

RUKUN UNIT AMANAH 7 PERKARA

13 August 2011

Jaslinah Abdul Rahman
www.JustUnitTrust.com

- Rich and happy
- Rich but not happy
- Poor but happy
- Poor but not happy

“Rich” means owning enough money that one doesn’t have to worry about money.

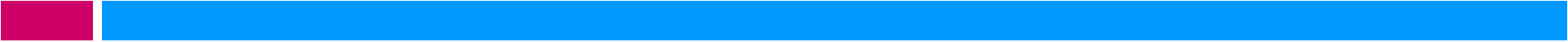
4 GROUPS OF PEOPLE

Test : Which would you prefer ,
a RM1 or 1% chance of getting RM100 ?

- People tend to prefer “chance for large gains” over “certainty of smaller gains”.
- People feel more pain from loss than joy from equivalent gains.

WHY PEOPLE “BUY HIGH, SELL LOW”

Return STOCKS
ranges from(-)50% to
+100%



An investment

- an activity of increasing returns (-5% to 20%) and wealth to the investor based on the initial amount invested.

A UT investment

- Investment of funds in potential companies, which have long-term growth opportunities. Whereby equity/shares are used as the medium for making investment.
- Investor **buys unit** and **invest in UT**. (not buy UT)



A good investment plan

- Long-term
- Have objective
- Have time plan
- Dividend accumulated over period
- Outperform inflation and benchmark
- Moderately safe and easily reviewed
- Must grow
- Not withdrawn based on present short-term turbulence
- Not in single basket, liquid (have market value)
- Investor should be disciplined, focused & patient

Rukun Pertama - Kepercayaan



Terhadap

- UT Consultant (qualified)
- Fund Manager
- Unit Trust Company

“Value Buying”
– good & strong capital preservation at lowest cost; usually when but quality investments (stocks) at market lows.

- Strategic Planning & “Value buying”
- Performance - consistency, volatility (risk), capital preservation
- Fund size & asset allocation

Sources : Prospectus, Funds Factsheet (QFR), Ranking, Testimony of awards & recognition

Rukun Kedua - Keupayaan

Mempunyai sumber-sumber M-A-N dan Time



Rukun Ketiga – Kawalan Emosi

Ideal investment horizon 3 – 5 years if do DCA. Without DCA, have to depend on market cycle and maybe market levels.



We can never time the market ...



Rukun Keempat -Keberkatan

Dari segi

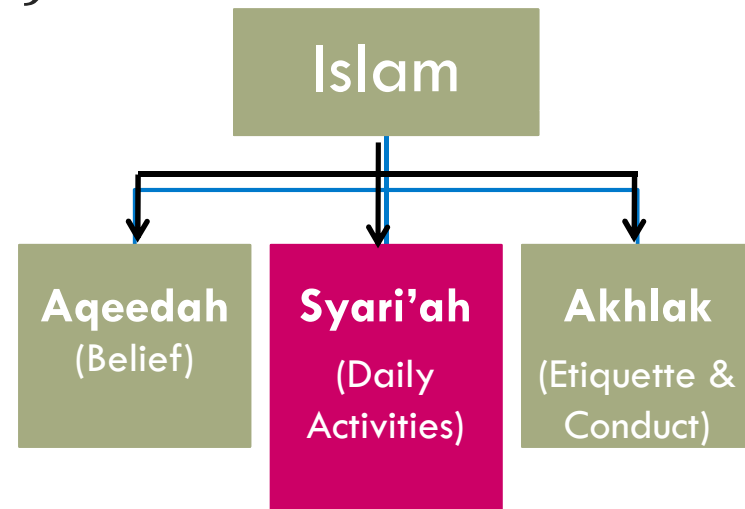
- Sumber yang Halal (modal)
- Syariah compliance (pelaburan)

Sya'riah Compliant means

- No riba (including interest)
- No gharar (undue risk, end result hidden)
- No non-halal activities – gambling, manufacture non-halal products, hotels & resorts

