



member of  Sanlam group

# Investment-Linked Fund Performance Report May 2022

## **General Advice Warning**

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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, incorporate consolidated contents 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

The FBMKLCI Index closed lower in the month of May 2022 by -1.9% MoM to close at 1,570.10 points. The weak market sentiment was due to below-than-expected quarter earnings results by the corporates. The volatility also mirrored that of global markets for the month as market sentiment continued to be weighed down by concerns over inflation and worries that rate hike by the central bank could tip the economy into a recession.

Malaysia Government Securities (“MGS”) retracted some losses across the curve after a month of selling-off in Apr’22. Brent crude oil prices surged higher to USD122.84/barrel (end-Apr’22: USD109.34/barrel) after European Union escalated the oil ban on Russia amidst Russia-Ukraine conflict. Meanwhile, Ringgit remained elevated against the Dollar at MYR4.377/USD (end-Apr’22: MYR4.355/USD).

On the local economic data, 1Q’22 real GDP grew better than expected at 5.0% YoY (4Q’21: +3.6% YoY), beat the market consensus of +4.0% YoY. The growth was largely contributed by the stronger services sector and moderating manufacturing sector, while the contraction was seen in mining sector and construction sector.

For equity market, in short term, we expect the market will take advantage on the rising commodity prices, borders reopening, and better corporate earnings. For the longer run, we believe the local equity market will improve supported by better domestic activities locally and foreign support. However, we are still cautious on the increasing market volatility and external uncertainties.

For fixed income, BNM is anticipated to tune monetary stance to slight hawkish in 2022 when the COVID-19 pandemic is nearing to the end. The external risk factors such as Russia-Ukraine tension 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, Asiapac Fund, Dividend Fund, Equity Fund, Jati Fund and Titan Fund managed to outperformed the 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 (%)	0.19%	-1.19%	-0.17%	0.14%	-1.48%	-1.90%	-1.40%	-1.90%	-3.28%	1.03%	1.09%	2.17%	-2.53%	-4.26%	-0.51%	-1.31%
3 Months (%)	3.41%	-0.02%	-1.22%	-2.15%	-0.64%	-2.37%	-0.44%	-2.37%	-4.76%	-2.80%	-1.95%	-2.01%	-2.25%	-5.02%	0.69%	-7.47%
6 Months (%)	6.97%	4.28%	1.59%	1.05%	3.36%	3.71%	4.32%	3.71%	-15.75%	-3.49%	-1.20%	-1.76%	1.67%	-5.10%	-6.18%	-15.36%
12 Months (%)	-5.37%	-13.44%	2.19%	-0.72%	3.03%	-0.85%	3.74%	-0.85%	-6.49%	-2.83%	0.13%	-1.07%	-0.94%	-9.89%	9.68%	0.28%

Source: MCI/Insurance Berhad

# AsiaPac Fund Monthly Report (May 2022)

## 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.

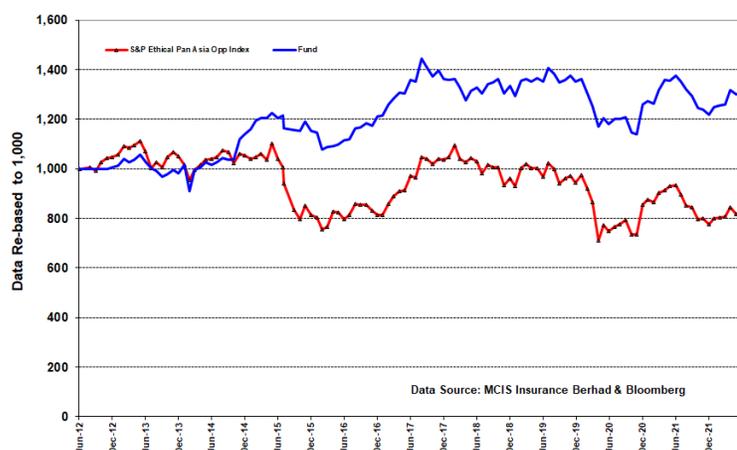
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 May 2022, the fund had outperformed the benchmark by 138bps MoM (month-on-month). 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 (31.05.22)	RM0.6517
Fund Size	RM73.67 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%	94%
Cash	0%	20%	6%

