



member of  **Sanlam** group

# Investment Link Fund Performance Report December 2020

## **General Advice Warning**

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## **Past performance is not a reliable indicator of future performance**

The information in this presentation should not be considered a personal recommendation on any of the securities or stocks mentioned.

## EXECUTIVE SUMMARY

FBMKLCI benchmark index posted a second consecutive month of gains in December 2020 as investors continued to position into the Covid-19 recovery play in the market, following news of Covid-19 vaccine breakthroughs in November 2020. All sectors, except healthcare and REITs, posted mom positive returns during the month. The four sectors that posted the highest returns were finance, energy property and construction, as investors rotated into sectors that are expected to benefit from the projected rebound in the economy. The FBMKLCI gained 65 points (+4.1% mom) in December 2020, closing at 1,627 level which helped the index to end the year 2020 with a positive year on year return of 2.4%.

Malaysia Government Securities (“MGS”) yields moved lower across the curve, supported by the strengthening Ringgit and the year-end portfolio rebalancing. Ringgit strengthened to MYR4.0203/USD from a month earlier at MYR4.0738/USD. With the positive development of COVID-19 vaccine that gives hope to global economic recovery, the crude oil prices were seen rallied to 10-month high of USD51.8/barrel (Nov’20: USD47.59/barrel).

On local economic data, the extended CMCO has further weakened the domestic demand, moving Imports lower to -9.0% YoY in Nov’20 (Oct’20: -6.0% YoY). Exports on the other hand came in higher to +4.0% YoY (Oct’20: +0.2% YoY) following the third-wave of COVID-19 pandemic globally, increasing the demand for COVID-19 beneficiaries such as E&E products (Nov’20: +23.6% YoY; Oct’20: +3.0% YoY) and rubber products (Nov’20: +124.8% YoY; Oct’20: +127.3% YoY). All in all, the trade balances were recorded lower at +MYR16.bbil, compared to a month earlier at +MYR22.1bil.

For the immediate term, we will be cautious on the equity market on several concerns clouding the local equity market. However, we believe this is temporary as economic improvement post Covid 19, will push the equity market higher in the longer run.

For fixed income, Following the OPR cut by 125bps and SRR cut by 100bps in this year, BNM is expected to stay dovish monetary stance towards 1Q2021, in line with the weaker economic prospect arising from the COVID-19 outbreak globally. The external risk factors such as trade war between US and China and the fluctuation in crude oil prices will continue to weigh on the local market, but we believe corporate bond space still provides attractive yields. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.

Based on table below, on monthly basis, except for Jati fund which outperformed its benchmark index, other funds underperformed their respective benchmarks.

Policyholders are encouraged to focus into regular premium given the current risk and volatile period of the economic and market condition. Risk adverse investors should focus into income fund due to its less volatile as compared to equity related funds.

Performance Table: Funds vs Benchmarks

|               | Asiapac Fund |           | Balanced Fund |           | Dividend Fund |           | Equity Fund |           | Global Yakin Fund |           | Income Fund |           | Jati Fund |           | Titan Fund |           |
|---------------|--------------|-----------|---------------|-----------|---------------|-----------|-------------|-----------|-------------------|-----------|-------------|-----------|-----------|-----------|------------|-----------|
|               | Fund         | Benchmark | Fund          | Benchmark | Fund          | Benchmark | Fund        | Benchmark | Fund              | Benchmark | Fund        | Benchmark | Fund      | Benchmark | Fund       | Benchmark |
| Monthly (%)   | 0.91%        | 2.55%     | 2.33%         | 2.80%     | 3.53%         | 4.13%     | 4.11%       | 4.13%     | 2.71%             | 4.93%     | 0.27%       | 1.47%     | 1.93%     | 0.09%     | 0.19%      | 3.49%     |
| 3 Months (%)  | 10.95%       | 19.12%    | 4.29%         | 4.46%     | 7.03%         | 8.13%     | 8.13%       | 8.13%     | 6.73%             | 12.17%    | 0.31%       | 0.72%     | 5.48%     | 2.00%     | 7.08%      | 8.86%     |
| 6 Months (%)  | 5.90%        | 14.18%    | 4.28%         | 5.75%     | 5.27%         | 8.41%     | 5.59%       | 8.41%     | 13.52%            | 20.39%    | 2.85%       | 2.87%     | 4.93%     | 9.30%     | 8.67%      | 21.63%    |
| 12 Months (%) | -6.58%       | -10.37%   | 4.89%         | 5.16%     | 0.05%         | 2.42%     | -0.35%      | 2.42%     | 13.62%            | 8.92%     | 7.32%       | 7.35%     | 2.59%     | 10.14%    | 18.03%     | 27.67%    |

Source: MCIS Insurance Berhad

# AsiaPac Fund Monthly Report (December 2020)

## Investment Objective

To achieve steady income stream with potential growth in the Asia Pacific Region over medium to long term. The aim of the Fund is to outperform the S&P Ethical Pan Asia Select Dividend Opportunities Index over periods of five or more years.

## Investment Strategy

To invest in Principal S&P Asia Pacific Ethical Dividend Exchange Traded Fund (ETF), managed by Principal Asset Management Berhad where the ETF is listed on the Singapore Stock Exchange.

The ETF focuses on top 40 ethical and high yielding stocks in the Asia Pacific Region excluding India, Taiwan, Japan, New Zealand and Philippines. The fund provides country diversification across the industry that is traded in US Dollar.