Source :

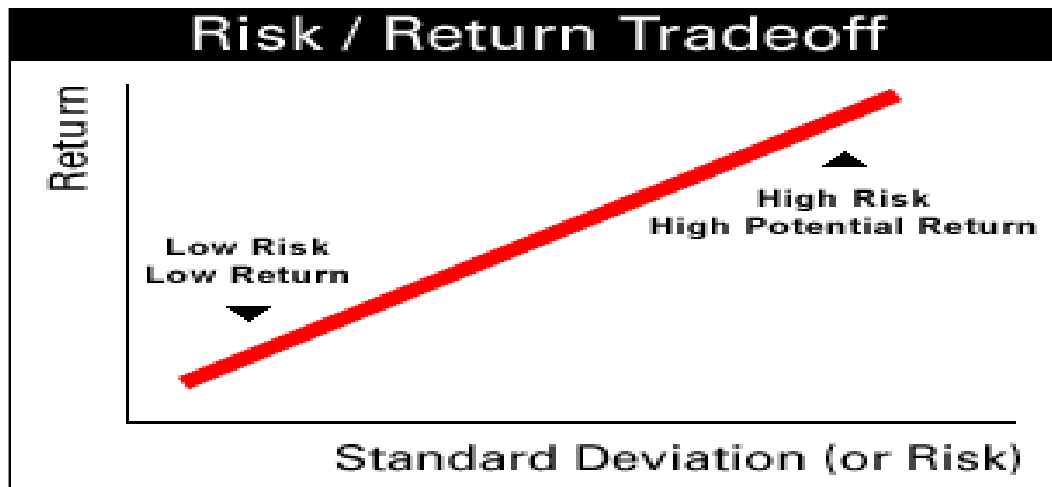
**“Money, You & Islam” by
Zaharuddin Abd Rahman**



Rukun Kelima – Kemaskini Portfolio

Review – Rebalance - Realign

- Switching Strategies
- Stop-loss & Profit-take levels
- DCA, VCA
- Tactical Allocation (% equity - % bond - %money)



