

Fund Information

Fund Name

Public Global Select Fund (PGSF)

Fund Category

Equity

Fund Investment Objective

To seek long-term capital appreciation by investing in equities and collective investment schemes in domestic and global markets.

Fund Performance Benchmark

The benchmarks of the Fund and their respective percentages are 90% MSCI All Country World Index (MSCI ACWI) and 10% 1-Month Kuala Lumpur Interbank Offered Rate (KLIBOR).

Fund Distribution Policy

Incidental

Breakdown of Unitholdings of PGSF as at 30 November 2017

Size of holdings	No. of unitholders	% of unitholders	No. of units held (million)
5,000 and below	2,061	6.69	8
5,001 to 10,000	3,618	11.74	28
10,001 to 50,000	15,477	50.23	397
50,001 to 500,000	9,366	30.39	1,160
500,001 and above	292	0.95	264
Total	30,814	100.00	1,857

Note: Excluding Manager's Stock.

Fund Performance

Average Total Return for the Following Years Ended 30 November 2017

	Average Total Return of PGSF (%)
1 Year	13.21
3 Years	12.83
5 Years	19.52

Fund Performance

For the Financial Period Ended 30 November 2017

Annual Total Return for the Financial Years Ended 31 May

Year	2017	2016	2015	2014	2013
PGSF (%)	18.81	2.26	16.81	15.40	21.37

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:

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

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 30 November

	2017	2016	2015
Unit Prices (MYR)			
Highest NAV per unit for the period	0.3427	0.3155	0.3186
Lowest NAV per unit for the period	0.3207	0.2719	0.2787
Net Asset Value (NAV) and Units in Circulation (UIC) as at the End of the Period			
Total NAV (MYR'000)	624,006	244,303	196,849
UIC (in '000)	1,858,381	775,485	632,566
NAV per unit (MYR)	0.3358	0.3150	0.3112
Total Return for the Period (%)	4.86	10.04	8.91
Capital growth (%)	5.05	10.15	9.02
Income (%)	-0.18	-0.10	-0.10
Management Expense Ratio (%)	1.89	1.92	1.92
Portfolio Turnover Ratio (time)	0.20	0.63	0.44

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 2017 dropped to 0.20 time from 0.63 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 30 November 2017

Asset Allocation for the Past Three Financial Periods

	As at 30 November (Per Cent of Net Asset Value)		
	2017 %	2016 %	2015 %
EQUITY SECURITIES			
Quoted			
Malaysia			
Energy	-	-	0.7
Financial	-	-	0.3
	-	-	1.0
Outside Malaysia			
Australia			
Consumer, Non-cyclical	1.2	1.2	1.6
Energy	-	-	1.8
Industrial	-	1.3	-
	1.2	2.5	3.4
Hong Kong			
Communications	1.8	-	-
Consumer, Cyclical	-	4.6	4.0
	1.8	4.6	4.0
Indonesia			
Communications	-	-	0.6
Consumer, Non-cyclical	0.9	-	1.1
Industrial	-	2.2	1.5
	0.9	2.2	3.2
Korea			
Communications	1.2	-	1.4
Netherlands			
Technology	0.3	-	-
Singapore			
Consumer, Non-Cyclical	-	-	3.7
Switzerland			
Consumer, Non-cyclical	1.4	-	2.6
Taiwan			
Technology	1.7	2.1	2.0
Thailand			
Consumer, Cyclical	1.3	0.9	-
Financial	1.5	-	-
	2.8	0.9	-

Fund Performance

For the Financial Period Ended 30 November 2017

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

	As at 30 November (Per Cent of Net Asset Value)		
	2017 %	2016 %	2015 %
United States			
Communications	2.8	6.3	7.3
Consumer, Cyclical	-	3.0	6.0
Consumer, Non-cyclical	1.3	1.5	-
Financial	4.1	1.4	6.1
Industrial	-	-	3.3
Technology	1.6	-	0.9
	9.8	12.2	23.6
TOTAL QUOTED EQUITY SECURITIES	21.1	24.5	44.9
COLLECTIVE INVESTMENT FUNDS			
Quoted			
Outside Malaysia			
France			
Funds	3.8	4.4	3.8
Germany			
Funds	9.8	7.1	6.1
Japan			
Funds	7.9	6.9	8.6
Netherlands			
Funds	5.9	6.7	6.6
United States			
Funds	39.5	34.3	20.3
TOTAL QUOTED COLLECTIVE INVESTMENT FUNDS	66.9	59.4	45.4
DEPOSITS WITH FINANCIAL INSTITUTIONS	7.5	6.6	7.5
OTHER ASSETS & LIABILITIES	4.5	9.5	2.2

