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# Investment Link Fund Performance Report September 2021

## **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.

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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

The FBMKLCI Index halted the August strong momentum to close 4% lower MoM in September to 1,537 points. This represents its highest monthly loss since Aug 2020. The loss was due to selling in glove makers, concerns over potential capital gains tax, plans to waive three months of interest for low-income borrowers and Evergrande debt crisis. Average daily trading volumes grew 13% MoM to 4.7bil units while average daily trading value rose 20% MoM to RM3.3bil in September.

Malaysia Government Securities (“MGS”) yields were seen rising across the curve in Sep’21, taking cue from the global inflationary fear as the commodity prices continued to creep higher. Amid the imbalance of supply and demand, Brent crude oil prices rose to USD78.52/barrel from USD72.99/barrel in a month earlier. The Dollar strengthened against most major currencies in Sep’21, pressuring the Ringgit weaker to MYR4.1862/USD from MYR4.1552/USD.

On the local economic data, exports registered +18.4% YoY growth, mainly driven by higher commodity prices. Meanwhile imports managed to maintain its double-digit growth albeit slower to +12.5% YoY on the back of slower intermediate imports and reversal in consumption imports. As a result, trade balance widened to +MYR24.1 billion, as compared to +MYR13.7 billion in a month earlier.

We believe that outlook for the local equity market is improving when the herd immunity is established by end of the year. It will be the key success factor as this will improve the domestic activities locally.

For fixed income, following the OPR cut by 125bps and SRR cut by 100bps in 2020, BNM is anticipated to maintain the current monetary policy throughout 2021 given the hope of economic recovery post COVID-19 pandemic. 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, most of the funds had outperformed the respective benchmarks, except for Global Yakin Fund.

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 (%)	-3.62%	-5.77%	-1.20%	-2.24%	-1.80%	-3.97%	-2.13%	-3.97%	-4.45%	-3.95%	-0.20%	-0.51%	-2.79%	-3.07%	1.28%	-5.96%
3 Months (%)	-7.88%	-11.10%	1.11%	0.42%	2.29%	0.34%	1.77%	0.34%	2.12%	-1.53%	1.20%	0.33%	1.18%	1.48%	5.76%	1.73%
6 Months (%)	-8.29%	-12.74%	1.04%	-0.09%	0.30%	-2.27%	0.00%	-2.27%	12.28%	3.69%	2.91%	1.93%	-2.16%	-3.81%	15.20%	12.47%
12 Months (%)	8.66%	8.42%	4.07%	0.77%	5.84%	2.19%	7.31%	2.19%	21.82%	21.56%	0.66%	-1.08%	2.88%	-4.20%	29.11%	26.75%

Source: MCIS Insurance Berhad

## AsiaPac Fund Monthly Report (September 2021)

### 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.

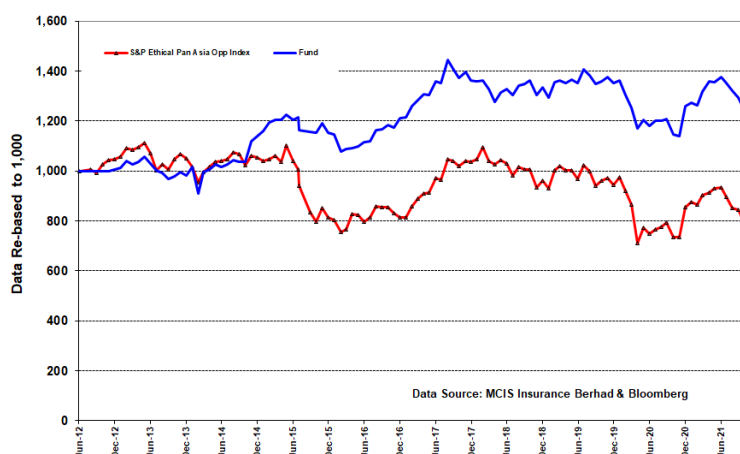
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 September 2021, the fund had outperformed the benchmark by 215bps 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 (30.09.21)	RM0.6228
Fund Size	RM63.06 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%	93%
Cash	0%	20%	7%

### Performance Table

Period	Fund	Index*
1 month (%)	-3.62%	-5.77%
3 months (%)	-7.88%	-11.10%
6 months (%)	-8.29%	-12.74%
12 months (%)	8.66%	8.42%
2 years (% pa)	-4.22%	-8.90%
3 years (% pa)	-2.94%	-7.51%
5 years (% pa)	1.00%	-1.41%
Since Inception (% pa)	2.40%	-2.43%

