



Investment Linked Fund Performance Report December 2017

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EXECUTIVE SUMMARY

FBMKLCI Index closed higher in December on the back of window dressing activities, and recorded a year high of 1,796.8 points on the last day of 2017. For the month, the KLCI rose 4.6% m-o-m or 79 points to close at 1,796.8 points driven by the finance and technology sectors. The broader market underperformed, with the FBM Emas rising by only 4.3% mom to 12,942pts. Average daily value traded on Bursa in December fell 3% m-o-m to RM2.65bil.

Malaysian Government bond ended the last trading day of the year on a strong note, rallying approximately 2-9 bps across the curve on the back of strong foreign buying flows and strengthening ringgit. The ringgit strengthened against the dollar to a year high of RM4.0445/USD from RM4.0895/USD in November. Brent oil prices went up to USD66.87/bbl compared to USD63.57/bbl seen in November.

Malaysia's headline inflation rate eased for a second straight month to 3.4% y-o-y in November. This was mainly due to a slower rise in food and transportation costs amid higher base effects.

Going forward, we are expecting positive local equity market in the first half of the year towards the 14th General Election. Continuous stronger foreign fund flows, better corporate earnings, and initial public offering (IPO) activities will be the catalysts for the FBMKLCI Index better outlook in 2018.

For fixed income, with major central banks showing signal towards tightening policy, we are cautious in taking duration in view of an upward trending yield environment. Despite the local bond market is fuelled by the external risk factors such as geopolitical tension in North Korea, Brexit and fluctuation in crude oil prices, we believe corporate bond space still provides attractive yields given stable monetary stance from BNM and strong fundamentals in local market. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.

Based on the performance table below, on monthly basis only Income Fund had outperformed its benchmark. Meanwhile other funds had underperformed their 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	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Monthly (%)	-0.07%	1.11%	1.27%	2.55%	2.71%	4.60%	2.72%	4.60%	0.94%	1.68%	0.52%	0.50%	1.73%	2.96%
3 Months (%)	-0.98%	2.92%	0.76%	1.53%	0.53%	2.35%	0.94%	2.35%	0.53%	4.43%	0.82%	0.66%	-0.31%	3.95%
6 Months (%)	0.58%	8.73%	1.28%	1.90%	0.46%	1.88%	1.06%	1.88%	2.15%	9.96%	1.88%	1.86%	-0.82%	3.75%
12 Months (%)	11.99%	28.95%	6.09%	7.38%	4.84%	9.45%	6.41%	9.45%	6.75%	19.32%	4.63%	5.27%	3.21%	10.72%

Source: MCIS Insurance Berhad

AsiaPac Fund Monthly Report (December 2017)

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 Asia Pacific Ethical Dividend Exchange Traded Fund (ETF), managed by CIMB Principal Asset Management where the ETF is listed on the Singapore Stock Exchange.

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

Risks

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

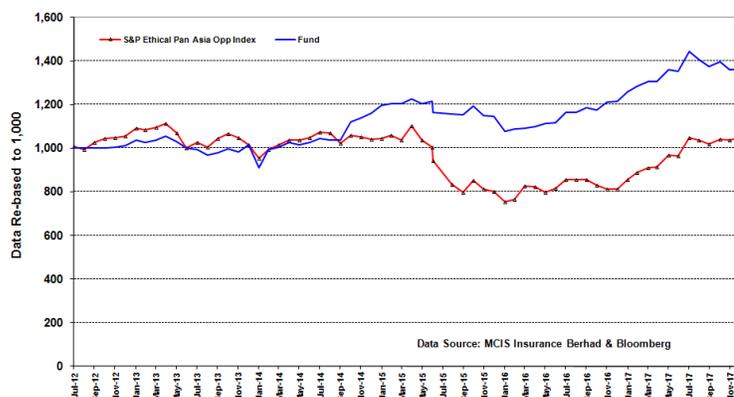
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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

Fund Performance

For the month ended December 2017, the fund had underperformed the benchmark by 104bps MoM (month on month). This was mainly due to strengthening of ringgit during the period. However for since inception period, the fund had outperformed the benchmark.

