



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 35% 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

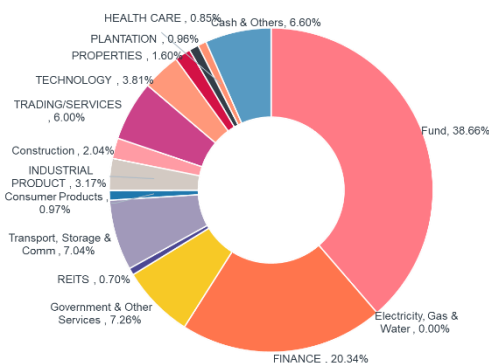
Unit NAV (30 July 2021)	: RM 1.4045
Fund Size (30 July 2021)	: RM 155.32 million
Fund Currency	: Ringgit Malaysia
Fund Launch	: May 16, 2013
Fund Inception	: Jun 05, 2013
Fund Management Charge	: up to 1.50% p.a
Investment Manager	: AIA Pension and Asset Management Sdn. Bhd.
Basis of Unit Valuation	: Net Asset Value (NAV)
Frequency of Unit Valuation	: Daily
Benchmark	: 25% FBMT 100 Index + 15% MSCI AC Asia ex Japan Index + 40% Quant Shop MGS All Bond Index + 20% MSCI World Index

**Note: Change of benchmark with effect from 23 February 2021 due to the revised asset allocation as stated in the 2nd replacement disclosure document dated 23 Feb 2021.*

Top Five Holding

1.	Schroder Glob Sust Grth-CA	15.13%
2.	FIDELITY FDS-ASIA P OP-I USD	14.41%
3.	FIDELITY FDS-GL FOCUS-IAUSD	6.32%
4.	PBKM 4.65 08/03/27	3.68%
5.	Schroder In Asia P XJP E-CAC	2.80%

Sector Allocation



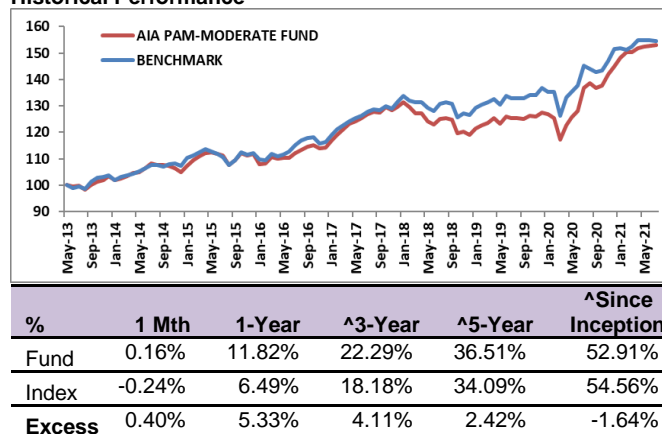
Risk

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 and currency 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



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

Malaysian Government Securities ("MGS") yield curve twist-flattened in July 2021 with better buying interest seen at the longer end of the curve in line with global rates movement. During the month, BNM decided to keep the Overnight Policy Rate ("OPR") at 1.75% in the Monetary Policy Committee meeting. On the currency front, MYR weakened by 1.77% against the greenback to close the month at MYR4.2215.

The FBKLCI ("Index") fell by 2.5% Month-on-Month ("MoM") to close at 1,494.60 pts on 30 July 2021 owing to rising Covid-19 cases and political concerns. The Index outperformed the MSCI Asia Ex Japan Index, which fell by 6.2% MoM in Malaysian ringgit ("MYR") terms over the same period. In July 2021, foreign flow in Malaysian equities was negative with a net foreign fund outflow of USD308m while domestic institutions and domestic retailers were net buyers.

Market Outlook

With the vaccine rollouts, we expect an expansive reopening of the global economies led by developed markets towards 2H2021, which should lead to a recovery and a reflationary theme. Having said that, the surge in COVID-19 Delta variant cases in Asia sparked recovery concerns. As such, policy accommodation in the region will likely be extended further. This coupled with ample liquidity in the domestic financial system shall remain supportive of the bond market.

Globally, equities remain the preferred asset class given the expectation of bond yield resuming its upwards trend upon Fed tapering later part of the year. As for the local market, we are slightly optimistic given the positive development in the daily vaccination trend but remain cautious about the local political situation. Downside risks to the market could stem from the severity of new Covid-19 variants, delay in roll-out of mass vaccination and QE tapering commencement earlier than expected.

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.