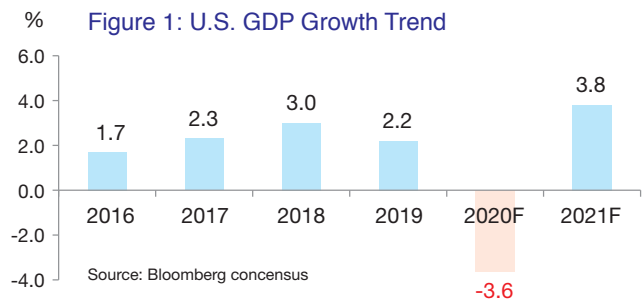
About PB U.S. Eagle Fund (PBUSEF):

- Invests 75% to 98% in equities, with up to 98% in foreign assets
- Invests primarily in the United States of America

PB U.S. Eagle Fund (PBUSEF) is suitable for investors who wish to ride on the long-term growth prospects of the U.S. market.

U.S. Economic Outlook and Prospects of the U.S. Market

The U.S. economy is projected to contract by 3.6%¹ before rebounding by 3.8%¹ in 2021 as consumer and investment spending recovers on the back of economic stimulus packages as well as the Federal Reserve's monetary easing measures. Plans to improve trade relations with the U.S.' major trading partners will further support the growth of the U.S. economy.



Corporate earnings in the U.S. is forecast to rebound by 22.1%² in 2021 after contracting by 14.5%² in 2020:

- Driven by technological innovation, U.S. firms are leading in the new growth areas of:
 - biotechnology
 - fintech
 - cloud computing
 - artificial intelligence (AI)
 - 5G communications
 - electric vehicles
 - autonomous driving
- U.S. multinational companies have geographically-diversified revenue streams and are leveraged to growth opportunities across the global economy.

President-elect Biden intends to boost productivity growth over time by:

- Launching a more aggressive pandemic response to bring the spread of Covid-19 under control.
- Committing substantial investments in:
 - infrastructure
 - research & development
 - education

¹ Bloomberg consensus

² Factset Earnings Insight as at 13 November 2020

Opportunities to invest in the following sectors in the U.S. market:



Technology

The increasing digitalisation of business practices and consumer lifestyles will continue to drive growth in current trends and new technologies which offer attractive long-term prospects and resilient earnings growth:

- e-commerce
- social media
- 5G
- AI
- cloud computing
- autonomous vehicles



Consumer

As consumer spending accounts for around two-thirds of the U.S. economy, the Fund may look to invest in quality consumer companies that are market leaders with stable growth profiles and strong balance sheets, as well as selected consumer stocks that will benefit from the shift in consumption trends in the new normal following the global pandemic.

Over the medium to longer term, consumption spending in the U.S. will continue to be underpinned by:

- its large and growing population
- the low interest rate environment
- the government's stimulus measures

Meanwhile, the foreign divisions of U.S.-based consumer companies are anticipated to grow in tandem with the expanding global population as well as the increasing demand for better-quality consumer goods.



Healthcare

A large number of global leading companies in the fields of pharmaceuticals, medical devices, biotechnology and robotic surgery listed on the U.S. market.

The prospects of these stocks are driven by the continued growth in demand for:

- healthcare services
- medical equipment
- personal protective equipment amid the current pandemic.

Over the longer term, the sector's outlook will be supported by the global trends of an ageing demographic and the expanding middle class.



Fund's Benchmark

A composite index of:

- 90% Dow Jones Industrial Average
- 10% 3-Month Kuala Lumpur Interbank Offered Rate (KLIBOR)

| PBUSEF's Benchmark | Performance in MYR (%) [*] | | | |
|--------------------|-------------------------------------|--------|--------|---------|
| | 1-Year | 3-Year | 5-Year | 10-Year |
| Total Return | 5.12 | 22.05 | 54.66 | 219.43 |
| Annualised Return | 5.12 | 6.85 | 9.10 | 12.30 |

Please note that the historical returns of PBUSEF's benchmark are not an indication of the fund's future performance.

^{*} Data as at 12 November 2020

Source: Lipper

Investors are advised to read and understand the contents of the Prospectus of PB U.S. Eagle Fund dated 5 January 2021 and the fund's Product Highlights Sheet (PHS) before investing. Investors should understand the risks of the fund and compare and consider the fees, charges and costs involved in investing in the fund. A copy of the Prospectus and PHS can be viewed at our website www.publicmutual.com.my. Investors should make their own assessment of the merits and risks of the investment. If in doubt, investors should seek professional advice. Please refer to www.publicmutual.com.my for our investment disclaimer.