AsiaPac Fund Performance Since Inception



Top Ten Holdings

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

Fund Information

NAV (29.12.17)	RM0.6800
Fund Size	RM40.40 million
Inception Date	15-July-2012
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
ETF	80%	100%	79%
Cash	0%	20%	21%

Performance Table

Period	Fund	Index*
1 month (%)	-0.07%	1.11%
3 months (%)	-0.98%	2.92%
6 months (%)	0.58%	8.73%
12 months (%)	11.99%	28.95%
2 years (% pa)	18.55%	30.51%
3 years (% pa)	5.41%	0.23%
5 years (% pa)	6.07%	-0.17%
Since Inception	5.75%	0.86%

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 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.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

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

Balanced Fund Monthly Report (December 2017)

Investment Objective

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

Investment Strategy

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

Risks

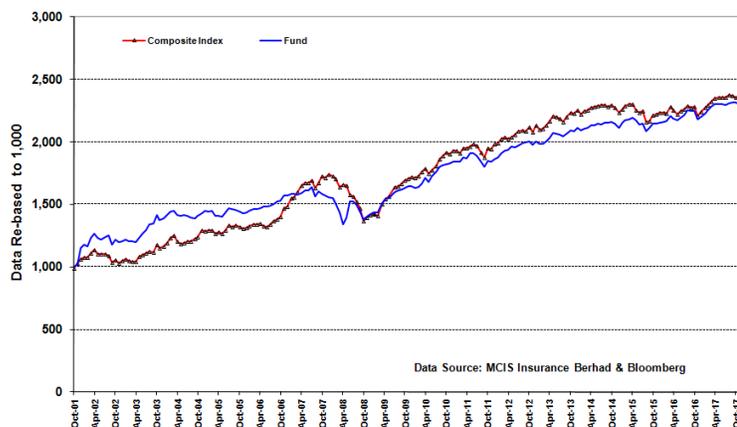
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors,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

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

Fund Performance

For the month ended December 2017, the fund had underperformed the benchmark by 128bps 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

- Malaysian Government Securities (Bond)
- CIMB Bank Berhad (Bond)
- Sarawak Hidro Sdn Bhd (Bond)
- Tenaga Nasional Berhad (Equity)
- Northern Gateway Infrastructure Sdn Bhd (Bond)
- Malayan Banking Berhad (Equity)
- Sabah Credit Corporation (Bond)
- Projek Lebuhraya Utara-Selatan (Bond)
- Telekom Malaysia Berhad (Equity)
- CIMB Bank Berhad (Equity)

Fund Information

NAV (29.12.17)	RM1.1668
Fund Size	RM7.96 million
Inception Date	15-Oct-01
Fund Management Fee	1.25% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	40%	60%	48%
Fixed Income	40%	60%	48%
Cash	0%	20%	4%

Performance Table

Period	Fund	Index*
1 month (%)	1.27%	2.55%
3 months (%)	0.76%	1.53%
6 months (%)	1.28%	1.90%
12 months (%)	6.09%	7.38%
2 years (% pa)	4.06%	3.65%
3 years (% pa)	3.39%	2.47%
5 years (% pa)	3.10%	2.41%
Since Inception	5.35%	5.55%

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

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

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

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

Dividend Fund Monthly Report (December 2017)

Investment Objective

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

Investment Strategy

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

Risks

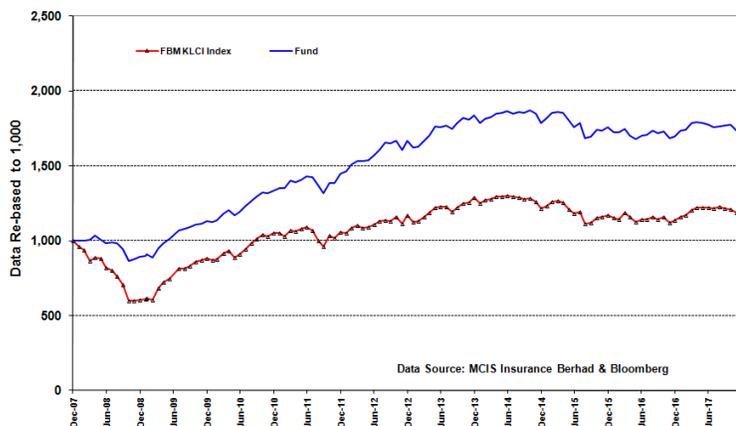
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and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

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

Fund Performance

For the month ended December 2017, the fund had underperformed the benchmark by 189bps MoM (month on month). The underperformance was mainly driven by higher exposure of underperforming stocks in the portfolio compared to benchmark.