## Risks

The Fund is considered low risk given the exposure to only one underlying securities with no attempt to select stocks individually or to take defensive positions in declining markets. Risk is managed at the management level, where the asset allocation of the fund to be reviewed on regular basis, and adjusted to commensurate with the Investment Team view on the relative attractiveness of each asset class.

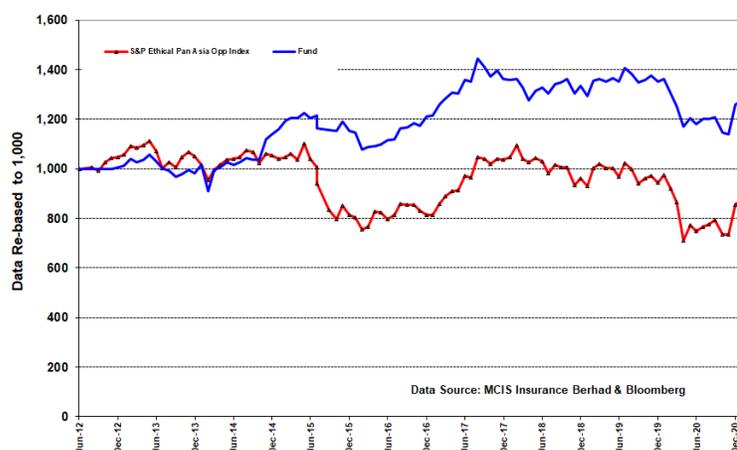
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

The target market is for investors who are seeking regional exposure from investment and at the same time, seeking for medium to long term capital appreciation with moderate market risk.

## Fund Performance

For the month ended December 2020, the fund had underperformed the benchmark by 164bps MoM (month on month). However, the fund had outperformed the benchmark since inception.

AsiaPac Fund Performance Since Inception



## Top Ten Holdings

Principal S&P Asia Pacific Ethical Dividend Exchange Traded Fund (ETF)

## Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.12.20)            | RM0.6359  |
| Fund Size                 | RM59.0 million  |
| Inception Date            | 15-July-2012  |
| Fund Management Fee       | 0.85% p.a.  |
| Pricing                   | Daily   |
| Price Quote               | Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a> |
| Fund Manager              | MCIS Insurance Berhad (MCIS Life)                                       |
| Exceptional Circumstances | Refer to your Policy Document   |

## Asset Allocation Ranges

| Asset Class | Min | Max  | Current Actual |
|-------------|-----|------|----------------|
| ETF         | 80% | 100% | 89%            |
| Cash        | 0%  | 20%  | 11%            |

## Performance Table

| Period                 | Fund   | Index*  |
|------------------------|--------|---------|
| 1 month (%)            | 0.91%  | 2.55%   |
| 3 months (%)           | 10.95% | 19.12%  |
| 6 months (%)           | 5.90%  | 14.18%  |
| 12 months (%)          | -6.58% | -10.37% |
| 2 years (% pa)         | -0.87% | -3.03%  |
| 3 years (% pa)         | -2.21% | -5.83%  |
| 5 years (% pa)         | 2.08%  | 1.74%   |
| Since Inception (% pa) | 2.87%  | -1.56%  |

**Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.**

The Fund returns are calculated by MCIS Life and based on the value of the NAV and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

\* Index is S&P Ethical Pan Asia Select Dividend Opportunities sourced from Bloomberg.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

## Balanced Fund Monthly Report (December 2020)

### Investment Objective

The objective of the Balanced Fund is to provide security and income, while maintaining and potentially increasing the value of capital over the medium to long-term, through exposure across a range of asset classes. The Fund aims to outperform the performance benchmark over periods of three or more years.

### Investment Strategy

To invest in Malaysian equities and fixed income securities, including government bonds and corporate debt securities. The asset allocation is reviewed on a regular basis, and is adjusted commensurate with our view on the relative attractiveness of each asset class.

### Risks

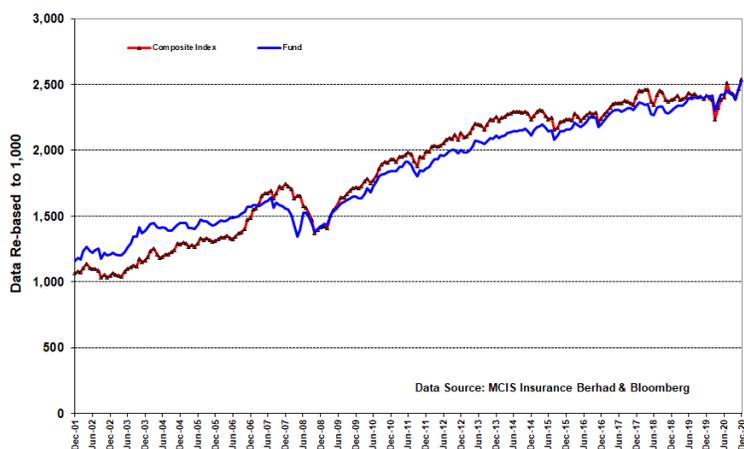
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, and the liquidity of the underlying assets. Additionally, levels of interest rates, and credit downgrades of defaults can affect the value of fixed income securities

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

### Fund Performance

For the month ended December 2020, the fund had underperformed the benchmark by 47bps MoM (month on month). The underperformance was mainly driven by higher exposure of underperforming securities in the portfolio compared to benchmark.