Manager's Report

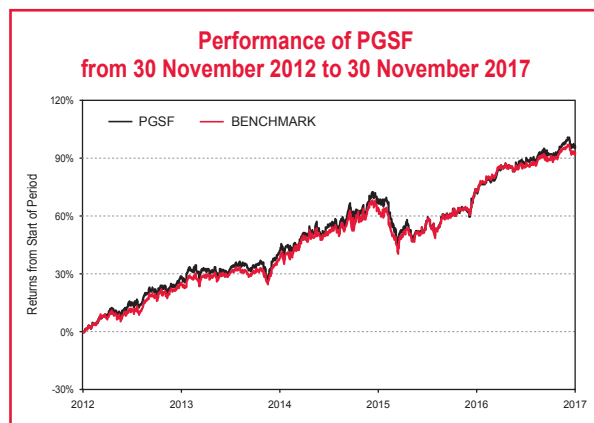
Overview

This Interim Report covers the financial period from 1 June 2017 to 30 November 2017.

Public Global Select Fund (PGSF or the Fund) aims to seek long-term capital appreciation by investing in equities and collective investment schemes in domestic and global markets.

For the financial period under review, the Fund registered a return of +4.86% as compared to its Benchmark's return of +3.88%. The Fund's equity portfolio registered a return of +6.28% while its money market portfolio registered a return of +1.53% during the financial period under review. A detailed performance attribution analysis is provided in the sections below.

For the five financial years ended 30 November 2017, the Fund registered a total cumulative return of +97.63% and outperformed the Benchmark's return of +93.92% over the same period.



The Fund's Benchmark is a composite index of 90% MSCI All Country World Index and 10% 1-Month Kuala Lumpur Interbank Offered Rate (KLIBOR).

Effect of Distribution Reinvestment on Portfolio Exposures

There were no distributions declared for the period ended 30 November 2017.

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

	31-May-17	30-Nov-17	Change	Average Exposure
Equities & Related Securities	93.4%	88.0%	-5.4%	93.26%
Money Market	6.6%	12.0%	+5.4%	6.74%

Manager's Report

Returns Breakdown by Asset Class

	Returns On Investments	Market / Benchmark Returns	Benchmark Index Used	Average Exposure	Attributed Returns
Equities & Related Securities	6.28%	4.13%	MXWD Overnight Rate	93.26%	5.86%
Money Market	1.53%	1.48%		6.74%	0.10%
less: Expenses					-1.10%
Total Net Return for the Period					4.86%

MXWD = MSCI World Index

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 +6.28% as compared to the equity Benchmark's return of +4.13%. The Fund's equity portfolio outperformed the equity Benchmark as its selected holdings in the United States and Hong Kong markets outperformed the broader markets during the financial period under review.

The Fund commenced the financial period under review with an equity exposure of 93.4% and its equity weight was generally maintained at above 90% over the financial period under review to capitalise on investment opportunities in the global markets. The Fund subsequently reduced its equity weight to 88.0% at the end of the financial period under review to weather the consolidation phase in the global markets. Based on an average equity exposure of 93.26%, the Fund's equity portfolio is deemed to have registered a return of +5.86% 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, the top 5 countries accounted for 77.0% of the Net Asset Value (NAV) of the Fund and 87.5% of the Fund's equity portfolio. The weightings of the top 5 countries are in the following order: The United States (49.3%), Germany (9.8%), Japan (7.9%), the Netherlands (6.2%) and France (3.8%).

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 +1.53%. In comparison, the Bank Negara Weighted Average Overnight Interbank Rate (Overnight Rate) registered a return of +1.48% over the same period.

During the financial period under review, the Fund's exposure to money market investments increased from 6.6% to 12.0% following the disposal of selected equity investments. Based on an average exposure of 6.74%, the money market portfolio is estimated to have contributed +0.10% to the Fund's overall return for the financial period under review.

