



## **Investment Linked Fund Performance Report April 2017**

### **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.

## EXECUTIVE SUMMARY

Month of April 2017 saw equity market ended on the strong note for Malaysia as the FBMKLCI Index rose to 22-month highs on the back of a stronger ringgit, recovering corporate earnings prospects and foreign funds inflow. For the month, the FBMKLCI Index rose 1.6% m-o-m or 28pts to close at 1,768pts. The broader market outperformed the FBMKLCI, with the FBM EMAS grew 2.2% m-o-m to 12,631pts.

MGS in April 2017, with the yields moved downwards by 10~30 bps on the short to the belly of curve as BNM has made an announcement on the relaxation of the bond short-selling and forex hedging regulation. Investors take it as a positive move to boost liquidity and facilitate effective forex hedging in the capital market.

Ringgit strengthened from RM4.423/USD to RM4.339/USD while Brent crude oil prices fell from USD52.8/barrel to close the month with USD51.7/barrel.

Malaysia's headline inflation rate picked up further to 5.1% YoY in March, its quickest pace in more than eight years.

Going forward, we remain positive on the equity market on the back of better economic outlook, improving earnings, strengthening of the ringgit and potential election this year. However, short term issue in the US, slowdown in China and OPEC members/non-members commitment in controlling the oil price may provide some negative sentiment in the immediate term. This should provide opportunity to accumulate on weakness for equity. Meanwhile for fixed income, the strategy is still to buy on dips of MGS and corporate bonds.

Based on the performance table below, on monthly basis, most of the funds were underperformed their benchmark indices, except for Income Fund. This was largely due to lower exposure of outperforming stocks. Better performance of the ringgit against the USD saw AsiaPac and Global Yakin funds also underperformed their benchmark indices.

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 (%)	-0.06%	0.45%	0.89%	1.14%	0.21%	1.61%	0.76%	1.61%	-0.20%	1.16%	0.77%	0.67%	0.72%	1.26%
3 Months (%)	3.69%	6.55%	3.19%	3.41%	3.29%	5.77%	4.35%	5.77%	1.98%	4.37%	1.28%	1.08%	4.22%	6.09%
6 Months (%)	11.19%	9.78%	2.24%	2.85%	3.60%	5.72%	4.23%	5.72%	7.92%	8.35%	0.54%	0.03%	4.20%	4.75%
12 Months (%)	18.76%	10.92%	5.13%	4.23%	5.24%	5.70%	5.65%	5.70%	14.25%	8.59%	4.99%	2.72%	5.57%	6.25%

Source: MCIS Insurance Berhad

# AsiaPac Fund Monthly Report (Apr 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.

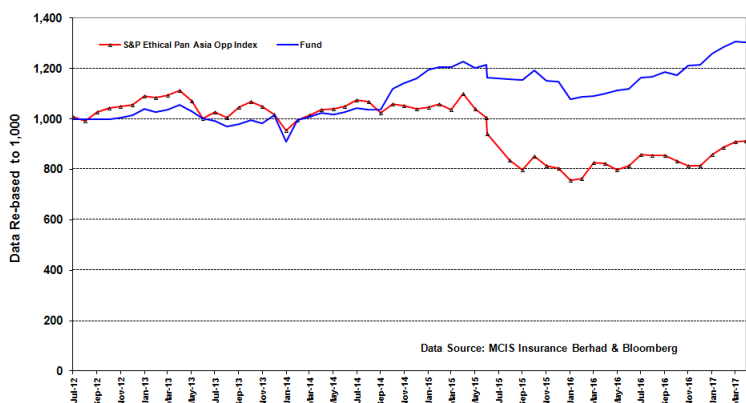
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 April 2017, the fund had underperformed the benchmark by 39bps MoM (month on month). 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 (28.4.17)	RM0.6527
Fund Size	RM29.04 million
Inception Date	15-July-2012
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad
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 (%)	-0.06%	0.45%
3 months (%)	3.69%	6.55%
6 months (%)	11.19%	9.78%
12 months (%)	18.76%	10.92%
2 years (% pa)	6.41%	-17.02%
3 years (% pa)	8.39%	-4.12%
5 years (% pa)	-	-
Since Inception	5.67%	-1.85%