Balanced Fund Performance Since Inception



### Top Ten Holdings

Telekosang Hydro One Sdn Bhd (Bond)  
Edra Solar Sdn Bhd (Bond)  
CIMB Bank Berhad (Bond)  
Northern Gateway Infrastructure Sdn Bhd (Bond)  
Sabah Development Bank Berhad (Bond)  
Projek Lebuh raya Utara-Selatan (Bond)  
Malayan Banking Berhad (Equity)  
Telekom Malaysia Berhad (Equity)  
Malaysia Building Society Berhad (Bond)  
Malaysia Steel Works (KL) Berhad (Bond)

### Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.12.20)            | RM1.2632  |
| Fund Size                 | RM8.6 million   |
| Inception Date            | 15-Oct-01   |
| Fund Management Fee       | 1.25% p.a.  |
| Pricing                   | Daily   |
| Price Quote               | Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a> |
| Fund Manager              | MCIS Insurance Berhad (MCIS Life)                                       |
| Exceptional Circumstances | Refer to your Policy Document   |

### Asset Allocation Ranges

| Asset Class      | Min | Max | Current Actual |
|------------------|-----|-----|----------------|
| Malaysian Equity | 40% | 60% | 45%            |
| Fixed Income     | 40% | 60% | 47%            |
| Cash             | 0%  | 20% | 8%             |

### Performance Table

| Period                 | Fund  | Index* |
|------------------------|-------|--------|
| 1 month (%)            | 2.33% | 2.80%  |
| 3 months (%)           | 4.29% | 4.46%  |
| 6 months (%)           | 4.28% | 5.75%  |
| 12 months (%)          | 4.89% | 5.16%  |
| 2 years (% pa)         | 4.88% | 3.19%  |
| 3 years (% pa)         | 2.68% | 1.83%  |
| 5 years (% pa)         | 3.23% | 2.56%  |
| Since Inception (% pa) | 4.93% | 4.96%  |

**Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.**

The Fund returns are calculated by MCIS Life and based on the value of the NAV and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

\* The benchmark index is a composite of 50% FBM KLCI Index and 50% of Markit iBoxx ALBI Malaysia TR Index (Since Dec '12). Prior to that, the index used was HSBC Malaysia All Bond Index for the fixed income portion. Benchmark return is calculated on re-based basis. The source is from the subscription of Markit Indices.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

## Dividend Fund Monthly Report (December 2020)

### Investment Objective

To achieve steady income stream with potential for capital growth over medium to long term by focusing mostly on high dividend yielding stocks and money market instruments. The aim of the Fund is to outperform the FBM KLCI Index over periods of five or more years.

### Investment Strategy

To invest in a broad selection of companies listed on the Malaysian Stock Exchange. Using a relative value methodology, the fund focuses on undervalued stocks relative to fundamental value, with the aim of achieving an income stream, together with some degree of long-term capital gains.

### Risks

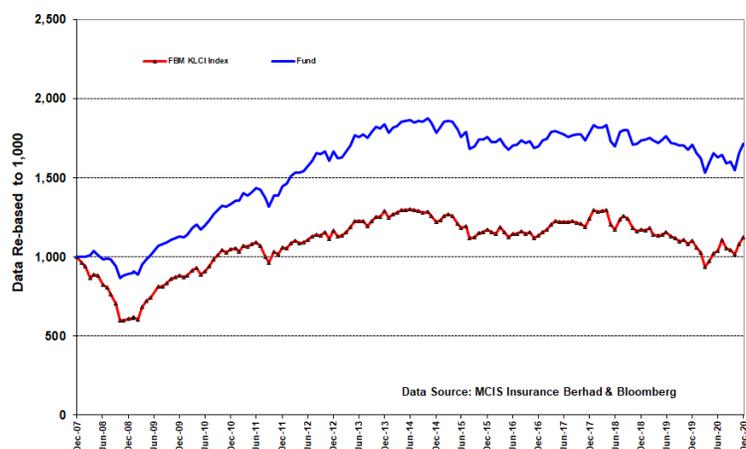
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

### Fund Performance

For the month ended December 2020, the fund had underperformed the benchmark by 60bps MoM (month on month). The underperformance was mainly driven by higher exposure of underperforming securities in the portfolio compared to benchmark.

Dividend Fund Performance Since Inception



### Top Ten Holdings

Petronas Gas Berhad  
 Petronas Chemicals Group Berhad  
 Public Bank Berhad  
 Maxis Berhad  
 Malayan Banking Berhad  
 Tenaga Nasional Berhad  
 DiGi.Com Berhad  
 IOI Corporation Berhad  
 MyETF Dow Jones  
 Axiata Group Berhad

### Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.12.20)            | RM0.8132  |
| Fund Size                 | RM30.13 million   |
| Inception Date            | 21-Jan-08   |
| Fund Management Fee       | 1.5% p.a.   |
| Pricing                   | Daily   |
| Price Quote               | Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a> |
| Fund Manager              | MCIS Insurance Berhad (MCIS Life)                                       |
| Exceptional Circumstances | Refer to your Policy Document   |

### Asset Allocation Ranges

| Asset Class      | Min | Max  | Current Actual |
|------------------|-----|------|----------------|
| Malaysian Equity | 80% | 100% | 96%            |
| Cash             | 0%  | 20%  | 4%             |

### Performance Table

| Period                 | Fund   | Index* |
|------------------------|--------|--------|
| 1 month (%)            | 3.53%  | 4.13%  |
| 3 months (%)           | 7.03%  | 8.13%  |
| 6 months (%)           | 5.27%  | 8.41%  |
| 12 months (%)          | 0.05%  | 2.42%  |
| 2 years (% pa)         | -0.61% | -1.89% |
| 3 years (% pa)         | -1.32% | -3.25% |
| 5 years (% pa)         | -0.54% | -0.78% |
| Since Inception (% pa) | 4.22%  | 0.92%  |
| Yield #                | 3.01%  | 2.95%  |

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\* Index is FBM KLCI sourced from Bloomberg.