**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 (September 2021)

## 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

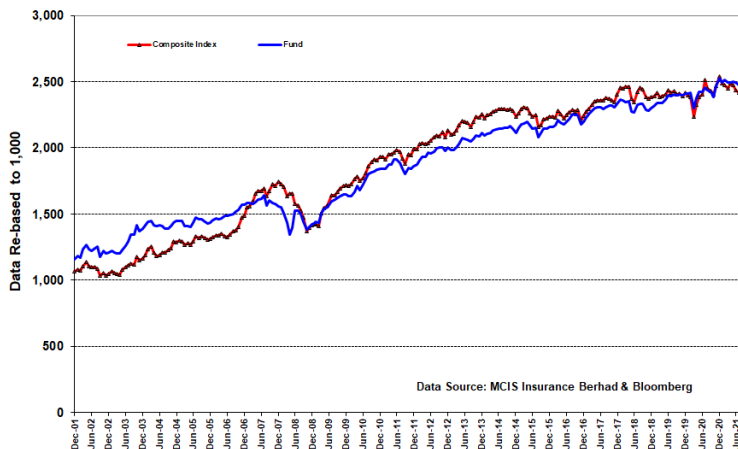
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, 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 September 2021, the fund had outperformed the benchmark by 104bps MoM (month-on-month). The outperformance was mainly driven by lower exposure of outperforming 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)
- Malayan Banking Berhad (Bond)
- Northern Gateway Infrastructure Sdn Bhd (Bond)
- Sabah Development Bank Berhad (Bond)
- CIMB Bank Berhad (Equity)
- Projek Lebuh raya Utara-Selatan (Bond)
- Malayan Banking Berhad (Equity)
- Malaysia Building Society Berhad (Bond)
- Malaysia Steel Works (KL) Berhad (Bond)

## Fund Information

NAV (30.09.21)	RM1.2606
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%	47%
Fixed Income	40%	60%	43%
Cash	0%	20%	10%

## Performance Table

Period	Fund	Index*
1 month (%)	-1.20%	-2.24%
3 months (%)	1.11%	0.42%
6 months (%)	1.04%	-0.09%
12 months (%)	4.07%	0.77%
2 years (% pa)	2.57%	0.96%
3 years (% pa)	2.60%	0.11%
5 years (% pa)	2.31%	1.49%
Since Inception (% pa)	4.73%	4.58%

**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 Market 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 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.

## Dividend Fund Monthly Report (September 2021)

### 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

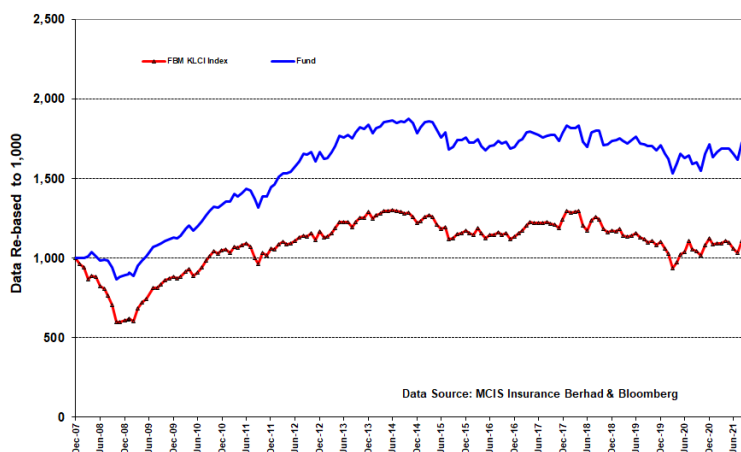
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 September 2021, the fund had outperformed the benchmark by 217bps MoM (month-on-month). The outperformance was mainly driven by lower exposure of outperforming securities in the portfolio compared to benchmark.

