



January 2023

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.

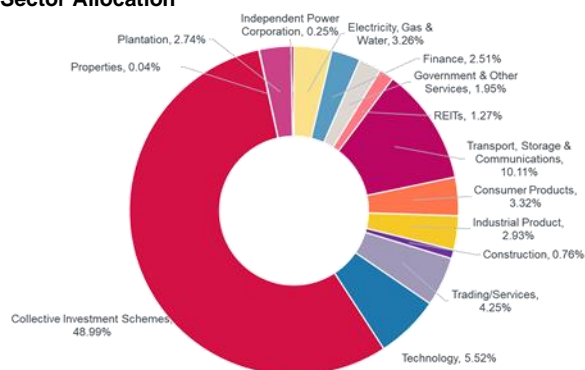
Fund Details

Unit NAV (31 January 2023)	: RM 0.4828
Fund Size (31 January 2023)	: RM 58.2 million
Fund Currency	: Ringgit Malaysia
Fund Launch	: February 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	19.36%
2.	TEMPLETON SHARIAH GB E-IAUSD	16.45%
3.	ISHARES MSCI WORLD ISLAMIC	10.25%
4.	ISHARES MSCI USA ISLAMIC	2.93%
5.	MISC BHD	2.27%

Sector Allocation



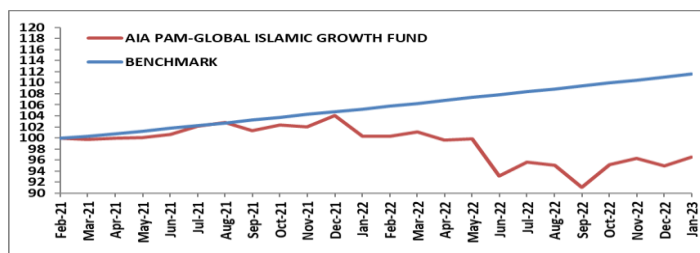
Risk

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	1.75%	-3.77%	-	-	-3.44%
Index	0.49%	6.00%	-	-	11.56%
Excess	1.26%	-9.77%	-	-	-15.00%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg at 31 January 2023.

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

Market Review

Government Investment Issues ("GII") rallied in January 2023, with yields shifting lower across the curve. The US Federal Reserve ("Fed") raised rates by a narrower 25 bps following its Federal Open Market Committee ("FOMC") meeting during the month. While the 25 bps rate hike was widely expected, investors took a dovish cue from the remarks by Fed Chair Jerome Powell as he made references to the start of the disinflationary process. On the local front, local investment sentiment was also supported by Bank Negara Malaysia's ("BNM") move to maintain its overnight policy rate ("OPR") at 2.75%, against consensus expectations of another 25 bps rate increase. BNM indicated that the pause was to allow it to assess the cumulative impact of previous OPR hikes. BNM views that both headline and core inflation will moderate this year but will remain elevated, while growth should moderate amid a slower global economy.

Developed markets rallied in January 2023 with S&P500 Index and MSCI Europe increased by 6.2% and 8.7% respectively. US Consumer Price Index ("CPI") registered at 6.4%YOY in January 2023 (December 2022: 6.5% YOY) with the rising shelter, gas and fuel prices. US Fed FOMC minutes signalled that interest rate will be higher for longer amid ongoing inflation concerns while markets continue to reposition on higher rate hikes expectation amid the strong data released. The MSCI AC Asia Pacific ex Japan Index surged 8.6% in USD terms in January 2023, supported by a rebound in investor sentiment towards Chinese equities. Taiwan, Korea and China were the best performing region while India and Indonesia were among the worst performers.

The FBMS ("Index") rallied 1.26% Month-on-Month ("MoM") to close at 11,076.20 pts on 31 January 2023. The Index underperformed the MSCI Asia Ex Japan Index, which rose 4.68% MoM in Malaysia Ringgit ("MYR") terms over the same period. Foreign investors stayed net sellers of Malaysian equities amounting to MYR0.35 billion in January 2023, which local institutions stayed net buyers with MYR0.75 billion. Sector wise, Energy (+6.1%), Consumer Products & Services (+1.9%), and Industrial Products & Services (+0.8%) were the key performers while Plantation (-5.8%), Health Care (-4.8%) and Transportation & Logistics (-2.5%) were the key detractors.

Market Outlook

We are cautiously optimistic on the equity market in the near term. We are of the view that we have already seen the peak of Fed's hawkishness and equities valuation has been partially adjusted downwards accordingly. Investors are now watching the macro data closely to gauge the extent of the recession in the US from the aggressive rate hikes. On the other hand, China has signalled towards a gradual reopening of its economy which will mitigate the impact of the US recession. Domestically, corporate earnings are expected to improve in 2023 with the expiry of the one-off prosperity tax. Downside risks to the market could stem from a prolonged deep US recession, worsening geopolitical tension, domestic politics and policy direction.



Disclaimer

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.