



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.

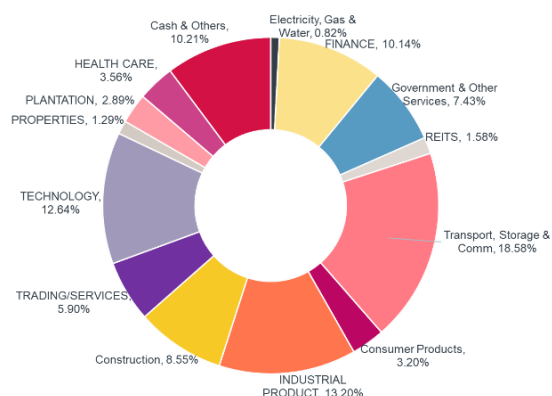
Fund Details

Unit NAV (30 September 2021)	: RM 1.3012
Fund Size (30 September 2021)	: RM 138.24 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	5.78%	19.12.24	5.69%
2.	EKVE Sdn Bhd	5.25%	29.01.26	3.89%
3.	Petronas Chemicals			3.66%
4.	BGSM Management	5.6%	27.12.23	3.21%
5.	TG EXCELLENCE	3.95%	27.2.2120	2.92%

Sector Allocation



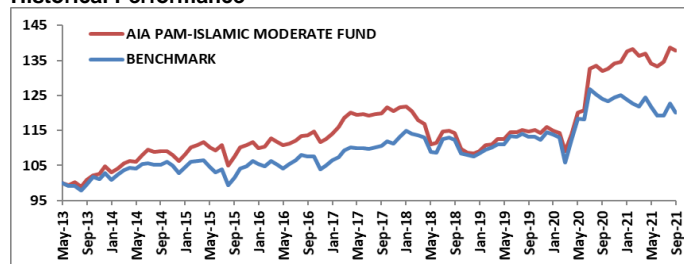
Risk

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	-0.52%	4.50%	20.69%	21.34%	37.91%
Index	-1.97%	-3.02%	6.93%	11.65%	20.19%
Excess	1.45%	7.52%	13.76%	9.69%	17.72%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg at 30 August 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 (“GII”) yield curve continued to bear-flattened in Sept 2021 in line with global rates movement. Onshore and offshore investors were sellers across the curve as they pare down their positions especially at the front end of the curve. During the month, Bank Negara Malaysia’s (“BNM”) decided to maintain the Overnight Policy Rate (“OPR”) at 1.75% during the Monetary Policy Committee meeting. Foreign funds turned net buyers of MYR debt securities in Aug 2021 with inflows of MYR6.6 billion.

The FBMS (“Index”) dropped by 3.1% Month-on-Month (“MoM”), and underperformed the MSCI Asia Ex Japan Index, which only fell by 1.9% in Malaysian ringgit (“MYR”) terms over the same period. Notable news flows during the month include: the tabling of the 12th Malaysian Plan in the Parliament on 27 September 2021 where the government has targeted MYR400 billion worth of development expenditure for 2021-2025; and the announcement on 29 September 2021 that Klang Valley will now move to Phase 3 of the National Recovery Plan effective 1 October 2021.

Market Outlook

Given the economic recovery is partially reflected in the equity market, investors are currently watching the macro data closely to gauge the strength of inflationary pressure and the timing of a QE tapering. Investors will continue monitoring Covid-19 situation following the recent resurgence in positive cases and the emergence of new variants.

We expect Bank Negara Malaysia’s policy measures to remain accommodative in the near term. Higher supply of sovereign bonds should be well absorbed by the market, as the additional supply to be concentrated at the short to belly of the curve. Overall, the domestic financial system liquidity remains flushed, which shall remain supportive of the bond market.

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.