Dividend Fund Performance Since Inception



### Top Ten Holdings

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

### Fund Information

NAV (30.09.21)	RM0.8041
Fund Size	RM29.99 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%	97%
Cash	0%	20%	3%

### Performance Table

Period	Fund	Index*
1 month (%)	-1.80%	-3.97%
3 months (%)	2.29%	0.34%
6 months (%)	0.30%	-2.27%
12 months (%)	5.84%	2.19%
2 years (% pa)	-0.32%	-1.47%
3 years (% pa)	-1.99%	-4.99%
5 years (% pa)	-0.33%	-1.43%
Since Inception (% pa)	3.90%	0.45%
Yield #	2.88%	4.53%

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

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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 (September 2021)

## 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

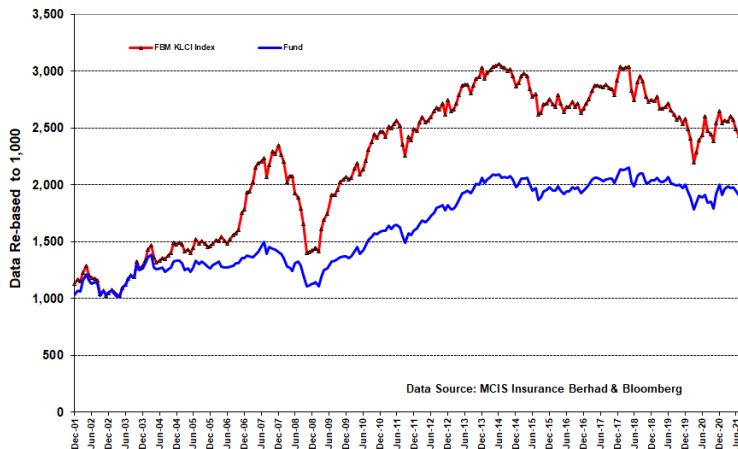
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 September 2021, the fund had outperformed the benchmark by 184bps MoM (month-on-month). The outperformance was mainly driven by lower exposure of outperforming securities in the portfolio compared to benchmark.

Equity Fund Performance Since Inception



## Top Ten Holdings

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

## Fund Information

NAV (30.09.21)	RM0.9914
Fund Size	RM9.82 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%	97%
Cash	0%	20%	3%

## Performance Table

Period	Fund	Index*
1 month (%)	-2.13%	-3.97%
3 months (%)	1.77%	0.34%
6 months (%)	0.00%	-2.27%
12 months (%)	7.31%	2.19%
2 years (% pa)	-0.23%	-1.47%
3 years (% pa)	-1.86%	-4.99%
5 years (% pa)	0.22%	-1.43%
Since Inception (% pa)	3.48%	4.69%
Yield #	2.91%	4.53%

**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 (September 2021)

### 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 (ASWIEF) 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

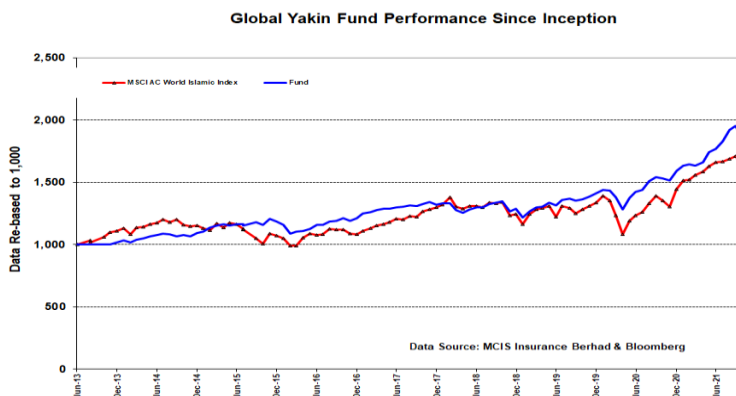
The Fund is considered low risk given the exposure to only one underlying securities with no attempt to select stocks individually or to take defensive positions in declining markets. Risk is managed at the management level, where the asset allocation of the fund to be reviewed on regular basis, and 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 September 2021, the fund had underperformed the benchmark by 50bps MoM (month-on-month). The underperformance was mainly due to underperforming of the underlying securities compared to the benchmark index.



### Top Ten Holdings

Aberdeen Standard Islamic World Equity Fund (ASWIEF)

### Fund Information

NAV (30.09.21)	RM0.9336
Fund Size	RM107.94 million
Inception Date	8-July-2013
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major New 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
ASWIEF	80%	100%	85%
Cash	0%	20%	15%

### Performance Table

Period	Fund	Index*
1 month (%)	-4.45%	-3.95%
3 months (%)	2.12%	-1.53%
6 months (%)	12.28%	3.69%
12 months (%)	21.82%	21.56%
2 years (% pa)	17.08%	13.21%
3 years (% pa)	11.49%	7.01%
5 years (% pa)	8.98%	10.04%
Since Inception (% pa)	7.86%	6.20%

