

**INVESTMENT STRATEGY**

The Fund focuses its trading in futures contracts. It will look for opportunities globally, with an emphasis on but not limited to equity indices and commodities.

The Fund focuses on swing trading which normally lasts within 1 week to 3 months and divided into 2 parts, fundamental outlook and technical indicator. The Fund will aim to identify the tops and bottoms of such market swings.

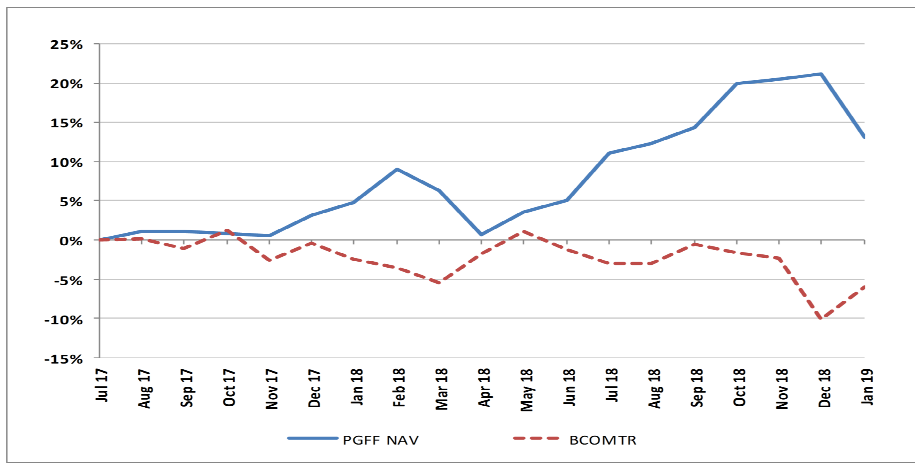
The Fund seeks to capitalize on market opportunities by using a disciplined trading approach that takes into account the risk-reward trade-off and the entry price for each trade. The Fund may hold both long on short positions.

The leverage factor of the fund should be no more than 300 percent of the total fund and most of the time shall be between 100-250 percent.

**INVESTOR PROFILE**

The fund is suitable for Sophisticated Investors who are willing to accept high risk in their investment in order to achieve medium to long term capital growth. The Fund aims to achieve absolute returns in both rising and falling markets while maintaining a commitment to capital preservation.

**FUND PERFORMANCE vs BCOMTR\* (NAV)**



\* Bloomberg Commodities Total Return

**CUMULATIVE RETURN (%) AS AT 31<sup>ST</sup> JANUARY 2019**

	1 Month	3 Months	6 Months	1 Year	YTD	Since Inception
PGFF (%)	-6.64%	-5.69%	1.79%	7.89%	-6.64%	13.12%
BCOMTR*	4.48%	-4.43%	-3.15%	-3.63%	4.48%	-6.01%

\* Bloomberg Commodities Total Return

**FUND INFORMATION**

- Investment Manager:** Phillip Capital Management Sdn Bhd
- Trustee** : TMF Trustees Malaysia Berhad
- Fund Objectives** : The investment objective of the Fund is to achieve absolute returns in both rising and falling markets while maintaining a commitment to capital preservation.
- Asset Allocation** : Up to 50% of the NAV of the Fund will be invested in futures contracts. Remaining NAV of the Fund in liquid assets including money market instruments and / or collective investment schemes.
- Fund Category** : Derivatives (Wholesale) / Growth
- Inception Date** : 24<sup>th</sup> July 2017 @ RM1.0000
- Fund Size** : RM 43,156,184.43
- Unit NAV** : RM1.1312 as at 31<sup>st</sup> Jan 2019

**FEES, CHARGES AND EXPENSES**

- Initial Investment:** RM100,000.00
- Subsequent Investment:** RM10,000.00
- Sales Charge:** Up to 5% of the NAV per unit.
- Management Fee:** Up to 2% pa of the NAV of the Fund. Calculated, accrued and payable monthly by the Fund to the Fund Manager.
- Performance Fee:** 20% of the appreciation in the NAV (adjusted for any redemptions) during that Performance Period above the High Water Mark.
- Trustee Fee:**
  - 0.12% per annum for AUM RM20.0 million (subject to a minimum of RM18000 p.a.)
  - 0.10% per annum for AUM RM50.0 million and above
  - 0.09% per annum for AUM RM100.0 million and above

**Dealing Time for Subscription:** Complete applications, accompanied by all relevant supporting documents and payment in cleared funds, must be received by the Manager by the twenty-fifth (25th) Calendar Day of every month.

**Dealing Time for Redemption:** A redemption request must be received by the Manager by the twenty-fifth (25th) Calendar Day of every month, or the next business day if it falls on holiday, and in either case, such other time or day or period as the Manager may from time to time determine.

**Cooling off period:** Six (6) Business Days

**Exit Penalty:** 2% of the NAV per Unit only for redemption requests within 12 months from the date of purchase of Units.

