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Fundsupermart.com Unit Trust Investment Fair: What & Where to Invest in 2013, China Poised to Deliver Strong Returns, Thailand Set to Be the Laggard in 2013

Kuala Lumpur, 26 January 2013 – Fundsupermart.com Malaysia (FSM) held its annual flagship event, Unit Trust Investment Fair: What & Where to Invest in 2013 at the Kuala Lumpur Convention Centre today. At the unit trust investment fair, seven industry experts provided investment insights on various investment topics, risks and opportunities, investment strategies and outlook for the year while fifteen prominent fund houses showcased their unit trust capabilities and products.

Terence Lin, Research Manager at FSM, believes that Global Emerging Market equities will continue to be a powerful growth engine going into 2013, with the region poised to deliver some of the fastest economic growth rates in the world. Terence explains, “We expect global economy to improve in 2013 and external demand and global trade to pick up, which will likely benefit Global Emerging Markets and eventually boost investor sentiment on Global Emerging Market equities.” On the other hand, Japan has replaced Europe as FSM’s least favoured equity region. “Japan’s economy continues to face mounting downside risks as major economic indicators have shown a widespread weakness in economic activities. The ongoing loss of competitiveness and market share in various sectors reflect structural problems within the country’s economy. We see few catalysts for a turnaround in its economy and believe that the country will likely perform the weakest over the next three years starting from 2013,” explains Terence.

China is FSM’s top country pick in 2013 for the second consecutive year. Terence says, “Investors have been overly pessimistic on China, especially with their concerns of a hard landing, keeping the equity market at depressed levels. However, we believe that China is likely to avoid a hard landing with economic indicators appearing to signal a turnaround in the economy. Also, there are signs showing that growth has begun to accelerate once again, which may boost investor confidence and stock market in the near term.” He further added that valuations for the market still remain at attractive levels and its upside potential by end-2014 is still among the highest of the markets under FSM’s coverage.

Thailand has replaced Indonesia as FSM’s least favoured country. According to Terence, Thailand has begun to look more expensive following the strong run-up in 2012, with much of its upside potential already priced in. He opines that investors are currently paying a premium to fair valuations for Thai stocks and the country’s resilient economic growth. He also says that the country has limited upside potential by end-2014 compared to the markets under their coverage.

As for the bond market, Terence remains bullish on high-yield corporate bonds and emerging markets bonds while continuing to be bearish on G7 sovereign bonds.



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Terence suggests investors to overweight equities versus bonds in 2013, a view which FSM has held since 2009 as he finds substantial value in most equity markets under coverage, while yields of most fixed income classes are now at all-time lows, suggesting that this asset class is now expensive.

Backed by FSM's in-house research, the star ratings methodology is used to rank the attractiveness of markets. Below are FSM's star ratings for various markets going into 2013:

Regional Markets	Star Rating
Asia ex-Japan	5 "Very Attractive"
Emerging Markets	5 "Very Attractive"
US	3.5 "Attractive"
Europe	3 "Attractive"
Japan	3 "Attractive"
Single Country / Sector	Star Rating
China	5 "Very Attractive"
Hong Kong	5 "Very Attractive"
South Korea	5 "Very Attractive"
Taiwan	4 "Very Attractive"
Brazil	4 "Very Attractive"
Singapore	4 "Very Attractive"
Technology	4 "Very Attractive"
Australia	3.5 "Attractive"
India	3.5 "Attractive"
Russia	4 "Very Attractive"
Thailand	2.5 "Neutral"
Malaysia	3 "Attractive"
Indonesia	2.5 "Neutral"

The Unit Trust Investment Fair: What & Where to Invest in 2013 which is FSM's annual flagship event, provides a good opportunity for investors to meet fund experts in one single place and listen to their views as well as discover the various types of unit trusts available that match their objectives, risk appetites and time horizons.

Apart from Kuala Lumpur, FSM held their unit trust investment fair in Penang on 20th of January 2013. The other six speakers apart from Terence who presented at FSM's event in Kuala Lumpur include:

- Encik Abdul Rani bin Hj Mohd Salleh, Head of Business & Sales Channel Department, Amanah Mutual Berhad
- Mr Danny Wong, Chief Executive Officer, Areca Capital Sdn Bhd



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- Mr Raymond Tang, Regional Chief Investment Officer, CIMB-Principal Asset Management Berhad
 - Mr Woo Mun Thye, Director, Asset Management of OSK-UOB Investment Management Berhad
 - Mr Chung Yee Wah, Chief Investment Officer, Kenanga Islamic Investors Berhad
 - Mr David Ng, Chief Investment Officer, Hwang Investment Management Berhad

In his presentation, Encik Abdul Rani shared on the basics of unit trust investing which include the factors investors need to consider before investing in unit trusts, the benefits and the risks of investing in unit trusts.

Mr Danny Wong presented on the asset allocation strategy and how investors can use this strategy in times of changing market conditions and market cycles. He also touched on how investors can self-manage and customise their own investment portfolio according to their investment goals, risk profiles and market conditions.

Mr Raymond Tang shared with investors on the investment opportunities and risks to look out for in 2013 and how the recently launched Private Retirement Scheme (PRS) can boost their retirement savings.

Mr Woo Mun Thye gave his outlook on China in 2013 and why he believed the market is currently trading at an attractive valuation level.

Mr Chung Yee Wah presented his outlook on Asia Pacific and advocated how their absolute return strategy would work well in the current environment.

Mr David Ng gave compelling reasons for investors to focus on Asian markets and shared his macro outlook on the global market.

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