**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 (September 2021)

### 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.

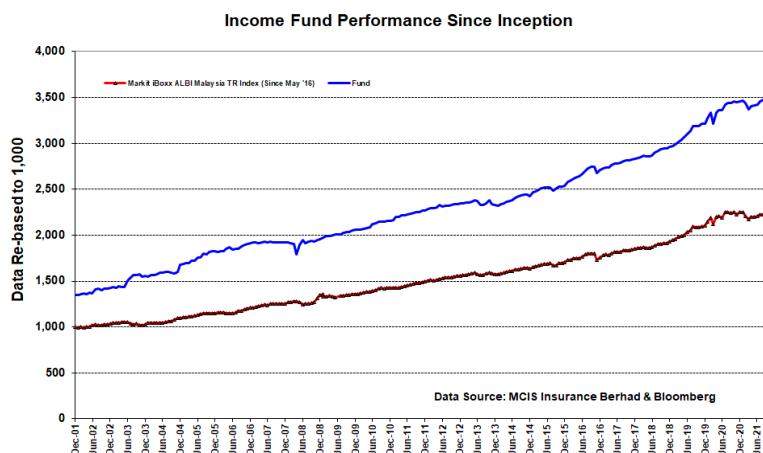
### Risks

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 September 2021, the fund had outperformed the benchmark by 31bps MoM (month-on-month). The outperformance was due to outperforming of the fixed income securities compared to the benchmark index.



### Top Ten Holdings

Malaysian Government Securities  
 Leader Energy Sdn Berhad  
 Cello Capital Berhad  
 Telekomang Hydro One Sdn Bhd  
 Sabah Development Bank Berhad  
 Edra Solar Sdn Bhd  
 UiTM Solar Power Sdn Berhad  
 Swirl Assets Berhad  
 SAJ Capital Sdn Bhd  
 Malaysia Steel Works (KL) Berhad

### Fund Information

NAV (30.09.21)	RM1.7332
Fund Size	RM43.97 million
Inception Date	15-Oct-01
Fund Management Fee	0.5% p.a.
Pricing	Daily
Price Quote	Major New paper, 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%	94%
Cash	0%	25%	6%

### Performance Table

Period	Fund	Index*
1 month (%)	-0.20%	-0.51%
3 months (%)	1.20%	0.33%
6 months (%)	2.91%	1.93%
12 months (%)	0.66%	-1.08%
2 years (% pa)	4.31%	2.99%
3 years (% pa)	5.71%	5.11%
5 years (% pa)	4.75%	4.21%
Since Inception (% pa)	6.41%	4.05%

**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 (September 2021)

### 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

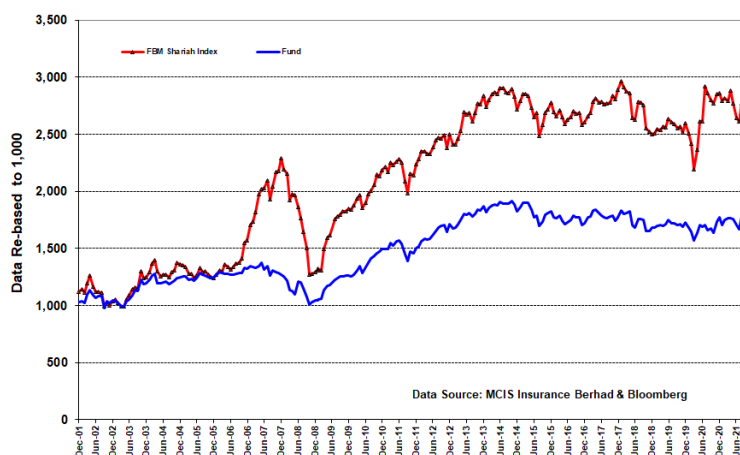
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 September 2021, the fund had outperformed the benchmark by 28bps 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  
 Dialog Group Berhad  
 Telekom Malaysia Berhad  
 IOI Corporation Berhad  
 Maxis Berhad  
 Axiata Group Berhad  
 Petronas Gas Berhad  
 Sime Darby Plantation Berhad  
 Sime Darby Berhad  
 DiGi.Com Berhad

### Fund Information

NAV (30.09.21)	RM0.8636
Fund Size	RM19.45 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%	95%
Cash	0%	20%	5%