## Performance Table

Period	Fund	Index*
1 month (%)	0.19%	-1.19%
3 months (%)	3.41%	-0.02%
6 months (%)	6.97%	4.28%
12 months (%)	-5.37%	-13.44%
2 years (% pa)	5.11%	3.94%
3 years (% pa)	-1.23%	-5.86%
5 years (% pa)	-0.84%	-3.59%
Since Inception (% pa)	2.71%	-2.13%

**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 (May 2022)

### 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

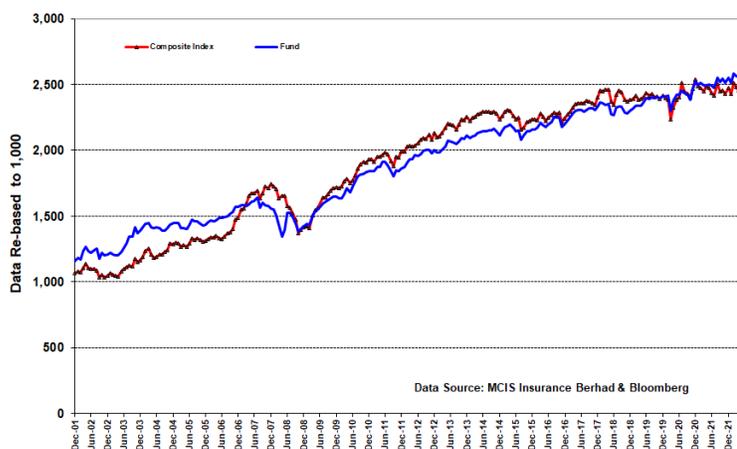
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, 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 May 2022, the fund had underperformed the benchmark by 31bps 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

Malayan Banking Berhad (Equity)  
CIMB Bank Berhad (Equity)  
Sabah Development Bank Berhad (Bond)  
Public Bank Berhad (Bond)  
Point Zone (M) Sdn Berhad (Bond)  
Malayan Banking Berhad (Bond)  
Telekosang Hydro One Sdn Bhd (Bond)  
Edra Solar Sdn Bhd (Bond)  
Projek Lebuhraya Utara-Selatan (Bond)  
Northern Gateway Infrastructure Sdn Bhd (Bond)

### Fund Information

NAV (31.05.22)	RM1.2762
Fund Size	RM8.92 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%	47%
Fixed Income	40%	60%	46%
Cash	0%	20%	7%

### Performance Table

Period	Fund	Index*
1 month (%)	-0.17%	0.14%
3 months (%)	-1.22%	-2.15%
6 months (%)	1.59%	1.05%
12 months (%)	2.19%	-0.72%
2 years (% pa)	2.61%	1.48%
3 years (% pa)	2.62%	0.74%
5 years (% pa)	2.05%	0.81%
Since Inception (% pa)	4.64%	4.44%

**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.

## Dividend Fund Monthly Report (May 2022)

### 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 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

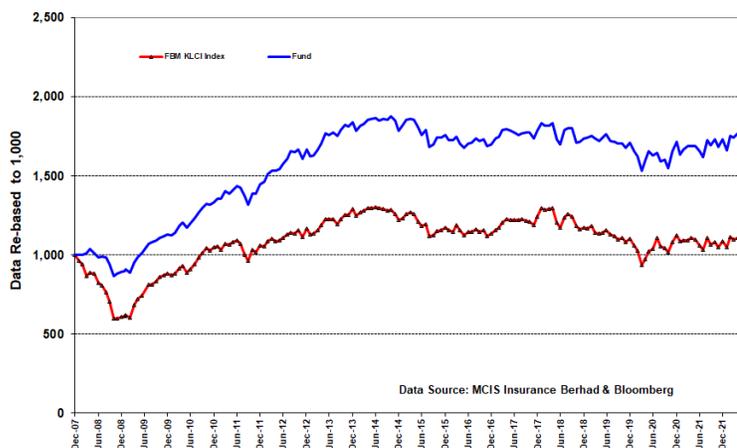
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 May 2022, the fund had outperformed the benchmark by 42bps MoM (month-on-month). The outperformance was mainly driven by higher exposure of outperforming securities in the portfolio compared to benchmark.