Public Global Select Fund

Manager's Report

Stock Market Review

The global equity market, as proxied by the Morgan Stanley Capital International (MSCI) World Index, commenced the financial period under review at 463.79 points. The Index traded range-bound in June 2017 amid broad-based weakness in technology stocks. The global market rose in July and August on better-than-expected U.S. corporate earnings and economic data before edging higher in September amid easing geopolitical tensions in the Korean peninsula.

The Index subsequently surged to new record highs in October and November 2017 on renewed optimism over the U.S. tax reform policy, as both chambers of the Congress passed their respective versions of the tax reform plan. The MSCI World Index closed at 505.44 points in November 2017 to register an increase of 8.98% (+4.13% in Ringgit terms) for the financial period under review.

Global markets, namely the Hong Kong, Thailand, Japan, Singapore, U.S., Germany, Netherlands, Korea, France, Australia, Taiwan and Indonesia markets registered returns of +8.40%, +8.31%, +7.89%, +4.94%, +4.89%, +4.60%, +4.42%, +3.70%, +3.02%, +1.61%, +0.78% and -2.40% (in Ringgit terms) respectively for the financial period under review.

Money Market Review

The Overnight Rate commenced the financial period under review at 3.00% and ranged between 2.90% and 3.00% over the 6-month period, before ending the financial period under review at 2.99%.

Economic Review

Led by higher investment spending and export growth, U.S. GDP growth rose from 1.5% in 2016 to 2.2% in the first three quarters of 2017. Investment spending increased by 3.1% in the first three quarters of 2017 compared to a contraction of 1.6% in 2016 due to higher investment in equipment. Meanwhile, exports expanded by 2.9% compared to a decline of 0.3% over the same period.

At the Federal Open Market Committee (FOMC) meeting on 31 October – 1 November 2017, the Federal Reserve maintained the Federal funds rate target range at 1.00%-1.25%.

After declining to 4.1% in October 2017 from 4.9% in 2016, the Federal Reserve projects the unemployment rate to be sustained at 4.2%-4.3% by the end of 2017. The U.S. Personal Consumption Expenditures (PCE) inflation rate of 1.5% in the first 10 months of 2017 remained 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 57.3 points in the first 10 months of 2017 from 51.5 points in 2016 amid higher new orders and production levels.

Eurozone GDP growth gained pace from 1.8% in 2016 to 2.3% in the first three quarters of 2017 on the back of higher growth in Germany and France. At its monetary policy meeting on 26 October 2017, the European Central Bank (ECB) kept its main refinancing and deposit rates at 0.00% and -0.40% respectively. The ECB has extended its quantitative-easing program from January 2018 until September 2018 or beyond, if necessary. However, it will reduce the monthly pace of bond-buying from €60 billion to €30 billion with effect from January 2018.

Public Global Select Fund

Manager's Report

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.

In North Asia, China's GDP growth expanded from 6.7% in 2016 to 6.9% in the first three quarters of 2017, driven by firmer growth in the industrial sector. Industrial sector growth increased from 6.0% in 2016 to 6.4% in the first three quarters of 2017 as manufacturing activities picked up. Meanwhile, China's inflation rate softened to 1.5% in the first 10 months of 2017 from 2.0% in 2016 amid lower food prices. To support China's economic activities, the People's Bank of China (PBoC) maintained its lending rate at 4.35%.

Hong Kong's GDP growth strengthened from 2.0% in 2016 to 3.9% in the first three quarters of 2017 due to higher consumer spending and export growth. The inflation rate slowed to 1.4% in the first 10 months of 2017 from 2.4% in 2016 on the back of moderating food and housing costs. To curb elevated residential property prices, Hong Kong's government introduced additional tightening measures in May 2017.

Japan's GDP growth gained pace from 1.0% in 2016 to 1.5% in the first three quarters of 2017 amid higher investment spending and export growth. Led by higher transportation costs, the inflation rate turned positive at +0.4% in the first 10 months of 2017 compared to -0.1% in 2016. To support economic growth and mitigate deflationary pressures, the Bank of Japan left its interest rate unchanged at -0.1%.

