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**eastspring**  
**investments**

A member of Prudential plc (UK)



# EASTSPRING INVESTMENTS GLOBAL BASICS MY FUND

## PRODUCT HIGHLIGHTS SHEET

### **RESPONSIBILITY STATEMENT**

This Product Highlights Sheet has been reviewed and approved by the authorised persons approved by the Board of Eastspring Investments Berhad and they have collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements or omissions of other facts which would make any statement in the Product Highlights Sheet false or misleading.

### **STATEMENT OF DISCLAIMER**

The Securities Commission Malaysia has authorised the issuance of Eastspring Investments Global Basics MY Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Eastspring Investments Global Basics MY Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Eastspring Investments Global Basics MY Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Eastspring Investments Berhad responsible for the Eastspring Investments Global Basics MY Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.



**This Product Highlights Sheet only highlights the key features and risks of the Fund. Investors are advised to request, read and understand the master prospectus and its supplementary master prospectus(es) (if any) (hereinafter collectively referred to as "Master Prospectus") of the Fund before deciding to invest. If in doubt, please consult a professional adviser.**

## PRODUCT HIGHLIGHTS SHEET

### Eastspring Investments Global Basics MY Fund ("Fund")

<b>Fund Category</b>	Feeder fund (global equity)	<b>Launch Date</b>	17 January 2007
<b>Fund Type</b>	Growth	<b>Manager</b>	Eastspring Investments Berhad
<b>Financial Year End</b>	31 December		

## PRODUCT SUITABILITY

### WHO IS THE PRODUCT SUITABLE FOR?

Refer to "Investor's Profile" in the "Information In Relation to the Fund" section of the Fund's Master Prospectus.

The Fund is suitable for investors who:

- ▶ seek capital appreciation;
- ▶ want to participate in companies operating in basic industries (both 'primary' and 'secondary' industries) as well as companies servicing these industries;
- ▶ have high risk tolerance; and
- ▶ adopt a long-term investment horizon.

## KEY PRODUCT FEATURES

### WHAT ARE YOU INVESTING IN?

Refer to "Fund Objective" in the "Information In Relation to the Fund" section of the Fund's Master Prospectus.

You are investing in a global equity feeder fund which seeks to maximise long-term capital appreciation by investing in another collective investment scheme primarily the M&G Global Basics Fund, which invests wholly or mainly in companies operating in basic industries ['primary' industries (extracting raw materials) and 'secondary' industries (products and services)] and also in companies that service these industries.

***Should the Manager decide to invest in another collective investment scheme other than the M&G Global Basics Fund for any reason whatsoever, Unit Holders' approval is required.***

### Investment Strategy

Refer to "Investment Strategy" in the "Information In Relation to the Fund" section of the Fund's Master Prospectus.

The Fund seeks to achieve its objective by investing in the M&G Global Basics Fund which is a sub-fund of the M&G Investment Funds (1), managed by M&G Investment Management Limited.

### Asset Allocation

Refer to "Asset Allocation" in the "Information In Relation to the Fund" section of the Fund's Master Prospectus.

- ▶ Minimum of 95% of the Fund's NAV in the M&G Global Basics Fund.
- ▶ Minimum of 1% of the Fund's NAV in deposits or liquid assets.

### Income Distribution Policy

Refer to "Income Distribution Policy" in the "Transaction Information" section of the Fund's Master Prospectus.

Distribution of income, if any, after deduction of taxation and expenses, will be incidental.

### Parties Involved

Refer to "The Management and the Administration of the Fund" and "The Trustee" sections of the Fund's Master Prospectus.

### WHO ARE YOU INVESTING WITH?

- ▶ The Manager is Eastspring Investments Berhad (company no.: 531241-U) incorporated in November 2000 and is part of Prudential plc (United Kingdom) group.
- ▶ The Trustee of the Fund is Deutsche Trustees Malaysia Berhad (company no.: 763590-H).
- ▶ The Target Fund Investment Manager is M&G Investment Management Limited.

- › The Manager and the Target Fund Investment Manager are within the same group of companies i.e. Prudential group of companies; therefore there is a possibility of conflict of interest element and/or related party transactions. However, the Manager has in place policies and procedures to deal with any conflict of interest and/or related party situations.

### **Possible Outcomes of Investing in the Fund**

Refer to "Risk Factors" in the "Information In Relation to the Fund" section of the Fund's Master Prospectus.

Investment involves risk and different types of unit trust funds carry different levels of risk. The value of the Fund and its distributions (if any) may rise or fall. These risk factors, among others, may cause you to lose some or all of your investment.