Dividend Fund Performance Since Inception



### Top Ten Holdings

Public Bank Berhad  
Malayan Banking Berhad  
Petronas Gas Berhad  
Petronas Chemicals Group Berhad  
CIMB Bank Berhad  
Sime Darby Plantation Berhad  
Tenaga Nasional Berhad  
Maxis Berhad  
IOI Corporation Berhad  
DiGi.Com Berhad

### Fund Information

NAV (31.05.22)	RM0.8262
Fund Size	RM30.08 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%	95%
Cash	0%	20%	5%

### Performance Table

Period	Fund	Index*
1 month (%)	-1.48%	-1.90%
3 months (%)	-0.64%	-2.37%
6 months (%)	3.36%	3.71%
12 months (%)	3.03%	-0.85%
2 years (% pa)	2.56%	3.23%
3 years (% pa)	-0.08%	-1.66%
5 years (% pa)	-0.53%	-2.32%
Since Inception (% pa)	3.91%	0.58%
Yield #	3.54%	4.39%

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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.

# Equity Fund

## Monthly Report (May 2022)

### 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

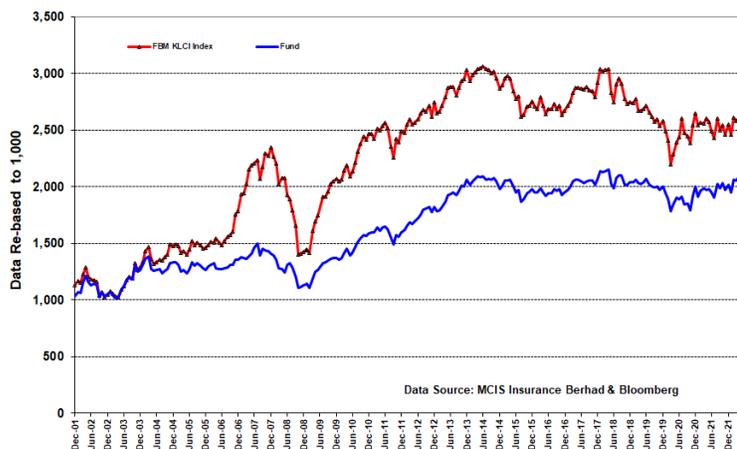
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 May 2022, the fund had outperformed the benchmark by 50bps MoM (month-on-month). The outperformance was mainly driven by higher exposure of outperforming securities in the portfolio compared to benchmark.

Equity Fund Performance Since Inception



### Top Ten Holdings

Malayan Banking Berhad  
 CIMB Bank Berhad  
 Public Bank Berhad  
 IOI Corporation Berhad  
 Sime Darby Plantation Berhad  
 Petronas Chemicals Group Berhad  
 Tenaga Nasional Berhad  
 Telekom Malaysia Berhad  
 Petronas Gas Berhad  
 Maxis Berhad

### Fund Information

NAV (31.05.22)	RM1.0273
Fund Size	RM10.31 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%	94%
Cash	0%	20%	6%

### Performance Table

Period	Fund	Index*
1 month (%)	-1.40%	-1.90%
3 months (%)	-0.44%	-2.37%
6 months (%)	4.32%	3.71%
12 months (%)	3.74%	-0.85%
2 years (% pa)	3.94%	3.23%
3 years (% pa)	0.24%	-1.66%
5 years (% pa)	-0.05%	-2.32%
Since Inception (% pa)	3.55%	4.64%
Yield #	3.80%	4.39%

**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.

# Global Yakin Fund

## Monthly Report (May 2022)

### 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 abrdn Islamic World Equity Fund ("AIWEF") (formerly known as Aberdeen Standard Islamic World Equity Fund) which 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 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.