### Performance Table

Period	Fund	Index*
1 month (%)	-2.79%	-3.07%
3 months (%)	1.18%	1.48%
6 months (%)	-2.16%	-3.81%
12 months (%)	2.88%	-4.20%
2 years (% pa)	0.53%	2.48%
3 years (% pa)	-0.44%	-0.85%
5 years (% pa)	-0.54%	0.02%
Since Inception (% pa)	2.77%	5.06%
Yield #	2.67%	3.49%

**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 (September 2021)

### 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.

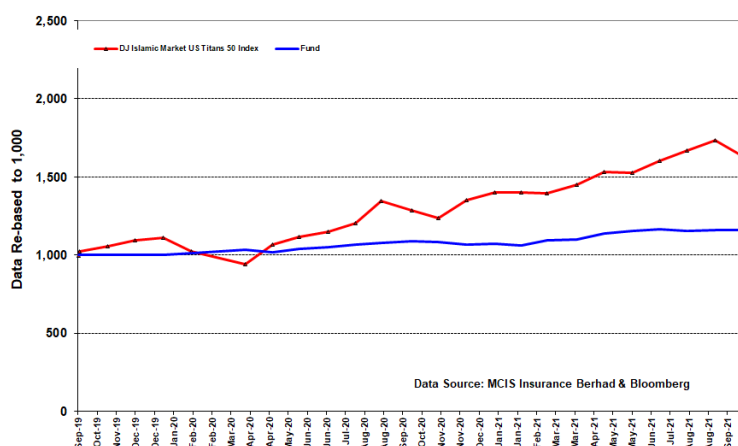
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 September 2021, the fund had outperformed the benchmark by 724bps MoM (month-on-month).

Titan Fund Performance Since Inception



### Fund Information

NAV (30.09.21)	RM0.7104
Fund Size	RM65.13 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%	88%
Cash	0%	20%	12%

### Performance Table

Period	Fund	Index*
1 month (%)	1.28%	-5.96%
3 months (%)	5.76%	1.73%
6 months (%)	15.20%	12.47%
12 months (%)	29.11%	26.75%
2 years (% pa)	19.21%	27.89%
3 years (% pa)	n/a	n/a
5 years (% pa)	n/a	n/a
Since Inception (% pa)	18.36%	26.40%

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\* Index Dow Jones Islamic Market U.S. Titans50 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 halted the August strong momentum to close 4% lower MoM in September to 1,537 points. This represents its highest monthly loss since Aug 2020. The loss was due to selling in glove makers, concerns over potential capital gains tax, plans to waive three months of interest for low-income borrowers and Evergrande debt crisis. Average daily trading volumes grew 13% MoM to 4.7bil units while average daily trading value rose 20% MoM to RM3.3bil in September.

Foreign investors remained net buyers of RM0.7bil of Malaysian equities in September 2021 but this was offset by net selling of RM1.9bil by local institutional investors in September 2021. Retail investors reclaimed their position as the largest net buyers and net bought RM0.9bil of equities in Sep 2021. YTD, local retailers had accumulated a total of net buy at RM10.37bil of local equity market. Meanwhile, local institutional and foreign investors were net sellers at RM6.6bil and RM3.75bil respectively.

Globally, the equity markets also turned negative on the same concerns. Dow Jones Industrial index softened by 4.3% MoM and the broader S&P 500 index closed 4.8% MoM. In Europe, the European equities also weakened with Bloomberg European 500 index closed 3.2% MoM lower. It was also the same sentiment shared by most of the Asian markets where MSCI Asia APEX50 ex-Japan closed 5.6% MoM lower.

**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 positive in October, with the benchmark posting 1% MoM gain over the past 10 years and 0.7% in 43 years. We expect the market to be supportive by its attractive valuations at current levels of 1.53x as it is now below its 25-year historical average of P/B (1.84x). If Malaysia makes good progress in vaccinating 70% of its targeted population by end-2021 to achieve herd immunity, it may lift up the positive momentum to the market.

Technically, support is seen at 1,490 level while immediate resistance is seen at 1,605 level. Any ability to break above this resistance will push the FBMKLCI index higher to test the year 2020 high of 1695.96 level.

For the short term, the FBMKLCI index may rally due to the optimism over less political noise after the PM reached out to opposition leaders, and given the continuity in policy from the previous administration. For the rally to sustain, it is important to see recovery in economic activities and higher vaccination rates in states facing higher new Covid-19 cases. For the longer run, we believe the local equity market will improve when the herd immunity is established by end of the year. It will be the key success factor as this will improve the domestic activities locally. Additionally, recent positive foreign inflow of fund may provide indication that Bursa Malaysia is currently in the foreign investors radar that attracts buying interest.