**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 (Apr 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

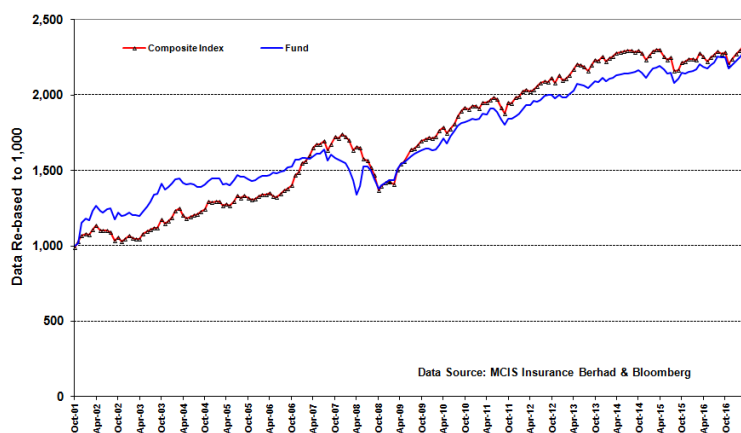
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, 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 April 2017, the fund had underperformed the benchmark by 25bps 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)
- CIMB Bank Berhad (Bond)
- Sarawak Hidro Sdn Bhd (Bond)
- Tenaga Nasional Berhad (Equity)
- Malayan Banking Berhad (Equity)
- Projek Lebuhraya Utara-Selatan (Bond)
- Public Bank Berhad (Bond)
- Telekom Malaysia Berhad (Equity)
- CIMB Bank Berhad (Equity)

### Fund Information

NAV (28.4.17)	RM1.1506
Fund Size	RM8.0 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%	43%
Fixed Income	40%	60%	45%
Cash	0%	20%	12%

### Performance Table

Period	Fund	Index*
1 month (%)	0.89%	1.14%
3 months (%)	3.19%	3.41%
6 months (%)	2.24%	2.85%
12 months (%)	5.13%	4.23%
2 years (% pa)	2.38%	1.05%
3 years (% pa)	2.55%	1.05%
5 years (% pa)	3.53%	3.01%
Since Inception	5.49%	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 (Apr 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

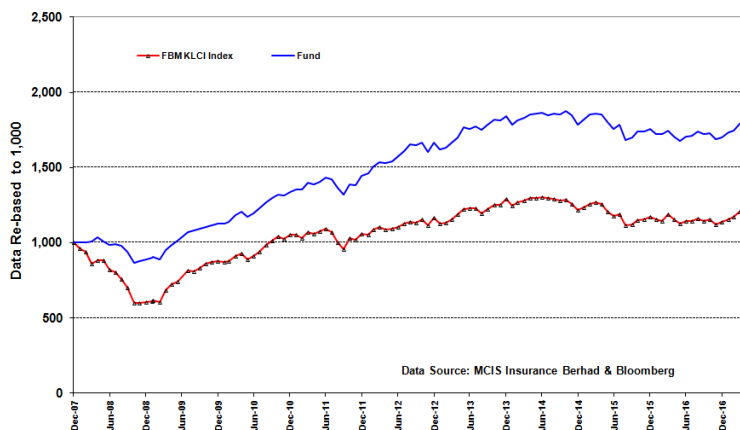
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 April 2017, the fund had underperformed the benchmark by 140bps 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

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

### Fund Information

NAV (28.4.17)	RM0.8514
Fund Size	RM37.70 million
Inception Date	21-Jan-08
Fund Management Fee	1.5% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad
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 (%)	0.21%	1.61%
3 months (%)	3.29%	5.77%
6 months (%)	3.60%	5.72%
12 months (%)	5.24%	5.70%
2 years (% pa)	-1.72%	-1.39%
3 years (% pa)	-1.09%	-1.88%
5 years (% pa)	3.20%	2.40%
Since Inception	6.45%	2.19%
Yield #	2.69%	3.11%

**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 (Apr 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

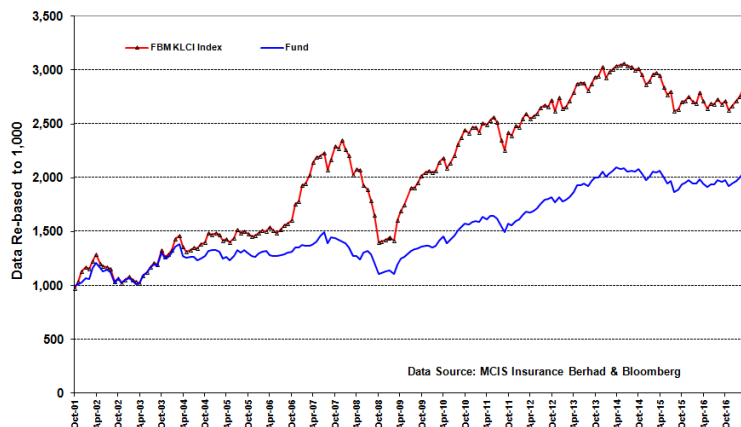
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 April 2017, the fund had underperformed the benchmark by 85bps 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  
Malayan Banking Berhad  
IOI Corporation Berhad  
Sime Darby Berhad  
Telekom Malaysia Berhad  
Petronas Chemicals Group Berhad  
Petronas Dagangan Berhad  
SapuraKencana Petroleum Berhad  
Maxis Berhad