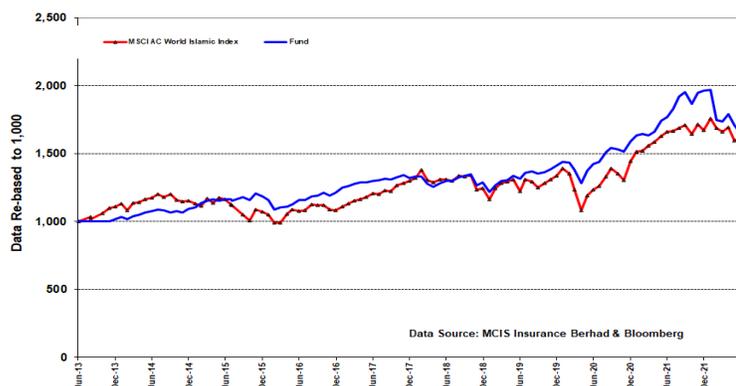
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 May 2022, the fund had underperformed the benchmark by 431bps 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

abrdn Islamic World Equity Fund (AIWEF)

### Fund Information

NAV (31.05.22)	RM0.8260
Fund Size	RM99.06 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
AIWEF	80%	100%	96%
Cash	0%	20%	4%

### Performance Table

Period	Fund	Index*
1 month (%)	-3.28%	1.03%
3 months (%)	-4.76%	-2.80%
6 months (%)	-15.75%	-3.49%
12 months (%)	-6.49%	-2.83%
2 years (% pa)	7.72%	14.40%
3 years (% pa)	7.95%	9.74%
5 years (% pa)	4.91%	7.58%
Since Inception (% pa)	5.79%	5.52%

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

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\* 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 (May 2022)

### 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 Markit iBoxx ALBI Malaysia TR 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.

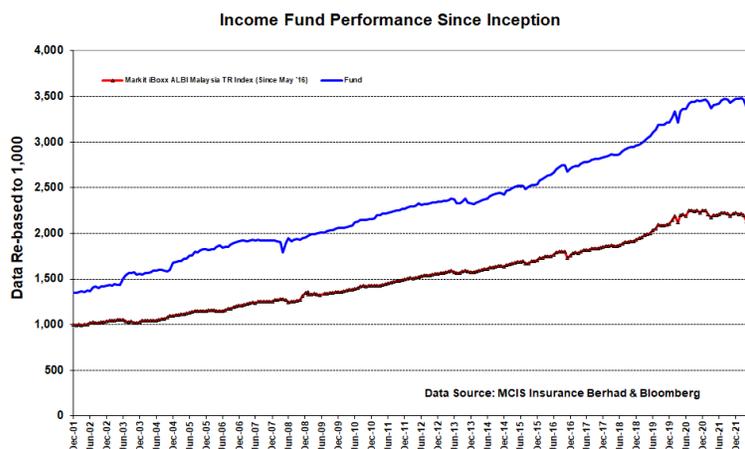
### Risks

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 May 2022, the fund had underperformed the benchmark by 108bps MoM (month-on-month). The underperformance was due to underperforming of the fixed income securities compared to the benchmark index.



### Top Ten Holdings

Malaysian Government Securities  
 Leader Energy Sdn Berhad  
 Cello Capital Berhad  
 Telekom Hydro One Sdn Bhd  
 Edra Solar Sdn Bhd  
 Sabah Development Bank Berhad  
 Swirl Assets Berhad  
 UiTM Solar Power Sdn Berhad  
 Malayan Banking Berhad  
 SAJ Capital Sdn Bhd

### Fund Information

NAV (31.05.22)	RM1.7078
Fund Size	RM45.05 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%	92%
Cash	0%	25%	8%

### Performance Table

Period	Fund	Index*
1 month (%)	1.09%	2.17%
3 months (%)	-1.95%	-2.01%
6 months (%)	-1.20%	-1.76%
12 months (%)	0.13%	-1.07%
2 years (% pa)	0.79%	-0.65%
3 years (% pa)	3.62%	2.79%
5 years (% pa)	4.18%	3.70%
Since Inception (% pa)	6.12%	3.83%