$$R = M2$$

Returns = Monitor x Manage

Rukun Keenam – Keperluan Jualan

Repurchase/Redeem

- Profit –take level
- Financial need
- Change in financial objective

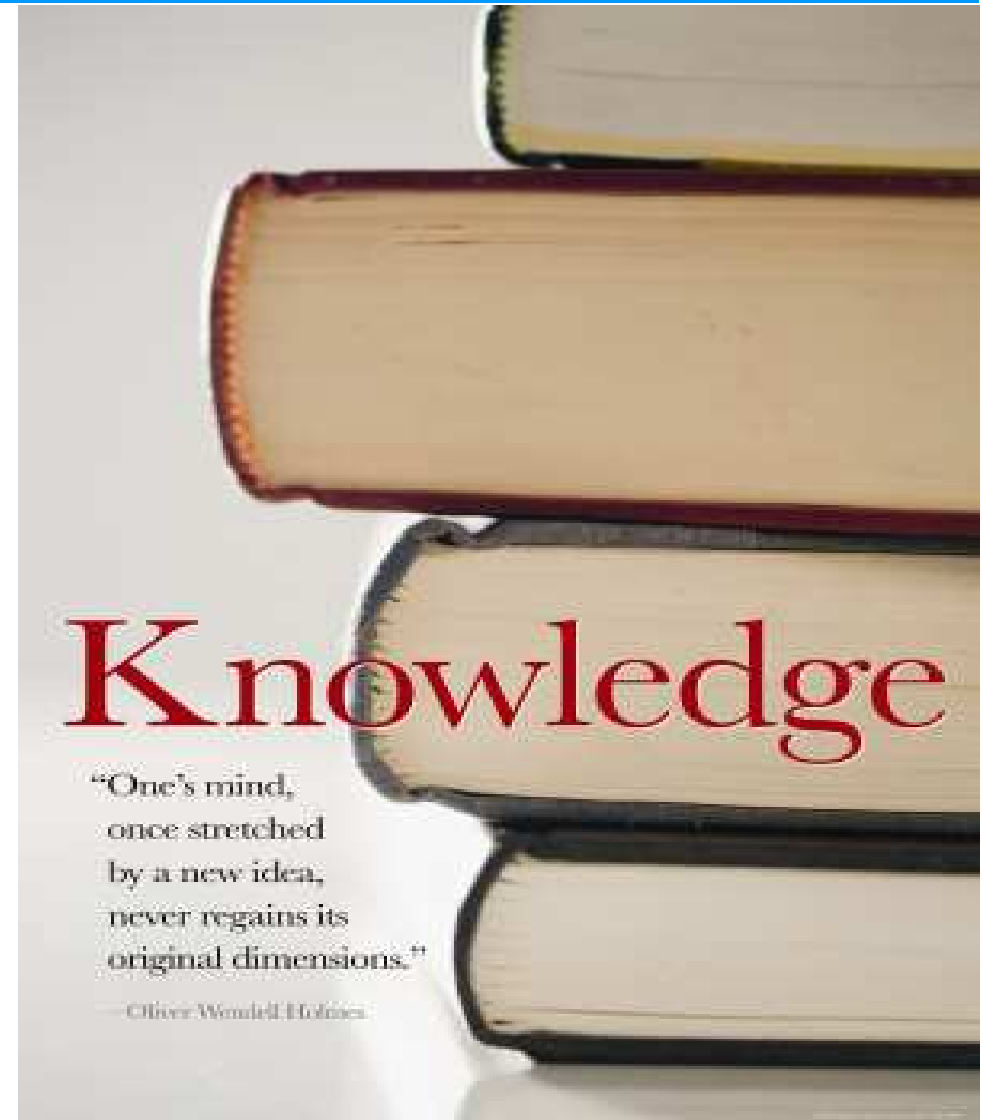
Set Target Price

or

Percentage gain @ 15% - 20%

Rukun Ketujuh - Knowledge

- Pasang niat betul
- Informasi semasa dari sumber yang “reliable”
- Fakta-fakta up-to-date



SOME ILLUSTRATION OF

Selected Strategies

Switching Strategies

- Potential returns or direction not favorable
- Anticipate a change or shift in market trend
- Rebalancing (part of tactical allocation)
- Change in interest of investor eg UT to gold & property, conventional UT to syariah UT
- Preserve value or profit or limit loss

Source :

“The Untold Million-dollar Secrets of Unit Trust Investment” by Jeffrey Gan

Note : <discuss>

PMB Switching Policy 0.75% in 3 months wef 1 July

Switching “Acid Test” – contoh only

Reduce emotional element when pursue switching.

- 1 to 10 points (1 – unsatisfied, 5 – average and 10 – excellent results)

Test Questions	Yes/No	Points
1. Over the past 3 years, my fund has provided me an average of 3.5% pa (cash) or 6% (epf) ???	y	5
2. The net return on my UT fund averages 4% pa ???	y	5
3. I noticed my fund is able to appreciate in value quickly during an uptrend market condition.	y	8
4. I feel that I can closely predict the outcome of my fund during an uptrend or downtrend market.	n	5
5. I am overall happy with the performance of my fund, the UTMC and the Fund Manager.	y	8
total		

Switching “Acid Test” – contoh only

Results : 1) 5 or more “Yes” indicates good performance
2) Total should exceed 50 out of 100

Test Questions	Yes/No	Points
6. My fund was one of the top 5 performing funds in its category last year and today (or 4 to 5 star ranking)	n	
7. My fund has won an award for best-performing fund recently and consistently in last 3 years or more	n	
8. I am confident and comfortable with the longer-term performance of my fund, especially for my retirement	n	
9. If I had another opportunity to start over with my investment, I would <u>remain</u> with my present fund	n	
10. If I redeem all of my units, I will not hesitate to <u>re-invest</u> in the same fund again	y	

