



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.

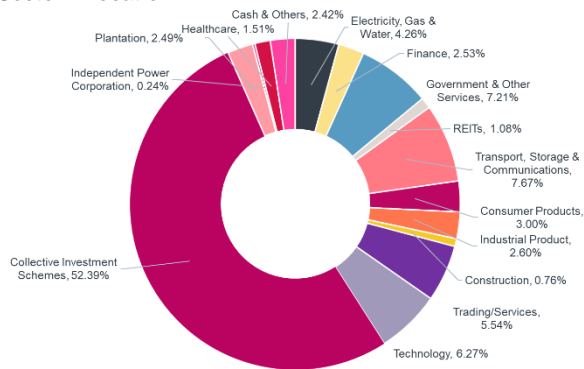
Fund Details

Unit NAV (31 March 2023)	: RM 0.4832
Fund Size (31 March 2023)	: RM 56.1 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	20.04%
2.	TEMPLETON SHARIAH GLOBAL EQUITY FUND	17.79%
3.	ISHARES MSCI WORLD ISLAMIC	11.30%
4.	SUSTAINABILITY GII 3/2022 4.662% 31.3.2038	5.65%
5.	ISHARES MSCI USA ISLAMIC	3.27%

Sector Allocation



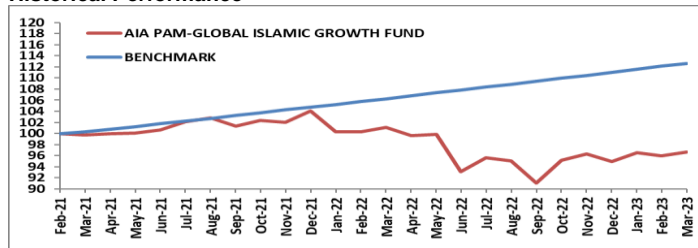
Risk

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	0.71%	-4.39%	-	-	-3.36%
Index	0.49%	6.00%	-	-	12.65%
Excess	0.22%	-10.39%	-	-	-16.01%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg as at 31 March 2023.
^ Cumulative returns. The performance is calculated on NAV-to-NAV basis.

Market Review

Government Investment Issues (“GII”) generally strengthened in March 2023, with yields shifting lower in a bull-steepening move. Bank Negara Malaysia (“BNM”) kept the overnight policy rate (“OPR”) on hold during the March Monetary Policy Committee (“MPC”) meeting. Fear of contagion to the global banking sector spurred safe-haven demand for government bonds. Concerns on the banking sector’s ability to absorb tighter financial conditions also led to a dovish repricing in expectations for the US Federal Reserve’s (“Fed”) monetary policy path, which spurred further rally for global bonds. Fed raised the Federal Funds Rate by 25 bps to 5.00% at March US Federal Open Market Committee (“FOMC”) meeting. While the Fed reaffirmed the need to manage inflation, the acknowledgement of the recent stress in the banking system was welcomed by the market and supported demand for US Treasuries.

Developed and Asia Pacific markets improved in March 2023 with S&P500 Index and MSCI Europe increased by 3.51% and 2.50%, respectively and MSCI AC Asia Pacific ex Japan Index grew by 2.81% in USD terms. US Consumer Price Index (“CPI”) registered at 6.0% Year-on-Year (“YoY”) in February 2023 (January 2023: 6.4% YoY) with the rising shelter and food prices, while the decrease in energy cost kept the headline CPI reading in check. US Fed FOMC minutes signalled that interest rate will be high for a longer time amid ongoing inflation concerns while markets continue to reposition on higher rate hikes expectation amid the strong data released.

The FBMS (“Index”) fell 0.8% Month-on-Month (“MoM”) to close at 10,716.43 pts on 31 March 2023. The Index underperformed the MSCI Asia Ex Japan Index, which rose 3.3% MoM in Malaysia Ringgit (“MYR”) terms over the same period. Foreign equity outflow accelerated to MYR1.35bn in March 2023 (February 2023: -MYR0.2bn), due to contagion fears from the US banking crisis.

Market Outlook

Recent inflation readings and economic data from the US have shown signs of moderation, particularly for goods inflation. Core services inflation remains relatively elevated while labour market conditions are still strong. The continued strength of the labour market is a key indicator for when core services inflation would peak. Recent stresses in the US banking sector have called into question the ability of financial institutions to absorb further tightening in the current financial conditions, which could encourage the Fed to pause sooner than indicated. For 2023, we expect rates volatility to linger as the monetary policy outlook develops amidst differing expectations and uncertainties on the path of inflation. Domestically, with the positive outlook on domestic growth and moderate inflation forecast for 2023, BNM’s policy measures should remain accommodative in the near term and the supply of sovereign bonds should be well absorbed by the market. We are cautiously optimistic on the equity market in the near term.



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.