



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.

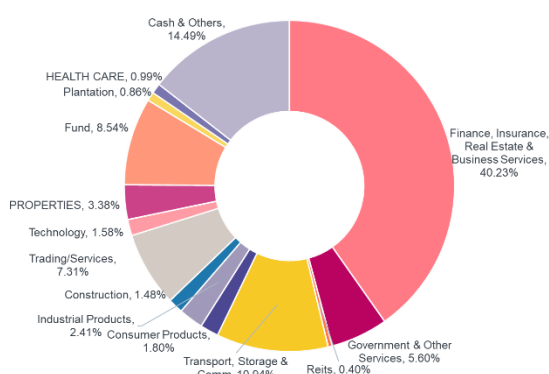
Fund Details

Unit NAV (31 January 2022)	: RM 1.1622
Fund Size (31 January 2022)	: RM 70.81 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.

Top Five Holding

1.	FIDELITY-G CORP BD FD-YACUSD	8.54%
2.	BPMB IMTN 3.180% 11.10.2030	6.62%
3.	CIMB THAI 4.150% 06.07.2029	4.98%
4.	SPORTS TOTO 5.25% 30.6.2026	3.58%
5.	CCB IMTN 3.920% 28.03.2025	3.51%

Sector Allocation



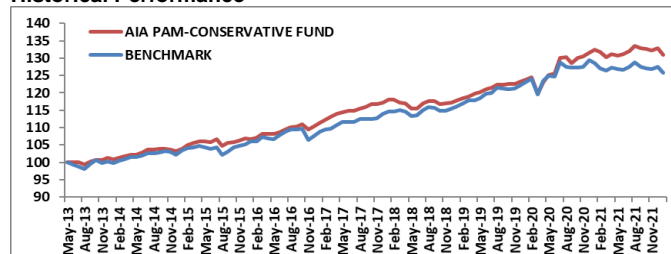
Risk

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	-1.51%	-1.07%	11.12%	17.60%	30.93%
Index	-1.37%	-2.21%	8.28%	15.71%	25.78%
Excess	-0.14%	1.14%	2.84%	1.90%	5.15%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg at 31 January 2022.

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

Market Review

Malaysian Government Securities ("MGS") yield curve bear-steepened tracking higher global rate movements during the month. At the January 2022 Monetary Policy Committee meeting, Bank Negara Malaysia ("BNM") decided to maintain the Overnight Policy Rate ("OPR") at 1.75%. On the currency front, Malaysian Ringgit ("MYR") weakened by 0.55% against the greenback to close the month at MYR4.1829. Foreign funds inflows surged to MYR6.1 billion in December 2021 (November 2021: -MYR3.6 billion), bringing total inflow to MYR33.6 billion for 2021 (2020: +MYR18.3 billion).

The FBM100 ("Index") fell by 4.1% Month-on-Month ("MoM") on 31 January 2022. Foreign investors turned net buyers of MYR0.3 billion of Malaysian equities after being net sellers of Malaysian Equities in December 2021. Notable news during the month included: Malaysia CPI rose 3.2% YoY in December 2021 surpassing the average inflation of 1.9% in 2011-2021 and banking system net financing growth rising to 4.4% in November 2021 (vs 4.0% in October 2021) due to higher loan growth of 4.3% (vs 3.3% in October 2021).

Market Outlook

Global economy would generally see higher growth and inflation in 2022, hence monetary policy withdrawals are likely. However, there could be potential divergence of policy measures by key central banks driven by the pace of economic recovery. Domestically, the BNM's policy measures should remain accommodative in the near term and the supply of sovereign bonds should be well absorbed by the market.

As for equity, investors are currently watching the macro data closely to gauge the strength of inflationary pressure and the timing of a QE tapering. That said, we are cautiously optimistic on the equity market and maintain our preference for equities over fixed income given the normalisation of interest rate. Downside risks to the market could stem from new COVID-19 variant, slower China, faster than expected policy tightening, domestic political uncertainties, and government policy risk.

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, 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.