



member of  **Sanlam** group

# Investment-Linked Fund Performance Report August 2024

## **General Advice Warning**

The information contained in this material is general information and intended for the use of professional advisers, researchers, and trustees. It does not take into account the objectives, financial situation or needs of any person. These factors should be considered before acting on this information.

MCIS receives remuneration such as fees, charges, or premiums for the products. Details of these payments including how they are calculated and when and how they are payable can be found in the relevant sales illustrations, or other disclosure document for each product.

MCIS Life has received on behalf of the funds, soft commissions from our investment fund bankers/brokers, in the form of research materials and investment-related publications which are incidental to the investment management of the funds. This report, among others, incorporates consolidated content for the benefit of MCIS Life's policyholders.

## **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

For the month ended August 2024, the FBMKLCI closed higher at 1,678.80 points (3.3% MoM and 15.4% YTD), due to strong corporate earnings reported in the 2Q of the year and the strong performance of banking stocks. The average daily trading value in the month rose 5.9% MoM and 71.4% YoY to RM3.7bil. Meanwhile, the average daily trading volume fell 11.9% MoM and 20.1% YoY to 4.2bil units, making it two consecutive months of decline.

Malaysia Government Securities (“MGS”) yields moved slightly higher in Aug’24. Brent crude oil prices continue to trend lower to USD78.80/barrel as at end-Aug’24 (end-Jul’24: USD80.72/barrel), given the slower global demand. Meanwhile, ringgit surged against the dollar to RM4.3205/USD (end-Jul’24: RM4.5905/USD), due to US Fed rate cut expectation.

On the local economic data, Malaysia’s 2Q’24 GDP continued to expand strongly, coming in at +5.9% YoY in 2Q’24 (1Q’24: +4.8% YoY).

For the equity market, we expect a positive recovery in 2024, especially for the local market, supported by improved corporate earnings and government transformation plans that should support the domestic economy. We expect BNM to maintain the OPR unchanged throughout the year 2024, due to easing inflation expectation. On the global economic review, the resilience of the US economy may lead to a soft landing, rather than recession. The tail-end of global monetary policy tightening will be positive for foreign investors to make their way back to the local stock market.

Meanwhile for fixed income, after a series of recent OPR hikes to pre-pandemic level, BNM is anticipated to keep its monetary policy unchanged in 2024, aiming to balance the economic growth and inflationary pressure in the country. The external risk factors such as geopolitical tension will continue to weigh on the local market, but we believe corporate bond space still provides attractive yields. As such, our fixed income strategy will remain defensive to shelter from the market volatilities in the near term.

Based on the table below, on monthly basis, MCIS Life Dividend Fund, MCIS Life Equity Fund, and MCIS Life Jati Fund had outperformed the benchmark indices.

Policyholders are encouraged to focus on regular premiums given the current risk and volatile period of the economic and market condition. Risk-averse investors should focus on income funds due to its less volatile as compared to equity-related funds.

Performance Table: Funds vs Benchmarks

	MCIS Life AsiaPac Fund		MCIS Life Balanced Fund		MCIS Life Dividend Fund		MCIS Life Equity Fund		MCIS Life Global Yakin Fund		MCIS Life Income Fund		MCIS Life Jati Fund		MCIS Life Titan Fund	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Monthly (%)	2.85%	5.31%	1.73%	1.77%	3.36%	3.27%	3.32%	3.27%	-2.54%	0.74%	0.24%	0.26%	0.57%	-3.73%	-2.26%	1.84%
3 Months (%)	0.26%	4.39%	2.98%	3.41%	5.32%	5.14%	5.05%	5.14%	-2.79%	3.26%	1.41%	1.68%	1.37%	-0.85%	-2.69%	7.71%
6 Months (%)	7.49%	9.21%	4.85%	5.39%	8.10%	8.21%	7.82%	8.21%	-3.88%	4.20%	2.76%	2.59%	4.49%	6.58%	4.83%	12.42%
12 Months (%)	11.75%	15.49%	8.83%	10.32%	13.57%	15.62%	14.02%	15.62%	7.46%	12.44%	6.08%	5.14%	9.99%	12.51%	18.16%	30.46%

Source: MCIS Insurance Berhad

# MCIS Life AsiaPac Fund Monthly Report (August 2024)

## Investment Objective

To achieve a steady income stream with potential growth in the Asia Pacific Region over the 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 (S) Pte Ltd where the ETF is listed on the Singapore Stock Exchange.

