



## **Investment Linked Fund Performance Report July 2015**

### **General Advice Warning**

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

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

# AsiaPac Fund Monthly Report (July 2015)

## 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.

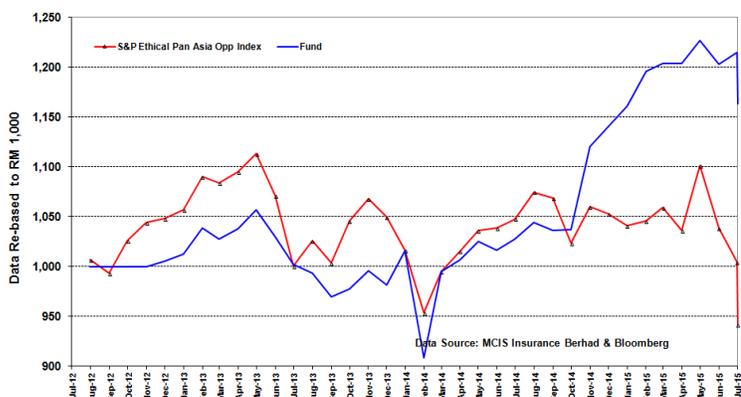
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 July 2015, the fund had outperformed the benchmark by 202bps MoM (month on month). The outperformance was mainly due to strengthening USD compared to Ringgit.

AsiaPac Fund Performance Since Inception



## Top Ten Holdings

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

## Fund Information

|                           |  |
|---------------------------|--|
| NAV (31.07.15)            | RM0.5818   |
| Fund Size                 | RM 25.5 million  |
| Inception Date            | 15-July-2012   |
| Fund Management Fee       | 0.85% p.a.   |
| Pricing                   | Daily  |
| Price Quote               | Major Newspaper, or<br><a href="http://www.mcis.my">http://www.mcis.my</a> |
| Fund Manager              | MCIS Insurance Berhad  |
| Exceptional Circumstances | Refer to your Policy Document  |

## Asset Allocation Ranges

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

## Performance Table

| Period          | Fund    | Index*  |
|-----------------|---------|---------|
| 1 month (%)     | - 4.21% | - 6.23% |
| 3 months (%)    | - 5.15% | -14.46% |
| 6 months (%)    | - 2.71% | - 9.95% |
| 12 months (%)   | 11.39%  | -12.37% |
| 2 years (% pa)  | 17.13%  | - 8.19% |
| 3 years (% pa)  | 5.18%   | - 2.19% |
| 5 years (% pa)  | -       | -       |
| Since Inception | 5.04%   | -1.92%  |

**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 (July 2015)

### 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

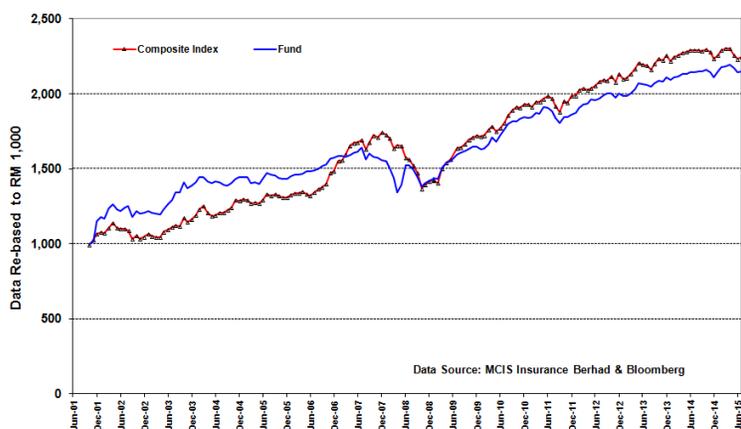
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, 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 July 2015, the fund had underperformed the benchmark by 34bps MoM (month on month). The underperformance was mainly driven by higher exposure of underperforming securities in the portfolio.