Driven by higher investment spending and export growth, South Korea's GDP growth rose to 3.1% in the first three quarters of 2017 from 2.8% in 2016. The inflation rate increased to 2.1% in the first 10 months of 2017 from 1.0% in 2016 due to higher food prices and transportation costs. The Bank of Korea raised its benchmark interest rate by 25 basis points (bps) to 1.50% from a record low of 1.25%, following a pick-up in economic activities.

Taiwan's GDP growth strengthened from 1.4% in 2016 to 2.7% in the first three quarters of 2017 amid higher export growth. Taiwan's inflation rate softened to 0.6% in the first 10 months of 2017 from 1.4% in 2016 on the back of lower food prices. Taiwan's central bank left its discount rate unchanged at 1.375% to support domestic demand.

In South-East Asia, Singapore's GDP growth expanded from 2.0% in 2016 to 3.5% in the first three quarters of 2017 due to higher output from the manufacturing and services sectors. Singapore's inflation rate turned positive at +0.6% in the first 10 months of 2017 compared to -0.5% in 2016 amid higher transportation costs.

Indonesia's economic growth was sustained at 5.0% in the first three quarters of 2017 compared to a similar growth rate in 2016 due to resilient domestic demand. Driven by higher housing and transportation costs, the inflation rate climbed to 3.9% in the first 10 months of 2017 from 3.5% in 2016. To support domestic economic activities, Bank Indonesia (BI) reduced its benchmark interest rate by 50 bps to 4.25% during the August-September 2017 period.

Manager's Report

Led by resilient consumer spending and higher export growth, Thailand's GDP growth increased from 3.2% in 2016 to 3.8% in the first three quarters of 2017. The inflation rate rose to 0.6% in the first 10 months of 2017 from 0.2% in 2016 due to higher transportation costs. The Bank of Thailand maintained its policy interest rate at 1.50% to support economic growth.

Down under, Australia's GDP growth eased from 2.5% in 2016 to 1.8% in 1H 2017 due to moderating consumer spending and export growth. Driven by higher housing and transportation costs, Australia's inflation rate rose to 2.0% in the first three quarters of 2017 from 1.3% in 2016. To support domestic demand, the Reserve Bank of Australia (RBA) maintained its cash rate at 1.50%.

Outlook and Investment Strategy

After trading on a mixed note in 1H 2016, global and regional markets strengthened in 2H 2016 amid an improved outlook for the U.S. and global economies. Global and regional equity markets continued to trend higher in the first 11 months of 2017 on expectations that the global economy would grow at a resilient pace. Looking ahead, the performance of the equity markets will depend on the economic growth momentum and market valuations of the U.S., Europe and the Asia Pacific region.

U.S. economic growth is projected to edge up from 2.2% in 2017 to 2.5% in 2018, driven by higher investment spending.

In the Eurozone, economic growth is envisaged to ease from 2.2% in 2017 to 1.9% in 2018 on expectations of slower export growth.

Down under, Australia's economic growth is expected to rise from 2.3% in 2017 to 2.8% in 2018 due to higher investment spending. The financial and insurance services sector should maintain its current growth trajectory as low interest rates continue to underpin housing demand.

In North Asia, China's GDP growth is estimated to moderate from 6.8% in 2017 to 6.4% 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.

Hong Kong's GDP growth is expected to ease from 3.4% in 2017 to 2.5% 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.

Japan's economic growth is projected to moderate from 1.5% in 2017 to 1.2% in 2018 on the back of slower consumer spending and export growth. South Korea's GDP growth is anticipated to inch lower from 3.1% in 2017 to 2.9% in 2018 as investment spending eases. Meanwhile, Taiwan's GDP growth is envisaged to firm from 2.2% in 2017 to 2.3% in 2018, driven by higher investment spending.

In South-East Asia, Singapore's GDP growth is estimated to edge down from 2.7% in 2017 to 2.4% in 2018 on expectations of moderating export growth. Indonesia's GDP growth is expected to expand from 5.1% in 2017 to 5.3% in 2018 due to robust domestic demand. Meanwhile, Thailand's GDP growth is envisaged to inch down from 3.6% in 2017 to 3.5% in 2018 on the back of moderating export growth.