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

## 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 is to be reviewed on a regular basis and adjusted to be commensurate with the Investment Team's view on the relative attractiveness of each asset class.

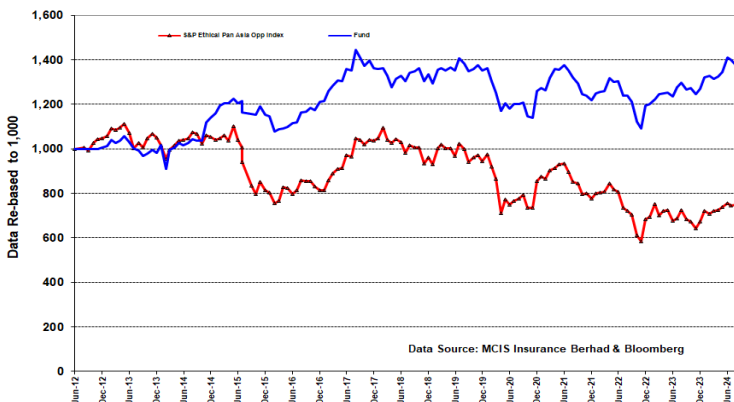
The following factors can potentially affect the value of the Fund, economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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

## Fund Performance

For the month ended August 2024, the fund had underperformed the benchmark by 246bps MoM (month-on-month). The underperformance was mainly due to the underperformance of the underlying asset. However, the fund has outperformed the benchmark since its inception.

AsiaPac Fund Performance Since Inception



## Top Ten Holdings

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

## Fund Information

NAV (30.08.24)	RM0.7073
Fund Size	RM97.80 million
Inception Date	15-July-2012
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	<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%	95%
Cash	0%	20%	5%

## Performance Table

Period	Fund	Index*
1 month (%)	2.85%	5.31%
3 months (%)	0.26%	4.39%
6 months (%)	7.49%	9.21%
12 months (%)	11.75%	15.49%
2 years (% pa)	8.05%	5.77%
3 years (% pa)	3.06%	-2.30%
5 years (% pa)	0.96%	-3.50%
Since Inception (% pa)	2.89%	-1.94%

**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.

# MCIS Life Balanced Fund Monthly Report (August 2024)

## 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

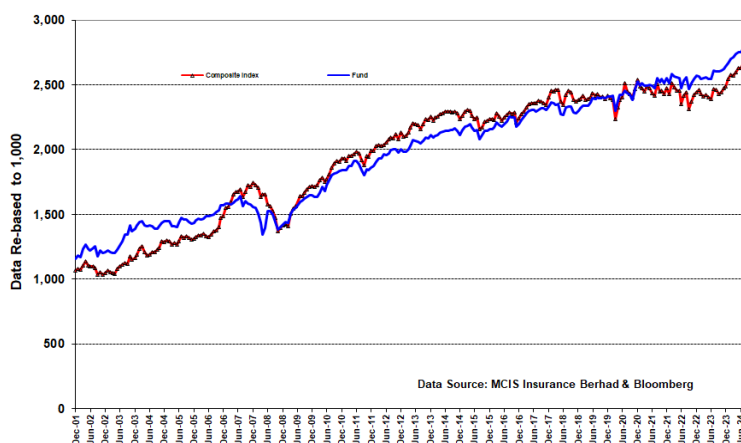
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income, and cash. The following factors can potentially affect the value of the Fund, consumer sentiment, financial performance of the underlying companies, industry and economic development, social and political 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 August 2024, the fund had underperformed the benchmark by 4bps MoM (month-on-month). The underperformance was mainly driven by a higher exposure of underperforming securities in the portfolio compared to the benchmark.

Balanced Fund Performance Since Inception



## Top Ten Holdings

- Malayan Banking Berhad (Equity)
- CIMB Bank Berhad (Equity)
- Public Bank Berhad (Equity)
- Edotco Malaysia Sdn Berhad (Bond)
- Cello Capital Berhad (Bond)
- Tenaga Nasional Berhad (Equity)
- Solarpack Suria Sungai Petani Sdn Bhd (Bond)
- Telekosang Hydro One Sdn Bhd (Bond)
- Edra Solar Sdn Bhd (Bond)
- Point Zone (M) Sdn Berhad (Bond)