Dividend Fund Performance Since Inception



Top Ten Holdings

Petronas Gas Berhad
 Petronas Chemicals Group Berhad
 Public Bank Berhad
 Maxis Berhad
 Telekom Malaysia Berhad
 Malayan Banking Berhad
 Tenaga Nasional Berhad
 DiGi.Com Berhad
 Axiata Group Berhad
 Sime Darby Plantation Berhad

Fund Information

NAV (29.12.17)	RM0.8462
Fund Size	RM34.48 million
Inception Date	21-Jan-08
Fund Management Fee	1.5% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
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 (%)	2.71%	4.60%
3 months (%)	0.53%	2.35%
6 months (%)	0.46%	1.88%
12 months (%)	4.84%	9.45%
2 years (% pa)	0.63%	3.04%
3 years (% pa)	-0.06%	0.67%
5 years (% pa)	1.34%	1.25%
Since Inception	5.94%	2.20%
Yield #	3.13%	3.20%

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 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.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

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

Equity Fund

Monthly Report (December 2017)

Investment Objective

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

Investment Strategy

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

Risks

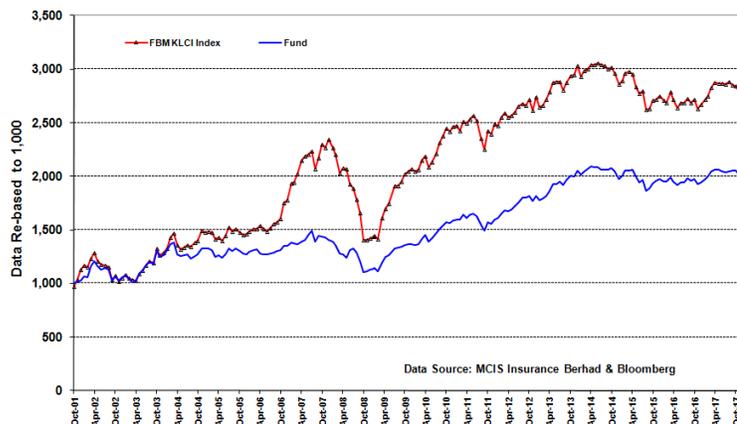
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and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

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

Fund Performance

For the month ended December 2017, the fund had underperformed the benchmark by 188bps MoM (month on month). The underperformance was mainly driven by higher exposure of underperforming stocks in the portfolio compared to benchmark.

Equity Fund Performance Since Inception



Top Ten Holdings

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

Fund Information

NAV (29.12.17)	RM1.0355
Fund Size	RM10.42 million
Inception Date	15-Oct-01
Fund Management Fee	1.40% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
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 (%)	2.72%	4.60%
3 months (%)	0.94%	2.35%
6 months (%)	1.06%	1.88%
12 months (%)	6.41%	9.45%
2 years (% pa)	2.38%	3.04%
3 years (% pa)	1.57%	0.67%
5 years (% pa)	2.62%	1.25%
Since Inception	4.58%	6.82%
Yield #	3.18%	3.20%

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 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.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

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

Global Yakin Fund

Monthly Report (December 2017)

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 Islamic World Equity Fund (AIWEF) which managed by Aberdeen Islamic Asset Management Sdn Bhd. The Fund invests in shariah approved securities across the globe.

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

Risks

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

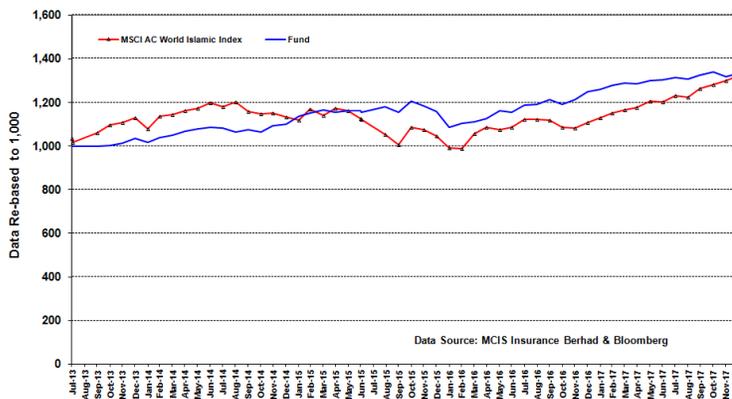
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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

Fund Performance

For the month ended December 2017, the fund had underperformed the benchmark by 74bps MoM (month on month). The underperformance was mainly due to underperforming of the underlying securities compared to the benchmark index.