Balanced Fund Performance Since Inception



### Top Ten Holdings

Malaysian Government Securities (Bond)  
 Projek Lebuh raya Utara-Selatan (Bond)  
 Sabah Credit Corporation (Bond)  
 Malayan Banking Berhad (Equity)  
 Tenaga Nasional Berhad (Equity)  
 Maxis Berhad (Equity)  
 Telekom Malaysia Berhad (Equity)  
 AmanahRaya REIT (Equity)  
 Sime Darby Berhad (Equity)  
 CIMB Group Holdings Berhad (Equity)

### Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.07.15)            | RM1.0749  |
| Fund Size                 | RM7.2 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   |
| Exceptional Circumstances | Refer to your Policy Document   |

### Asset Allocation Ranges

| Asset Class      | Min | Max | Current Actual |
|------------------|-----|-----|----------------|
| Malaysian Equity | 40% | 60% | 44%            |
| Fixed Income     | 40% | 60% | 47%            |
| Cash             | 0%  | 20% | 9%             |

### Performance Table

| Period          | Fund    | Index*  |
|-----------------|---------|---------|
| 1 month (%)     | 0.36%   | 0.70%   |
| 3 months (%)    | - 2.09% | - 2.31% |
| 6 months (%)    | - 0.05% | - 0.49% |
| 12 months (%)   | 0.33%   | - 1.98% |
| 2 years (% pa)  | 2.11%   | 1.37%   |
| 3 years (% pa)  | 2.99%   | 2.58%   |
| 5 years (% pa)  | 4.04%   | 4.44%   |
| Since Inception | 5.69%   | 6.03%   |

**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 composite of 50% FBM KLCI Index, and 50% HSBC Malaysia All Bond FBM KLCI Index. Index data 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.

## Dividend Fund Monthly Report (July 2015)

### 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

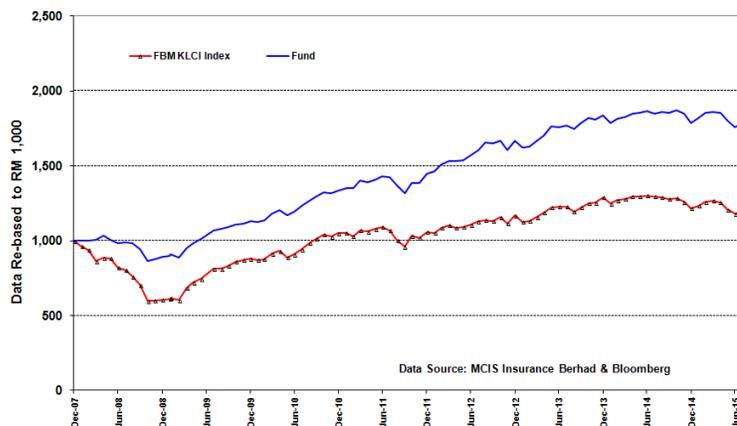
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 July 2015, the fund had outperformed the benchmark by 77bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming stocks in the portfolio compared to benchmark.

Dividend Fund Performance Since Inception



### Top Ten Holdings

Telekom Malaysia Berhad  
Sime Darby Berhad  
Petronas Gas Berhad  
Public Bank Berhad  
Maxis Berhad  
Axiata Group Berhad  
Malayan Banking Berhad  
British American Tobacco (M) Berhad  
Petronas Chemicals Group Berhad  
DiGi.Com Berhad

### Fund Information

|                           |  |
|---------------------------|--|
| NAV (31.07.15)            | RM0.8488   |
| Fund Size                 | RM 44.7 million  |
| Inception Date            | 21-Jan-08  |
| Fund Management Fee       | 1.5% p.a.  |
| Pricing                   | Daily  |
| Price Quote               | Major Newspaper, or<br><a href="http://www.mcis.my">http://www.mcis.my</a> |
| 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% | 99%            |
| Cash             | 0%  | 20%  | 1%             |

### Performance Table

| Period          | Fund    | Index*  |
|-----------------|---------|---------|
| 1 month (%)     | 1.74%   | 0.97%   |
| 3 months (%)    | - 3.70% | - 5.23% |
| 6 months (%)    | - 1.76% | - 3.26% |
| 12 months (%)   | - 3.39% | - 7.92% |
| 2 years (% pa)  | 0.41%   | - 1.41% |
| 3 years (% pa)  | 3.60%   | 1.84%   |
| 5 years (% pa)  | 7.74%   | 4.83%   |
| Since Inception | 7.96%   | 2.35%   |
| Yield #         | 2.93%   | 3.53%   |

**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 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 (July 2015)