## Fund Information

NAV (30.08.24)	RM1.4158
Fund Size	RM13.14 million
Inception Date	15-Oct-01
Fund Management Fee	1.25% p.a.
Pricing	Daily
Price Quote	<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%	47%
Fixed Income	40%	60%	42%
Cash	0%	20%	11%

## Performance Table

Period	Fund	Index*
1 month (%)	1.73%	1.77%
3 months (%)	2.98%	3.41%
6 months (%)	4.85%	5.39%
12 months (%)	8.83%	10.32%
2 years (% pa)	5.24%	5.50%
3 years (% pa)	3.53%	2.74%
5 years (% pa)	3.33%	2.28%
Since Inception (% pa)	4.65%	4.46%

**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% FBMKLCI Index and 50% of Markit iBoxx ALBI Malaysia TR Index (Since June '16). 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.

# MCIS Life Dividend Fund

## Monthly Report (August 2024)

### Investment Objective

To achieve a steady income stream with potential for capital growth over the 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 FBMKLCI 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

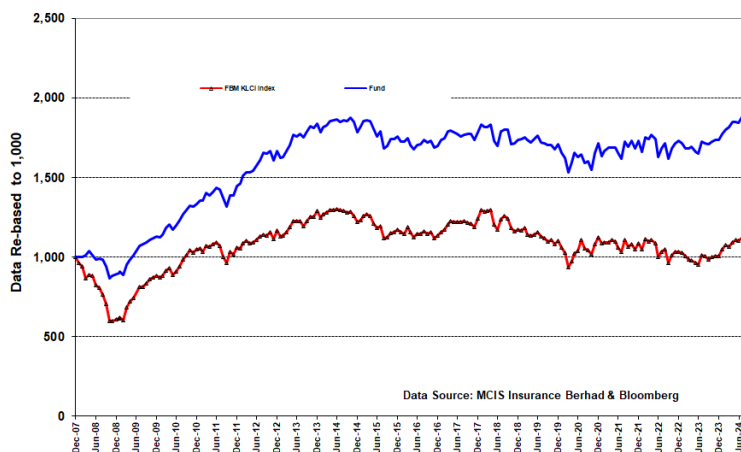
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund, consumer sentiment, the financial performance of the underlying companies, the performance of the industry and economy, the share market in general, social, and 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 August 2024, the fund had outperformed the benchmark by 9bps MoM (month-on-month). The outperformance was mainly driven by a higher exposure of outperforming securities in the portfolio compared to the benchmark.

Dividend Fund Performance Since Inception



### Top Ten Holdings

CIMB Bank Berhad  
 Malayan Banking Berhad  
 Public Bank Berhad  
 Tenaga Nasional Berhad  
 Petronas Gas Berhad  
 Maxis Berhad  
 SD Guthrie Bhd  
 IOI Corporation Berhad  
 Telekom Malaysia Berhad  
 CelcomDigi Berhad

### Fund Information

NAV (30.08.24)	RM0.9249
Fund Size	RM32.10 million
Inception Date	21-Jan-08
Fund Management Fee	1.5% p.a.
Pricing	Daily
Price Quote	<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 (%)	3.36%	3.27%
3 months (%)	5.32%	5.14%
6 months (%)	8.10%	8.21%
12 months (%)	13.57%	15.62%
2 years (% pa)	6.55%	5.37%
3 years (% pa)	4.14%	1.59%
5 years (% pa)	2.60%	0.81%
Since Inception (% pa)	4.08%	0.90%
Yield #	3.80%	3.83%

**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 FBMKLCI 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.

# MCIS Life Equity Fund Monthly Report (August 2024)

## 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 FBMKLCI 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

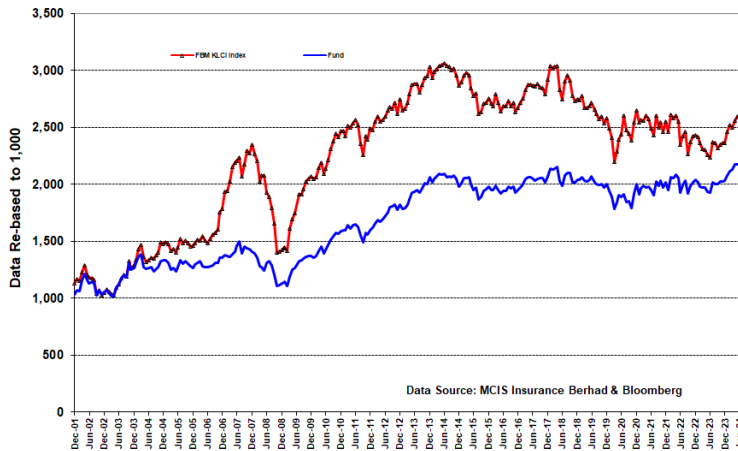
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund, consumer sentiment, the financial performance of the underlying companies, the performance of the industry and economy, the share market in general, social, and 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 August 2024, the fund had outperformed the benchmark by 5bps MoM (month-on-month). The outperformance was mainly driven by a higher exposure of outperforming securities in the portfolio compared to the benchmark.