Global Yakin Fund Performance Since Inception



Top Ten Holdings

Aberdeen Islamic World Equity Fund (AIWEF)

Fund Information

NAV (29.12.17)	RM0.6659
Fund Size	RM34.28 million
Inception Date	8-July-2013
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
AIWEF	80%	100%	80%
Cash	0%	20%	20%

Performance Table

Period	Fund	Index*
1 month (%)	0.94%	1.68%
3 months (%)	0.53%	4.43%
6 months (%)	2.15%	9.96%
12 months (%)	6.75%	19.32%
2 years (% pa)	7.22%	12.29%
3 years (% pa)	6.51%	5.29%
5 years (% pa)	-	-
Since Inception	6.57%	6.38%

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 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.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

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

Income Fund

Monthly Report (December 2017)

Investment Objective

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

Investment Strategy

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

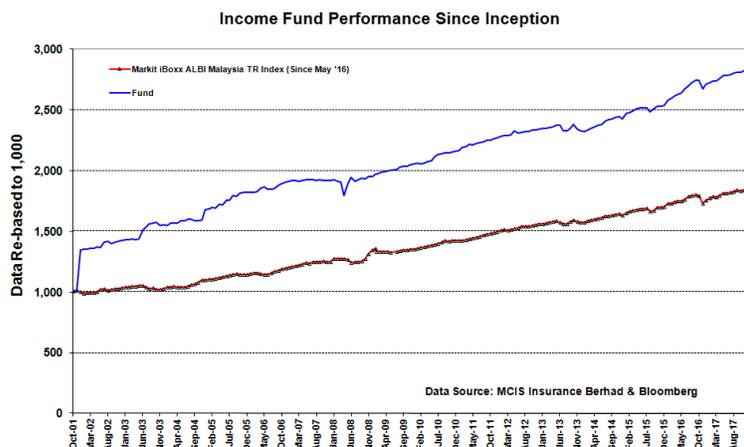
Risks

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

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

Fund Performance

For the month ended December 2017, the fund had outperformed the benchmark by 2bps 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
 Government Investment Issue
 Northern Gateway Infrastructure Sdn Bhd
 YTL Corporation Berhad
 Quantum Solar Park Malaysia Sdn Bhd
 Sabah Development Bank Berhad
 PBFIN Berhad
 BGSM Management Sdn Bhd
 Sabah Credit Corporation
 Perdana Petroleum Berhad

Fund Information

NAV (29.12.17)	RM1.4181
Fund Size	RM26.93 million
Inception Date	15-Oct-01
Fund Management Fee	0.5% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Fixed Income	75%	100%	96%
Cash	0%	25%	4%

Performance Table

Period	Fund	Index*
1 month (%)	0.52%	0.50%
3 months (%)	0.82%	0.66%
6 months (%)	1.88%	1.86%
12 months (%)	4.63%	5.27%
2 years (% pa)	5.72%	4.17%
3 years (% pa)	5.31%	4.18%
5 years (% pa)	3.90%	3.48%
Since Inception	6.63%	3.86%

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

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

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

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

Jati Fund

Monthly Report (December 2017)

Investment Objective

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

Investment Strategy

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

Risks

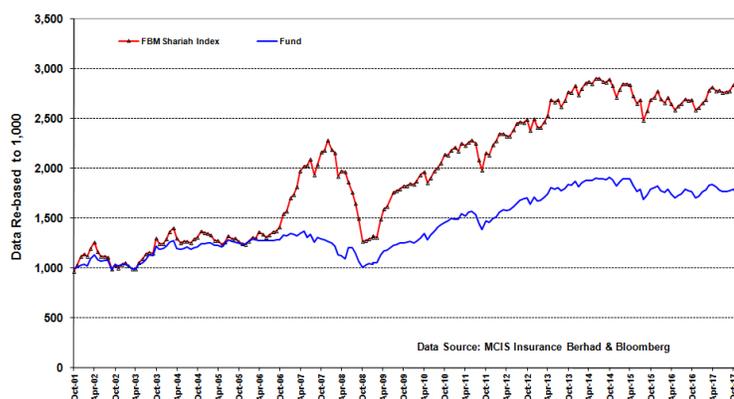
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and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

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

Fund Performance

For the month ended December 2017, the fund had underperformed the benchmark by 123bps MoM (month on month). The underperformance was mainly driven by higher exposure of underperforming stocks in the portfolio compared to benchmark.

Jati Fund Performance Since Inception



Top Ten Holdings

Tenaga Nasional Berhad
 Petronas Chemicals Group Berhad
 Axiata Group Berhad
 Sime Darby Plantation Berhad
 Petronas Gas Berhad
 Maxis Berhad
 Telekom Malaysia Berhad
 MISC Berhad
 Kuala Lumpur Kepong Berhad
 IHH Healthcare Berhad

Fund Information

NAV (29.12.17)	RM0.8873
Fund Size	RM12.54 million
Inception Date	15-Oct-01
Fund Management Fee	1.35% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
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 (%)	1.73%	2.96%
3 months (%)	-0.31%	3.95%
6 months (%)	-0.82%	3.75%
12 months (%)	3.21%	10.72%
2 years (% pa)	-1.43%	1.94%
3 years (% pa)	-0.93%	2.08%
5 years (% pa)	0.68%	2.92%
Since Inception	3.59%	6.75%
Yield #	2.65%	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 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.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

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.

