



AIA PAM – Moderate Fund

Investment Objective

The Fund seeks to provide returns through a combination of income* and capital growth.

**Income will be reinvested in additional Units in the Fund*

Investment Strategy

The Fund will invest in equities that are trading below their fair value and equities offering a dividend yield above the market average. The Fund will invest in local and foreign markets. The Fund will also invest at least 40% of its NAV in local fixed income instruments with a minimum credit rating of "BBB3" or "P2" by RAM or equivalent rating by MARC.

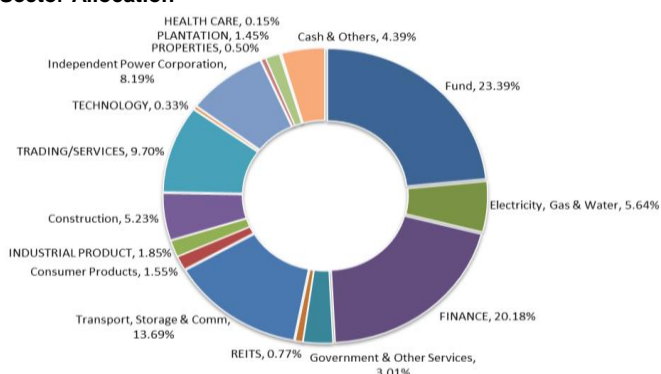
Fund Details

Unit NAV (31 Mar 2019)	: RM 1.1537
Fund Size (31 Mar 2019)	: RM 85.25 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	: 25% FTSE Bursa Malaysia Top 100 Index + 25% MSCI AC Asia ex Japan Index + 50% Quant Shop MGS All Bond Index

Top Five Holding

1.	Investec Global Strategy Asian Equity	14.17%
2.	iShares MSCI Asia ex-Japan ETF	9.22%
3.	Public Islamic Bank Bhd 03/08/2022	6.64%
4.	Genting Capital Bhd 08/06/2022	3.87%
5.	Celcom Networks Sdn Bhd 28/10/2026	3.10%

Sector Allocation



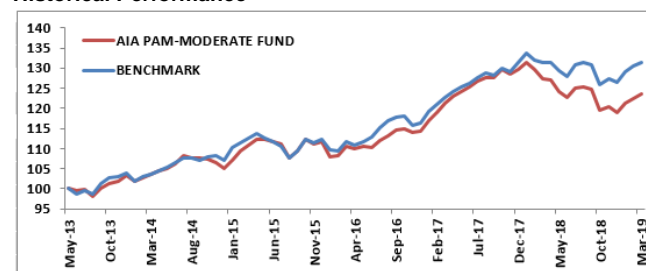
Risk

Investment risk involves the uncertainties relating to the country's economic situation, political condition and also price volatility of stocks held as a result of company specific risk.

Risk Management

The Investment Manager employs structured investment process to minimize market risk. Investment guidelines also prescribe limits in terms of single user limit and strict and frequent stock evaluation to minimize company specific risk.

Historical Performance



%	1 Mth	6 Mths	1-Year	^3-Year	^5-Year
Fund	0.87%	-0.83%	-2.90%	3.77%	3.61%
Index	0.62%	0.40%	0.04%	5.52%	4.87%
Excess	0.26%	-1.23%	-2.94%	-1.75%	-1.26%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg as at 31 Mar 2019. ^ Annualised return

Market Review

Malaysian Government Securities continued to rally strongly across the curve in Mar 2019, following the dovish tone by the US Federal Reserve. This was further supported by the change in Bank Negara Malaysia's tone towards a slight dovish stance, despite maintaining the overnight policy rate at 3.25% in the second Monetary Policy Committee meeting of the year. MYR weakened by 0.2% against the greenback to close the month at MYR4.0820.

Similarly, The FBM100 Index fell 2.5% mom in March as concerns grew over the potential earnings risks for banks following the expectation of a cut in the overnight policy rate and slower economic growth prospects. Foreigners were net sellers of the local market with a net outflow of MYR1.6 billion during the month, doubling February's MYR0.8 billion net outflows.

On the foreign front, Asian equity markets continued its gain in March following the positive developments in the US-China trade discussions while a shift by major central banks towards a more dovish monetary policy stance helped markets forward. The Chinese market outperformed as macroeconomic indicators were positive with fixed asset investment, industrial production and retail sales all showing signs of improvement.

Market Outlook

Globally, central banks are generally tilted towards a slight dovish tone, on the back of slowing growth momentum and tame inflation environment. Malaysia has also joined the pact in that the central bank has downgraded both growth and inflation forecasts for 2019 in the latest BNM's 2018 Annual Report. This may draw the appeal of local fixed income assets relative to risk assets, which balances concern of higher local government bond supply.

Locally, we see risks in Malaysian corporate earnings, the volatility in oil prices and the potential share overhang from divestment by Government funds. However, market should be supported by the positive newsflow on the US-China trade talks and the less hawkish US Federal Reserve, which should be supportive for Emerging Markets. As such, we will remain vigilant to the constantly evolving market conditions and will adjust our strategy accordingly.

Replacement Disclosure Document dated 9 December 2016, First Supplemental Replacement Disclosure Document dated 26 January 2018, Second Supplemental Replacement Disclosure Document dated 11 May 2018, Third Supplemental Replacement Disclosure Document dated 30 July 2018, Fourth Supplemental Replacement Disclosure Document dated 19 October 2018, Fifth Supplemental Replacement Disclosure Document dated 18 January 2019 and Sixth Supplemental Replacement Disclosure Document dated 15 April 2019 of the AIA Private Retirement Scheme have been registered with the Securities Commission Malaysia, who takes no responsibility for their contents. Copies of the Replacement Disclosure Document, Supplemental Replacement Disclosure Documents and Product Highlights Sheet (collectively known as "Disclosure Document") are available from our office and all authorised agents/distributors of AIA Pension and Asset Management Sdn Bhd and you have the right to request for the Disclosure Document. Please read and understand the contents of the Disclosure Document before making any investment decision. Units are issued upon our receipt and satisfactory processing of a duly completed application form referred to in and accompanying the Disclosure Document. In the event of discrepancy between the fact sheet and the Disclosure Document, the information in the Disclosure Document shall prevail.