Equity Fund Performance Since Inception



## Top Ten Holdings

Malayan Banking Berhad  
CIMB Bank Berhad  
Public Bank Berhad  
Tenaga Nasional Berhad  
IHH Healthcare Berhad  
Telekom Malaysia Berhad  
IOI Corporation Berhad  
Petronas Chemicals Group Berhad  
SD Guthrie Bhd  
AMMB Holdings Berhad

## Fund Information

NAV (30.08.24)	RM1.1415
Fund Size	RM15.60 million
Inception Date	15-Oct-01
Fund Management Fee	1.40% p.a.
Pricing	Daily
Price Quote	<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%	94%
Cash	0%	20%	6%

## Performance Table

Period	Fund	Index*
1 month (%)	3.32%	3.27%
3 months (%)	5.05%	5.14%
6 months (%)	7.82%	8.21%
12 months (%)	14.02%	15.62%
2 years (% pa)	6.02%	5.37%
3 years (% pa)	4.06%	1.59%
5 years (% pa)	2.69%	0.81%
Since Inception (% pa)	3.67%	4.48%
Yield #	3.57%	3.83%

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

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\* Index is FBMKLCI 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.

# MCIS Life Global Yakin Fund Monthly Report (August 2024)

## 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. The Fund is not a Shariah-compliant product.

## Investment Strategy

The Fund is to feed into abrdn Islamic World Equity Fund ("AIWEF") (formerly known as Aberdeen Standard Islamic World Equity Fund) which is managed by abrdn Islamic Malaysia Sdn Bhd (formerly known as Aberdeen Standard Investments (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 be limited to Canada, the United States of America, the 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 is to be reviewed on a regular basis and adjusted to be commensurate with the Investment Team's view on the relative attractiveness of each asset class.

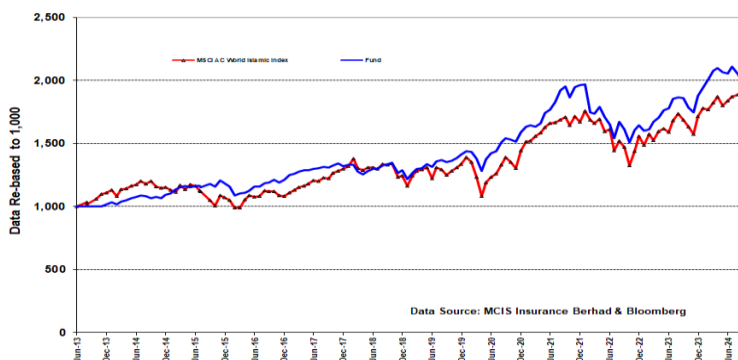
The following factors can potentially affect the value of the Fund, economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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

## Fund Performance

For the month ended August 2024, the fund had underperformed the benchmark by 328bps MoM (month-on-month). However, the fund has outperformed the benchmark since its inception.

Global Yakin Fund Performance Since Inception



## Top Ten Holdings

abrdn Islamic World Equity Fund (AIWEF)

## Fund Information

NAV (30.08.24)	RM0.9983
Fund Size	RM136.96 million
Inception Date	8-July-2013
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	<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
AIWEF	80%	100%	94%
Cash	0%	20%	6%

## Performance Table

Period	Fund	Index*
1 month (%)	-2.54%	0.74%
3 months (%)	-2.79%	3.26%
6 months (%)	-3.88%	4.20%
12 months (%)	7.46%	12.44%
2 years (% pa)	11.26%	13.62%
3 years (% pa)	0.72%	3.56%
5 years (% pa)	8.10%	10.97%
Since Inception (% pa)	6.39%	5.91%

**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.

# MCIS Life Income Fund

## Monthly Report (August 2024)

### Investment Objective

The objective of the Income Fund is to provide investors with the security of income by investing in a mix of fixed income and fixed deposit securities. The aim of the Fund is to outperform the Market iBoxx ALBI Malaysia TR Index.