## Fund Information

NAV (28.4.17)	RM1.0302
Fund Size	RM11.42 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%	82%
Cash	0%	20%	18%

## Performance Table

Period	Fund	Index*
1 month (%)	0.76%	1.61%
3 months (%)	4.35%	5.77%
6 months (%)	4.23%	5.72%
12 months (%)	5.65%	5.70%
2 years (% pa)	-0.03%	-1.39%
3 years (% pa)	-0.55%	-1.88%
5 years (% pa)	4.24%	2.40%
Since Inception	4.75%	7.01%
Yield #	2.61%	3.11%

**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 (Apr 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.

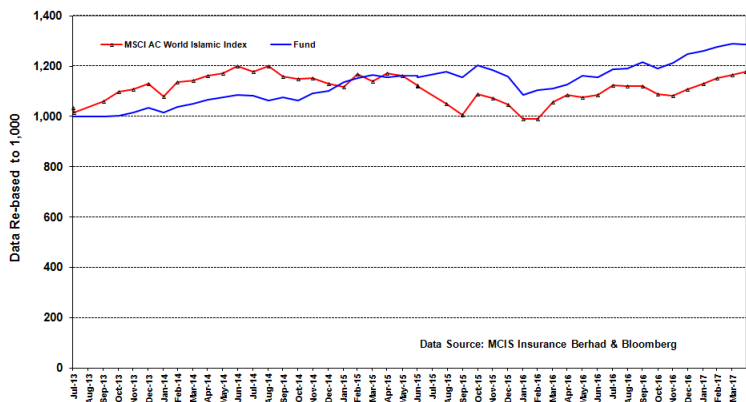
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 April 2017, the fund had underperformed the benchmark by 96bps 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 (28.4.17)	RM0.6430
Fund Size	RM29.0 million
Inception Date	8-July-2013
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

## Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
AIWEF	80%	100%	84%
Cash	0%	20%	16%

## Performance Table

Period	Fund	Index*
1 month (%)	-0.20%	1.16%
3 months (%)	1.98%	4.37%
6 months (%)	7.92%	8.35%
12 months (%)	14.25%	8.59%
2 years (% pa)	5.51%	0.28%
3 years (% pa)	6.44%	0.47%
5 years (% pa)	-	-
Since Inception	6.78%	4.37%

**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 (Apr 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.

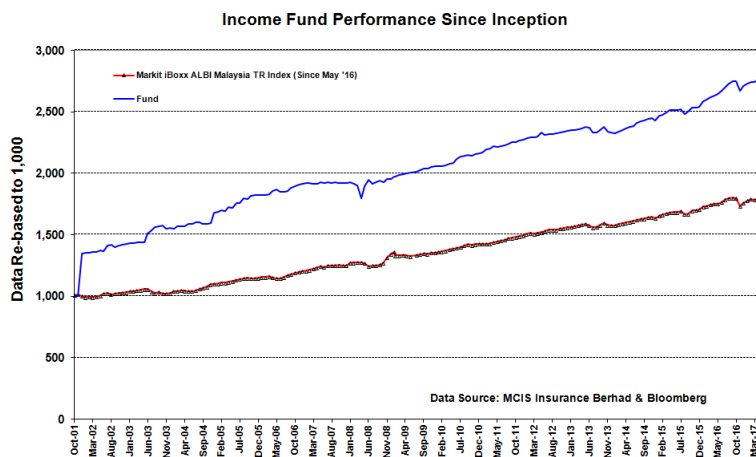
### Risks

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 April 2017, the fund had outperformed the benchmark by 10bps 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  
 YTL Corporation Berhad  
 PBFIN Berhad  
 BGSM Management Sdn Bhd  
 Sabah Credit Corporation  
 Perdana Petroleum Berhad  
 Sarawak Hidro Sdn Bhd  
 Bank Pembangunan Malaysia Berhad  
 CIMB Bank Berhad

### Fund Information

NAV (28.4.17)	RM1.3808
Fund Size	RM27.48 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%	85%
Cash	0%	25%	15%