**DISCLAIMER**

This presentation is solely for general information and private circulation only. It should not be construed as a recommendation an offer or solicitation for the subscription, purchase or sale of the Phillip Global Futures Fund ("Fund"), mentioned herein. No actions should be taken without first viewing the details in Information Memorandum ("Info Memo"). All applications for units in the Fund must be made on application forms accompanying the relevant Info Memo. Under all circumstances, investors are advised to read and understand the contents of the Info Memo and consider the risks involved the suitability of the Fund's objectives and risks, the fees and charges involved before investing in the Fund. Past performance is not necessarily indicative of future returns. Investments in the Fund are subject to investment risks, including the possible loss of the principal amount invested. Investors should note that the value of the units and income from the Fund may rise as well as decline. Investors should also note that there are limitations whenever performance is stated or comparison is made to another unit trust funds or index for any specific period as no funds or indices are directly comparable. The Fund's underlying instruments shall include derivatives products/instruments and thus shall carry higher risks than other types of unit trust/wholesale Funds. The Fund's Trust Deed shall be made available at Phillip Capital Management Sdn Bhd ("PCM")'s business office.

Any predictions or forecasts mentioned in this document are not necessarily indicative of the future or likely performance of the Fund. Investors may wish to seek advice from a financial adviser before making a commitment to invest in the Fund. In the event that an investor chooses not to seek advice from a financial adviser, the investors should consider whether the Fund is suitable for them. Whilst we have taken all reasonable care to ensure that the information contained in this publication is accurate, it does not guarantee the accuracy or completeness of this publication. Any information contained in this presentation is subject to change without notice. We have not given any consideration to and have not made any investigation of the investment objectives, financial situation or particular needs of any specific person or group of persons as we are not in possession of any specific/particular information. Accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of any person or group of persons acting on such information. Opinions and views expressed in this report are subject to change without notice.

**Disclosure and Managing Conflict of Interest**

PCM, its Directors, Investment Committee Members and employees including its associates may have interests in the Fund from time to time and they are subject to half yearly declaration, prior approval procedures and monitoring by our Compliance team. The Directors and Management team may also be parties involved in the transactions with the Fund, eg through transactions carried out through Phillip Futures Sdn Bhd and Phillip Mutual Bhd's Funds. The designated Fund Manager Representative(s) managing the Fund may also be managing similar Funds including those with similar objectives. In the event there is a conflict between the client's interest and the interest of the Company, its Directors, Investment Committee Members, designated Fund Manager Representative(s) and employees including its associates, the clients' interests shall prevail.

## MANAGER'S COMMENT

The fund had a difficult January. The losses are caused by losing bets on CME NASDAQ 100 Futures and NYMEX WTI Crude Oil futures. The profits are attributed to COMEX Gold and to a smaller extent, CME S&P E-mini futures. We are caught on wrong foot at the start of the year. Across all products, our position sizing is based on recent volatility. In January, there are often long-lasting, quiet periods follow by quick, sharp moves, causing our ex-ante sizing to be too large. This results in larger loss when our bet is wrong. In light of above we have traded smaller since final week of the month.

US equities had a best month on January in three years. Although there is a clear reversal of trend on daily chart, trading the CME NASDAQ100 futures in our timeframe was difficult this month. The reasons are twofold: (1) there are many false breaks in intraday prices, causing our positions to stop out; (2) In January the macroeconomic events are the main driver of upward rally, as our trading relies on price action, we tend to be too late to enter position. As such, we had sizable losses trading CME NASDAQ100 futures on January. We made small profits by trading S&P E-mini futures. It has longer average holding period compared to NASDAQ100 futures, with a similar trading style.

WTI Crude Oil formed a bottom after downtrend last year, ending the month best January on record. We held a fundamental bearish view in early January. However, throughout the month the improved risk sentiment, weaker USD, and US sanctions on Venezuela had firmly supported oil to stay within \$51-\$54 range. By the end of January, crude oil prices formed an inverse head and shoulders pattern, a bullish technical signal. As such, the market went against our initial view. We had some losses trading WTI Crude Oil futures this month.

COMEX Gold had a positive month on January. In hindsight, it was an easy trade where fundamental, technical and seasonality align. On fundamentals, we have weaker USD Dollar Index and physical demand before Lunar New Year. On technical, Gold spot price closed above the \$1300 level on January 25th. On seasonality, January-February is historically a bullish period for Gold, with nine out of last ten years being positive. However, our position on COMEX Gold futures is smaller relative to other products. We had small profits trading COMEX Gold futures on January.

Looking forward to February, we are taking a step back and revisiting the fundamental factors for the products we cover. We expect Federal Reserve to stay reactive to stock markets performance, as evidenced by the dovish stance on January FOMC meeting. We are closely monitoring the ongoing US-China trade negotiations, in particular any resolution over disputes on Intellectual Property. Lastly, we stay cognizant on the market positioning and be wary if our view is among the crowded trades.

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