## Fixed Income Review and Outlook

### Market Review

Malaysia Government Securities (“MGS”) yields were seen rising across the curve in Sep’21, taking cue from the global inflationary fear as the commodity prices continued to creep higher. Amid the imbalance of supply and demand, Brent crude oil prices rose to USD78.52/barrel from USD72.99/barrel in a month earlier. The Dollar strengthened against most major currencies in Sep’21, pressuring the Ringgit weaker to MYR4.1862/USD from MYR4.1552/USD.

On the local economic data, the Exports registered +18.4% YoY growth (Jul’21: +5.0% YoY), mainly driven by higher commodity prices. The increasing mining exports and agriculture exports have strongly boosted the shipments of LNG (Aug’21: +110.2% YoY; July’21: +69.9% YoY) and Palm Oil (Aug’21: +35.1% YoY; July’21: +50.9% YoY). The Imports managed to maintain its double-digit growth albeit slower to +12.5% YoY (Jul’21: +23.9% YoY) on the back of slower intermediate imports and reversal in consumption imports. As a result, the trade balance widened to +MYR24.1 billion, as compared to +MYR13.7 billion in a month earlier.

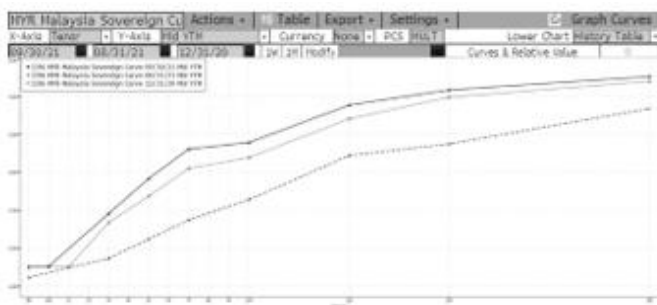
Inflation eased slightly in Aug’21 to +2.0% YoY (Jul’21: +2.2% YoY), mainly driven by slower rise of Housing, Water, Electricity, Gas and Other Fuels (Aug’21: +0.6% YoY, Jul’21: +0.7% YoY) after the Government announced electricity discount in Jun’21. The Transport inflation also eased to +11.0% YoY (Jul’21: +11.6% YoY) given the dissipating low base effect.

Malaysia external reserves drop slightly to USD115.2 billion as at end-Sep’21 (Aug’21: USD116.3 billion), largely dragging by the revaluation losses of foreign currency reserves. The reserve is sufficient to cover 8.2 months of retained imports and 1.3x short-term external debt.

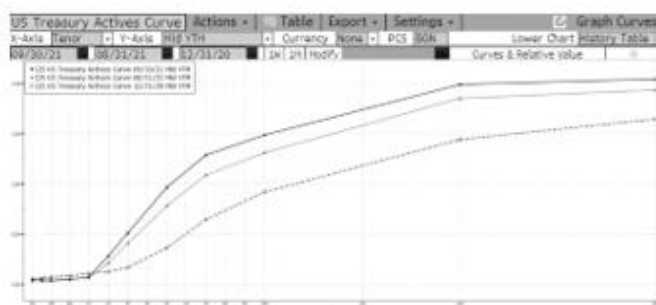
The auctions unveiled in September 2021 are as follow;

Government Auctions Issue	Issue Date	Amount (RM million)	Bid-cover (times)	Avg Yield (%)
20year Re-Issuance of GII (Mat 9/41)	3/9/2021	4,500.00	2.69	4.18
10year Re-Issuance of MGS (Mat 4/31)	15/9/2021	5,500.00	1.61	3.29
5year Re-Issuance of GII (Mat 3/26)	30/9/2021	4,000.00	2.13	3.03

Source: Bank Negara Malaysia



Source: Bloomberg



Source: Bloomberg

The US FED turned hawkish in the recent FOMC meeting in Sep’21, stating that they will start to the QE taper in November’21 and potentially hiking the overnight rate in 2022. In line with the announcement, the 10-year US Treasury (“UST”) yield surged to 1.56% before easing back to 1.49% as at end-Sep’21 (end-Aug’21: 1.37%).

### Market Outlook & Strategy

Following the OPR cut by 125bps and SRR cut by 100bps in 2020, BNM is anticipated to maintain the current monetary policy throughout 2021 given the hope of economic recovery post COVID-19 pandemic. 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.