Manager's Report

Among the regional markets, South-East Asian markets were trading at premiums while North Asian markets were trading at discounts 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 19.8x, higher than its 20-year average of 17.3x. Meanwhile, the European market was trading at a prospective P/E ratio of 15.9x, which was above its 20-year average of 13.9x.

Given the above factors, the Fund will continue to rebalance its investment portfolio accordingly with the objective of seeking long-term capital appreciation by investing in equities and collective investment schemes in domestic and global markets.

Note: H = Half

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, PGSF 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 30 November 2017. 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 30 November 2017

	30.11.2017 MYR'000	31.5.2017 MYR'000
Assets		
Investments	549,015	472,462
Derivative instruments at fair value through profit or loss ("FVTPL")	122	-
Due from brokers/financial institutions, net	27,543	-
Other receivables	266	494
Deposits with financial institutions	46,659	30,922
Cash at banks	796	9,224
	624,401	513,102
Liabilities		
Due to brokers/financial institutions, net	-	6,544
Due to the Manager, net	251	373
Due to the Trustee	32	27
Other payables	112	122
Distribution payable	-	29,754
	395	36,820
Total net assets	624,006	476,282
Net asset value ("NAV") attributable to unitholders (Total equity)	624,006	476,282
Units in circulation (in '000)	1,858,381	1,487,715
NAV per unit (in sen)	33.58	32.01

Extracts Of Financial Statements (cont'd)

Statement of Income and Expenditure

For the Financial Period Ended 30 November 2017

	1.6.2017 to 30.11.2017 MYR'000	1.6.2016 to 30.11.2016 MYR'000
Income		
Interest income	494	200
Dividend income	4,952	1,799
Net gain from investments	27,943	19,391
Net realised/unrealised foreign exchange (loss)/gain	(317)	450
	33,072	21,840
Less: Expenses		
Trustee's fee	182	61
Management fee	5,464	1,836
Audit fee	3	3
Tax agent's fee	4	5
Brokerage fee	549	368
Administrative fees and expenses	95	56
	6,297	2,329
Net income before taxation	26,775	19,511
Taxation	(884)	(279)
Net income after taxation	25,891	19,232
Net income after taxation is made up as follows:		
Realised	6,537	5,228
Unrealised	19,354	14,004
	25,891	19,232

Extracts Of Financial Statements (cont'd)

Statement of Changes in Net Asset Value

For the Financial Period Ended 30 November 2017

	Unitholders' capital MYR'000	Retained earnings MYR'000	Total MYR'000
As at 1 June 2016	161,444	19,917	181,361
Creation of units	59,429	-	59,429
Cancellation of units	(15,719)	-	(15,719)
Net income after taxation	-	19,232	19,232
As at 30 November 2016	205,154	39,149	244,303
As at 1 June 2017	431,429	44,853	476,282
Creation of units	134,933	-	134,933
Cancellation of units	(13,100)	-	(13,100)
Net income after taxation	-	25,891	25,891
As at 30 November 2017	553,262	70,744	624,006

Extracts Of Financial Statements (cont'd)

Statement of Cash Flows

For the Financial Period Ended 30 November 2017

	1.6.2017 to 30.11.2017 MYR'000	1.6.2016 to 30.11.2016 MYR'000
Cash flows from operating activities		
Proceeds from sale of investments	59,984	113,362
Purchase of investments	(143,975)	(134,200)
Subscription of rights	-	(894)
Maturity of deposits	3,939,613	1,523,419
Placement of deposits	(3,955,350)	(1,532,740)
Interest income received	492	199
Net dividend income received	4,305	1,667
Trustee's fee paid	(177)	(60)
Management fee paid	(5,294)	(1,792)
Audit fee paid	(4)	(4)
Tax agent's fee paid	(6)	(6)
Payment of other fees and expenses	(92)	(60)
Net cash outflow from operating activities	(100,504)	(31,109)
Cash flows from financing activities		
Cash proceeds from units created	135,754	44,619
Cash paid on units cancelled	(14,213)	(16,441)
Distribution paid	(29,754)	(3,802)
Net cash inflow from financing activities	91,787	24,376
Net decrease in cash and cash equivalents	(8,717)	(6,733)
Effect of change in foreign exchange rates	289	575
Cash and cash equivalents at the beginning of the financial period	9,224	15,115
Cash and cash equivalents at the end of the financial period	796	8,957