## **KEY RISKS**

### **WHAT ARE THE KEY RISKS ASSOCIATED WITH THE FUND?**

Refer to "Risk Factors" in the "Information In Relation to the Fund" section of the Fund's Master Prospectus.

#### **Countries or Foreign securities risk**

The Fund invests in a Target Fund that is domiciled in the United Kingdom and also invests in securities listed outside the United Kingdom. Any changes in the economic fundamentals, social and political stability, uncertainty or changes in countries' official currencies, currency movements and foreign investments policies in these foreign countries may increase the volatility in asset values, liquidity and default risk which may have an impact on the prices of the securities that the Target Fund invests in and consequently may also affect the Fund's NAV.

#### **Currency risk**

As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

The impact of the exchange rate movement between the base currency of the Fund and the currency of the underlying investments may result in a depreciation of the value of the investments as expressed in the base currency of the Fund.

### **WHAT ARE THE KEY RISKS OF THE TARGET FUND?**

Refer to "Risk Factors" in the "Information In Relation to the Fund" section of the Fund's Master Prospectus.

#### **Security risk**

Adverse price movements of a particular security invested by the Target Fund may adversely affect the Target Fund's net asset value.

#### **Fund management of Target Fund risk**

While the Manager will exercise due skill and care in selecting the Target Fund, it does not have control over the management of the Target Fund and there is no guarantee that the investment objectives will be met. This may result in Unit Holders suffering losses in their investments in the Target Fund.

#### **Errors in calculation of the net asset value of the Target Fund's risk**

There is a possibility there are errors in calculation of the net asset value of the Target Fund. In the event such errors occur, the net asset value of the Target Fund will be affected hence, the Target Fund will comply with the rules set forth in the relevant regulatory provisions applicable to the Target Fund.

#### **Liquidity risk**

Liquidity risk here refers to two scenarios. The first scenario is where the allocated liquidity of the Target Fund is insufficient to meet redemption needs. The second scenario is where the investments in the Target Fund are thinly traded. Should the investments in the Target Fund be thinly traded, this may cause the Target Fund to dispose the investment at an unfavourable price in the market and may adversely affect investors' investment.

### **Countries or Foreign securities risk**

This risk is associated with investments in securities listed or domiciled in countries other than the country of domicile. Any changes in the economic fundamentals, social and political stability, uncertainty or changes in countries' official currencies, currency movements and foreign investments policies in these countries may increase the volatility in asset values, liquidity and default risk which may have an impact on the prices of the securities that the Target Fund invest in and consequently may also affect the net asset value of the Target Fund.

### **Currency risk**

This risk is associated with investments denominated in currencies different from the base currency of the Target Fund. As the Target Fund is denominated in EUR, the underlying investments may be denominated in its local currency. The performance of the Target Fund may be affected by movements in the exchange rate between the local currency and EUR.

### **Restrictions on foreign investment risk**

Some countries prohibit or impose substantial restrictions on investments by foreign entities. There may also be instances where a purchase order subsequently fails because the permissible allocation to foreign investors has been filled, depriving the Target Fund of the ability to make its desired investment at the time.

### **Counterparty risk**

The Investment Manager of the Target Fund will place transactions, hold positions (including derivatives transactions) and deposit cash on deposit with a range of counterparties, there is a risk that a counterparty may default on its obligations or become insolvent, which may put the Target Fund's capital at risk.

**Please be advised that if you invest in Units through an Institutional Unit Trust Adviser (IUTA) which adopts the nominee system of ownership, you would not be considered to be a Unit Holder under the Deed and you may, consequently, not have all the rights ordinarily exercisable by a Unit Holder (for example, the right to call for a Unit Holder's Meeting and to vote thereat and the right to have your particulars appearing in the register of Unit Holders of the Fund).**

## **FEES AND CHARGES**

### **WHAT ARE THE FEES AND CHARGES OF THE FUND?**

Refer to "Fees, Charges and Expenses" section of the Fund's Master Prospectus.

All fees, charges and expenses payable by the Unit Holder and/or the Fund, as the case may be, are subject to the Goods and Services Tax ("GST") at a rate of 6% or such other prescribed rate as may be imposed from time to time, and incurred by the Unit Holder directly when purchasing or redeeming Units of the Fund and indirectly when investing in the Fund. The fees, charges and expenses disclosed are exclusive of GST or any other taxes or duties that may be imposed by the government or other authorities from time to time.

### **Payable directly by you**

<b>Sales charge</b>	Up to 6.00% of the NAV per Unit of the Fund. Sales charge is negotiable due to the different levels of services provided by each authorised distributor and/or the size of the investment undertaken.  (the sales charge is payable for every new subscription)
<b>Repurchase charge</b>	Nil
<b>Switching fee</b>	There is no switching fee imposed on switching of Units but Unit Holders have to pay the difference between sales charge if Unit Holders wish to switch into another fund with a higher sales charge. However, no sales charge will be imposed if the fund to be switched into has lower sales charge than the Fund.