# Yield data is sourced from Bloomberg, and MCIS Life.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

# Equity Fund

## Monthly Report (December 2020)

### Investment Objective

The objective of the Equity Fund is to achieve capital growth over the medium to long term by focusing on high quality equities listed on the FBM KLCI Index. The aim of the Equity Fund is to outperform the Index over periods of five or more years.

### Investment Strategy

To invest in a broad selection of companies listed on the Malaysian Stock Exchange. Using a relative value methodology, the fund focuses on the stocks whose shares appear undervalued relative to fundamental value, with the aim of achieving long term growth in capital value.

### Risks

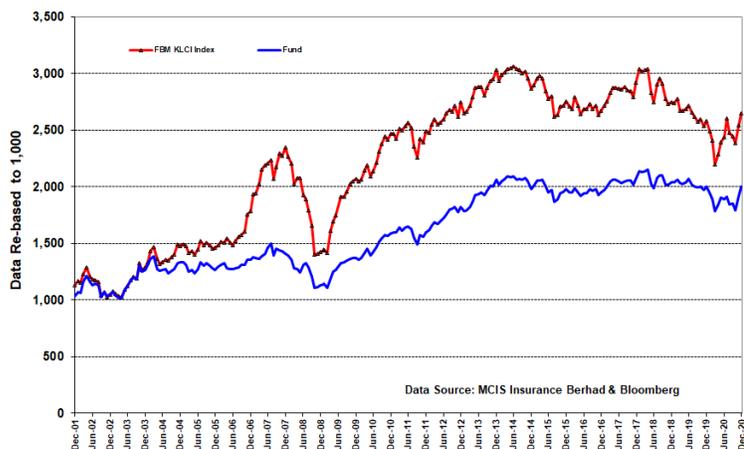
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

### Fund Performance

For the month ended December 2020, the fund had underperformed the benchmark by 2bps MoM (month on month). The underperformance was mainly driven by higher exposure of underperforming securities in the portfolio compared to benchmark.

Equity Fund Performance Since Inception



### Top Ten Holdings

Tenaga Nasional Berhad  
 Malayan Banking Berhad  
 Public Bank Berhad  
 IOI Corporation Berhad  
 Maxis Berhad  
 CIMB Bank Berhad  
 Petronas Chemicals Group Berhad  
 Telekom Malaysia Berhad  
 DiGi.Com Berhad  
 Axiata Group Berhad

### Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.12.20)            | RM0.9990  |
| Fund Size                 | RM9.7 million   |
| Inception Date            | 15-Oct-01   |
| Fund Management Fee       | 1.40% p.a.  |
| Pricing                   | Daily   |
| Price Quote               | Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a> |
| Fund Manager              | MCIS Insurance Berhad (MCIS Life)                                       |
| Exceptional Circumstances | Refer to your Policy Document   |

### Asset Allocation Ranges

| Asset Class      | Min | Max  | Current Actual |
|------------------|-----|------|----------------|
| Malaysian Equity | 80% | 100% | 93%            |
| Cash             | 0%  | 20%  | 7%             |

### Performance Table

| Period                 | Fund   | Index* |
|------------------------|--------|--------|
| 1 month (%)            | 4.11%  | 4.13%  |
| 3 months (%)           | 8.13%  | 8.13%  |
| 6 months (%)           | 5.59%  | 8.41%  |
| 12 months (%)          | -0.35% | 2.42%  |
| 2 years (% pa)         | -0.94% | -1.89% |
| 3 years (% pa)         | -1.19% | -3.25% |
| 5 years (% pa)         | 0.22%  | -0.78% |
| Since Inception (% pa) | 3.66%  | 5.18%  |
| Yield #                | 3.14%  | 2.95%  |

**Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.**

The Fund returns are calculated by MCIS Life and based on the value of the NAV and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

\* Index is FBM KLCI sourced from Bloomberg.

# Yield data is sourced from Bloomberg, and MCIS Life.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

# Global Yakin Fund

## Monthly Report (December 2020)

### Investment Objective

The fund aims for capital appreciation in the long term by investing in an international portfolio of Shariah-compliant equities and equity-related securities of companies with good growth potential.

### Investment Strategy

The Fund is to feed into Aberdeen Standard Islamic World Equity Fund (ASIWEF) which managed by Aberdeen Standard Islamic Investment (Malaysia) Sdn Bhd. The Fund invests in shariah approved securities across the globe.

The Fund seeks to achieve its objective by investing in an international portfolio of Shariah-compliant equities and equity-related securities of companies with good growth potential. The countries that the Fund will invest in will include, but not limited to Canada, United States of America, United Kingdom, France, Germany, Italy, Netherlands, Sweden, Switzerland, Japan, Australia, China, Hong Kong, Korea, Singapore, Taiwan, Brazil and Mexico.

### Risks

The Fund is considered low risk given the exposure to only one underlying securities with no attempt to select stocks individually or to take defensive positions in declining markets. Risk is managed at the management level, where the asset allocation of the fund to be reviewed on regular basis, and adjusted to commensurate with the Investment Team view on the relative attractiveness of each asset class.