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

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\* The benchmark index is Markit 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 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 (May 2022)

### 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

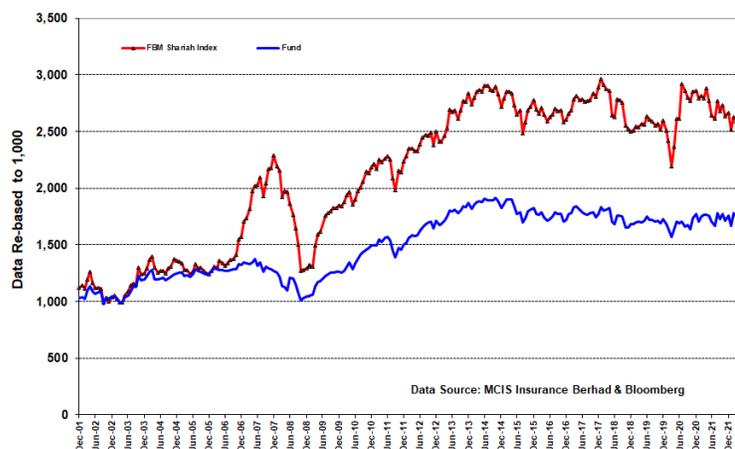
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 May 2022, the fund had outperformed the benchmark by 173bps 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

Sime Darby Plantation Berhad  
 Petronas Gas Berhad  
 IOI Corporation Berhad  
 Telekom Malaysia Berhad  
 Tenaga Nasional Berhad  
 Kuala Lumpur Kepong Berhad  
 Axiata Group Berhad  
 Maxis Berhad  
 MISC Berhad  
 Sime Darby Berhad

### Fund Information

NAV (31.05.22)	RM0.8705
Fund Size	RM20.46 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%	92%
Cash	0%	20%	8%

### Performance Table

Period	Fund	Index*
1 month (%)	-2.53%	-4.26%
3 months (%)	-2.25%	-5.02%
6 months (%)	1.67%	-5.10%
12 months (%)	-0.94%	-9.89%
2 years (% pa)	1.09%	-2.17%
3 years (% pa)	0.56%	-0.82%
5 years (% pa)	-0.81%	-2.11%
Since Inception (% pa)	2.72%	4.53%
Yield #	3.38%	3.97%

**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 (May 2022)

### Investment Objective

The Fund invests in MyETF Dow Jones U.S. Titans 50 ("MyETF-US50") 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.

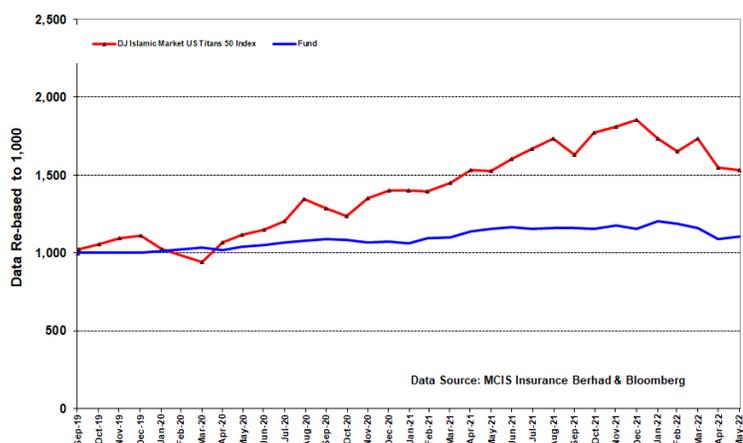
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 May 2022, the fund had outperformed the benchmark by 80bps MoM (month-on-month).