## Payable indirectly by you

**Annual management fee** Up to 1.80% of the NAV of the Fund per annum  
The Investment Manager of the Target Fund will rebate in full the annual management fee into the Fund. Therefore, there will be no double charging of the annual management fee at the Fund.

**Annual trustee fee** Up to 0.07% per annum of the NAV of the Fund, subject to a minimum of RM18,000 per annum (excluding foreign custodian fees and charges).

You can buy unit trusts either through a Unit Trust Consultant (UTC), Institutional Unit Trust Advisers (IUTA), Corporate Unit Trust Advisers (CUTA) or directly from the Manager or online, but each has different sales charge and level of service.

If you redeem your units in a unit trust fund and purchase units in another unit trust fund, you will probably have to pay a sales charge. However, if you perform switching, you may pay lower sales charge. Please refer to switching fee for more details.

## VALUATION AND EXITING FROM THE FUND

### HOW OFTEN ARE VALUATIONS AVAILABLE FOR THE FUND?

Refer to "Valuation Point Of The Fund" in the "Information In Relation to the Fund" section of the Fund's Master Prospectus.

The Fund will be valued at least once every Business Day. The latest Unit prices are published every Business Day on the Manager's website, [www.eastspringinvestments.com.my](http://www.eastspringinvestments.com.my) or you may contact the Manager directly at (603) 2332 1000.

### HOW CAN YOU EXIT FROM THE FUND AND WHAT ARE THE RISKS AND COSTS INVOLVED?

Refer to "Transaction Information" section of the Fund's Master Prospectus.

- ▶ You may redeem all or some of the Units held on any Business Day by completing a transaction form. Redemption application should be made before the cut-off time of 4.00 p.m. on any Business Day. The Units will be redeemed at the NAV per Unit calculated at the next valuation point (i.e. forward pricing) after the redemption application is received by the Manager.
- ▶ When the redemption application is received after the cut-off time as stated above, the redemption application will be deemed to have been received on the next Business Day.
- ▶ The Manager shall despatch the redemption proceeds to you within ten (10) calendar days from the date the Manager receives the duly completed transaction form. Payment will be made via E-payment according to your bank account details as stated in the duly completed transaction form.

### COOLING-OFF POLICY

Refer to "Cooling-off Period & Cooling-off Right" in the "Transaction Information" section of the Fund's Master Prospectus.

- ▶ A cooling-off right is only given to an individual investor who is investing in any of the unit trust funds managed by the Manager for the first time but shall not include the Manager's staff and a person registered with a body approved by the Securities Commission Malaysia ("SC") to deal in unit trusts.
- ▶ The cooling-off right allows Unit Holder the opportunity to reverse an investment decision which could have been unduly influenced by certain external elements or factors.
- ▶ The cooling-off period shall be within six (6) Business Days which shall be effective from the date the Manager receives the duly completed transaction form.

**YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.**

## PERFORMANCE OF THE FUND

(Source: Annual Report for Eastspring Investments Global Basics MY Fund for the Financial Year Ended 31 December 2016)

### AVERAGE TOTAL RETURN OF THE FUND

Period	1-Year	3-Year	5-Year	Since inception
<b>As at 31 December 2016 (%)</b>				
Fund	13.94	8.47	7.67	2.67

(Source: The above total return of the Fund was sourced from Lipper for Investment Management)

### ANNUAL TOTAL RETURN OF THE FUND FOR THE LAST 10 YEARS

<b>As at 31 December (%)</b>										
Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Fund	10.03*	(43.31)	45.99	10.24	(10.67)	0.78	12.50	(0.54)	12.64	13.94
Benchmark	16.54*	(35.33)	31.13	4.36	(2.33)	9.04	29.53	6.58	18.98	15.58

During the period under review (i.e. 1 January 2016 to 31 December 2016), the Fund registered a return of 13.94%, underperforming the benchmark return of 15.58% by 1.64%. The underperformance was due to the underweight in the energy sector and stock selection.

\* Since Fund's inception until financial year end.

### BASIS OF CALCULATION AND ASSUMPTIONS MADE IN CALCULATING RETURNS

$$\text{Percentage growth} = \frac{\text{NAV}_t}{\text{NAV}_0} - 1$$

NAV<sub>t</sub> = NAV at the end of the period

NAV<sub>0</sub> = NAV at the beginning of the period

$$\text{Performance annualised} = (1 + \text{Percentage Growth})^{1/n} - 1$$

Adjusted for unit split and distribution paid out for the period

$$n = \text{number of years}$$

### PORTFOLIO TURNOVER RATIO ("PTR") FOR THREE MOST RECENT FINANCIAL YEARS

<b>As at 31 December (times)</b>			
Year	2016 (times)	2015 (times)	2014 (times)
Fund	0.15	0.15	0.19

There were no significant changes to the PTR during the period under review.

