



Investment Linked Fund Performance Report October 2016

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EXECUTIVE SUMMARY

October was a recovery month for FBM KLCI. The index rebounded and managed to end above the 1,650 points support level. For the month, the KLCI rose 1.2% to close at 1,672 points, compared to 1,652 points recorded at the end of September 2016.

Despite short term recovery in crude oil prices and ringgit in the first half of October 2016, ringgit bonds remained weak with less liquidity in the market. Crude oil was at USD49.06/barrel and ringgit was at MYR4.125/USD at the end of the month. Sentiment was guarded as the market continued to price in a December rate hike by US Federal Reserves (Fed) while at the same time, waiting for Malaysia's Budget 2017 announcement.

Exports fell back into a decline of 3.0% y-o-y in September. The global economy is beginning to show some signs of a recovery with the global merchandise trade activity bouncing back into a growth.

We remain cautious on the equity market with strategy to accumulate stocks with limited downside. For fixed income, the overall strategy is still to buy on dips of MGS and PDS at the same time taking some profit for the bonds that have rallied passed their fundamental values.

Based on the performance table below, only Asiapac Fund, Global Yakin Fund and Income Fund had outperformed their respective benchmarks.

Policyholders are encouraged to focus into regular premium given the current risk and volatile period of the economic and market condition. Risk adverse investors should focus into income fund due to its less volatile as compared to equity related funds.

Performance Table: Funds vs Benchmarks

	Asiapac Fund		Balanced Fund		Dividend Fund		Equity Fund		Global Yakin Fund		Income Fund		Jati Fund	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Monthly (%)	-0.94%	-2.65%	0.06%	0.48%	0.50%	1.20%	0.80%	1.20%	-1.89%	-2.91%	-0.08%	-0.25%	-0.32%	0.29%
3 Months (%)	0.89%	-2.95%	1.56%	0.86%	1.19%	1.16%	1.85%	1.16%	0.42%	-3.15%	1.71%	0.54%	1.27%	1.52%
6 Months (%)	6.80%	1.03%	2.82%	1.35%	1.58%	-0.02%	1.36%	-0.02%	5.86%	0.22%	4.43%	2.68%	1.31%	1.43%
12 Months (%)	-1.51%	-2.39%	4.88%	3.19%	-0.53%	0.41%	1.93%	0.41%	-1.10%	0.03%	8.55%	5.94%	-1.48%	-0.07%

Source: MCIS Insurance Berhad

AsiaPac Fund Monthly Report (October 2016)

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.

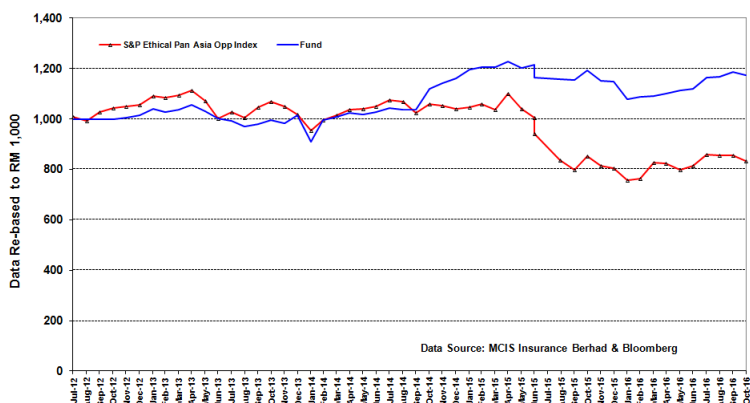
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 October 2016, the fund had outperformed the benchmark by 171bps MoM (month on month). For since inception period, the fund had also 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 (31.10.16)	RM0.5870
Fund Size	RM25.1 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%	81%
Cash	0%	20%	19%

Performance Table

Period	Fund	Index*
1 month (%)	-0.94%	-2.65%
3 months (%)	0.89%	-2.95%
6 months (%)	6.80%	1.03%
12 months (%)	-1.51%	-2.39%
2 years (% pa)	4.78%	-21.47%
3 years (% pa)	5.63%	-7.98%
5 years (% pa)	-	-
Since Inception	3.77%	-4.15%

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 (October 2016)