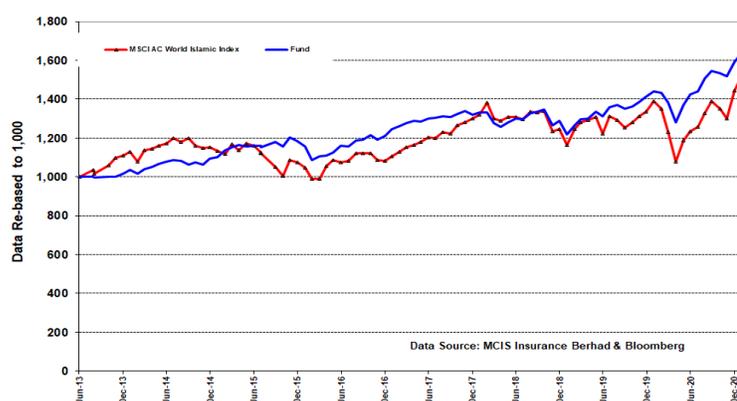
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

The Fund is suitable for investors who seek capital appreciation over a long-term investment horizon and who are willing to accept high level of risk.

### Fund Performance

For the month ended December 2020, the fund had underperformed the benchmark by 222bps MoM (month on month). The underperformance was mainly due to underperforming of the underlying securities compared to the benchmark index.

Global Yakin Fund Performance Since Inception



### Top Ten Holdings

Aberdeen Standard Islamic World Equity Fund (ASIWEF)

### Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.12.20)            | RM0.8179  |
| Fund Size                 | RM73.26 million   |
| Inception Date            | 8-July-2013   |
| Fund Management Fee       | 0.85% p.a.  |
| Pricing                   | Daily   |
| Price Quote               | Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a> |
| Fund Manager              | MCIS Insurance Berhad (MCIS Life)                                       |
| Exceptional Circumstances | Refer to your Policy Document   |

### Asset Allocation Ranges

| Asset Class | Min | Max  | Current Actual |
|-------------|-----|------|----------------|
| ASIWEF      | 80% | 100% | 85%            |
| Cash        | 0%  | 20%  | 15%            |

### Performance Table

| Period                 | Fund   | Index* |
|------------------------|--------|--------|
| 1 month (%)            | 2.71%  | 4.93%  |
| 3 months (%)           | 6.73%  | 12.17% |
| 6 months (%)           | 13.52% | 20.39% |
| 12 months (%)          | 13.62% | 8.92%  |
| 2 years (% pa)         | 15.87% | 14.17% |
| 3 years (% pa)         | 7.09%  | 4.70%  |
| 5 years (% pa)         | 7.15%  | 9.68%  |
| Since Inception (% pa) | 6.78%  | 5.70%  |

**Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.**

The Fund returns are calculated by MCIS Life and based on the value of the NAV and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

\* Index is MSCI AC World Islamic sourced from Bloomberg.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

# Income Fund

## Monthly Report (December 2020)

### Investment Objective

The objective of the Income Fund is to provide investors with security of income by investing in a mix of fixed income and fixed deposit securities. The aim of the Fund is to outperform the HSBC Malaysia Local Currency All Bond Total Return Index.

### Investment Strategy

To invest into underlying asset classes as per the Asset Allocation Ranges. The asset allocation is reviewed on a regular basis, and is adjusted commensurate with our view on the relative attractiveness of each asset class. The Fund invests in cash and fixed income securities including government bonds and corporate debt securities.

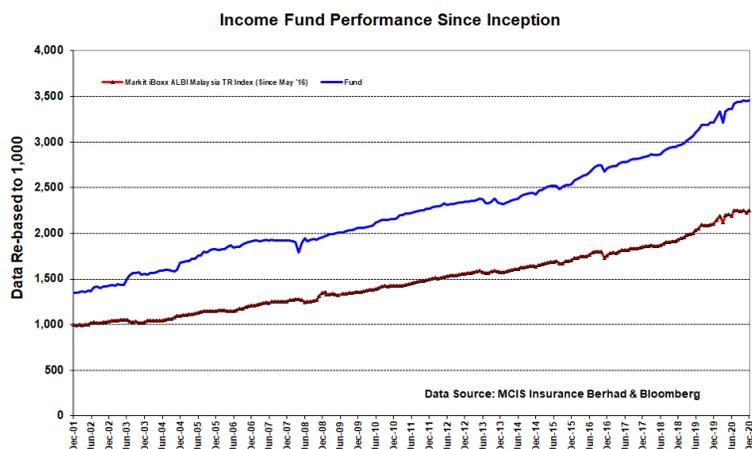
### Risks

The Fund is considered lower risk given the exposure to cash and fixed income securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets. Additionally, levels of interest rates, and credit downgrades or defaults can affect the value of fixed income securities.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

### Fund Performance

For the month ended December 2020, the fund had underperformed the benchmark by 120bps MoM (month on month). The underperformance was due to underperforming of the fixed income securities compared to the benchmark index.



