



ET Snowball Strategy 50

The ET Snowball Strategy is a separately managed portfolio mandate designed to achieve a reasonable rate of return over a three to five-year period. It focuses on investing in equities listed on the Malaysian stock exchange that possess long-term growth potential.

The strategy is influenced by Warren Buffett's investment philosophy, also known as the "Snowball Strategy," which involves reinvesting profits from successful investments into other opportunities to create a compounding effect that leads to significant portfolio growth over time.

The key to success lies in selecting high-quality, long-term investments that are expected to increase in value over the years.

Minimum Investment

RM50,000
(Ringgit Malaysia: Fifty Thousand only)

Cooling-off Period

Within Ten (10) business days.

Fee & Charges

Management Fee - 2% p.a.

Calculated daily on accrued basis
and paid monthly from the Portfolio.

Performance Fee - 20% Sharing

Product Stability

Ideal for investors willing to take on equity risk and have a minimum investment horizon of three (3) years, preferably five (5) years.

Benchmark

It is an absolute return mandate with a targeted annual return deemed as a hurdle rate in the calculation of remuneration of the fund manager in terms of performance fee.

Portfolio Strategy

The portfolio may invest up to 95% of its NAV in the portfolio to achieve its investment objective.

Investable Asset Classes

Equities & Money Market Instruments

Performance Fee



Performance Fee
20% of 10% Profit*

Scenario A:

Invested: RM100,000
Performance of 10%: **RM110,000**

Performance Fees:
20% of RM10,000 = **RM2,000**

Net Returns after Performance Fee:
RM108,000

*10% returns after deducting management and custodian fee



Performance Fee
20% of 6% Profit*

Scenario B:

Invested: RM100,000
Performance of 6%: **RM106,000**

Performance Fees:
20% of RM6,000 = **RM1,200**

Net Returns after Performance Fee:
RM104,800

*6% returns after deducting management and custodian fee

Exit Option Before the Contract Ends

Withdrawal is allowed but a full withdrawal (no partial withdrawal) before the contract ends can be made by the client issuing a written notice of termination; this is subject to the withdrawal charges. All outstanding fees and charges will be debited from the account before payment is made within seven (7) business days from receipt of the notice.

Withdrawal Charges

Withdrawal Time (months after agreement)	<12	12 to < 24	24 to < 36	36 and above
Charges	3% of NAV	2% of NAV	1% of NAV	NIL

Possible Outcomes of The Investment

This is an equity portfolio that invests in Malaysian equities. The value of the investments will be closely linked to the price movements of the Malaysian equity market, particularly the securities invested by the Portfolio. If the securities that the Portfolio invests in perform well, the portfolio performance will likely reflect this. On the contrary, if they perform poorly, the portfolio performance will be negatively impacted.

Risks of Investment

The Portfolio is subject to various risks, and therefore, principal and returns are not guaranteed. Investment risks can be divided into two categories, namely general and specific risks. General risks include inflation and financing risks as well as operational and fund manager's risks. While specific risks include market risk, which comprises equity, interest rate, and currency risks, as well as liquidity and concentration risks, and listed company shareholders and management risks. The listing of risks here is not exhaustive.

Custodian Fee

As charged by the custodian, calculated daily on accrued basis and paid monthly from the Portfolio.

Transactional and Other Charges

All other charges which are incidental to the management of an Equity Portfolio such as brokerage, clearing fee, stamp duty, and CDS transfer as per equity transactions as well as banking and other charges.

Contact for Further Information/Complaint

Call our Customer Care Centre at (03) 7876 4837, available between 10:00am - noon and 2:00 pm - 4:00 pm (Malaysian time) on any Business Day. Otherwise please email us at et.smartwealth@equitiestracker.com