Source : “The Untold Million-dollar Secrets of Unit Trust Investment” Jeffrey Gan

Fund vs Benchmark From 01 June, 2008 To 13 August, 2011

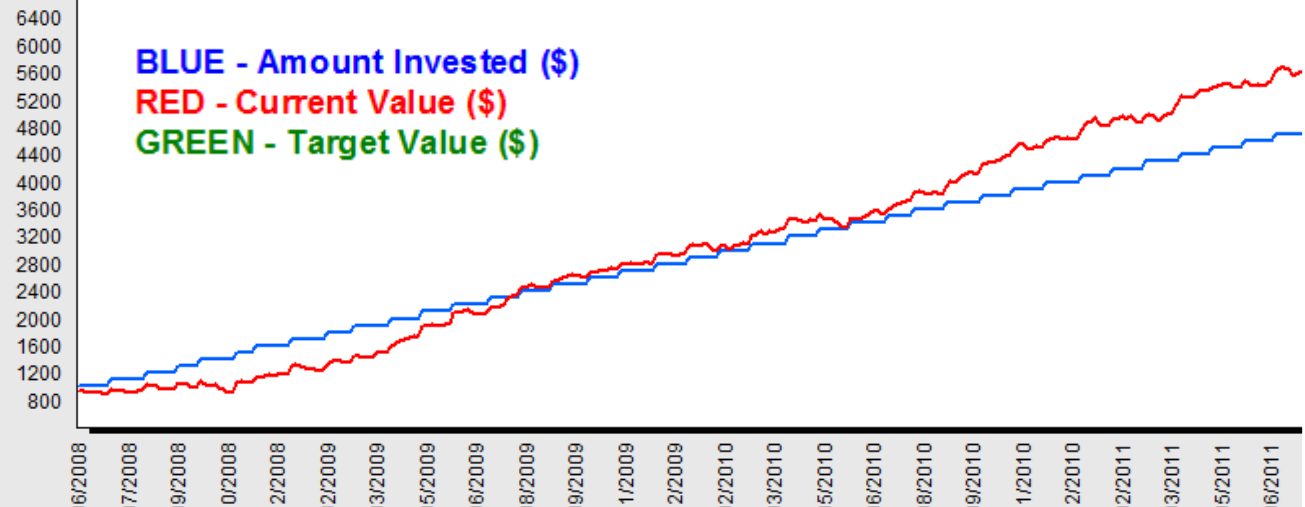
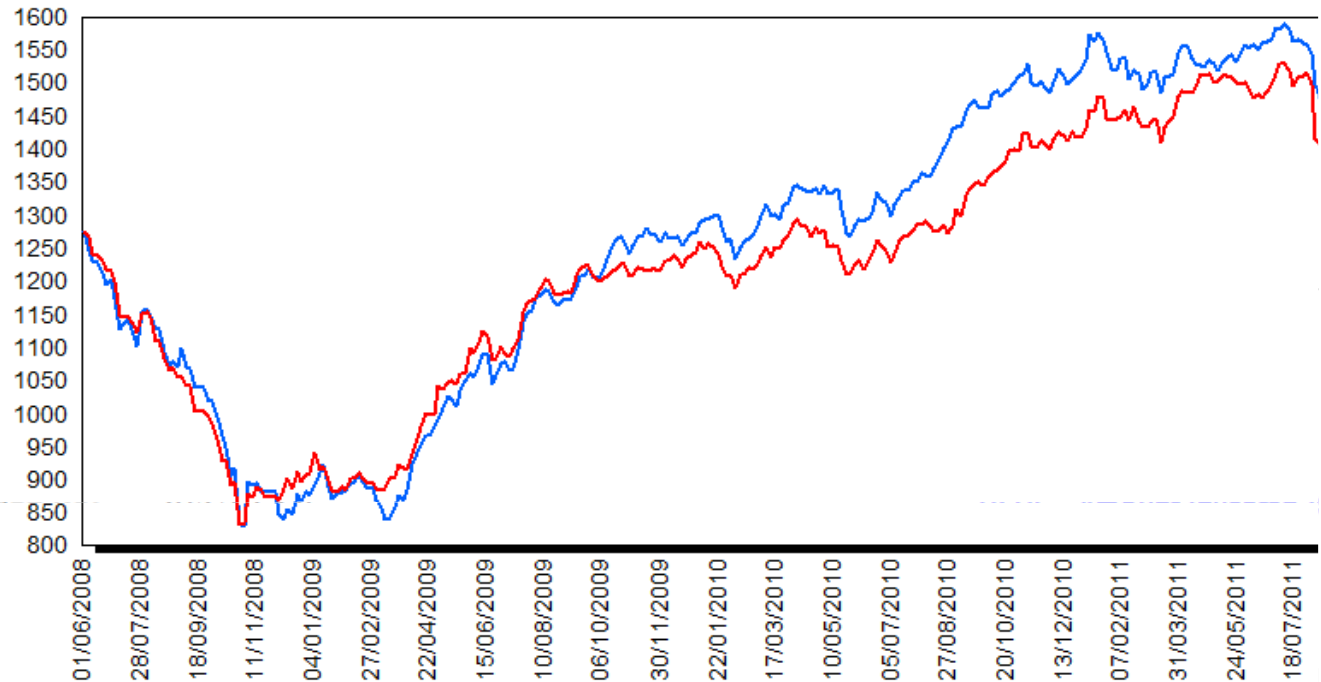
BENCHMARK: KLCI