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

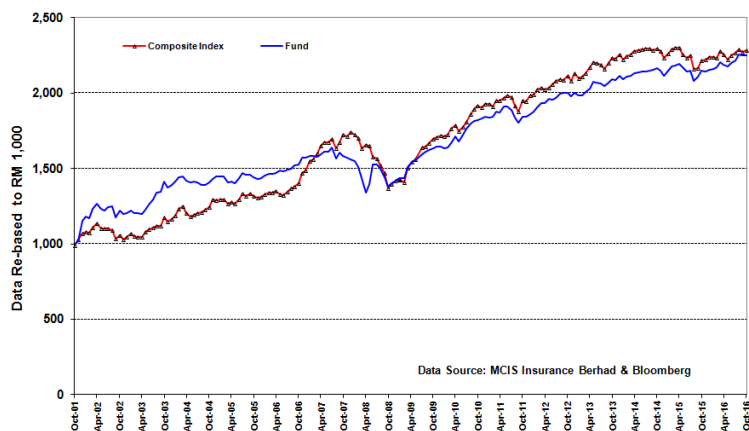
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, 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 October 2016, the fund had underperformed the benchmark by 42bps 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)
- Sabah Credit Corporation (Bond)
- Sarawak Hidro Sdn Bhd (Bond)
- CIMB Bank Berhad (Bond)
- Tenaga Nasional Berhad (Equity)
- Malayan Banking Berhad (Equity)
- Projek Lebuhraya Utara-Selatan (Bond)
- Public Bank Berhad (Bond)
- CIMB Bank Berhad (Equity)
- Telekom Malaysia Berhad (Equity)

Fund Information

NAV (31.10.16)	RM1.1254
Fund Size	RM7.7 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%	44%
Fixed Income	40%	60%	41%
Cash	0%	20%	15%

Performance Table

Period	Fund	Index*
1 month (%)	0.06%	0.48%
3 months (%)	1.56%	0.86%
6 months (%)	2.82%	1.35%
12 months (%)	4.88%	3.19%
2 years (% pa)	2.02%	-0.25%
3 years (% pa)	2.49%	0.77%
5 years (% pa)	4.05%	3.18%
Since Inception	5.53%	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.

* 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 (October 2016)

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

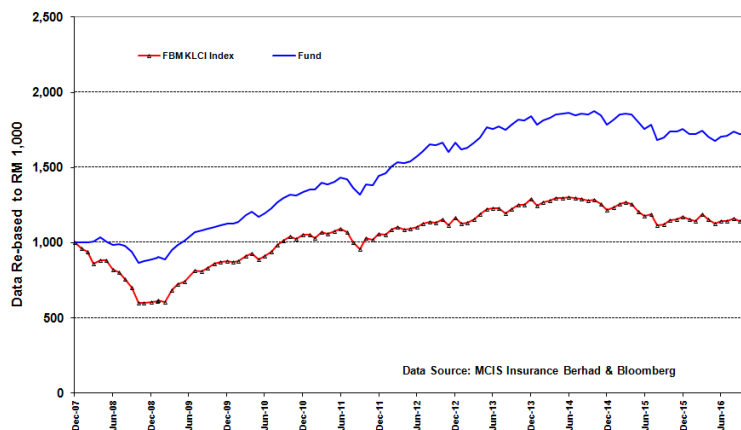
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 October 2016, the fund had underperformed the benchmark by 70bps 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

Public Bank Berhad
Sime Darby Berhad
Telekom Malaysia Berhad
Petronas Gas Berhad
Maxis Berhad
Petronas Chemicals Group Berhad
Malayan Banking Berhad
DiGi.Com Berhad
Axiata Group Berhad
IOI Corporation Berhad

Fund Information

NAV (31.10.16)	RM0.8218
Fund Size	RM39.1 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%	88%
Cash	0%	20%	12%

Performance Table

Period	Fund	Index*
1 month (%)	0.50%	1.20%
3 months (%)	1.19%	1.16%
6 months (%)	1.58%	-0.02%
12 months (%)	-0.53%	0.41%
2 years (% pa)	-3.92%	-5.05%
3 years (% pa)	-1.70%	-2.54%
5 years (% pa)	4.53%	2.31%
Since Inception	6.40%	1.67%
Yield #	2.80%	3.06%

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 (October 2016)

