



# 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.

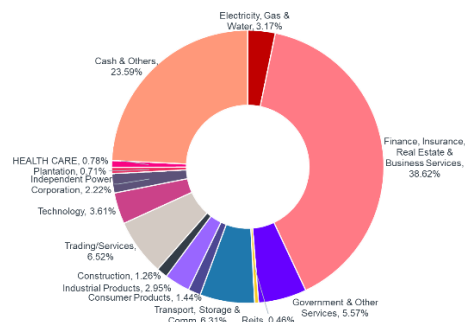
## Fund Details

Unit NAV (31 January 2021)	: RM 1.1951
Fund Size (31 January 2021)	: RM 90.11 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	6.32%
2.	PEMIMK 3.18 10/11/30	5.46%
3.	SMEMK 3.3 04/23/27	5.17%
4.	CIMBTB 4.15 07/06/29	3.99%
5.	BSTMK 5 ¼ 06/30/26	2.93%

## Sector Allocation



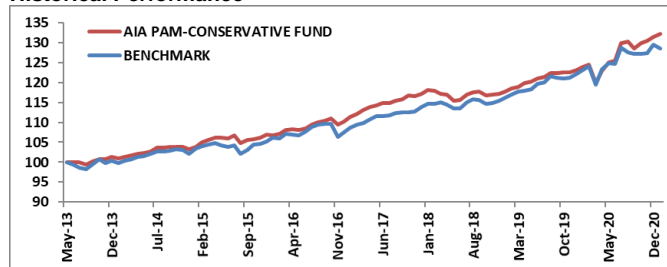
## Risk

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	0.60%	6.86%	12.10%	23.97%	32.34%
Index	-0.66%	4.44%	12.15%	21.22%	28.62%
<b>Excess</b>	<b>1.26%</b>	<b>2.42%</b>	<b>-0.06%</b>	<b>2.75%</b>	<b>3.72%</b>

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg at 31 January 2021.

^ 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 yield curve steepened during the month following BNM decision to maintain the Overnight Policy Rate. During the month, the government announced an additional MYR15 billion worth of economic stimulus package to safeguard the welfare of the people and support business continuity. MYR weakened by 0.49% against the greenback to end the month at MYR4.0400.

The FBM100 fell by 3.5% Month-on-Month on 29 January 2021. The Index underperformed the MSCI Asia Ex Japan Index, which rose by 4.5% MoM in MYR terms over the same period. Foreigners were net sellers of the local market with a net outflow of RM800 million in January 2021. Key news during the month included the implementation of MCO2.0 starting from 13 January 2021 to 27 January 2021, which has now since been extended to 18 February 2021 in response to the rising Covid-19 infections; as well the subsequent proclamation of Emergency effective on 15 January 2021 until 1 Aug 2021.

## Market Outlook

With the vaccine rollouts, we expect an expansive reopening of the global economies towards 2H2021, which should lead to a recovery and a reflationary theme. However, accommodative monetary and fiscal policy support are expected to remain for a large part of 2021 until there are signs of sustained recovery momentum and demand-pull inflation. Potentially higher funding via supply of government bonds for the stimulus measures would keep the yield curve steep. That said, a weaker USD outlook and risk-on mode could drive higher participation by foreign investors into emerging markets, including the local bond market. Besides, ample liquidity in the domestic financial system remains supportive of the domestic bond market.

Meanwhile for equity, 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 indication of its future performance. Specific risks and general risks for the PRS are 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.