## 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

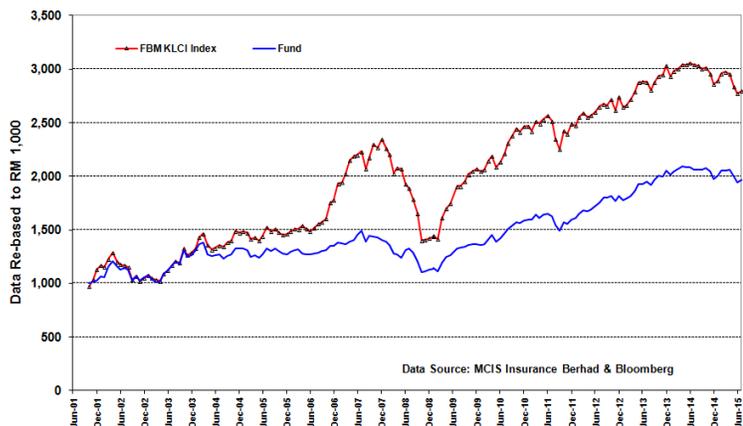
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 July 2015, the fund had outperformed the benchmark by 15bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming stocks in the portfolio compared to benchmark.

Equity Fund Performance Since Inception



## Top Ten Holdings

Tenaga Nasional Berhad  
Public Bank Berhad  
IOI Corporation Berhad  
Malayan Banking Berhad  
Sime Darby Berhad  
Telekom Malaysia Berhad  
Axiata Group Berhad  
Petronas Chemicals Group Berhad  
Petronas Dagangan Berhad  
Maxis Berhad

## Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.07.15)            | RM0.9843  |
| Fund Size                 | RM 9.0 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   |
| 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 (%)     | 1.12%   | 0.97%   |
| 3 months (%)    | - 4.52% | - 5.23% |
| 6 months (%)    | - 2.05% | - 3.26% |
| 12 months (%)   | - 4.44% | - 7.92% |
| 2 years (% pa)  | 0.51%   | - 1.41% |
| 3 years (% pa)  | 3.90%   | 1.84%   |
| 5 years (% pa)  | 6.06%   | 4.83%   |
| Since Inception | 5.02%   | 7.73%   |
| Yield #         | 2.79%   | 3.53%   |

**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 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 (July 2015)

## 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.

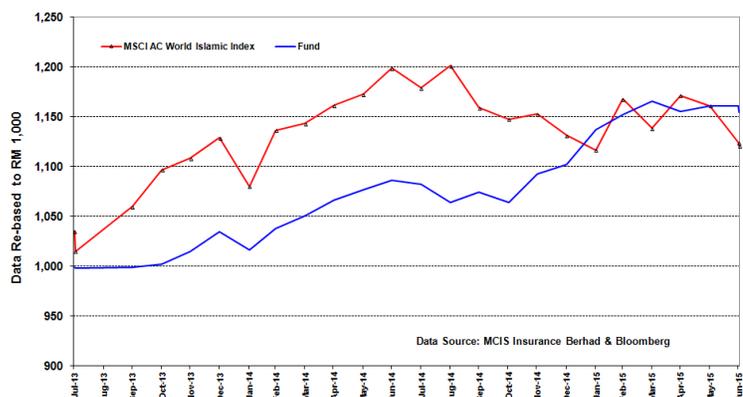
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 July 2015, the fund had underperformed the benchmark by 25bps MoM (month on month). The underperformance was partly due to lower return of Aberdeen Islamic World Equity Fund compared to benchmark.

Global Yakin Fund Performance Since Inception



## Top Ten Holdings

Aberdeen Islamic World Equity Fund (AIWEF)

## Fund Information

|                           |  |
|---------------------------|--|
| NAV (31.07.15)            | RM0.5772   |
| Fund Size                 | RM 19.8 million  |
| Inception Date            | 8-July-2013  |
| Fund Management Fee       | 0.85% p.a.   |
| Pricing                   | Daily  |
| Price Quote               | Major Newspaper, or<br><a href="http://www.mcis.my">http://www.mcis.my</a> |
| 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 (%)     | - 0.58% | - 0.33% |
| 3 months (%)    | - 0.07% | - 4.35% |
| 6 months (%)    | 1.53%   | 0.36%   |
| 12 months (%)   | 6.67%   | - 4.96% |
| 2 years (% pa)  | 7.47%   | 4.04%   |
| 3 years (% pa)  | -       | -       |
| 5 years (% pa)  | -       | -       |
| Since Inception | 7.13%   | 5.63%   |