### INCOME DISTRIBUTION FOR THREE MOST RECENT FINANCIAL YEARS

#### As at 31 December

#### Eastspring Investments Global Basics MY Fund

There were no income distribution for the year 2014, 2015 and 2016.

**PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.**

## Other Information

- ▶ Only registered unit trust consultants are allowed to sell unit trust funds. Your unit trust consultants should show you a valid authorisation card confirming that he or she is registered with the Federation of Investment Managers Malaysia ("FiMM").
- ▶ A unit trust fund may only be offered to the public if it is approved by the SC. Go to [www.sc.com.my](http://www.sc.com.my) for a list of unit trust funds currently available in the market or call 603-6204 8777 for assistance.
- ▶ When you buy into a unit trust fund, you should be given the latest copy of prospectus for free. Read the prospectus carefully; understand its contents before investing.

## CONTACT INFORMATION

1. To lodge a complaint or for an internal dispute resolution, you can contact our client services personnel:

(a) via phone to	(603) 2332 1000
(b) via fax to	(603) 2052 3366
(c) via email to	<a href="mailto:cs.my@eastspring.com">cs.my@eastspring.com</a>
(d) via letter to	Eastspring Investments Berhad, Level 12, Menara Prudential No. 10, Jalan Sultan Ismail, 50250 Kuala Lumpur

2. Investor can contact FiMM Complaints Bureau:

(a) via phone to	(603) 2092 3800
(b) via fax to	(603) 2093 2700
(c) via email to	<a href="mailto:complaints@fimm.com.my">complaints@fimm.com.my</a>
(d) via online complaint form	<a href="http://www.fimm.com.my">www.fimm.com.my</a>
(e) via letter to	Legal, Secretarial & Regulatory Affairs Federation of Investment Managers Malaysia 19-06-1, 6 <sup>th</sup> Floor Wisma Tune, No. 19, Lorong Dungun Damansara Heights, 50490 Kuala Lumpur

3. Should an individual or a sole proprietor investor be dissatisfied with the outcome of the internal dispute resolution process, he may refer his dispute to the Securities Industry Dispute Resolution Center (SIDREC) via the following modes. The individual or a sole proprietor investor may do so within 180 days of receiving the final answer from the Manager or after 90 days from filing the complaint if there was no responses from the Manager.

(a) via phone to	(603) 2282 2280
(b) via fax to	(603) 2282 3855
(c) via email to	<a href="mailto:info@sidrec.com.my">info@sidrec.com.my</a>
(d) via letter to	Securities Industry Dispute Resolution Center (SIDREC) Unit A-9-1, Level 9, Tower A, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1, 59000 Kuala Lumpur

4. The investor can also direct his complaint to the SC even if he has initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:

(a) via phone to the Aduan Hotline at	(603) 6204 8999
(b) via fax to	(603) 6204 8991
(c) via email to	aduan@seccom.com.my
(d) via online complaint form available at	www.sc.com.my
(e) via letter to	Investor Affairs & Complaints Department Securities Commission Malaysia, No. 3 Persiaran Bukit Kiara Bukit Kiara, 50490 Kuala Lumpur

## APPENDIX: GLOSSARY OF TERMS

<b>Business Day</b>	Means a day in which Bursa Malaysia is open for trading. The Manager may also declare certain Business Days as non-Business Days when: <ul style="list-style-type: none"> <li>▶ one or more of the foreign markets in which the Fund is invested therein is closed for trading; and/or</li> <li>▶ one or more collective investment schemes in which the Fund is invested therein declared certain business days as non-business days.</li> </ul>
<b>deposits</b>	Means money placed with financial institutions in fixed deposit or current account.
<b>liquid assets</b>	Means any permitted investments capable of being converted into cash within seven (7) days.
<b>Net Asset Value or (NAV)</b>	Is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point.
<b>NAV per Unit</b>	Means the NAV of the Fund divided by the number of units in circulation, at the valuation point.
<b>Target Fund</b>	Means the M&G Global Basics Fund relating to Eastspring Investments Global Basics MY Fund.
<b>Unit(s)</b>	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a unit of the Fund.
<b>Unit Holder(s) or you</b>	Means the person for the time being who is registered pursuant to the deed of the Fund as a holder of Units of the Fund, including jointholder.