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

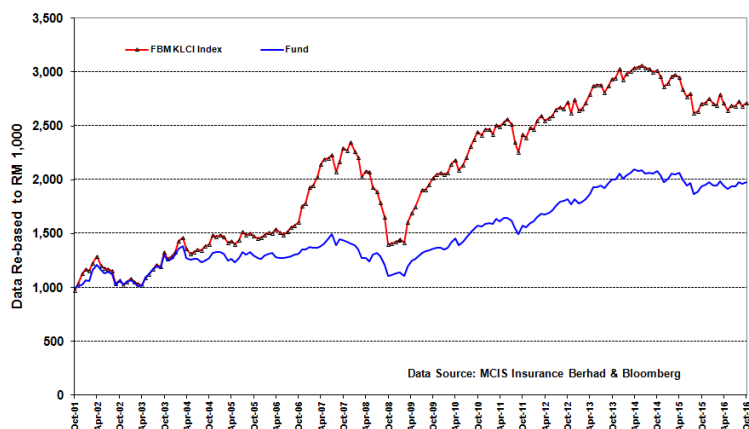
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 October 2016, the fund had underperformed the benchmark by 40bps 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
Public Bank Berhad
IOI Corporation Berhad
Malayan Banking Berhad
Sime Darby Berhad
Telekom Malaysia Berhad
Petronas Chemicals Group Berhad
Petronas Dagangan Berhad
KLCCP Stapled Group
Axiata Group Berhad

Fund Information

NAV (31.10.16)	RM0.9884
Fund Size	RM9.1 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%	86%
Cash	0%	20%	14%

Performance Table

Period	Fund	Index*
1 month (%)	0.80%	1.20%
3 months (%)	1.85%	1.16%
6 months (%)	1.36%	-0.02%
12 months (%)	1.93%	0.41%
2 years (% pa)	-2.49%	-5.05%
3 years (% pa)	-0.49%	-2.54%
5 years (% pa)	4.68%	2.31%
Since Inception	4.62%	6.85%
Yield #	2.77%	3.06%

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 (October 2016)

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.

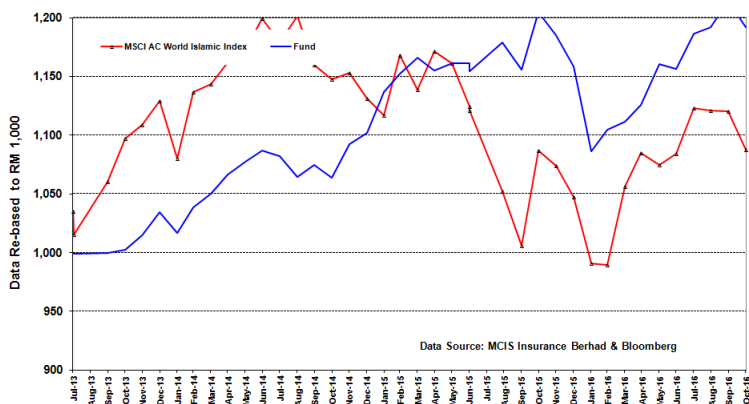
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 October 2016, the fund had outperformed the benchmark by 102bps MoM (month on month). The outperformance was mainly due to outperforming 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 (31.10.16)	RM0.5958
Fund Size	RM25.1 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%	88%
Cash	0%	20%	12%

Performance Table

Period	Fund	Index*
1 month (%)	-1.89%	-2.91%
3 months (%)	0.42%	-3.15%
6 months (%)	5.86%	0.22%
12 months (%)	-1.10%	0.03%
2 years (% pa)	5.83%	-2.66%
3 years (% pa)	5.93%	-0.29%
5 years (% pa)	-	-
Since Inception	5.40%	2.55%

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.

* 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 (October 2016)

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.