**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 (July 2015)

### 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

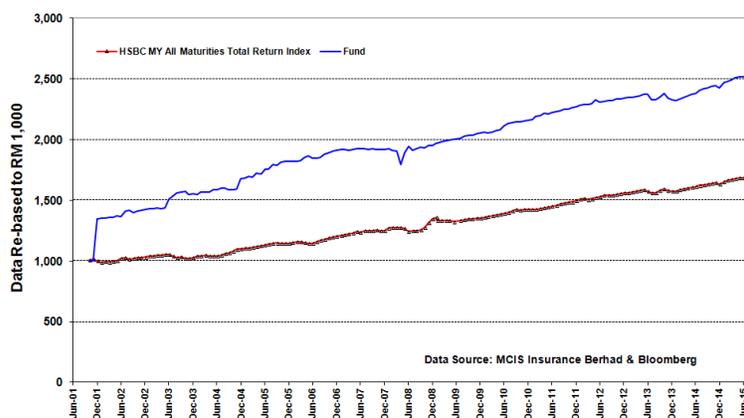
The Fund is considered lower risk given the exposure to cash and fixed income securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, 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 July 2015, the fund had underperformed the benchmark by 28bps MoM (month on month). The underperformance was mainly driven by underperformance of the bond market during the period.

Income Fund Performance Since Inception



### Top Ten Holdings

Malaysian Government Securities  
 Projek Lebuhraya Utara-Selatan Berhad  
 Government Investment Issue  
 PBFIN Berhad  
 Sabah Credit Corporation  
 CIMB Bank Berhad

### Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.07.15)            | RM1.2602  |
| Fund Size                 | RM 21.7 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   |
| Exceptional Circumstances | Refer to your Policy Document   |

### Asset Allocation Ranges

| Asset Class  | Min | Max  | Current Actual |
|--------------|-----|------|----------------|
| Fixed Income | 75% | 100% | 91%            |
| Cash         | 0%  | 25%  | 8%             |

### Performance Table

| Period          | Fund  | Index* |
|-----------------|-------|--------|
| 1 month (%)     | 0.16% | 0.44%  |
| 3 months (%)    | 0.31% | 0.65%  |
| 6 months (%)    | 2.03% | 2.28%  |
| 12 months (%)   | 4.61% | 4.24%  |
| 2 years (% pa)  | 3.97% | 4.12%  |
| 3 years (% pa)  | 2.82% | 3.19%  |
| 5 years (% pa)  | 3.40% | 3.86%  |
| Since Inception | 6.91% | 3.88%  |

**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 HSBC Malaysia All Bond FBM KLCI Index, 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.

# Jati Fund

## Monthly Report (July 2015)

### 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

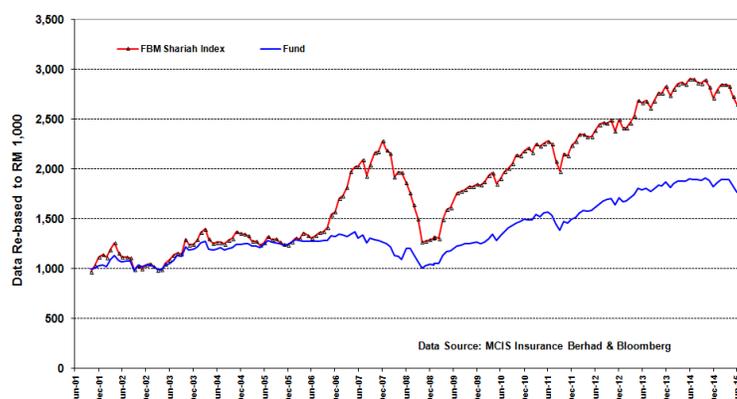
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 July 2015, the fund had underperformed the benchmark by 28bps 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

Sime Darby Berhad  
 Tenaga Nasional Berhad  
 Axiata Group Berhad  
 Petronas Chemicals Group Berhad  
 Telekom Malaysia Berhad  
 Petronas Dagangan Berhad  
 MISC Berhad  
 SapuraKencana Petroleum Berhad  
 MyETF Dow Jones Islamic Market Titan 25  
 Gamuda Berhad