### Investment Strategy

To invest in 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.

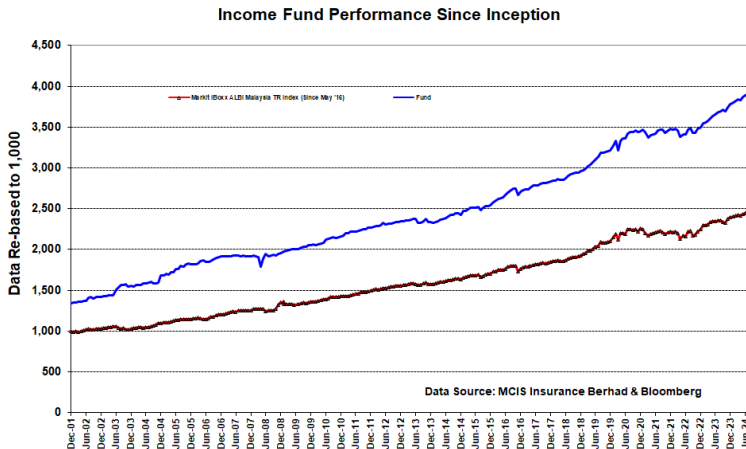
### Risks

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, the financial performance of the underlying companies, the performance of the industry and economy, 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 August 2024, the fund had underperformed the benchmark by 2bps MoM (month-on-month). The underperformance was due to underperforming fixed income securities compared to the benchmark index.



### Top Ten Holdings

Solarpack Suria Sungai Petani Sdn Bhd  
 Leader Energy Sdn Berhad  
 Telekomang Hydro One Sdn Bhd  
 Edra Solar Sdn Bhd  
 Cello Capital Berhad  
 UiTM Solar Power Sdn Berhad  
 Lebuhraya Duke Fasa 3 Sdn Bhd  
 Johor Corporation  
 Malayan Banking Berhad  
 SAJ Capital Sdn. Bhd

### Fund Information

NAV (30.08.24)	RM1.9612
Fund Size	RM55.45 million
Inception Date	15-Oct-01
Fund Management Fee	0.5% p.a.
Pricing	Daily
Price Quote	<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%	82%
Cash	0%	25%	18%

### Performance Table

Period	Fund	Index*
1 month (%)	0.24%	0.26%
3 months (%)	1.41%	1.68%
6 months (%)	2.76%	2.59%
12 months (%)	6.08%	5.14%
2 years (% pa)	6.07%	5.42%
3 years (% pa)	4.14%	3.62%
5 years (% pa)	4.25%	3.42%
Since Inception (% pa)	6.15%	4.04%

**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 Market iBoxx ALBI Malaysia TR Index (Since June '16). 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 Market 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.



# MCIS Life Jati Fund Monthly Report (August 2024)

## 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 Fund is not a Shariah-compliant 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

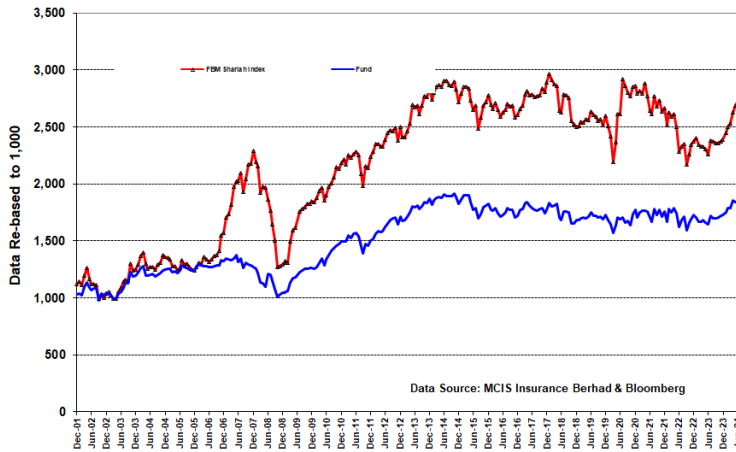
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund, consumer sentiment, the financial performance of the underlying companies, the performance of the industry and economy, the share market in general, social, and 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 August 2024, the fund had outperformed the benchmark by 430bps MoM (month-on-month). The outperformance was mainly driven by a higher exposure of outperforming securities in the portfolio compared to the benchmark.