### Top Ten Holdings

Leader Energy Sdn Berhad  
 Sabah Development Bank Berhad  
 Telekomang Hydro One Sdn Bhd  
 Edra Solar Sdn Bhd  
 Northern Gateway Infrastructure Sdn Bhd  
 UiTM Solar Power Sdn Berhad  
 Swirl Assets Berhad  
 SAJ Capital Sdn Bhd  
 Malaysia Steel Works (KL) Berhad  
 Hong Leong Financial Group Berhad

### Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.12.20)            | RM1.7272  |
| Fund Size                 | RM43.02 million   |
| Inception Date            | 15-Oct-01   |
| Fund Management Fee       | 0.5% p.a.   |
| Pricing                   | Daily   |
| Price Quote               | Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a> |
| Fund Manager              | MCIS Insurance Berhad (MCIS Life)                                       |
| Exceptional Circumstances | Refer to your Policy Document   |

### Asset Allocation Ranges

| Asset Class  | Min | Max  | Current Actual |
|--------------|-----|------|----------------|
| Fixed Income | 75% | 100% | 81%            |
| Cash         | 0%  | 25%  | 19%            |

### Performance Table

| Period                 | Fund  | Index* |
|------------------------|-------|--------|
| 1 month (%)            | 0.27% | 1.47%  |
| 3 months (%)           | 0.31% | 0.72%  |
| 6 months (%)           | 2.85% | 2.87%  |
| 12 months (%)          | 7.32% | 7.35%  |
| 2 years (% pa)         | 8.06% | 8.14%  |
| 3 years (% pa)         | 6.79% | 6.80%  |
| 5 years (% pa)         | 6.36% | 5.74%  |
| Since Inception (% pa) | 6.65% | 4.31%  |

**Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.**

The Fund returns are calculated by MCIS Life and based on the value of the NAV and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

\* The benchmark index is Markit iBoxx ALBI Malaysia TR Index (Since Dec '12). Prior to that, the index used was HSBC Malaysia All Bond Index. Benchmark return is calculated on re-based basis. The source is from the subscription of Markit Indices.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

# Jati Fund

## Monthly Report (December 2020)

### Investment Objective

The Jati Fund is invested in accordance with Shariah principles in Shariah sanctioned equities, money market instruments, and fixed income investments. The aim is to provide security and income, while maintaining and potentially increasing the value of capital over the medium to long-term. The Jati Fund is not a takaful product.

### Investment Strategy

To invest in a broad selection of Shariah approved securities listed on the Malaysian Stock Exchange. Using a relative value methodology, it looks to buy stocks whose shares appear undervalued relative to fundamental value, with the aim of achieving an income stream, together with some degree of long-term capital gains.

### Risks

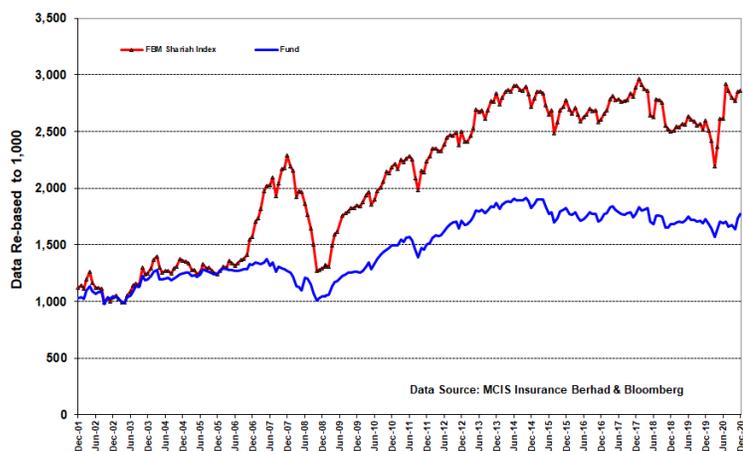
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

### Fund Performance

For the month ended December 2020, the fund had outperformed the benchmark by 184bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming securities in the portfolio compared to benchmark.

Jati Fund Performance Since Inception



### Top Ten Holdings

Tenaga Nasional Berhad  
Telekom Malaysia Berhad  
Axiata Group Berhad  
IOI Corporation Berhad  
Maxis Berhad  
Sime Darby Plantation Berhad  
Petronas Chemicals Group Berhad  
Sime Darby Berhad  
Petronas Gas Berhad  
DiGi.Com Berhad

### Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.12.20)            | RM0.8855  |
| Fund Size                 | RM18.01 million   |
| Inception Date            | 15-Oct-01   |
| Fund Management Fee       | 1.35% p.a.  |
| Pricing                   | Daily   |
| Price Quote               | Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a> |
| Fund Manager              | MCIS Insurance Berhad (MCIS Life)                                       |
| Exceptional Circumstances | Refer to your Policy Document   |

### Asset Allocation Ranges

| Asset Class      | Min | Max  | Current Actual |
|------------------|-----|------|----------------|
| Malaysian Equity | 80% | 100% | 91%            |
| Cash             | 0%  | 20%  | 9%             |

### Performance Table

| Period                 | Fund   | Index* |
|------------------------|--------|--------|
| 1 month (%)            | 1.93%  | 0.09%  |
| 3 months (%)           | 5.48%  | 2.00%  |
| 6 months (%)           | 4.93%  | 9.30%  |
| 12 months (%)          | 2.59%  | 10.14% |
| 2 years (% pa)         | 2.65%  | 6.95%  |
| 3 years (% pa)         | -0.07% | -0.36% |
| 5 years (% pa)         | -0.62% | 0.55%  |
| Since Inception (% pa) | 3.01%  | 5.61%  |
| Yield #                | 3.03%  | 2.73%  |

**Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.**

The Fund returns are calculated by MCIS Life and based on the value of the NAV and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

\* Index is FBMS Index sourced from Bloomberg.  
# Yield data is sourced from Bloomberg, and MCIS Life.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

# Titan Fund

## Monthly Report (December 2020)

### Investment Objective

The Fund invests in MyETF Dow Jones U.S. Titans 50 ("MyETFDJ50") which aims to provide investment results that closely correspond to the performance of the Dow Jones Islamic Market U.S. Titans 50 Index.