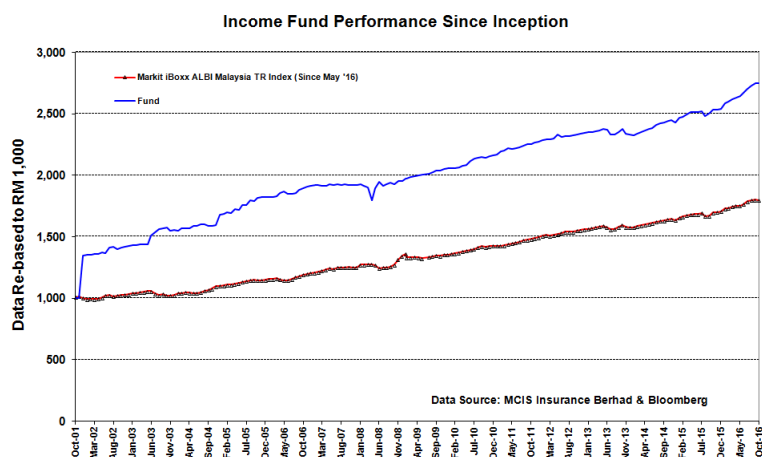
Risks

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 October 2016, the fund had outperformed the benchmark by 17bps 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
 PBFIN Berhad
 BGSM Management Sdn Bhd
 Sarawak Hidro Sdn Bhd
 Sabah Credit Corporation
 Perdana Petroleum Berhad
 CIMB Bank Berhad
 Danga Capital Berhad
 Public Bank Berhad

Fund Information

NAV (31.10.16)	RM1.3734
Fund Size	RM27.4 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%	66%
Cash	0%	25%	34%

Performance Table

Period	Fund	Index*
1 month (%)	-0.08%	-0.25%
3 months (%)	1.71%	0.54%
6 months (%)	4.43%	2.68%
12 months (%)	8.55%	5.94%
2 years (% pa)	6.11%	4.64%
3 years (% pa)	4.90%	4.07%
5 years (% pa)	4.04%	3.93%
Since Inception	6.93%	3.96%

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 (October 2016)

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

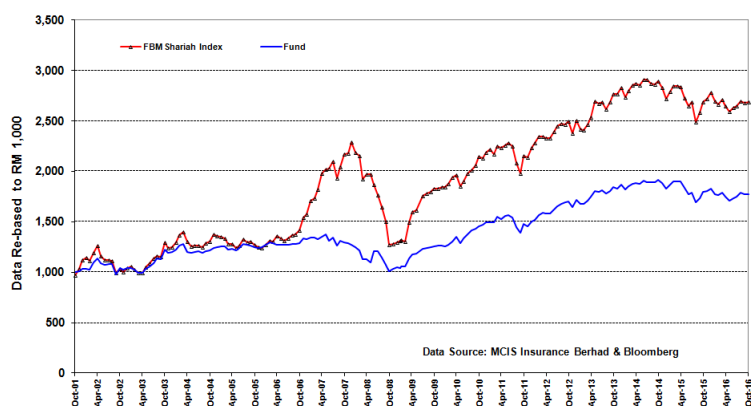
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 October 2016, the fund had underperformed the benchmark by 61bps 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
Sime Darby Berhad
Petronas Chemicals Group Berhad
Petronas Dagangan Berhad
Telekom Malaysia Berhad
Axiata Group Berhad
MISC Berhad
SapuraKencana Petroleum Berhad
MyETF Dow Jones Islamic Market Titan 25
IHH Healthcare Berhad

Fund Information

NAV (31.10.16)	RM0.8847
Fund Size	RM11.9 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%	80%
Cash	0%	20%	20%

Performance Table

Period	Fund	Index*
1 month (%)	-0.32%	0.29%
3 months (%)	1.27%	1.52%
6 months (%)	1.31%	1.43%
12 months (%)	-1.48%	-0.07%
2 years (% pa)	-3.85%	-3.67%
3 years (% pa)	-1.32%	-0.95%
5 years (% pa)	3.68%	4.53%
Since Inception	3.86%	6.78%
Yield #	2.18%	2.60%