### Fund Information

|                           |   |
|---------------------------|---|
| NAV (31.07.15)            | RM0.8949                                  |
| Fund Size                 | RM11.0 million                            |
| Inception Date            | 15-Oct-01                                 |
| Fund Management Fee       | 1.35% p.a.                                |
| Pricing                   | Daily                                     |
| Price Quote               | Major Newspaper, or<br>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% | 85%            |
| Cash             | 0%  | 20%  | 15%            |

### Performance Table

| Period          | Fund    | Index*  |
|-----------------|---------|---------|
| 1 month (%)     | 1.07%   | 1.35%   |
| 3 months (%)    | - 5.70% | - 5.36% |
| 6 months (%)    | - 4.02% | - 3.72% |
| 12 months (%)   | - 5.57% | - 7.55% |
| 2 years (% pa)  | - 0.55% | - 0.00% |
| 3 years (% pa)  | 2.74%   | 3.14%   |
| 5 years (% pa)  | 5.42%   | 6.32%   |
| Since Inception | 4.30%   | 7.41%   |
| Yield #         | 2.26%   | 3.56%   |

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

The Fund returns are calculated by MCIS 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.

## Equity Market Review and Outlook

### Market Review

July was a tough month for Malaysia as the FBMKLCI again fell below the 1,700pt psychological support on the back of macro concerns on politics, the ringgit and oil prices. The cabinet reshuffle was unexpected and the complete dropping of several senior Umno leaders and the retirement of the Attorney General was a big surprise. Also, the fall in the ringgit below the RM3.80/USD peg during the previous capital controls regime and the decline in oil prices below US\$60/barrel were reminders of Malaysia's vulnerability. For the month, the KLCI rose 1% m-o-m or 17pts on window dressing on the last day of July to close at 1,723pts. The broader market again performed in line with the FBMKLCI, with the FBM EMAS rising also 1% m-o-m to 11,894pts. Average daily value traded on Bursa in July declined 2% mom to RM1.75bn.

On the domestic economic front, the headline inflation rate picked up to 2.5% y-o-y in June, (+2.1% in May and +1.8% in April). This was mainly attributed to a smaller magnitude of decline in transport cost, following a hike in retail fuel prices beginning of June, while the effect of the goods & services tax (GST) still lingers.

Globally, the slowdown in China's economic growth has been reflected in the ailing imports of primary industrial goods. The situation is compounded by lower commodity prices and a build-up of inventories of these products, forcing importers to cut deep into their imports. This has a negative implication on the ASEAN-5 economy, as these products make up more than one-third of China's imports from the region. However, the impact on Malaysia will be less severe with their exports falling by 0.3%.

Chart 1: FBMKLCI Daily Chart



Source: Bloomberg

Chart 2: FBMKLCI Monthly Pattern and Cycle Analysis



Source: Bloomberg

### Market Outlook & Strategy

Technically, the 6-year rally off the 2008 low has likely ended in July 2014 and is now undergoing a multi-month correction. The recent rebound to 1,863 suggests that the FBMKLCI may have formed the right shoulder of its larger Head and Shoulders pattern that has a neckline at 1,660-1,671. A breach of 1,660 would confirm a downside target of 1,424-1,400 for the rest of 2015 and possibly into 2016 as well.

Current correction phase may continue for the immediate term until a clearer picture emerges with new catalyst to support potential recovery on the market. Persistent outflow of fund from the foreign fund managers and expectation of potential interest rate hike in the US may continue to put pressure on the Ringgit and indirectly will pressure equity prices.

Additionally, concern over Greece and economic slowdown in China will also continue to pressure investors' sentiment in the country. Meanwhile, locally, ongoing 1MDB issue will continue to shy away investors from the local market and political pressure arising from 1MDB will make the situation worst. For immediate term, we advocate a cautious strategy on the market.