Fund - PUBLIC ITTIKAL

Discuss

Fund: PUBLIC ITTIKAL
Plan: REGULAR
Account No: dca 3 years

Average cost/unit RM 0.7579
Net Asset value/unit RM 0.8407
Original Amount RM4800.00
Amount Invested RM4800.00
Current Value RM5324.67
Capital Appreciation RM524.67
Return On Investment 10.93%
Annualised Growth 3.33%
Target Growth 20.00%
KLCI 1,476.46



Fund vs Benchmark From 01 June, 2006 To 13 August, 2011

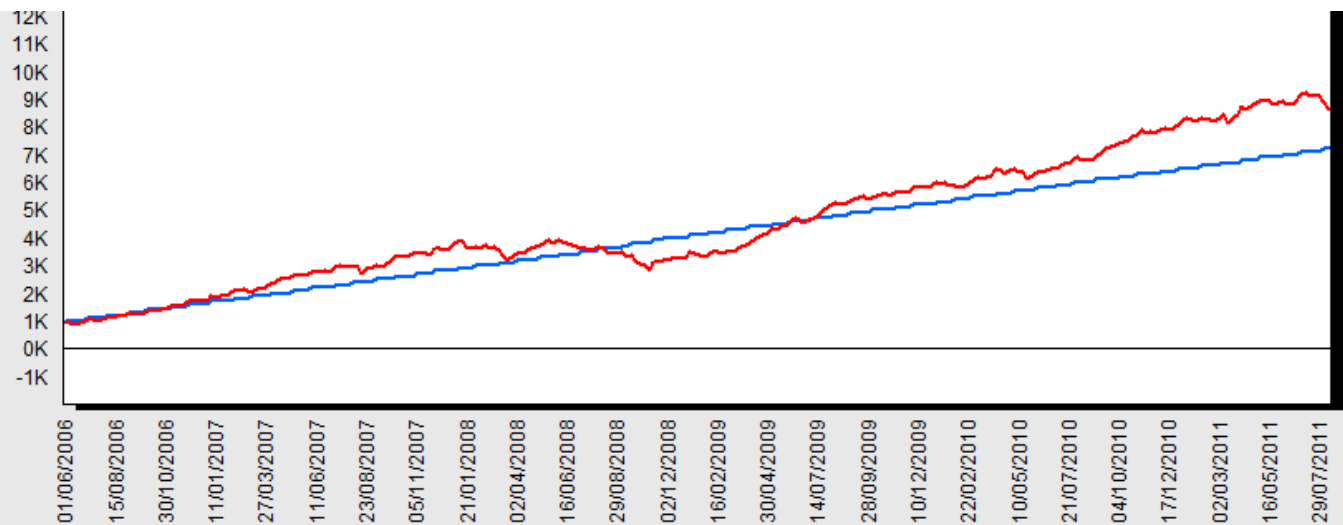
