



Pheim wins Mixed Asset awards for eighth year in a row

BY KUEK SER KWANG ZHE

Under the leadership of its founder and chief strategist Dr Tan Chong Koay, Pheim Asset Management Sdn Bhd took home four awards at the Refinitiv Lipper Fund Awards 2023.

It was no small feat that Dana Makmur Pheim clinched the Best Mixed Asset MYR Balanced (Provident) and Best Mixed Asset MYR Balanced (Islamic) awards in the 10-year category for the eighth consecutive year, while Pheim Asia ex-Japan (PAXJ) bagged the Best Equity Asia Pacific ex-Japan award in the three- and five-year categories for the third year in a row.

Tan says three main factors contributed to the firm's wins. By sticking to the principle of value investing, he and his team were able to identify undervalued stocks and buy them at a discount. This was coupled with an eye for growth. The companies it invested in had the potential to grow their businesses and market share steadily in the coming years.

The most important factor, as Tan's mantra goes, is to never be fully invested at all times. He and his team would always take profits during a bull market and deploy cash, but not fully, during bad times.

"We seek to trim equity exposure near market peaks to preserve capital and increase investment exposure during market troughs. We seek out stocks that are relatively cheap based

on their intrinsic value, in the expectation that their share price will rise at some point to more accurately reflect their true worth," says Tan.

"We seek companies that have a focused management team, low debt-to-equity gearing and enjoy high margins and earnings growth. Also, their shares were trading at a low price-earnings ratio and/or price-to-book ratio.

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Tan says 2022 was a year rife with challenges as the overall equity and bond prices, which tend to move in opposite directions, both fell — a rare occurrence in market history. It was a tough year for investors to eke out returns. But the firm stayed true to its investment principles and was able to minimise losses, and still fared well over the long term.

As at December last year, Dana Makmur Pheim had registered a return of 111.81% over the past 10 years compared with its benchmark of 11.79%. Some of the companies in which the firm had taken profit included Supermax Corp Bhd, Greatec Technology Bhd, Datasonic Group Bhd, Inari Amertron Bhd and Hibiscus Petroleum Bhd.

On the other hand, PAXJ maintained its cash level at close to 15% for the greater part of 2022 and increased its equity investments by reducing its cash level to close to 5% in November last year. Overall, the firm underweight the Greater China region for most of last year, during which



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FUND	Dana Makmur Pheim	
AWARD	Mixed Asset MYR Balanced – Malaysia (Provident) (10 years) Mixed Asset MYR Balanced – Malaysia (Islamic) (10 years)	
FUND SIZE	RM274.11 million	
FUND MANAGER	Pheim Asset Management Sdn Bhd	
RETURNS FOR PERIODS ENDED DEC 31, 2022 (%)	1 year	-5.82
	3 years	10.09
	5 years	17.71
	10 years	111.81

FUND	Pheim Asia ex-Japan	
AWARD	Equity Asia Pacific ex-Japan (Malaysia) (3 and 5 years)	
FUND SIZE	RM7.32 million	
FUND MANAGER	Pheim Asset Management Sdn Bhd	
RETURNS FOR PERIODS ENDED DEC 31, 2022 (%)	1 year	-13.35
	3 years	13.16
	5 years	8.07
	10 years	47.88

the China, Hong Kong and Taiwan markets had close to a 60% weightage on the MSCI Asia ex-Japan benchmark index.

"Overall, we did not rebalance our portfolio in a major way but we were more careful in our stock or sector picking and took the opportunity to realise profits when we thought the market had peaked. Moving forward, we will continue to adhere to our investment philosophy of focusing on identifying fundamentally healthy companies with low valuations, low leverage, high growth, robust management and a strong track record," says Tan.