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*Veteran 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).*

**“What kind of returns will unit trust investors likely see this 2020?”**

1. Value is in the eye of beholder. Share price depends on investors' reactions. Whether the shares will perform sooner or later will depend on how accurate is one's assessment. With the sharp market correction in the second half of February 2020 to the later part of March, year to date, equity unit trust investors are seeing negative returns. Your return depends on your judgement to buy at low prices. You may not get the prices at the lowest point, but I believe that **if you take a longer term view during crisis period, you will be rewarded in the long run**. You may temporarily lose money initially, however, if you invest with a longer term horizon, there is a good chance to make money. Dana Makmur Pheim's long-term track record is an example of this.
2. Now that the unprecedented pandemonium in the form of the Covid-19 pandemic has sent the world's markets into freefall, the **crisis creates not only problems but also opportunities**. Index stocks are mainly big-cap stocks. More so in ASEAN. The growth of big-cap stocks is slowing down and yet sell at a price which is a bit on the high side. The job market is bad now and worsening but will improve when pandemic is more controllable. Investors need to believe that it will not take more than a year. Many shares in ASEAN have dropped 60 to 80%, more on the 60%. The attractiveness is the low price.
3. The volatility will persist as the real economic impact from the Covid-19 pandemic, capital market adjustments arising from the US market crash and oil price recovery have yet to be fully realised. If the pandemic can be brought under control in the next few months, we are hopeful that the global economy will start to improve. Then, the markets should be better.
4. At the moment, one of the key issues is to judge how soon it will take to contain the spread of Covid-19. It is difficult to estimate the full impact of the economic disruption but it is generally acknowledged that it would be extensive. If you have faith, all will be settled within a year. IMF World Economic Outlook 2020 forecast a very bad outlook in 2020 but a good recovery in 2021.

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