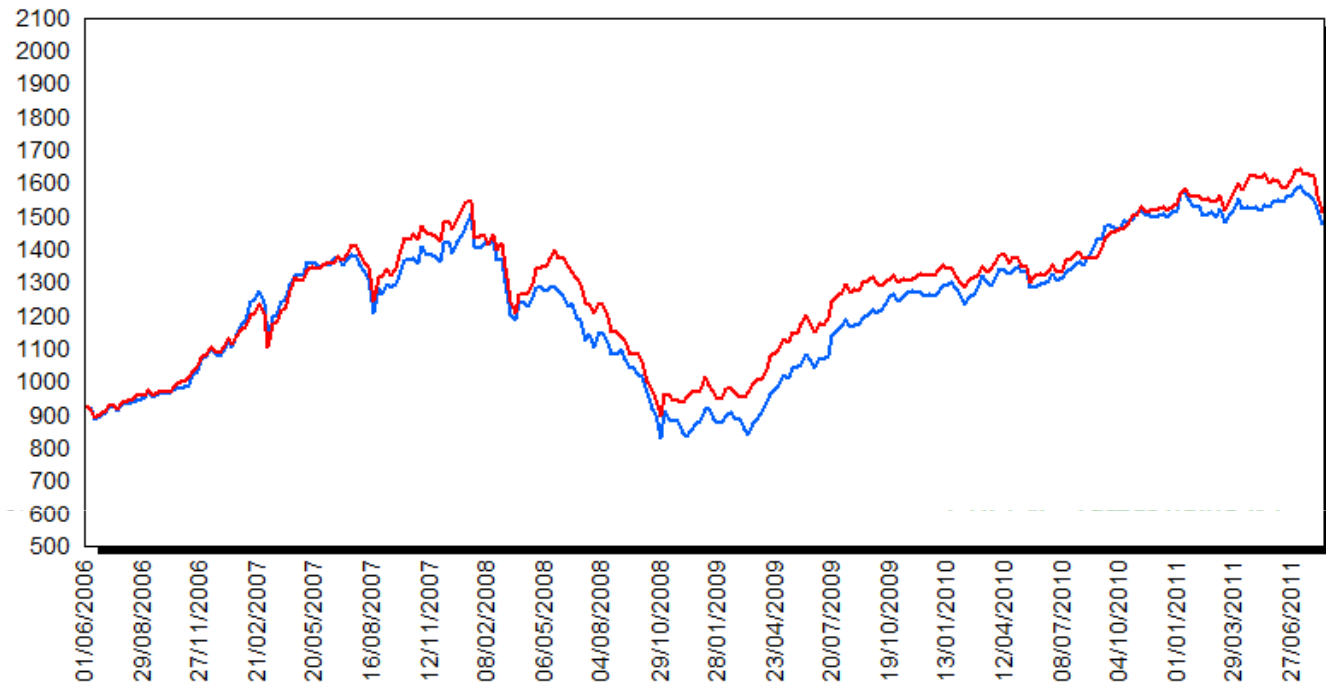
BENCHMARK: KLCI

Fund - PUBLIC ITTIKAL

Discuss

Fund: PUBLIC ITTIKAL
Plan: REGULAR
Account No: dca 5 years

Average cost/unit RM 0.7033
Net Asset value/unit RM 0.8407
Original Amount RM7200.00
Amount Invested RM7200.00
Current Value RM8606.60
Capital Appreciation RM1406.60
Return On Investment 19.54%
Annualised Growth 3.51%
Target Growth 20.00%
KLCI 1476.46



