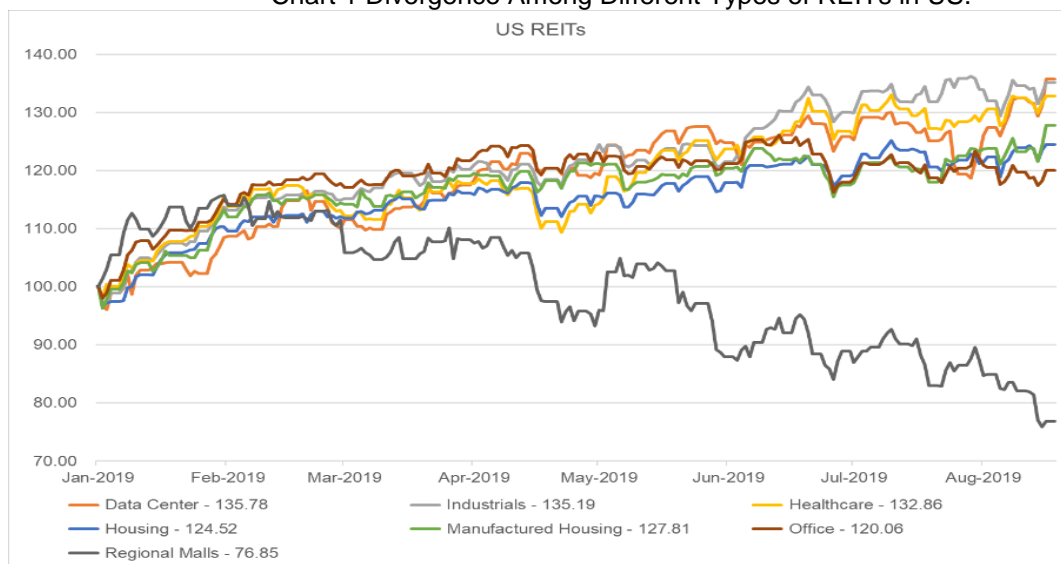


Trump Loves Properties, Do You?

- With the intensification of the US-China trade dispute, President Trump’s “orders” US companies suspend all trading with China. If this is his ultimatum in negotiations with China and if fails, global economy will be driven into an almost certain downturn.
- Under such scenario, risk averse investors will seek for alternative investments that generate yield such as REITs (real estate investment trusts) because REITs are perceived as less sensitive to market fluctuations.
- Historically, REITs and REIT funds have **delivered competitive total returns** through **steady yield and some long-term capital appreciation**.
- REIT funds have **lower correlation to other conventional funds** also makes them **an excellent portfolio diversifier** that can help **reduce overall portfolio risk and enhance returns**.
- In choosing REIT funds, the Chart 1 below that showcase performance of REITs listed in US can throw some lights to us.

Chart 1 Divergence Among Different Types of REITs in US.



Source: Bloomberg, compiled by PRSB

- It is clear from Chart 1 that there is performance divergence where office, healthcare and industrial REITs continue to perform while economy sensitive consumer discretionary REITs such as regional malls sector continue to remain weak.
- Looking forward, we believe REIT funds in Asia may show similar behaviours as seen in US counterparts. We thus prefer REIT funds with **higher exposure to defensive sector** e.g. industrial, healthcare as they are less volatile as compared to those exposed to retail sector.

Summary

- We are sure you as a wise investor knows not to put all eggs into one basket.
- Thus, do not hesitate further and act now to **diversify your investments by including REIT Funds** into your portfolio to better weathering the year ahead.
- Below is a list of REIT Funds available through our platform that may be of your interest.

