



AIA PAM – Islamic Moderate Fund

Investment Objective

The Fund seeks to provide returns through a combination of income* and capital growth from a portfolio that is consistent with Shariah principles.

*Income will be reinvested in additional Units in the Fund

Investment Strategy

The Fund will invest in a Shariah-compliant portfolio comprising equities with potential for growth and equities that are trading below their fair value. The Fund will also invest at least 40% of its NAV in Sukuk and Islamic money market instruments with a minimum credit rating of “BBB3” or “P2” by RAM or equivalent rating by MARC.

The Fund will only invest locally.

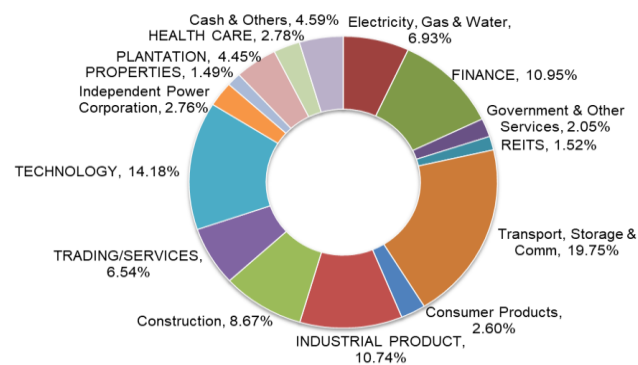
Fund Details

Unit NAV (28 February 2021)	: RM 1.3298
Fund Size (28 February 2021)	: RM 138.73 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	: 50% FBM EMAS Shariah Index + 50% Quant Shop GII All Index

Top Five Holding

1.	Northport Malaysia Berhad 19/12/24	5.78%
2.	EKVE Sdn Bhd 29/01/26	3.97%
3.	Greotech Technology Bhd	3.47%
4.	PBKMK 4.65 08/03/27	3.30%
5.	BINGMK 5.6 12/27/23	3.27%

Sector Allocation



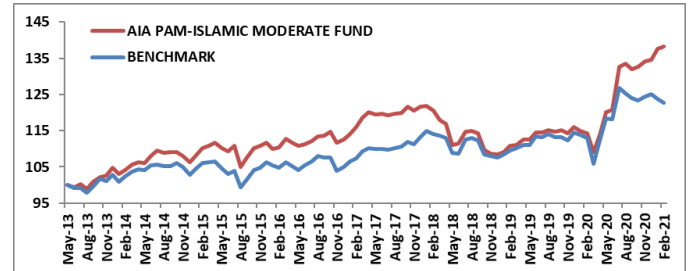
Risk

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 and reclassification of shariah status 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		0.48%	20.91%	14.70%	25.40%	38.28%
Index		-0.82%	8.73%	7.71%	17.12%	22.80%
Excess		1.30%	12.18%	6.99%	8.28%	15.48%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg at 28 February 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

Government Investment Issue continued to weaken in Feb 2021, in line with the sell-off in global bond markets and softer domestic sentiment. Heavy selling pressure was seen across the curve, particularly on the belly to the long end of the curve. MYR weakened by 0.24% against the greenback to close the month at MYR4.0498.

The FBMS was up 0.8% Month-on-Month on 26 February 2021. The Index underperformed the MSCI Asia Ex Japan Index, which rose by 1.5% MoM in MYR terms over the same period. Foreigners were net sellers of the local market with a net outflow of RM900 million in February 2021. Meanwhile, Phase 1 of immunization has begun in Malaysia and is likely to be done in three phases until Feb-22 and the movement control order (MCO) has been lifted and will be replaced by conditional MCO in KL, Selangor, Johor and Penang from 5th Mar 2021.

Market Outlook

Accommodative monetary and fiscal policy support are expected to remain for a large part of 2021 until there are signs of sustained recovery momentum and demand-pull inflation. Potentially higher funding via supply of government sukuk for the stimulus measures, coupled with growth rebound and higher inflation would keep the yield curve steep. That said, a weaker USD outlook and risk-on mode could drive sustained participation by foreign investors into emerging markets, including the local sukuk market. Besides, ample liquidity in the domestic financial system remains supportive of the domestic sukuk market.

Meanwhile for equity 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.

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.