Fixed Income Review and Outlook

Market Review

Malaysian Government bond ended the last trading day of the year on a strong note, rallying approximately 2-9 bps across the curve on the back of strong foreign buying flows and strengthening ringgit. The ringgit strengthened against the dollar to a year high of RM4.0445/USD from RM4.0895/USD in November. Brent oil prices went up to USD66.87/bbl compared to USD63.57/bbl seen in November.

On local economic front, Malaysia's CPI eased further to 3.4% y-o-y in November (October: 3.7%), due to higher base effect a year ago. Trade surplus widened to a 19-month high at RM10.56bil in October, with both export and import grew strongly at 18.9% and 20.9% respectively (September: 14.8% and 15.2% respectively). Industrial production index on the other hand moderated to +3.4% in October compared to 4.7% in September, due to lower manufacturing and mining output growth. Malaysia foreign reserve continues to grow, with the latest figure at US\$102.2bil.

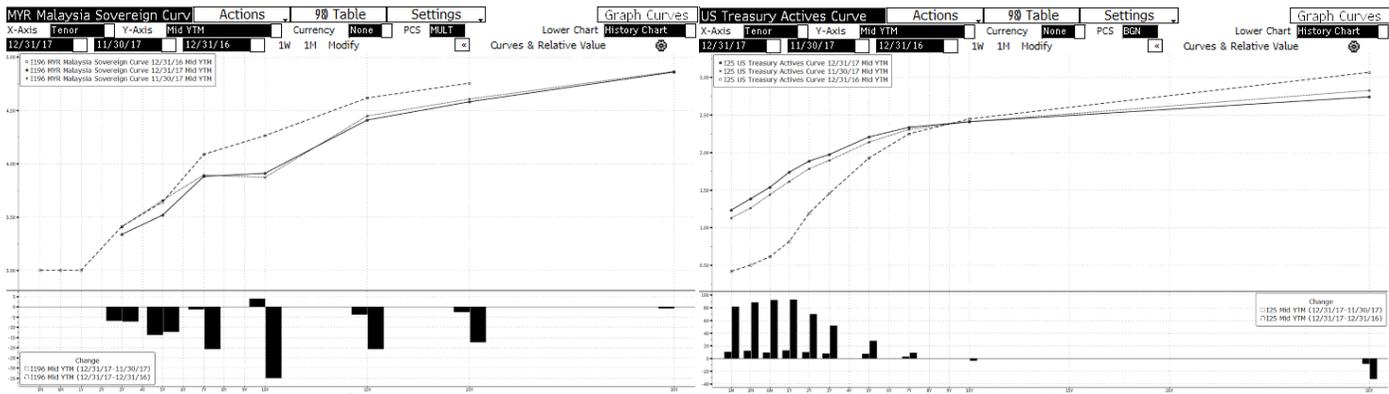
BNM final Monetary Policy Committee meeting of the year sent a hawkish statement backed by high headline inflation, strong broad-based growth economic figures and global policy tightening. Market is expecting BNM to hike the Overnight Policy Rate (OPR) in the first quarter of 2018. ECB is expected to end their stimulus program in September 2018 after hitting its record low in their bond purchasing scheme in December 2017.

The auctions unveiled in December 2017 are as follows:-

Table 1: Government Auctions in December 2017

Government Auctions				
Issue	Issue Date	Amount (RM million)	Bid-cover (times)	Avg Yield (%)
10-Year Re-Issuance of MGS(Mat Nov/27)	7/12/2017	2,500.00	1.53	3.95
15-Year Issuance of GII(Mat Jun/33)	15/12/2017	2,500.00	1.78	4.72

Source: Bank Negara Malaysia



Source: Bloomberg

Source: Bloomberg

Market was seen selling the shorter dated UST as the Federal Reserve proceeds with their third and final rate hike of the year, moving the Fund Fed Rate to 1.25%-1.50%. Though, strong demand for the longer dated paper has helped to keep the 10yr UST yield relatively range bound, flattening the yield curve. The 10y UST was last seen at 2.406%.

Market Outlook & Strategy

With major central banks showing signal towards tightening policy, we are cautious in taking duration in view of an upward trending yield environment. Despite the local bond market is fuelled by the external risk factors such as geopolitical tension in North Korea, Brexit and fluctuation in crude oil prices, we believe corporate bond space still provides attractive yields given stable monetary stance from BNM and strong fundamentals in local market. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.