



## 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 70% of its NAV in fixed income instruments and money market instruments, of which a minimum of 10% of the Fund's NAV will be invested in money market instruments. The remainder of the Fund's NAV will be invested in equities and collective investment schemes, of which a maximum of 20% of the Fund's NAV in collective investment schemes. The Fund will invest in local and foreign markets.

### Fund Details

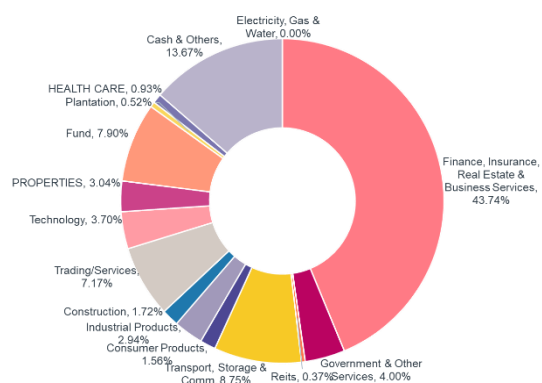
Unit NAV (30 August 2021)	: RM 1.1847
Fund Size (30 August 2021)	: RM 80.75 million
Fund Currency	: Ringgit Malaysia
Fund Launch	: May 16, 2013
Fund Inception	: Jun 05, 2013
Fund Management Charge	: up to 1.50% p.a
Investment Manager	: AIA Pension and Asset Management Sdn. Bhd.
Basis of Unit Valuation	: Net Asset Value (NAV)
Frequency of Unit Valuation	: Daily
Benchmark	: *20% FBMT 100 Index + 10% Maybank Berhad overnight rate + 60% Quant Shop MGS All Bond Index + 10% Bloomberg Barclays Global Aggregate Corporate TR Index Unhedged USD.

\*Note: Change of benchmark with effect from 23 February 2021 due to the revised asset allocation as stated in the 2<sup>nd</sup> replacement disclosure document dated 23 Feb 2021.

### Top Five Holding

1.	FIDELITY-G CORP BD FD-YACUSD	7.90%
2.	BPMB IMTN 3.180% 11.10.2030	5.92%
3.	SME BANK IMTN 3.300% 23.04.2027	5.62%
4.	CIMB THAI 4.150% 06.07.2029	4.41%
5.	CCB IMTN 3.920% 28.03.2025	3.12%

### Sector Allocation



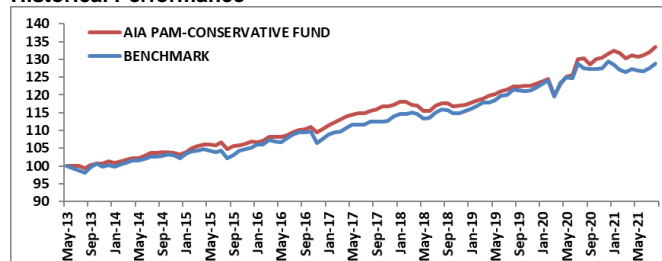
### Risk

General investment risks involve market risk, fund manager risk, inflation risk and liquidity risk. Specific risks of the Fund involve credit/default risk, interest rate risk, particular security risk, country risk and currency 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	1.07%	2.40%	13.45%	21.30%	33.46%
Index	1.04%	0.92%	11.18%	17.68%	28.76%
Excess	0.02%	1.48%	2.27%	3.61%	4.70%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg at 30 August 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 ("MGS") yield curve bear-flattened in Aug 2021 as domestic political scene dominated headlines during the month. Market sentiment improved after the new Prime Minister announced his cabinet line-up, which comprised of multiple cabinet ministers being reappointed, pointing to a continuity in government policies. On the currency front, MYR strengthened by 1.74% against the greenback to close the month at MYR4.1482. Foreign funds continued to be net sellers of MYR debt securities in July 2021 with outflows of MYR3.6 billion. As a result, foreign holdings in MGS and GII dipped to 25.3% (June 2021: 25.7%).

The FBMKLCI ("Index") rose by 7.1% Month-on-Month ("MoM") to close at 1,601.38 pts on 30 August 2021. The Index outperformed the MSCI Asia Ex Japan Index, which dropped by 1.3% MoM in Malaysian ringgit ("MYR") terms over the same period. In August 2021, foreign investors turned net buyers of RM1 bn of Malaysian equities while local institutional investors were the largest net sellers of RM1.5 bn.

### Market Outlook

Given the two-speed recovery in the developed markets against emerging markets, we expect the former to lead in terms of policy tightening. Bank Negara Malaysia's policy measures should remain accommodative in the near term. Higher supply of sovereign bonds should be well absorbed by the market, as we expect the additional supply to be concentrated at the short to belly of the curve. Overall, the domestic financial system liquidity remains flushed, which shall remain supportive of the bond market.

We remain optimistic of the local equity market given the positive development in the daily vaccination trend and some near-term clarity over the domestic politics with the appointment of our new Prime Minister and cabinet line-up. Downside risks to the market could stem from new Covid-19 variants and uncertainties from the domestic political landscape.

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 Second Replacement Disclosure Document dated 23 February 2021 ("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 do 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.