Name	AmAsia Pacific REITs – Class B (MYR)	AmAsia Pacific REITs Plus#	Manulife Investment Asia-Pacific REIT Fund	Manulife Shariah Global REIT Fund	Affin Hwang Asia Pac (Ex Japan) REITs and Infrastructure Fund																																																						
Launch Date	18 July 2011	1 July 2013	7 June 2007	12 March 2019	25 April 2007																																																						
Investment objective	Aims to provide regular income* and to a lesser extent capital appreciation over medium to long term by investing in real estate investment trusts (REITs)	Aims to provide regular income* and to a lesser extent capital appreciation over medium to long term by investing in real estate investment trusts (REITs) and equities in the real estate sector	To provide long-term capital appreciation and sustainable income through a combined investment in other collective investment schemes, namely REITs and infrastructure funds/trusts.	Aims to provide regular income* and capital appreciation by investing in Islamic real estate investment trusts (REITs)	Aims to provide a combination of income and growth through investments in the REITs and infrastructure sector within the Asia Pacific (ex Japan) region.																																																						
	#The word “Plus” is used in the Fund’s name as the Fund is a continuation of the AmAsia Pacific REITs and the Fund may invest in listed equities in the real estate sector. *The income could be in the form of units or cash			* Note: Income distribution (if any) may be made in the form of cash or additional Units reinvested into the Fund. Any material change to the Fund’s investment objective would require Unit Holders’ approval																																																							
Asset & Sector Allocation (as at 31 July 2019)	<table border="1"> <tr><td>Real Estate</td><td>73.15%</td></tr> <tr><td>Money Market Deposit</td><td>26.23%</td></tr> <tr><td>Cash and others</td><td>0.62%</td></tr> </table>	Real Estate	73.15%	Money Market Deposit	26.23%	Cash and others	0.62%	<table border="1"> <tr><td>Real Estate</td><td>72.80%</td></tr> <tr><td>Money Market Deposit</td><td>22.19%</td></tr> <tr><td>Cash and others</td><td>5.01%</td></tr> </table>	Real Estate	72.80%	Money Market Deposit	22.19%	Cash and others	5.01%	<table border="1"> <tr><td>Retail REITs</td><td>46.00%</td></tr> <tr><td>Office REITs</td><td>21.00%</td></tr> <tr><td>Industrials REITs</td><td>15.00%</td></tr> <tr><td>Diversified REITs</td><td>11.00%</td></tr> <tr><td>Hospitality REITs</td><td>4.00%</td></tr> <tr><td>Specialised REITs</td><td>3.00%</td></tr> </table>	Retail REITs	46.00%	Office REITs	21.00%	Industrials REITs	15.00%	Diversified REITs	11.00%	Hospitality REITs	4.00%	Specialised REITs	3.00%	<table border="1"> <tr><td>Retail REITs</td><td>22.57%</td></tr> <tr><td>Specialised REITs</td><td>22.53%</td></tr> <tr><td>Industrial REITs</td><td>18.83%</td></tr> <tr><td>Office REITs</td><td>10.63%</td></tr> <tr><td>Residential REITs</td><td>9.40%</td></tr> <tr><td>Healthcare REITs</td><td>6.72%</td></tr> <tr><td>Diversified REITs</td><td>4.92%</td></tr> </table>	Retail REITs	22.57%	Specialised REITs	22.53%	Industrial REITs	18.83%	Office REITs	10.63%	Residential REITs	9.40%	Healthcare REITs	6.72%	Diversified REITs	4.92%	<table border="1"> <tr><td>Financials</td><td>64.1%</td></tr> <tr><td>Industrials</td><td>9.4%</td></tr> <tr><td>Utilities</td><td>6.8%</td></tr> <tr><td>Technology</td><td>6.7%</td></tr> <tr><td>Telecommunications</td><td>3.2%</td></tr> <tr><td>Consumer Services</td><td>3.0%</td></tr> <tr><td>Health Care</td><td>2.2%</td></tr> <tr><td>Cash & Cash Equivalents</td><td>4.5%</td></tr> </table>	Financials	64.1%	Industrials	9.4%	Utilities	6.8%	Technology	6.7%	Telecommunications	3.2%	Consumer Services	3.0%	Health Care	2.2%	Cash & Cash Equivalents	4.5%
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Source for AmAsia Pacific REITs, AmAsia Pacific REITs Plus, and Affin Hwang Asia Pac (Ex Japan) REITs and Infrastructure Fund are extracted from the respective Funds’ latest Fund Fact Sheet August 2019, data as at 31 July 2019.

Source for Manulife Investment Asia-Pacific REIT Fund and Manulife Shariah Global REIT Fund from Manulife Asset Management Services Bhd, data as at 31 July 2019.

For further details on the Funds’ information, please refer to their respective Master Prospectuses or Supplementary Prospectuses.

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