

LionGlobal Japan Growth Fund

The Fund aims to provide long-term capital growth of assets of the Fund by investing primarily in quoted or listed securities in any Recognised Stock Exchange or Over-the-Counter (OTC) market in Japan. The investment strategy is to invest the majority of the deposited property in mid to small market capitalisation companies. There is no target industry or sector for the investment of the Fund.

Fund Manager's Commentary

The TOPIX Total Return Index rose 4.9% in local currency terms for the month of January 2019. The Japanese market opened sharply lower on the first day of January 2019 on worries of slowing global growth after Apple guided weaker future revenues. However, the market rebounded the following day with the US Federal Reserve Chairman reassuring the market that the US central bank was in no hurry to raise interest rates. The market further rallied with the Chinese announcement that Vice Premier Liu He would visit US for trade talks at the end of the month. This was viewed positively as a step towards resolving the US-China trade war. It was relatively quiet on the domestic front with the Bank of Japan maintaining its monetary policy and the Japanese market ended the month higher on an improving external environment.

Our stock picks in the information technology and chemicals sectors contributed to the Fund's performance. Our stock picks in the cosmetics and pharmaceuticals sectors underperformed. Our underweight in the telecommunications sector also detracted from the Fund's performance.

The Japanese stock market has rebounded together with global stock markets as risk appetite has improved with the US Federal Reserve putting rate hikes on hold and the US and China seemingly likely to agree to a trade deal. For the time being, weak economic indicators are unlikely to shake market sentiment as investors are anticipating improved numbers once the trade deal is done. Nevertheless, we will need stronger economic numbers and corporate earnings to drive the market higher, which could be some months away. On a longer-term basis, the market still looks attractive at current valuations. We prefer globally-competitive companies that can ride on structural growth trends and companies that can grow through value-added products and services. We like structural growth themes like factory automation where wage inflation and productivity needs drive demand for automation. The electronics sector is also gaining new momentum from new applications such as advanced driver assistance systems in cars, the expansion of cloud services, big data and the Internet of Things in many areas, as well as advancements in the use of artificial intelligence. In consumer-related areas, we like consumer brands with quality and value-added products that can benefit from rising consumerism in emerging markets. Finally, we expect conditions to remain favourable for the construction sector in light of the multiple large scale projects in the coming years.

Performance (%)

		1-year	3-years p.a.	5-years p.a.	10- years p.a.	Since Inception p.a.
SGD Class ¹	NAV	-12.6	7.6	7.2	8.1	0.4
	NAV ^A	-17.0	5.8	6.1	7.5	0.2
	Benchmark [#]	-10.4	6.8	6.9	4.8	-1.7
USD Class ¹	NAV	-14.8	9.7	6.1	9.4	4.4
	NAV ^A	-19.1	7.9	5.0	8.8	4.0
	Benchmark [#]	-12.8	8.9	5.8	6.0	2.6
JPY Class ¹	NAV	-15.1	5.0	N.A.	N.A.	8.4
	NAV ^A	-19.4	3.3	N.A.	N.A.	7.2
	Benchmark [#]	-13.1	5.1	N.A.	N.A.	8.6
SGD- Hedged Class ¹	NAV	-14.0	6.5	N.A.	N.A.	8.6
	NAV ^A	-18.3	4.6	N.A.	N.A.	7.5
	Benchmark ^{##}	-12.2	5.7	N.A.	N.A.	9.0
USD- Hedged Class ¹	NAV	-16.0	5.3	N.A.	N.A.	7.5
	NAV ^A	-20.2	3.5	N.A.	N.A.	6.3
	Benchmark ^{###}	-11.4	5.9	N.A.	N.A.	9.1

Past performance is not necessarily indicative of future performance.

Source: Lion Global Investors Ltd / Morningstar

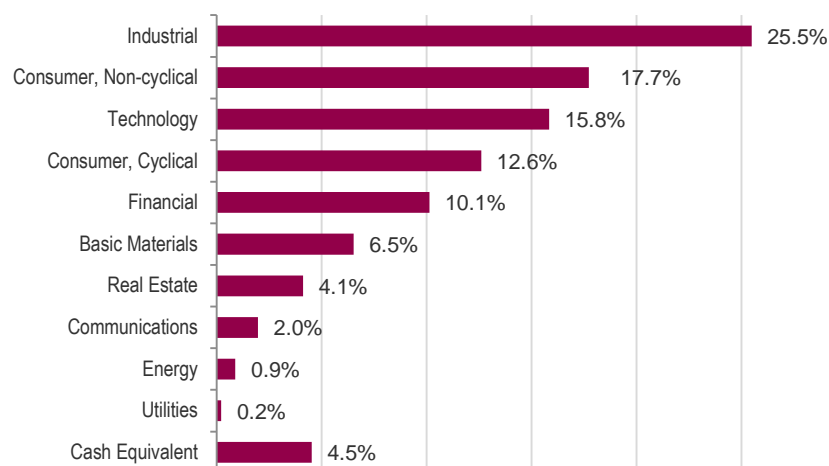
Fund Facts

Fund Inception Date:	SGD Class: 03 Dec 1999
	USD Class: 25 Jun 2004
	JPY Class: 16 May 2014
	SGD-Hedged: 25 Mar 2014
	USD-Hedged: 16 May 2014
Subscription Mode:	Cash, CPFIS-OA ² , SRS ²
Minimum Investment:	S\$ / US\$ 1,000 JPY 100,000
Initial Charge:	Currently 5% for cash and SRS. Maximum 5% for cash and SRS. Currently 3% for CPF Maximum 3% for CPF
Management Fee:	Currently: 1.4% p.a. Maximum 2% p.a.
Valuation Frequency:	Every dealing day
NAV Price:	S\$1.035/US\$0.770/JPY146
NAV Price: (Hedged Class)	S\$1.491/ US\$1.403
Fund Size:	S\$263.0 million

Codes

SGD Class:	SG9999002331 KEJAPAN
USD Class:	SG9999002349 OCBJGUS
JPY Class:	SG9999011399 LGJPGRY
SGD-Hedged Class:	SG9999011407 LGJPGSH
USD-Hedged Class:	SG9999011415 LGJPGUH

Sector Allocation (% of NAV)



Top 10 Holdings (% of NAV)

SONY CORP	2.5
MURATA MANUFACTURING CO LTD	2.4
CHIBA BANK LTD	2.4
ROHM CO LTD	2.1
KEYENCE CORP	2.0
ORIX CORP	1.8
DENSO CORP	1.8
MITSUI & CO LTD	1.8
ASAHI INTECC CO LTD	1.7
KOITO MANUFACTURING CO LTD	1.6

Benchmark:

Inception to 30 June 2002: Nikkei 225.

From 1 July 2002: TOPIX.

From 1 March 2014: TOPIX Total Return

(In respective fund's currency)

TOPIX Total Return SGD Hedged

TOPIX Total Return USD Hedged

^ NAV: Figures include Preliminary Charge.

¹ Returns are based on a single pricing basis. Return periods longer than 1 year are annualised. Dividends are reinvested net of all charges payable upon reinvestment and in respective share class currency terms.

² CPFIS Ordinary Account ("CPFIS-OA") and Supplementary Retirement Scheme ("SRS") monies may be used to purchase the SGD Class Units and SGD-Hedged Class Units only.

The above is based on information available as of 31 January 2019, unless otherwise stated. Securities referenced are not intended as recommendations to buy or sell. Opinions and estimates constitute our judgment and along with other portfolio data, are subject to change without notice.

For further information or to
obtain a copy of the prospectus:

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