### Investment Strategy

MyETFDJ50 is managed by i-VCAP Management Sdn Bhd and it invests into 50 largest Shariah compliant companies listed in the U.S. MyETFDJ50 is a passively managed fund.

### Risks

The Fund is considered low risk given the exposure to only one underlying securities with no attempt to select stocks individually or to take defensive positions in declining markets. Risk is managed at the management level, where the asset allocation of the fund to be reviewed on regular basis, and adjusted to commensurate with the Investment Team view on the relative attractiveness of each asset class.

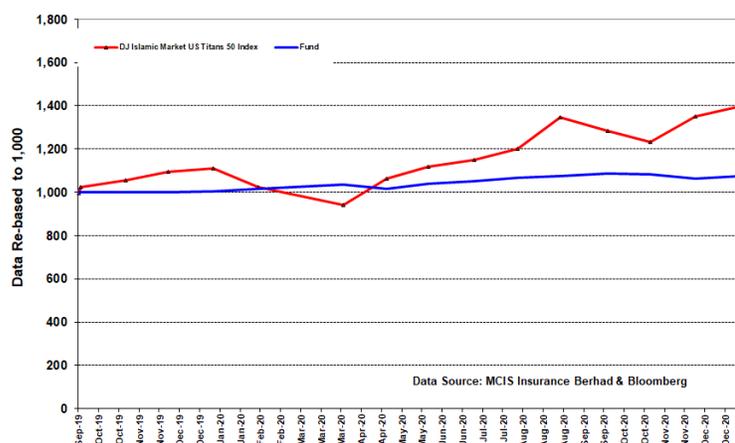
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

The Fund is suitable for investors who are seeking for diversification and investment opportunities in Shariah-compliant equities in the U.S. market and seeking liquid financial instruments with an index tracking feature.

### Fund Performance

For the month ended December 2020, the fund had underperformed the benchmark by 330bps MoM (month on month).

Titan Fund Performance Since Inception



### Top Ten Holdings

MyETFDJ50

### Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.12.20)            | RM0.5892  |
| Fund Size                 | RM17.63 million   |
| Inception Date            | 17-Sept-2019  |
| Fund Management Fee       | 0.85% p.a.  |
| Pricing                   | Daily   |
| Price Quote               | Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a> |
| Fund Manager              | MCIS Insurance Berhad (MCIS Life)                                       |
| Exceptional Circumstances | Refer to your Policy Document   |

### Asset Allocation Ranges

| Asset Class | Min | Max  | Current Actual |
|-------------|-----|------|----------------|
| MyETFDJ50   | 80% | 100% | 71%            |
| Cash        | 0%  | 20%  | 29%            |

### Performance Table

| Period                 | Fund   | Index* |
|------------------------|--------|--------|
| 1 month (%)            | 0.19%  | 3.49%  |
| 3 months (%)           | 7.08%  | 8.86%  |
| 6 months (%)           | 8.67%  | 21.63% |
| 12 months (%)          | 18.03% | 27.67% |
| 2 years (% pa)         | n/a    | n/a    |
| 3 years (% pa)         | n/a    | n/a    |
| 5 years (% pa)         | n/a    | n/a    |
| Since Inception (% pa) | 13.10% | 28.65% |

**Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.**

The Fund returns are calculated by MCIS Life and based on the value of the NAV and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

\* Index Dow Jones Islamic Market U.S. Titans 50 Index sourced from Bloomberg.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

# Equity Market Review and Outlook

## Market Review

FBMKLCI benchmark index posted a second consecutive month of gains in December 2020 as investors continued to position into the Covid-19 recovery play in the market, following news of Covid-19 vaccine breakthroughs in November 2020. All sectors, except healthcare and REITs, posted mom positive returns during the month. The four sectors that posted the highest returns were finance, energy property and construction, as investors rotated into sectors that are expected to benefit from the projected rebound in the economy. The FBMKLCI gained 65 points (+4.1% mom) in December 2020, closing at 1,627 level which helped the index to end the year 2020 with a positive year on year return of 2.4%.

The average daily value traded on the Malaysia stock exchange rose 1.2% month on month and 246% year on year to RM5.3bn in December 2020, partly due to index-rebalancing activities. Retail investors emerged as the largest net buyers in the Malaysian equity market as they looked for companies expected to benefit from the projected economic recovery for the year 2021. Retailers raised their net bought position to RM1.7bn worth of equities in December 2020 (vs. RM506m in November 2020). This helped to absorb foreign selling of RM596m (lower than the RM1bn net sell in November 2020) and institutional selling of RM1.1bn in December 2020.

Globally, equity market also closed positively in the month of December. In the US, Dow Jones and S&P 500 Index closed 3.3% and 3.7% respectively on monthly basis. Meanwhile, Bloomberg European 500 index closed positively by 2.2% m-o-m. On the other hand, MSCI Asia APEX 50 ex-Japan closed higher by 6.1% m-o-m and average Asian markets gained 4.4% m-o-m.