# Fixed Income Review and Outlook

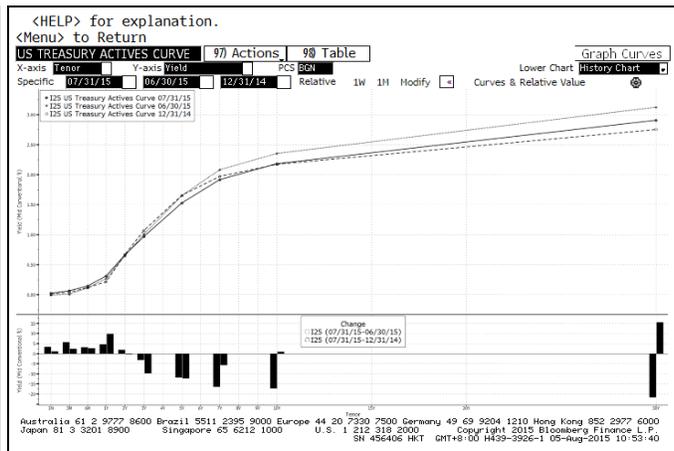
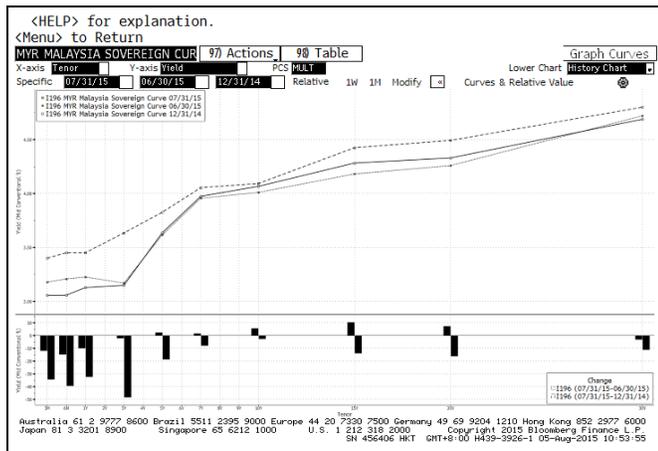
## Market Review

The story for the month was of course the plunge seen in the Malaysian Ringgit (MYR). There was good demand in MGS by offshore, especially focused on the front end and bellies (i.e. 7-year and 10-year MGS) of the yield curve at the start of the month. However, the steep weakening of MYR against USD (when USD/MYR surpassed 3.8200) during month end, it triggered a selloff reversing gains posted earlier.

The focus on shorter tenor bonds was ahead of maturing MGS bonds as the current market condition lacked the availability of very short term instruments such as short dated bills. In mid-August, we have MGS Aug'15 and Sep'15 coming to maturity – with RM10.0 billion and RM11.0billion outstanding respectively. Interest Rate Swap rates shifted higher, mainly trekking the losses in MGS benchmarks. Meanwhile, the 3M KLIBOR remains stuck at 3.69%. Swap rates fell early month as bond yields fell but there was a mild rise of 4-8bps after the July MPC meeting. The MPC left the OPR unchanged at 3.25%, as expected. The MPC mentioned that global growth now seems more 'vulnerable' to 'increased' downside risks due to a challenging external environment. Additionally, domestic consumer spending would also moderate lower since the hurried buying of goods and services prior to GST implementation now dissipates.

There were just two auctions in July due to the festive Hari Raya break mid-month. First, before Raya, we saw the RM2.0 billion reopening of the 30-year MGS (MGS Sep'43). The auction scored a bid-to-cover (btc) ratio of 2.025 times for the small tender amount with an average yield of 4.725%. By month end, the government then held the RM3.5 billion auction of the 10-year GII (GII Oct'25), which garnered a much lower btc of 1.854 times at an average yield of 4.105% despite having 18 principal dealers to participate.

US Treasuries ended the month slightly firmer but the month was somewhat volatile with gyrations in the range of +/-25bps. The holiday-shortened start of the month saw support for Treasuries as players reacted to the lower revised NFP readings for May and Apr (total downward revision of 60k), despite the Jun NFP number coming close to expectation at +233k against +223k consensus, whilst the May number was revised down to +254k from +280k prior estimate. Treasuries were aided by Euro Zone worries after Greece missed its IMF loan repayment and its people rejected more austerity measures in a referendum.



## Market Outlook & Strategy

Given the prevailing environment that's extremely cautious and volatile, we would continue to monitor closely the movements of MGS on the back of the continued weakness in the Malaysian Ringgit. While concerns of a downgrade by international rating agencies have now abated slightly with the recent all three rating stable outlook reaffirmations, there is still a considerable amount of political noise that does not bode well in terms of investment sentiment. Despite bearish market expectations, we would suggest accumulating bonds upon a significant sell-off in the local bond market as we do not foresee policy rates moving any higher from here.