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

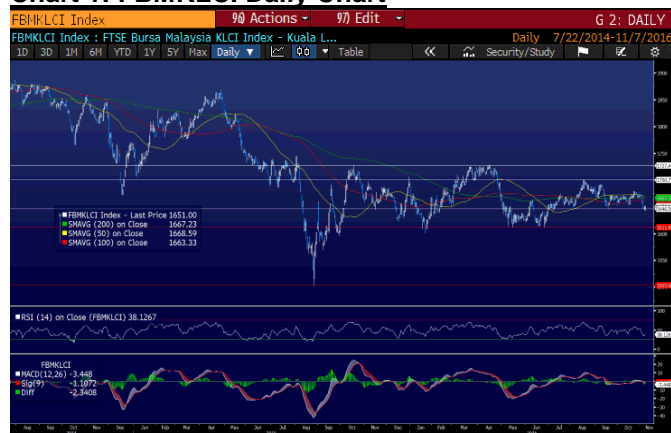
Market Review

October was a recovery month for FBM KLCI. The index rebounded and managed to end above the 1,650 points support level. For the month, the KLCI rose 1.2% to close at 1,672 points, compared to 1,652 points recorded at the end of September 2016. The broader market underperformed the KLCI, with the FBM EMAS gaining only 0.8% mom to 11,785 points. Average daily value traded on Bursa in October fell 3% m-o-m to RM1.98billion.

On the domestic economic front, exports fell back into a decline of 3.0% y-o-y in September (+1.5% in August and -5.5% in July). Stripping out currency factor and measured in USD terms, exports grew for the second straight month, albeit slower in September. The global economy is beginning to show some signs of a recovery with the global merchandise trade activity bouncing back into a growth. As a result, we expect the country's exports to pick up to 2.3% in 2017, from +1.6% in 2016 and +1.8% in 2015.

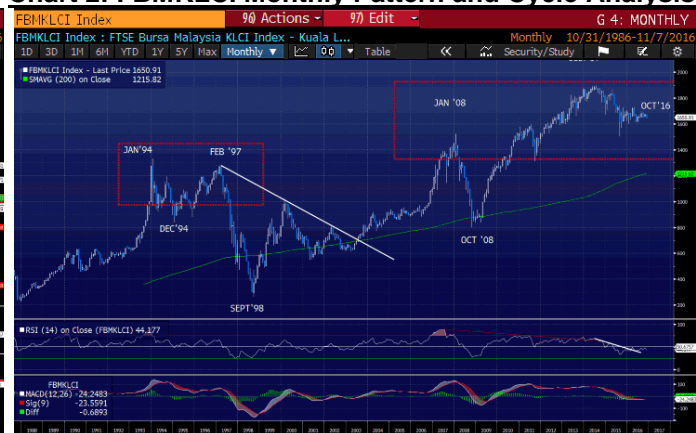
Globally, October US Consumer Confidence Index (CCI) fell to 98.6, marking the largest m-o-m decline (-4.7%) since November 2015. In what was the last CCI release before Election Day, respondents were less optimistic over the present situation (120.6, from 127.9 in September), expectations of future prospects (83.9, from 87.2 in September) and the jobs market. Indeed the share of Americans seeing their incomes decreasing over the next six months fell to 9.8% during the month, from 10.4% in September.

Chart 1: FBMKLCI Daily Chart



Source: Bloomberg

Chart 2: FBMKLCI Monthly Pattern and Cycle Analysis



Source: Bloomberg

Market Outlook & Strategy

Technically, FBMKLCI index will continue to trade within the range of 1,720 to 1,600 levels for the medium term on the back of lack of fundamental support and mixed technical readings. Daily and weekly technical indicators are showing mixed strength. Immediate term range is at between 1,640 to 1,720 levels. A stronger support is seen at 1,600 levels.

November has historically been a flattish month for the KLCI and after the rebound in October, the market could be in store for some pullback or consolidation before the typical run-up and window dressing activities in December. Also, November is also a major results season (for 3Q16 numbers) and the voting for the 45th President of US is due to take place on 8th November.

Mixed performance in over the last 2 months are indicating that investors will continue to remain cautious on the riskier assets on the back of mixed economic development and expectation of slower growth ahead. Meanwhile, mixed view on the potential interest rate hike in the US is also making investor taking a more cautious approach. In Malaysia, low crude oil price after the recent sell down may continue to dampen economic growth. We will remain cautious on the equity market with strategy to accumulate stocks with limited downside.

Fixed Income Review and Outlook

Market Review

Despite short term recovery in crude oil prices and ringgit in the first half of October 2016, ringgit bonds remained weak with less liquidity in the market (yield increased 5-17 bps across the yield curve). Crude oil was at USD49.06/barrel and ringgit was at MYR4.125/USD at the end of the month. Sentiment was guarded as the market continued to price in a December rate hike by US Federal Reserves (Fed) while at the same time, waiting for Malaysia's Budget 2017 announcement.