## Weekly

### Chart 1: FBMKLCI Daily Chart



Source: MCIS/Bloomberg

### Chart 2: FBMKLCI Weekly Chart



Source: MCIS/Bloomberg

## Market Outlook & Strategy

Traditionally, the month of January FBMKLCI index's performance tends to be mixed, with average mom returns of -0.6%/+1.6% over the past 10/42 years. Currently the market will be focusing on news-flow on new Covid-19 cases, vaccines and the potential removal of CMCO, and less favorable political development in the country.

Technically, daily chart is indicating that the market is entering its correction phase after recent recovery. Downside is seen at 1,550 level as a strong support. Meanwhile, an uptrend channel on the weekly chart is indicating that the uptrend is still intact. Hence, any correction on the short term may provide opportunity to increase exposure for the medium term.

Based on the above highlights, current concern may continue to lead investors to remain cautious in the equity market. However, we believe this is temporary as economic improvement post Covid 19, will push the equity market higher in the longer run.

## Fixed Income Review and Outlook

### Market Review

Malaysia Government Securities (“MGS”) yields moved lower across the curve, supported by the strengthening Ringgit and the year-end portfolio rebalancing. Ringgit strengthened to MYR4.0203/USD from a month earlier at MYR4.0738/USD. With the positive development of COVID-19 vaccine that gives hope to global economic recovery, the crude oil prices were seen rallied to 10-month high of USD51.8/barrel (Nov’20: USD47.59/barrel).

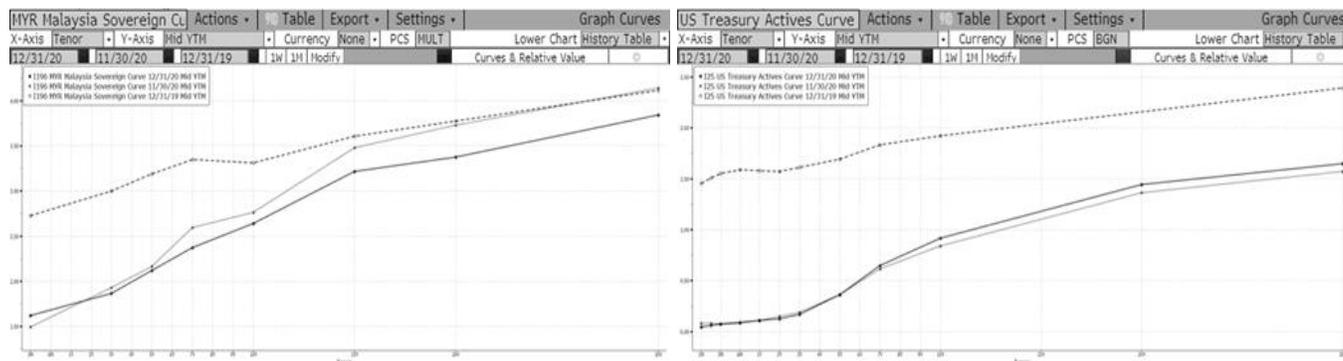
On local economic data, the extended CMCO has further weakened the domestic demand, moving Imports lower to -9.0% YoY in Nov’20 (Oct’20: -6.0% YoY). Exports on the other hand came in higher to +4.0% YoY (Oct’20: +0.2% YoY) following the third-wave of COVID-19 pandemic globally, increasing the demand for COVID-19 beneficiaries such as E&E products (Nov’20: +23.6% YoY; Oct’20: +3.0% YoY) and rubber products (Nov’20: +124.8% YoY; Oct’20: +127.3% YoY). All in all, the trade balances were recorded lower at +MYR16.bbil, compared to a month earlier at +MYR22.1bil.

Headline inflation continued to remain in the negative territory in Nov’20 at -1.7% YoY (Oct’20: -1.5% YoY) on the back of lower transport cost (Nov’20: -11.1% YoY; Oct’20: -10.2% YoY) arising from the weak global oil prices. RON95 fuel prices were lowered slightly to MYR1.64 in Nov’20, compared to a year earlier at MYR2.08. In line, the core inflation was also weakened to +0.7% YoY (Oct’20: +0.8% YoY).

Malaysia external reserves rose to USD105.7bil as at mid-Dec’20 as compared to a month earlier at USD104.9bil. The reserve is sufficient to cover 8.8 months of retained imports and 1.2x short-term external debt and is above the minimum requirement of USD90.2bil IMF Reserve Adequacy.

The auctions unveiled in December 2020 are as follow;

| Government Auctions                  |            |                        |                      |                  |
|--------------------------------------|------------|------------------------|----------------------|------------------|
| Issue                                | Issue Date | Amount<br>(RM million) | Bid-cover<br>(times) | Avg Yield<br>(%) |
| 10year Re-Issuance of GII(Mat 10/30) | 8/12/2020  | 4,500.00               | 2.62                 | 2.99             |



The 10-year US Treasury (“UST”) yield rose higher to 0.92% as at end Dec’20 as compared to a month earlier at 0.88% after the US President Trump signed the USD900bil fiscal relief package and Government spending bill. The spending bill would aid cash-strapped households and businesses and prevent the shutdown of Federal Government.

## FIXED INCOME STRATEGY

Following the OPR cut by 125bps and SRR cut by 100bps in this year, BNM is expected to stay dovish monetary stance towards 1Q2021, in line with the weaker economic prospect arising from the COVID-19 outbreak globally. The external risk factors such as trade war between US and China and the fluctuation in crude oil prices will continue to weigh on the local market, but we believe corporate bond space still provides attractive yields. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.