Jati Fund Performance Since Inception



## Top Ten Holdings

Tenaga Nasional Berhad  
Telekom Malaysia Berhad  
SD Guthrie Bhd  
Petronas Gas Berhad  
IOI Corporation Berhad  
Maxis Berhad  
IHH Healthcare Berhad  
Sime Darby Berhad  
Press Metal Aluminium Holdings Bhd  
Dialog Group Berhad

## Fund Information

NAV (30.08.24)	RM0.9332
Fund Size	RM19.49 million
Inception Date	15-Oct-01
Fund Management Fee	1.35% p.a.
Pricing	Daily
Price Quote	<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%	99%
Cash	0%	20%	1%

## Performance Table

Period	Fund	Index*
1 month (%)	0.57%	-3.73%
3 months (%)	1.37%	-0.85%
6 months (%)	4.49%	6.58%
12 months (%)	9.99%	12.51%
2 years (% pa)	4.30%	6.59%
3 years (% pa)	1.65%	-1.23%
5 years (% pa)	1.64%	0.62%
Since Inception (% pa)	2.76%	4.38%
Yield #	3.21%	2.86%

**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.

# MCIS Life Titan Fund Monthly Report (August 2024)

## Investment Objective

The Fund invests in Eq8 Dow Jones U.S. Titans 50 ETF (“EQ8US50”) (formerly known as MyETF Dow Jones U.S. Titans 50) which aims to provide investment results that closely correspond to the performance of the Dow Jones Islamic Market U.S. Titans 50 Index. The Fund is not a Shariah-compliant product.

## Investment Strategy

EQ8US50 is managed by Eq8 Capital Sdn Bhd (formerly known as i-VCAP Management Sdn Bhd) and it invests in 50 largest Shariah-compliant companies listed in the U.S. EQ8US50 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 is to be reviewed on a regular basis and adjusted to be commensurate with the Investment Team’s view on the relative attractiveness of each asset class.

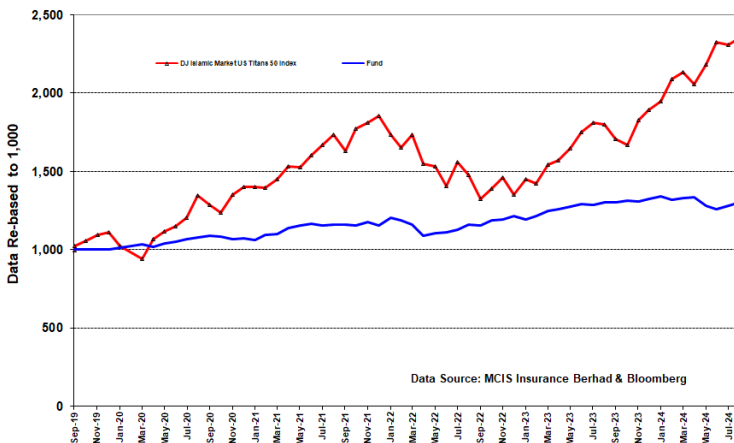
The following factors can potentially affect the value of the Fund, economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

The Fund is suitable for investors who are seeking 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 August 2024, the fund had underperformed the benchmark by 410bps MoM (month-on-month). The underperformance was mainly due to the underperformance of the underlying asset.

Titan Fund Performance Since Inception



## Fund Information

NAV (30.08.24)	RM0.9568
Fund Size	RM116.0 million
Inception Date	17-Sept-2019
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	<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
EQ8US50	80%	100%	88%
Cash	0%	20%	12%

## Performance Table

Period	Fund	Index*
1 month (%)	-2.26%	1.84%
3 months (%)	-2.69%	7.71%
6 months (%)	4.83%	12.42%
12 months (%)	18.16%	30.46%
2 years (% pa)	17.68%	26.03%
3 years (% pa)	10.91%	10.68%
5 years (% pa)	n/a	n/a
Since Inception (% pa)	13.86%	18.62%

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

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\* 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.

## Top Ten Holdings

Eq8 Dow Jones U.S. Titans 50 ETF (“EQ8US50”) (formerly known as MyETF Dow Jones U.S. Titans 50)

# Equity Market Review and Outlook

## Market Review

For the month ended August 2024, the FBMKLCI closed higher at 1,678.80 points (3.3% MoM and 15.4% YTD), due to strong corporate earnings reported in the 2Q of the year and the strong performance of banking stocks. The average daily trading value in the month rose 5.9% MoM and 71.4% YoY to RM3.7bil. Meanwhile, the average daily trading volume fell 11.9% MoM and 20.1% YoY to 4.2bil units, making it two consecutive months of decline.

