

“Never Fully Invest at All Times”



Dr. Tan Chong Koay

Pheim Asset Management Sdn Bhd
Founder and Chief Strategist (since 1994)

Asia no.1 investment guru with over 43 years' investment experience. Named 'Warren Buffett of Asia' (2017); 'Second Board King of Malaysia' (1998); 'Southeast Asia's Small-Cap King' (2006).

“Many asked me what will be my strategy in 2020 for Dana Makmur Pheim (DMP) in light of the challenging economic outlook, especially during the crude oil tussle and Covid-19 pandemic”

- 1) The recent market crash in Malaysia was mainly caused by political uncertainty, Covid-19 pandemic, oil price plunge and US Market Crash, causing the market to be highly volatile. As it is, the rest of the world including Malaysia, is trying to lockdown their countries to contain the wide-spread of Covid-19. No one knows how long this epidemic is going to end hence the real economic impact would take some time to be fully seen and felt.
- 2) Different from 1997/98 financial crisis, this looks like a “Health Crisis”. We always believe that **crisis creates opportunities**. If you notice, many fundamentally strong stocks have had their prices corrected sharply, and would have discounted for more adverse news ahead.
- 3) As we practice Value Investing, we have been taking chance during this period by gradually buying shares with low gearing, quality management and good growth prospect, judging that the prices are now substantially cheaper after the sharp drop and correction.
- 4) Investors who have long term funds should seriously consider putting part of their money into DMP. Our Investment Philosophy - **Never Fully Invest at All Times** has proven to be able to outperform the index in the long run after weathering through many major crises. We would trim our equity exposure when we believe that the market is near its peak, in order to preserve capital. We increase our equity exposure when we believe that the market is near its bottom.
- 5) For a start, there would be a temporary period that you may not making money, but your chance of making good money over the long term is good. DMP made an **annual return of 18.09% in 2019** while KLCI dipped -6% at end-Dec 2019. What is more impressive is its **total return since inception (28 Jan 2002 till 31 Dec 2019) of 388.07%** which outperformed its benchmark by a large margin of 272.00%.
- 6) DMP also ranked no. 1, outperformed all its peers, under Lipper Global Classification for **3-year, 5-year and 10-year periods** ended 31 Dec 2019. Due to its excellent track record, we could have a chance to win multiple Lipper Fund Awards from Refinitiv (Mixed Asset MYR Balanced Islamic) this year, adding to the existing 38 Lipper fund awards the Fund won over the past 17 years.
- 7) DMP aims to declare an income distribution on 23 April 2020 (ex-date) of the same rate as per last year (2019: 6.75 sen per unit).
- 8) If you like to time the market, let me tell you this - you may not be able to get the prices at the lowest point. **Very few, if not none, knows the lowest point. Buying near the lows is the best you can do.** I advise you to take a longer term view during crisis period. For investors who invest with a longer term horizon, there is a good chance that they will do better by the end of the year.

30 March 2020



Fund Managed by:
Pheim Asset Management Sdn Bhd (269564-A)
www.pheim.com.my Tel: +603 2031 6407

Fund Distributed by:
Pheim Unit Trusts Berhad (545919-A)
www.pheimunitrusts.com Tel: +603 2142 8888
Email: support@pheimunitrusts.com

This advertisement is solely for information purposes. It is not intended as an offer or solicitation for the purchase or sale of any financial instrument, investment product or service. The information contained herein does not have any regard to the specific investment objectives, financial situation or particular needs of any person. Investors may wish to seek advice from a financial advisor before making any investment decision. Past performance is not indicative of future results. An investment is subject to investment risks, including the possible loss of the principal amount invested.