



AIA PAM – Conservative Fund

Investment Objective

The Fund seeks to provide returns through income* that is consistent with capital preservation**.

*Income will be reinvested in additional Units in the Fund

** The Fund is neither capital guaranteed nor capital protected

Investment Strategy

The Fund will invest at least 80% of its NAV in fixed income instruments and money market instruments, of which a minimum of 20% of the Fund's NAV will be invested in money market instruments. The remainder of the Fund's NAV will be invested in equities offering a dividend yield above the market average.

The Fund will only invest locally.

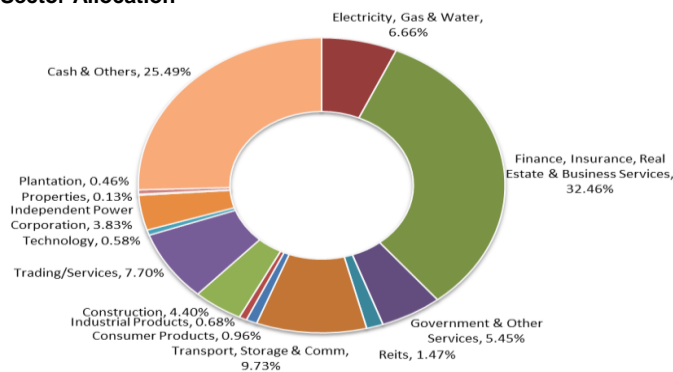
Fund Details

Unit NAV (30 November 2019)	: RM 1.1163
Fund Size(30 November 2019)	: RM 50.35 million
Fund Currency	: Ringgit Malaysia
Fund Launch	: May 16, 2013
Fund Inception	: Jun 05, 2013
Fund Management Charge	: up to 1.50% p.a
Investment Manager	: AIA Pension and Asset Management Sdn. Bhd.
Basis of Unit Valuation	: Net Asset Value (NAV)
Frequency of Unit Valuation	: Daily
Benchmark	: 15% FTSE Bursa Malaysia Top 100 Index + 20% Maybank Berhad overnight rate + 65% Quant Shop MGS All Bond Index

Top Five Holding

1.	CIMBTB 4.15 07/06/29	7.00%
2.	BSTMK 5 ¼ 06/30/26	5.04%
3.	Imtiaz Sukuk II 27/05/22	4.06%
4.	Maybank Imtn 4.13% 09/25/26	3.98%
5.	ESSB IMTN 4.50 10/11/29	3.00%

Sector Allocation



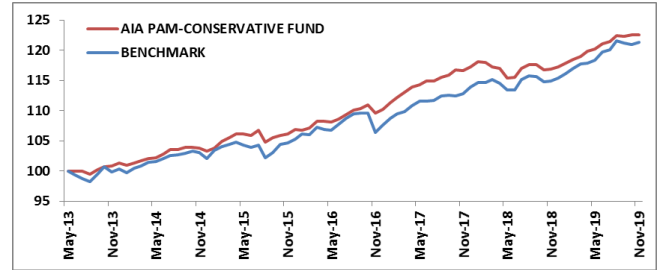
Risk

Investment risk involves the uncertainties relating to the country's economic situation, political condition and also price volatility of stocks held as a result of company specific risk.

Risk Management

The Investment Manager employs structured investment process to minimize market risk. Investment guidelines also prescribe limits in terms of single user limit and strict and frequent stock evaluation to minimize company specific risk.

Historical Performance



%	1 Mth	6 Mths	1-Year	^3-Year	^5-Year
Fund	0.06%	1.95%	4.83%	3.82%	3.39%
Index	0.23%	2.46%	5.61%	4.47%	3.30%
Excess	-0.17%	-0.51%	-0.78%	-0.65%	0.09%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg as at 30 November 2019. ^ Annualised return

Market Review

Malaysian Government Securities rallied in Nov 2019 as yields generally weakened at the shorter and longer end of the curve amid rising global yields. In a surprise announcement, Bank Negara Malaysia lowered the Statutory Reserve Requirement Ratio from 3.50% to 3.00%, in order to maintain sufficient liquidity in the domestic financial system. MYR traded range bound against the greenback to close the month at MYR4.1778.

The FBM100 fell 1.86% MoM in November, mainly dragged down by weak corporate results. The local index underperformed the MSCI Asia Ex Japan Index, which rose 0.17% in MYR terms over the same period. Foreigners were net sellers of the local market with a net outflow of USD370m during the month, bringing year-to-date net outflow to USD2.4bn. Malaysia's 3Q GDP slowed to +4.4% YoY (2Q: +4.9%) on weaker private consumption and investment spending. While Bank Negara kept Overnight Policy Rate unchanged, it delivered a 50 bps Statutory Reserve Requirement cut in order to stimulate lending.

Market Outlook

In its last Monetary Policy Committee meeting of the year, BNM maintained the Overnight Policy Rate at 3.00% and reiterated on domestic demand being the driver to growth, supported by stable labour market and wage growth. While global geopolitical events will continue to dominate headlines, a more data-dependent monetary policy approach for major central banks is expected to drive rate volatility. That said, the bond market shall be supported by ample liquidity in the financial system.

On the equity front, trade tension remains high with US President Donald Trump unwilling to back down from his tough stance on the trade talks with China. Meanwhile, global economic indicators have showed signs of stabilization. Domestically, Malaysia remains under-owned by foreigners and has underperformed its regional peers on a year-to-date basis. We see potential support from the revival of infrastructure projects and potential relocation of activities to Malaysia as a result of the ongoing US-China trade spat. We will remain vigilant to the constantly evolving market conditions and will adjust our strategy accordingly

Replacement Disclosure Document dated 9 December 2016, First Supplemental Replacement Disclosure Document dated 26 January 2018, Second Supplemental Replacement Disclosure Document dated 11 May 2018, Third Supplemental Replacement Disclosure Document dated 30 July 2018, Fourth Supplemental Replacement Disclosure Document dated 19 October 2018, Fifth Supplemental Replacement Disclosure Document dated 18 January 2019, Sixth Supplemental Replacement Disclosure Document dated 15 April 2019 and Seventh Supplemental Replacement Disclosure Document Dated 24 August 2019 of the AIA Private Retirement Scheme have been registered with the Securities Commission Malaysia, who takes no responsibility for their contents. Copies of the Replacement Disclosure Document, Supplemental Replacement Disclosure Documents and Product Highlights Sheet (collectively known as "Disclosure Document") are available from our office and all authorised agents/distributors of AIA Pension and Asset Management Sdn Bhd and you have the right to request for the Disclosure Document. Please read and understand the contents of the Disclosure Document before making any investment decision. Units are issued upon our receipt and satisfactory processing of a duly completed application form referred to in and accompanying the Disclosure Document. In the event of discrepancy between the fact sheet and the Disclosure Document, the information in the Disclosure Document shall prevail.