Titan Fund Performance Since Inception



### Fund Information

NAV (31.05.22)	RM0.7098
Fund Size	RM122.64 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%	94%
Cash	0%	20%	6%

### Performance Table

Period	Fund	Index*
1 month (%)	-0.51%	-1.31%
3 months (%)	0.69%	-7.47%
6 months (%)	-6.18%	-15.36%
12 months (%)	9.68%	0.28%
2 years (% pa)	22.19%	16.95%
3 years (% pa)	n/a	n/a
5 years (% pa)	n/a	n/a
Since Inception (% pa)	13.59%	16.73%

**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

MyETF Dow Jones U.S. Titans 50 (MyETF-US50)

# Equity Market Review and Outlook

## Market Review

The FBMKLCI Index closed lower in the month of May 2022 by -1.9% MoM to close at 1,570.10 points. The weak market sentiment was due to below-than-expected quarter earnings results by the corporates. The volatility also mirrored that of global markets for the month as market sentiment continued to be weighed down by concerns over inflation and worries that rate hike by the central bank could tip the economy into a recession. The average daily value traded on the Malaysian stock exchange was up 7% MoM to MYR2.5bil, while the average daily trading volume rose 2% MoM to 3.3bil units.

During the month, local retailers were the largest net buyers of MYR508.8mil of local equities (MYR171.7mil in April '22). Meanwhile, foreign investors bought at slower pace a total of MYR77.2mil of local equities (MYR826mil in April '22). This lowered the cumulative net foreign outflows since 2010 to MYR28.7bil. Local institutional investors continued as net sellers of MYR586.1mil worth of equities (MYR997.6mil net sell in April '22).

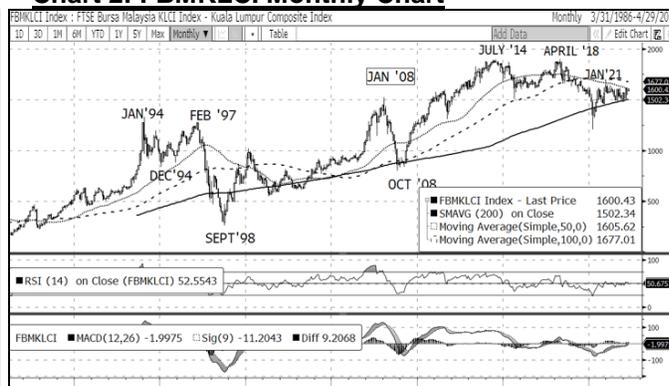
Global equity market performances were mixed in the month of May 2022. Most of the indices were relatively negative, except for the US markets that were relatively closed flat, due to the concern over further acceleration in global inflation, tightening monetary policy and COVID-19 restrictions in China. It was also dampened by the increase in crude oil price, after the European Union leaders agreed to cut 90% of oil imports from Russia due to the ongoing war in Ukraine. In the US, Dow Jones Industrial index closed by -0.04% MoM and the broader S&P 500 index closed by 0.01% MoM. Meanwhile in Europe, Bloomberg European 500 index closed -1.4% MoM. In Asia, the performance was mixed with the MSCI Asia APEX 50 ex-Japan closed 0.9% 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 tends to be mixed in June, with an average monthly return of -0.2%/0.5% over the past 10 years/44 years. We expect the market to be supportive by its attractive valuations at current levels of 1.56x as it is now below its 25-year historical average of P/B (1.81x) and 16.2x PER compared to the 22-year historical average of PER (17.0x).

Technically, the FBMKLCI Index was relatively volatile in May when it experienced a sell down early in the month before regaining some ground at the end of May. The index is still trading below the 200-week EMA and it has a slight downside bias. The EMA is likely to act as resistance in the near term, followed by the strong resistance at 1,618-1,625 points. Support is seen at the 1,520 level, followed by 1,500. A break below the said levels is negative for the short term. Overall, the index ought to remain within a range of 1,480-1,610 points for June.

For short term, we expect the market will take advantage on the rising commodity prices, borders reopening, and better corporate earnings. For the longer run, we believe the local equity market will improve supported by better domestic activities locally and foreign support. However, we are still cautious on the increasing market volatility and external uncertainties.

# Fixed Income Review and Outlook

## Market Review

Malaysia Government Securities (“MGS”) retracted some losses across the curve after a month of selling-off in Apr’22. Brent crude oil prices surged higher to USD122.84/barrel (end-Apr’22: USD109.34/barrel) after European Union escalated the oil ban on Russia amidst Russia-Ukraine conflict. Meanwhile, Ringgit remained elevated against the Dollar at MYR4.377/USD (end-Apr’22: MYR4.355/USD).

