AIA PAM – Global Islamic Growth Fund

Investment Objective

The Fund seeks to provide returns through capital growth by investing in Shariah-compliant securities predominantly in the global markets

Investment Strategy

The Fund will invest at least 60% to 90% of its NAV in Shariah-compliant equities including Islamic collective investment schemes. The Fund will also invest at least 10% of its NAV in Sukuk, Islamic deposit and/or Islamic money market instruments.

The Fund will invest in local and foreign markets.

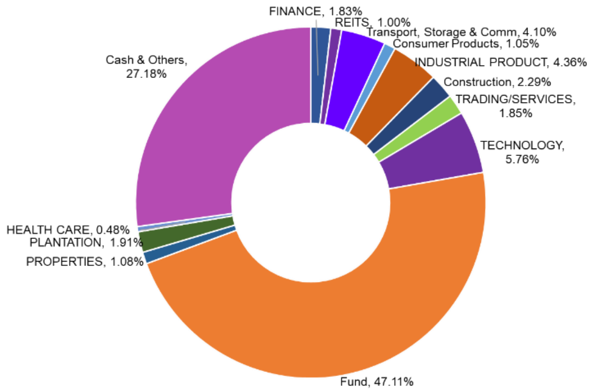
Fund Details

Unit NAV (31 March 2021)	: RM 0.4985
Fund Size (31 March 2021)	: RM 33.23 million
Fund Currency	: Ringgit Malaysia
Fund Launch	: Feb 23, 2021
Fund Inception	: March 16, 2021
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	: Target return of 6% per annum

Top Five Holding

1.	ISHARES MSCI EM ISLAMIC	16.97%
2.	ISHARES MSCI WORLD ISLAMIC	15.51%
3.	ISHARES MSCI USA ISLAMIC	14.63%
4.	TELEKOM MALAYSIA BHD	1.57%
5.	TOPGMK 3.95 PERP 02/27/25	1.53%

Sector Allocation



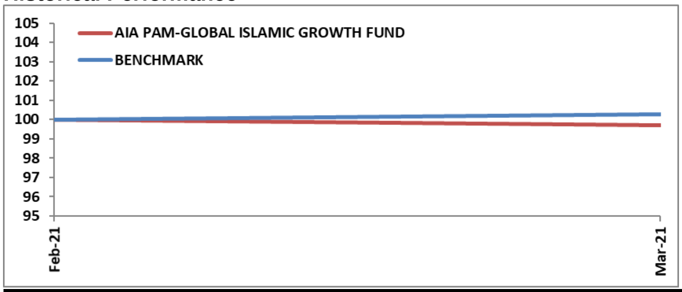
Risk

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, currency risk and shariah status reclassification 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	-0.30%	-	-	-	-0.30%
Index	0.26%	-	-	-	0.26%
Excess	-0.56%	-	-	-	-0.56%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg at 31 March 2021.
^ Cumulative returns. The performance is calculated on NAV-to-NAV basis.

Market Review

Malaysian Government Securities yield curve continued to bear steepen during the month in line with global rates movement while BNM decided to maintain the Overnight Policy Rate at 1.75% in the Monetary Policy Committee meeting. Meanwhile, Malaysia was removed from the FTSE Russell Watch List and retain its membership in the flagship World Government Bond Index ("WGBI").

The FBMS was down 1.0% Month-on-Month on 31 March 2021. The Index underperformed the MSCI Asia Ex Japan Index, which declined by 0.3% MoM in MYR terms over the same period. Foreigners were neutral with buy/sell flows evenly balanced. Key news during the month included the government unveiled a RM20bn stimulus package, dubbed PERMERKASA, of which RM11bn is a direct fiscal injection. Meanwhile, the Singapore equities market was the outperformer in March driven by strength in the Financials and Industrial sectors. Taiwanese equities also rose in March led by outperformance from the Financials, Consumers, Industrials and Materials sectors, while Technology underperformed. Over the month, WTI oil price declined as OPEC+ expressed growing confidence in the global economic recovery by agreeing to increase oil production gradually in the coming months.

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. Positive growth prospects and potentially higher funding via supply of government sukuks for the stimulus measures would keep the yield curve steep. That said, ample liquidity in the domestic financial system remains supportive of the domestic sukuk market.

Meanwhile for equity, we are cautiously optimistic on the equity markets. An expansive reopening of major economies should lead to a synchronized economic recovery. Globally, monetary and fiscal policies are expected to remain accommodative and supportive. Given the rising long-term yield outlook as economic recovery gathers momentum, funds are expected to rotate into equities from bonds. Domestically, the revival of stalled infrastructure projects, trade diversion into Malaysia from the ongoing US China tension, and the recovery in commodity prices should bolster growth and exports going forward. Downside risks to the market could stem from any delay in roll-out of mass vaccination and uncertainties from the fluid domestic political landscape.