Local institutions stayed net sellers, with net sell flows of RM1.0bil in August 24, up 55.2% MoM. August 24 marked the seventh consecutive month where local institutions' net flows were the opposite of foreign investor net flows. Local retail investors recorded a net sell of RM843.7mil in August 24, which rose by 47.0% MoM. August 24 also marked the fourteenth consecutive month of net selling by local retail investors. Foreign investors stayed net buyers, with the net buy flows of RM2.5bil almost double the net buy flows in July 24 of RM1.3bil. This marks the second consecutive month where foreign investors were net buyers. This resulted in a cumulative net foreign inflow of RM3.0bil YTD.

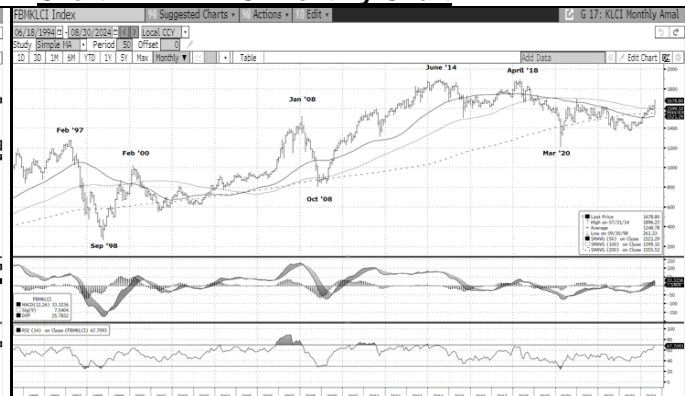
Meanwhile, global equity market performances were mixed in August with positive biased. In the US, the equity market finished higher upon generally good June quarter US earnings, solid economic data and gradually slowing inflation. The Dow Jones Industrial Index closed higher by 1.8% MoM and the broader S&P 500 index closed by 2.3% MoM. Meanwhile, Eurozone shares tracked the US lead with the MSCI Europe Index closed higher by 1.4% MoM. In Asia, the MSCI Asia APEX 50 ex-Japan closed higher by 1.4% MoM during the month.

**Chart 1: FBMKLCI Weekly Chart**



Source: MCIS/Bloomberg

**Chart 2: FBMKLCI Monthly Chart**



Source: MCIS/Bloomberg

## Market Outlook & Strategy

Traditionally, FBMKLCI Index's performance was negative in September, with an average of -0.8% and -2.1% for MoM returns over the past 10 years and 45 years. We expect the market to be supported by its attractive valuations at current levels of 1.47x as it is now below its 13-year historical average of P/B (1.86x) and 15.5x PER compared to the 13-year historical average of PER (17.0x).

Technically, the index continued its strong momentum and recorded 45-months high at 1,675.2 points in late August. The index is still trading above most of its moving average (MA)s, and we expect the FBMKLCI might face resistance at 1,680 and the psychological 1,700 level. The crucial support levels are at 1,635, followed by 1,620. Falling below these levels could suggest a weakening of the bullish momentum and a potential shift towards consolidation or a bearish trend. Overall, the outlook remains positive as long as the index stays above its critical support levels, but caution is advised as the market reaches overbought territory.

We expect a positive recovery in 2024, especially for the local market, supported by improved corporate earnings and government transformation plans that should support the domestic economy. We expect BNM to maintain the OPR unchanged throughout the year 2024, due to easing inflation expectation. On the global economic review, the resilience of the US economy may lead to a soft landing, rather than recession. The tail-end of global monetary policy tightening will be positive for foreign investors to make their way back to the local stock market.

# Fixed Income Review and Outlook

## Market Review

Malaysia Government Securities (“MGS”) yields moved slightly higher in Aug’24. Brent crude oil prices continue to trend lower to USD78.80/barrel as at end-Aug’24 (end-Jul’24: USD80.72/barrel), given the slower global demand. Meanwhile, ringgit surged against the dollar to RM4.3205/USD (end-Jul’24: RM4.5905/USD), due to US Fed rate cut expectation.