Fund vs Benchmark From 01 June, 2008 To 13 August, 2011

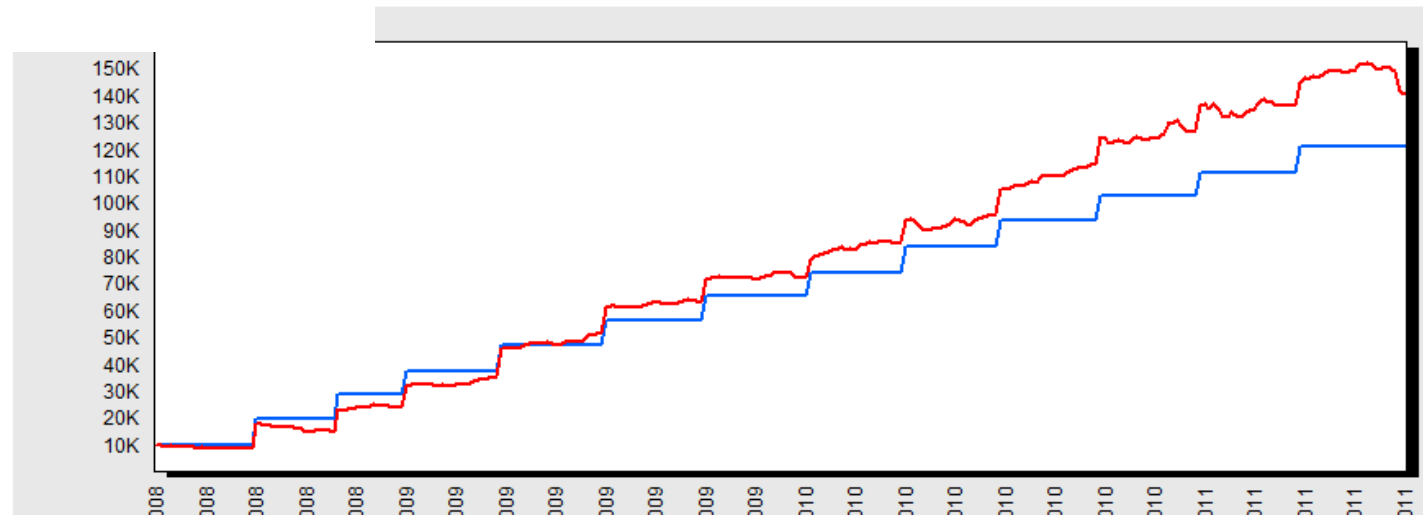
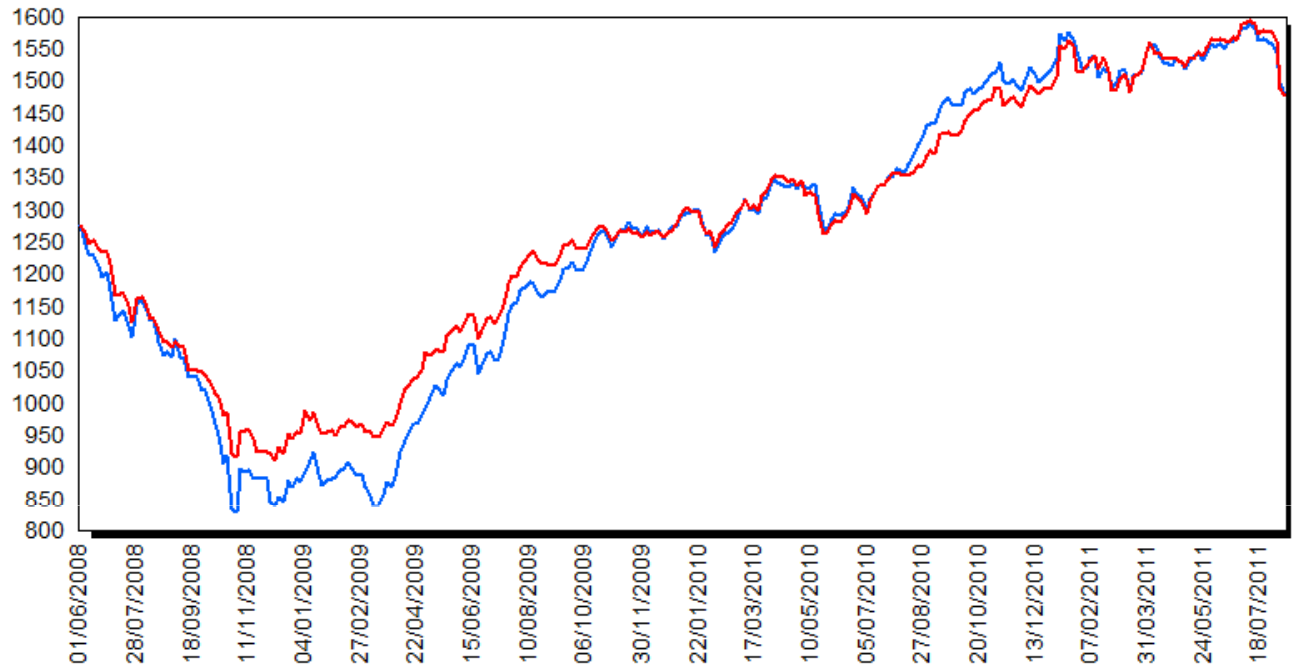
BENCHMARK: KLCI

