



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.

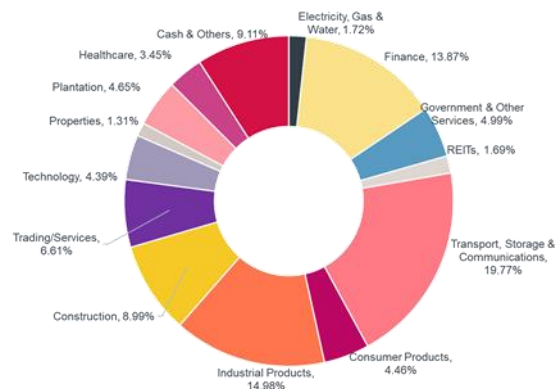
Fund Details

Unit NAV (30 August 2022)	: RM 1.1932
Fund Size (30 August 2022)	: RM 128.3 million
Fund Currency	: Ringgit Malaysia
Fund Launch	: May 16, 2013
Fund Inception	: June 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.	DANAINFRA 4.850% 16.08.2052	4.68%
2.	TELEKOM MALAYSIA BHD	4.37%
3.	EKVE SDN BHD 5.25% 29.01.26	4.02%
4.	PETRONAS CHEMICALS	3.89%
5.	BGSM MANAGEMENT 5.6% 27.12.23	3.36%

Sector Allocation



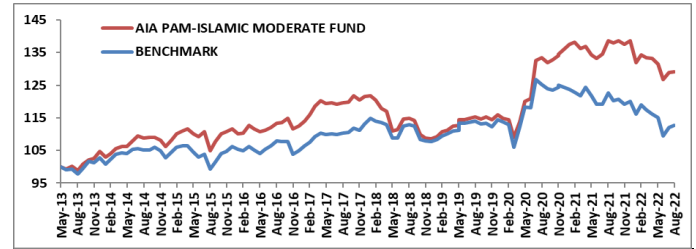
Risk

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	0.15%	-6.92%	12.02%	7.85%	29.04%
Index	0.63%	-8.01%	-1.04%	2.28%	12.78%
Excess	-0.48%	1.09%	13.07%	5.57%	16.26%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg at 30 August 2022.

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

Market Review

Government Investment Issue ("GII") yield curve generally steepened during the month as offshore and onshore investors had better buying interest at the short end of the curve on robust 2Q22 growth reported in Malaysia. Despite the volatile global rates markets, the longer end of the curve for local government bonds were well anchored. On the currency front, MYR weakened by 0.69% against the US dollar ("USD") to end the month at MYR4.4828. GII levels as of end-Aug 2022 were: 3Y at 3.46% (-1 bps), 5Y at 3.79% (+5 bps), 7Y at 3.94% (-), 10Y at 4.00% (+3 bps), 15Y at 4.26% (-), 20Y at 4.39% (-2 bps) and 30Y at 4.60% (+2 bps). There was one GII auction during the month: 20Y GII 9/41 auction with a tender size of MYR3.0 billion and private placement of MYR2.5 billion recorded a bid-to-cover ("BTC") ratio of 2.742x at an average yield of 4.410%. In the local equity front, the FBMS ("Index") rose 0.73% Month-on-Month ("MoM") to close at 10,813.46 points on 30 August 2022.

The FBMKLCI index outperformed the MSCI Asia Ex Japan Index, which grew by 0.36% MoM in Malaysia Ringgit ("MYR") over the same period. In terms of fund flow, retailers turned net buyers and foreign investors remained net buyers while local institutions turned net sellers. During the month, the key performers of the Index were Dialog Group Bhd (+9.9%), Tenaga Nasional Bhd (+8.8%) and PPB Group Berhad (+8.1%), while key detractors were Hartalega Holdings Bhd (-39.4%), Top Glove Corp Bhd (-16.5%) and IHH Healthcare Bhd (-2.9%). Sector wise, key performers were Utilities (+6.4%), Telecommunications & Media (+5.1%) and Plantation (+3.5%), while key detractors were Health Care (-11.5%), Technology (-3.2%) and Industrial Products & Services (-0.7%).

Market Outlook

Most global central banks have started to hike policy rates with clear commitments to rein in inflationary expectations leading to an environment of rising interest rates which continue to pressure the valuation for stocks and cap its upside in the near term. Ongoing geopolitical tension between Russia and Ukraine remains unabated with EU now committing to restrict energy imports from Russia while sourcing for alternative supplies elsewhere with clear implications for global energy markets and supply chain. In addition, the recent Pelosi visit to Taiwan has resulted in the escalation of US / China tension. Globally, we see economic headwinds from recessionary fears in the US to a lack of stimulus momentum in China. Given China's commitment to its zero covid strategy and the growing domestic property crisis, it is unlikely to see China achieving its GDP growth target.

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.