On the local economic data, Malaysia’s 2Q’24 GDP continued to expand strongly, coming in at +5.9% YoY in 2Q’24 (1Q’24: +4.8% YoY). The growth was seen in most of the main economic segments, especially Construction sector (2Q’24: +17.3% YoY; 1Q’24: +11.9% YoY) and Agriculture sector (2Q’24: +7.2% YoY; 1Q’24: +1.7% YoY). Malaysia’s inflation remained stable at +2.0% YoY in Jul’24 (Jun’24: +2.0% YoY) despite the new diesel fuel subsidy removal plan took effect on 10 June 2024. On the other hand, the easing on Food & Beverages cost (Jul’24: +1.6% YoY; Jun’24: +2.0% YoY) offset the slight increase in other various components. Malaysia’s Exports growth accelerated to +12.3% YoY in Jul’24 (Jun’24: +1.7% YoY), driven by the double-digit expansion in all three major components – Manufacturing, Agriculture and Mining. Double-digit growth in Imports continued at +25.4% YoY in Jul’24 (Jun’24: +17.8% YoY), supported by Capital Goods, Intermediate Goods and Consumption Goods. All in all, trade surplus was tightened to +RM6.4bil in Jul’24 (Jun’24: +RM14.3bil).

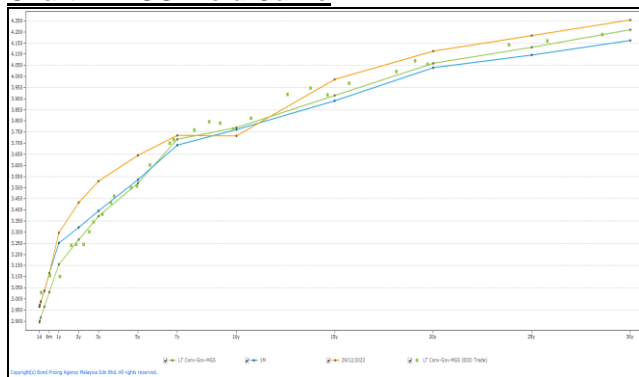
BNM’s international reserve rose to USD116.8bil as at end-Aug’24 (end-Jul’24: USD113.3bil). The reserve is sufficient to finance 5.4 months of retained imports and is 1.0 time of short-term external debts.

The auctions unveiled in August’24 is as follow;

Government Auctions		Auction Amount + PP	Bid-cover	Avg Yield
Issue	Issue Date	(RM million)	(times)	(%)
7-yr Reopening of MGII (Mat on 10/31)	8/8/2024	5,000.00	2.33	3.73
30-yr Reopening of MGS 03/53 4.457%	15/8/2024	5,000.00	1.95	4.17
5-yr Reopening of MGII 07/29 4.130%	22/8/2024	4,000.00	3.68	3.49
10-yr Reopening of MGS 07/34 3.828%	29/8/2024	5,500.00	1.99	3.76

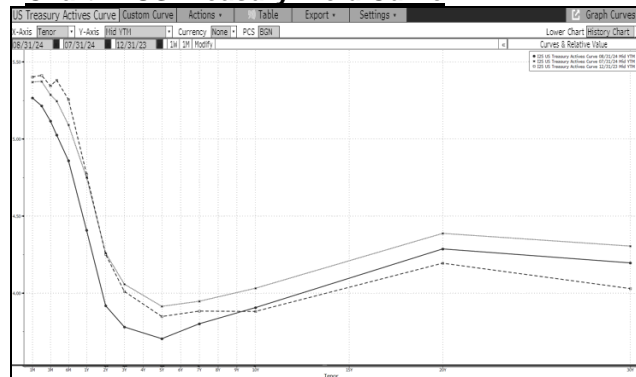
Source: Bank Negara Malaysia

Chart 1: MGS Yield Curve



Source: BPAM

Chart 2: US Treasury Yield Curve



Source: Bloomberg

US 10-year Treasury yield was moving lower to 3.90% as at end-Aug’24 (end-Jul’24: 4.03%), mainly driven by the market expectation of massive US Fed rate cuts in the near term.

## Market Outlook & Strategy

After a series of recent OPR hikes to pre-pandemic level, BNM is anticipated to keep its monetary policy unchanged in 2024, aiming to balance the economic growth and inflationary pressure in the country. The external risk factors such as Israel-Hamas war and Russia-Ukraine geopolitical tension will continue to weigh on the local market, but we believe corporate bond space still provides attractive yields. As such, our fixed income strategy will remain defensive to shelter from the market volatilities in the near term.