### Performance Table

Period	Fund	Index*
1 month (%)	0.77%	0.67%
3 months (%)	1.28%	1.08%
6 months (%)	0.54%	0.03%
12 months (%)	4.99%	2.72%
2 years (% pa)	4.84%	3.40%
3 years (% pa)	5.31%	3.96%
5 years (% pa)	3.73%	3.51%
Since Inception	6.74%	3.84%

**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 (Apr 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

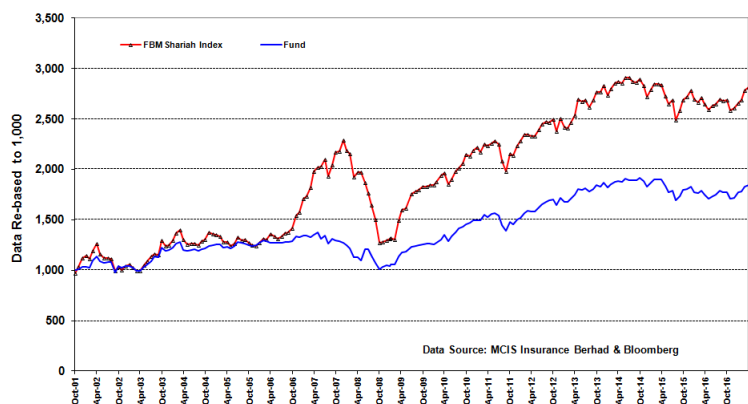
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 April 2017, the fund had underperformed the benchmark by 54bps 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

SapuraKencana Petroleum Berhad  
 Sime Darby Berhad  
 Tenaga Nasional Berhad  
 Petronas Dagangan Berhad  
 Telekom Malaysia Berhad  
 Petronas Chemicals Group Berhad  
 MISC Berhad  
 UMW Holdings Berhad  
 IHH Healthcare Berhad  
 Axiata Group Berhad

### Fund Information

NAV (28.4.17)	RM0.9219
Fund Size	RM12.46 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%	84%
Cash	0%	20%	16%

### Performance Table

Period	Fund	Index*
1 month (%)	0.72%	1.26%
3 months (%)	4.22%	6.09%
6 months (%)	4.20%	4.75%
12 months (%)	5.57%	6.25%
2 years (% pa)	-1.44%	-0.39%
3 years (% pa)	-0.70%	-0.61%
5 years (% pa)	3.16%	3.89%
Since Inception	4.00%	6.87%
Yield #	2.16%	2.50%

**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

Month of April 2017 saw equity market ended on a strong note for Malaysia as the FBMKLCI Index rose to 22-month highs on the back of a stronger ringgit, recovering corporate earnings prospects and foreign funds inflow. For the month, the FBMKLCI Index rose 1.6% m-o-m or 28pts to close at 1,768pts. The broader market outperformed the FBMKLCI, with the FBM EMAS grew 2.2% m-o-m to 12,631pts. Average daily value traded on Bursa in April fell 8% m-o-m to RM2.8bn.

On the domestic economic front, Malaysia's headline inflation rate picked up further to 5.1% YoY in March, its quickest pace in more than eight years. This was mainly on account of a surge in the cost of transportation amid higher fuel prices compared to a year ago. Meanwhile, Malaysia's forex reserves rose by USD0.4bn to reach USD95.4bn as at 31 Mar. This suggests that the outflow of foreign capital could have reversed in March.

Globally, the IMF raised its forecast for global growth to 3.5% for 2017, up 0.1 ppt from January while for 2018 remained unchanged at 3.6%. It is being fueled by buoyant financial markets and a long-awaited cyclical recovery in manufacturing and trade. However, eurozone economic confidence unexpectedly slipped to 107.9 in March from 108 in February, an indication that the region's recovery may not be as immune from political uncertainty as anticipated.

**Chart 1: FBMKLCI Weekly Chart**



Source: CIMB Research

**Chart 2: FBMKLCI Monthly Pattern and Cycle Analysis**



Source: Bloomberg

## Market Outlook & Strategy

Technically, domestic stocks ended the month with a positive tone, rising from 1,740.09 to 1,768.06. As we are entering into the month of May, the index needs to hold up well above the 1,770-1,775 territory in order to remain on its current up move. The index must not fall below 1,729 as it would suggest that a correction may be taking place.

May has traditionally been a negative month for the FBMKLCI with an average monthly return -0.9% (2010-2016). We could see a reversal of this trend in May 2017, if global markets remain buoyant, ringgit continues to strengthen and corporate earnings continue to improve in the 1Q17 results season.

