



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.

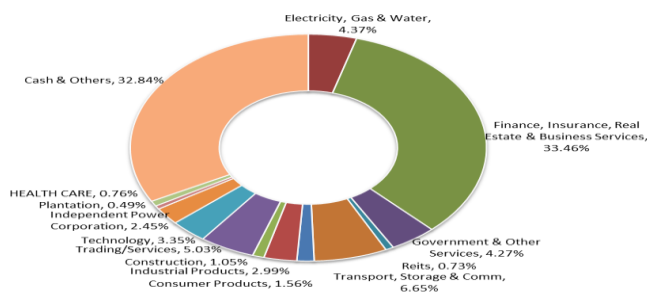
Fund Details

Unit NAV (30 September 2020)	: RM 1.1712
Fund Size (30 September 2020)	: RM 82.73 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% FBMT 100 Index + 20% Maybank Berhad overnight rate + 65% Quant Shop MGS All Bond Index

Top Five Holding

1.	DANAMK 5.02 05/03/46	7.05%
2.	SMEK 3.3 04/23/27	5.66%
3.	CIMBTB 4.15 07/06/29	4.35%
4.	BSTMK 5 ¼ 06/30/26	3.20%
5.	MAYMK 4.13 Perp	2.53%

Sector Allocation



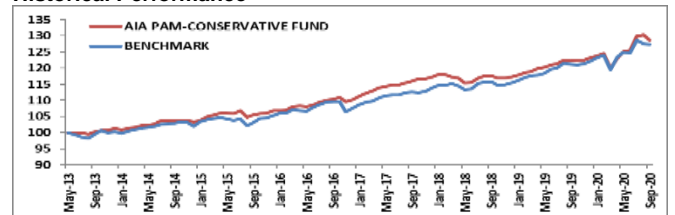
Risk

General investment risks such as market risk, fund manager risk, inflation risk and liquidity risk. Specific risks of the Fund involve credit/default risk, interest rate risk and particular security risk.

Risk Management

Investment Manager aims to reduce investment risks through structured and disciplined investment process, rigorous and disciplined credit research and analysis, portfolio diversification and strict and frequent stock evaluation to minimize company specific risk.

Historical Performance



%	1 Mth	1-Year	^3-Year	^5-Year	^Since Inception
Fund	-0.49%	5.11%	10.95%	21.92%	28.60%
Index	-0.21%	5.00%	13.11%	23.51%	27.31%
Excess	-0.28%	0.10%	-2.17%	-1.59%	1.28%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg at 30 September 2020.

^ Cumulative returns. The performance is calculated on NAV-to-NAV basis.

*Note: Change of performance reporting method from annualised to cumulative returns with effect from July 2020 to provide better clarity and follow common practice by industry players.

Market Review

Malaysian Government Securities traded mixed in Sept 2020 following Bank Negara Malaysia's decision to maintain the Overnight Policy Rate at 1.75% during the Monetary Policy Committee meeting. Meanwhile, FTSE Russell's World Government Bond Index decided to keep Malaysia on its watch list until Mar 2021 and acknowledged BNM's initiatives to improve market liquidity and accessibility. Prime Minister Tan Sri Muhyiddin Yassin also announced an additional MYR10 billion worth of economic stimulus package aimed to aid low- and middle-income groups, additional wage subsidies and special grants to micro enterprises. During the month, MYR strengthened by 0.18% against the greenback to end the month at MYR4.1565.

The FBM100 fell by 2.08% MoM on 30 September 2020. The local Index underperformed the MSCI Asia Ex Japan Index, which fell by 1.9% MoM in MYR terms over the same period. Foreigners were net sellers of the local market with a net outflow of RM2.0 bn in September 2020, bringing total foreign outflow to RM22.5 bn YTD. Over the month of September, Covid-19 cases have resumed its upward trajectory following the formation of several clusters originating from Kedah and Sabah.

Market Outlook

In its recent Monetary Policy Committee meeting, BNM took a pause on its monetary policy easing cycle and held the OPR at 1.75%. BNM highlighted that economic activity continues to recover as latest high frequency indicators show that labour market conditions, household spending and trade activity have continued to improve. Global central banks will remain largely accommodative in the monetary policy space while fiscal policy will remain expansionary in support of growth. With the widening fiscal deficit, a larger supply of government bonds will continue to weigh on the yield curve. Nevertheless, the local bond market shall continue to be supported by ample onshore liquidity.

We remain cautiously optimistic on selected sectors with high degree of earnings visibility or sectors that are expected to benefit from a rapid recovery in tandem with the gradual reopening of the economy. Unprecedented fiscal and monetary stimulus rolled out across the world have provided some support to the general health of the economy, although we are cognizant that the swift rebound in financial markets may have also priced in a rapid pace of recovery that is far from guaranteed.

This fund fact sheet has not been reviewed by the Securities Commission Malaysia ("SC") and Federation of Investment Managers Malaysia ("FIMM"). The SC and FIMM are not liable for this fund fact sheet and are not in any way associated with this fund fact sheet. The SC and FIMM are not responsible for the contents herein and do not make any representation on the accuracy or completeness of this fund fact sheet, either in whole or in part. A copy of the Replacement Disclosure Document dated 9 December 2016, its 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, Seventh Supplemental Replacement Disclosure Document dated 24 August 2019 and Eighth Supplemental Replacement Disclosure Document dated 14 February 2020 (collectively referred to as the "Disclosure Document") and the Product Highlights Sheet ("PHS") have been registered and lodged with the SC. The registration of the Disclosure Document and lodgement of the PHS to the SC does not amount to nor indicate that the SC has recommended or endorsed the Private Retirement Scheme ("PRS"). A PHS highlighting the key features and risks of the PRS is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the Disclosure Document and the PHS before making a contribution. We suggest that you compare and consider the fees, charges and costs involved prior to making a contribution. The Disclosure Document and the PHS can be obtained from our office, our authorised distributors, consultants or representatives. Any issue of units to which the Disclosure Document relates will only be made on receipt of an application form referred to and accompanying with a copy of the Disclosure Document. The price of units and distributions payable, if any, may go down as well as up. The past performance of the PRS should not be taken as an indicative of its future performance. Specific risks and general risks for the PRS is elaborated in the Disclosure Document. Investors are advised to understand the risks involved in the PRS and make your own risk assessment and seek professional advice, where necessary.