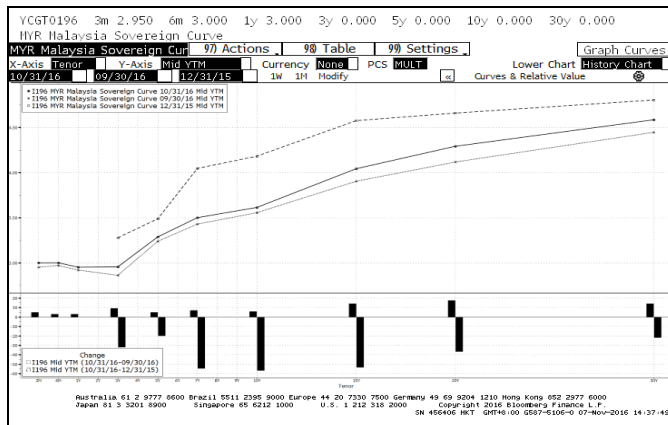
The 2017 Budget signals the Malaysian government commitment of continued fiscal consolidation with targeted fiscal deficit of 3.0% of GDP for fiscal year 2017, in contrast to a deficit of 3.1% of GDP estimated for 2016 and 3.2% in 2015. Base on the projected numbers, we think the government's gross MGS and GII raising could be as high as RM107 billion in 2017. The number RM107 billion is including the possible refinancing of RM66.8 billion of maturing MGS and GII in 2017 (RM48.1 billion 2016).

Economic data released in October were mixed. Malaysia registered trade surplus amounting to RM8.5 billion for the month of August, against RM6.6 billion earlier forecasted by economists. Both exports and imports saw improved numbers from the previous month. Exports expanded by 1.5% yoy (versus -5.5% in July) while imports grew by 4.9% (versus -4.7% in July). Meanwhile, inflation number was subdued in September, recorded at +1.5% yoy (lower than consensus +1.8% yoy) versus +1.5% in August.

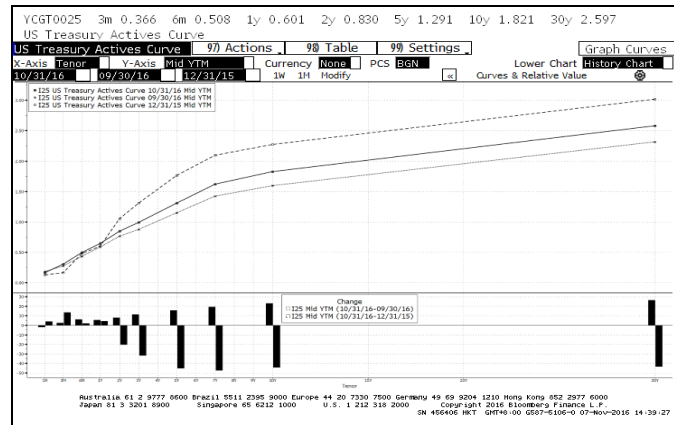
The auctions unveiled in October 2016 are as follows:

Government Auctions in October 2016				
Issue	Issue Date	Amount (RM million)	Bid-cover (times)	Avg Yield (%)
3-year Re-opening of MGII (Mat on 4/20)	7-Oct-16	3,500	2.066	3.226
10-year Re-opening of MGII (Mat on 9/26)	14-Oct-16	3,000	2.023	3.813
20-year Re-opening of MGS (Mat on 5/35)	31-Oct-16	2,000	2.154	4.295

Table 1: Government Auctions October 2016. Source: Bank Negara Malaysia



Source: Bloomberg



Source: Bloomberg

Foreign holdings in Malaysia's long term government securities fell by RM5.6 billion in September, first decline since October 2015. This is partly explained by a huge maturity of MGS papers (around RM12.8 billion MGS matured in Sep 2016). Percentage wise, foreign holdings in government papers fell from 35.9% to 35.4% of the total outstanding.

Market Outlook & Strategy

The overall strategy is still to buy on dips of MGS and PDS at the same time taking some profit for the bonds that have rallied passed their fundamental values. We believe bonds still provide decent yields given that both international and domestic growth have been subdued and lackluster.