Fund - PUBLIC ISLAMIC EQUITY FUND

Discuss

Average cost/unit	RM 0.2747
Net Asset value/unit	RM 0.3197
Original Amount	RM121000.00
Amount Invested	RM121000.00
Current Value	RM140802.52
Capital Appreciation	RM19802.52
Return On Investment	16.37%
Annualised Growth	4.90%
Target Growth	20.00%
KLCI	1476.46

Fund: PUBLIC ISLAMIC EQUITY FUND
Plan: EPF
Account No: dca 3 yrs



Discuss ... The bigger picture

Over the past
5 years



5.4 %

EPF – LOWER YIELD, SAFE INVESTMENT

4. One such guideline is EPF's strategic asset allocation as shown in Table 1.

Table 1: EPF Strategic Asset Allocation

Asset Class	Strategic Asset Allocation (%)	Variation (%)
Malaysian Government Securities (MGS)	25	15 to 35
Loans and Bonds	25	15 to 35
Equities	20	10 to 30
Money Market Instruments	15	5 to 25
Properties	5	0 to 10
International Investments	10	0 to 20

Source: EPF

2010	KADAR
RM JUTA RM MILLION	PULANGAN (%) RETURN ON INVESTMENT (%)
5,300.14	4.66
7,020.38	5.25
10,936.31	10.59
703.52	3.03
100.70	6.06
24,061.05	6.41

Discuss ... The bigger picture – to bring down FEAR %

- EPF-UT scheme takes up only a part of ACCOUNT 1.
- Take a bigger picture and “zoom out” EPF-UT” amount invested as a % of TOTAL EPF ACCOUNT.

Eg. Age 35 with RM150,000 total epf;
Basic Sum RM29,000 (ACC 1 must leave in EPF)

Acc 1 (30%) RM45,000

Acc 2 (70%) RM105,000 → max invest RM76,000
in UT (105k – 29k)

Since UT use DCA, so not
the entire RM76k amount is
at Risk, only part maybe
20% maximum !

Only 51%
invested in UT

Discuss ... How you report valuation ?



- CAMs (Public Mutual) – TOTAL TRANSACTIONS
- d-Solution (3rd Party) – TOTAL and TRANSACTION basis (allows for selective switching/repurchase)

Discuss ... Active or passive management ?



- Actively switching (tactical allocation)
- Passively diversify into various basket/funds

Sekian dahulu.
Terima Kasih

“Rich” means owning enough money that one
doesn't have to worry about money.