Going forward, we remain positive on the equity market on the back of better economic outlook, improving earnings, strengthening of the ringgit and potential election this year. However, short term issue in the US, slowdown in China and OPEC members/non-members commitment in controlling the oil price may provide some negative sentiment in the immediate term. This should provide opportunity to accumulate on weakness.

# Fixed Income Review and Outlook

## Market Review

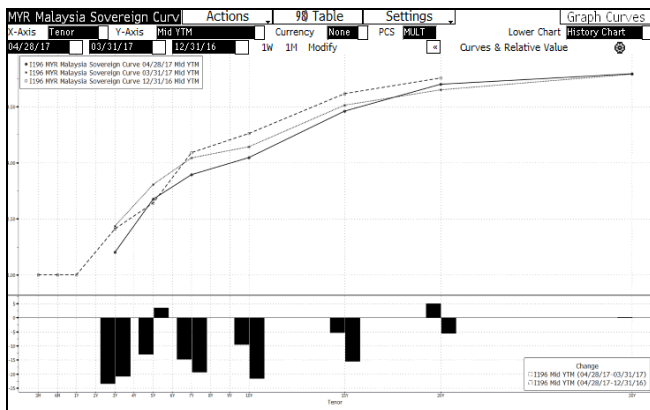
Malaysian Government Securities (MGS) in April 2017, with the yields moved downwards by 10–30 bps on the short to the belly of curve as BNM has made an announcement on the relaxation of the bond short-selling and forex hedging regulation. Investors take it as a positive move to boost liquidity and facilitate effective forex hedging in the capital market. Ringgit strengthened from RM4.423/USD to RM4.339/USD while Brent crude oil prices fell from USD52.8/barrel to close the month with USD51.7/barrel.

On economic data, Malaysia CPI in March 2017 hits 5.1% YoY. It rose at the fastest pace in more than 8 years due to low base effect last year and at the back of higher fuel price. As inflation drivers are cost-push and not demand-pull, it is unlikely to cause policy response from BNM when demand for credit in the banking system remains tepid with mediocre loan growth.

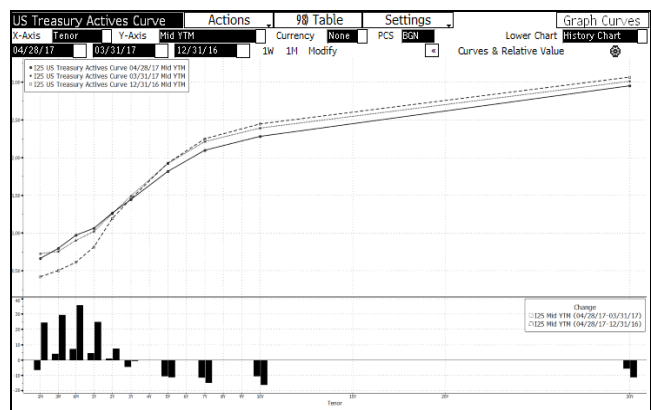
The auctions unveiled in April 2017 are as follows:

Government Auctions in April 2017				
Issue	Issue Date	Amount (RM million)	Bid-cover (times)	Avg Yield (%)
20-year New Issue of MGS (Mat on 4/37)	7-Apr-17	2,000.00	1.585	4.762
5Y-year New Issue of GII (Mat on 4/22)	14-Apr-17	4,000.00	2.773	3.948
15-year Re-Issuance of MGS (Mat on 4/33)	28-Apr-17	3,000.00	2.057	4.469

Table 1: Government Auctions in April 2017. Source: Bank Negara Malaysia



Source: Bloomberg



Source: Bloomberg

Local government debt securities are back in the foreign investors' radar as BNM relaxed the debt short selling and forex hedging regulations. With inflow of RM6.8 billion in April (March 2017: -RM26.2 billion), it is the first month with net foreign inflow since November 2016, lifting the foreign holdings of domestic debt securities to RM185 billion (March 2017: RM178.2 billion).

## Market Outlook & Strategy

In view of the current investment climate, the overall strategy for the fixed income market is still to buy on dips of MGS and corporate bonds. We will be diligent in taking some profit for the bonds that have rallied passed their fundamental values from time to time to ensure resilience in realizing income. Although the external risk factors such as higher Fed rates expectation, Brexit and fluctuation in crude oil prices may cause volatility in local bond market, we believe bonds still provide attractive yields given stable monetary stance from BNM and strong fundamental in local market.