On the local economic data, 1Q’22 real GDP grew better than expected at 5.0% YoY (4Q’21: +3.6% YoY), beat the market consensus of +4.0% YoY. The growth was largely contributed by the stronger services sector and moderating manufacturing sector, while the contraction was seen in mining sector and construction sector. Domestic demand (DD) improved further by +4.4% YoY, but slightly overshadowed by net external demand (NED) (1Q’22: -26.5% YoY) arising from wider growth gap between exports (E) and imports (I) of goods & services.

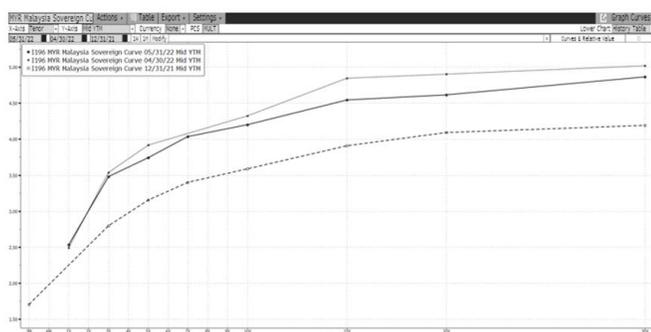
Inflation on the other hand crept slightly higher to +2.3% YoY in Apr’22 (Mar’22: +2.2% YoY), mainly attributable to the diminishing base effect of transport costs. Despite of the rising global crude oil prices, the local subsidy on RON95 fuel and diesel fuel, electricity tariff freeze and food price ceilings kept inflation in check. Inflation of Food & Non-Alcoholic Beverages (“FNAB”) continued to creep higher to +4.1% YoY (Mar’22: +4.0% YoY), reflecting the rising global food prices as well as the higher fertilizer and feed meal costs.

Malaysia external reserve declined to USD111.4b as at mid-May’22 (mid-Apr’22: USD112.5b), driven by the portfolio outflow and strong Imports demand. The reserve is sufficient to cover 5.6 months of retained imports and 1.1 times short-term external debt.

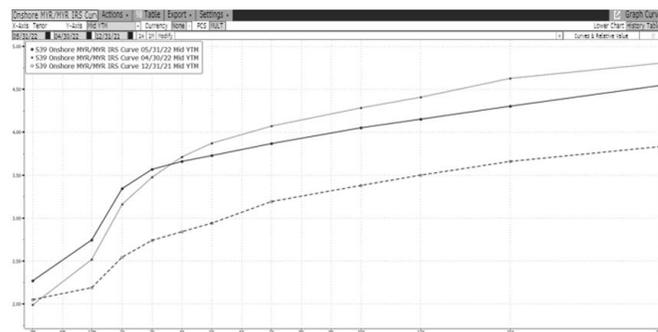
The auctions unveiled in May’22 is as follow;

Government Auctions		Auction Amount + Private Placement	Bid-cover	Avg Yield
Issue	Issue Date	(RM million)	(times)	(%)
30year Re-Issuance of GII(Mat II 05)	13/5/2022	3,000.00	2.57	5.36
10year Re-Issuance of MGS(Mat GS 7/)	24/5/2022	4,500.00	2.60	4.29
3year Re-Issuance of GII(Mat II 10)	31/5/2022	5,000.00	3.63	3.54

Source: Bank Negara Malaysia



Source: Bloomberg



Source: Bloomberg

The 10-year US Treasury yield spiked higher to 3.15% before easing back to 2.85% at end-May’22 (end-Apr’22: 2.94%). Given the rising inflationary pressure, the US Fed is signalling for more aggressive monetary policy and reduction of its balance sheet over the next few months.

## Market Outlook & Strategy

BNM is anticipated to tune monetary stance to hawkish in 2022 when the COVID-19 pandemic is nearing to the end. The external risk factors such as Russia-Ukraine tension 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.