



Investment Linked Fund Performance Report July 2016

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EXECUTIVE SUMMARY

For the month of July 2016, equity market were almost unchanged on the back of unfavorable domestic issue and lack of interest from the foreign funds flow into the Bursa Malaysia. Meanwhile, on the fixed income segment, Malaysia sovereign bonds recorded a strong rally on the back of Bank negara's decision to ease Overnight Policy Rate (OPR) by 25bps to 3.00% on 13 July 2016 and the decision by the US Federal Open market Policy (FOMC) to maintain Federal Funds Rate.

Interest into ringgit sovereign bonds saw foreign holdings of MGS rose higher to 49.8% in July from 48.7% in June 2016.

On the commodity front, crude oil price (Brent) weakened to USD43.53/barrel from USD50.16/barrel in June. Meanwhile, ringgit weakened from RM4.0288/USD in June to RM4.0660/USD in July 2016.

Economic data released was not supportive as export contracted for 21 straight months in USD terms and inflation slowed to 1.6% year on year.

Going forward, we expect equity market to remain cautious on the back of slower economic growth and less favourable earnings outlook. Meanwhile, interest on the fixed income will remain positive due to its attractive yields.

Based on the performance table below, on monthly basis most of domestic funds have managed to outperformed their banchmark indices.

Funds with exposure abroad namely AsiaPac and Global Yakin underperformed their benchmarks due to less favourable performance on the global markets. However, weakening of the ringgit had slightly cushioned the drop due to better translation gain.

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 volatility 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 (%)	4.06%	5.22%	0.89%	0.62%	0.33%	-0.05%	0.04%	-0.05%	2.63%	3.55%	1.09%	1.29%	0.91%	0.79%
3 Months (%)	5.86%	4.11%	1.24%	0.48%	0.38%	-1.16%	-0.48%	-1.16%	5.42%	3.48%	2.67%	2.13%	0.03%	-0.08%
6 Months (%)	8.08%	13.52%	2.64%	1.25%	-0.90%	-0.87%	-0.48%	-0.87%	9.20%	13.34%	4.53%	3.35%	-1.53%	-1.79%
12 Months (%)	0.00%	-8.95%	3.09%	0.75%	-4.32%	-4.06%	-1.41%	-4.06%	2.79%	0.18%	7.15%	5.62%	-2.38%	-1.41%

Source: MCIS Insurance Berhad

AsiaPac Fund Monthly Report (July 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.

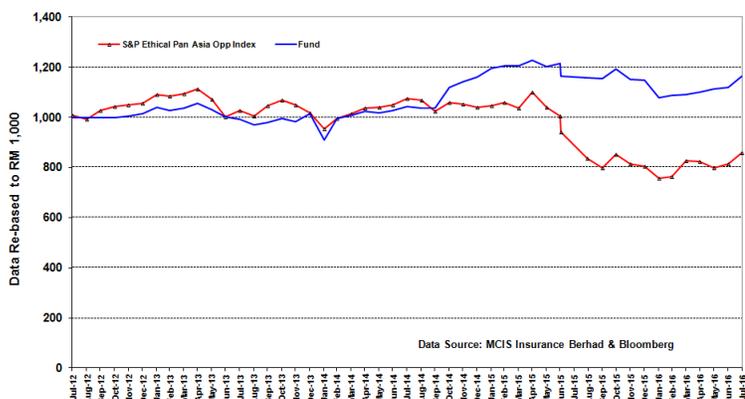
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 July 2016, the fund had underperformed the benchmark by 116bps 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 (31.7.16)	RM0.5818
Fund Size	RM25.3 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%	83%
Cash	0%	20%	17%

Performance Table

Period	Fund	Index*
1 month (%)	4.06%	5.22%
3 months (%)	5.86%	4.11%
6 months (%)	8.08%	13.52%
12 months (%)	0.00%	-8.95%
2 years (% pa)	11.39%	-20.21%
3 years (% pa)	5.41%	-5.80%
5 years (% pa)	-	-
Since Inception	3.78%	-3.69%

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 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

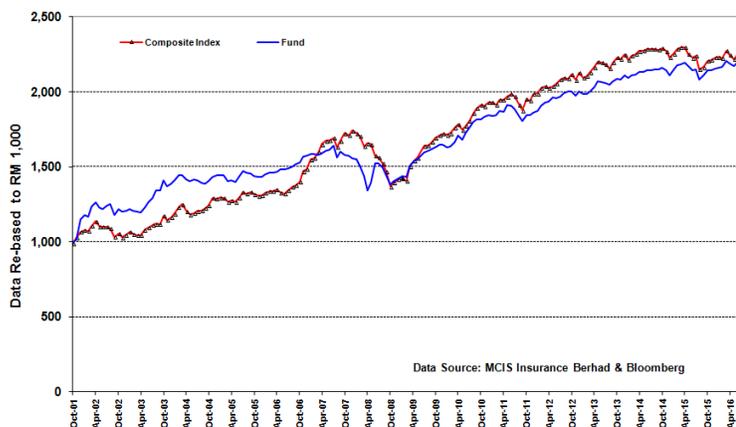
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, 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 July 2016, the fund had outperformed the benchmark by 27bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming securities in the portfolio compared to benchmark.

Balanced Fund Performance Since Inception



Top Ten Holdings

- Malaysian Government Securities (Bond)
- Projek Lebuhraya Utara-Selatan (Bond)
- Sabah Credit Corporation (Bond)
- Tenaga Nasional Berhad (Equity)
- Malayan Banking Berhad (Equity)
- Telekom Malaysia Berhad (Equity)
- Maxis Berhad (Equity)
- CIMB Bank Berhad (Equity)
- Amanahraya Real Estate Investment Trust (Equity)
- Sime Darby Berhad (Equity)

Fund Information

NAV (31.7.16)	RM1.1081
Fund Size	RM7.6 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%	31%
Cash	0%	20%	25%

Performance Table

Period	Fund	Index*
1 month (%)	0.89%	0.62%
3 months (%)	1.24%	0.48%
6 months (%)	2.64%	1.25%
12 months (%)	3.09%	0.75%
2 years (% pa)	1.70%	-0.62%
3 years (% pa)	2.43%	1.16%
5 years (% pa)	3.27%	2.82
Since Inception	5.51%	5.67

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 (July 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

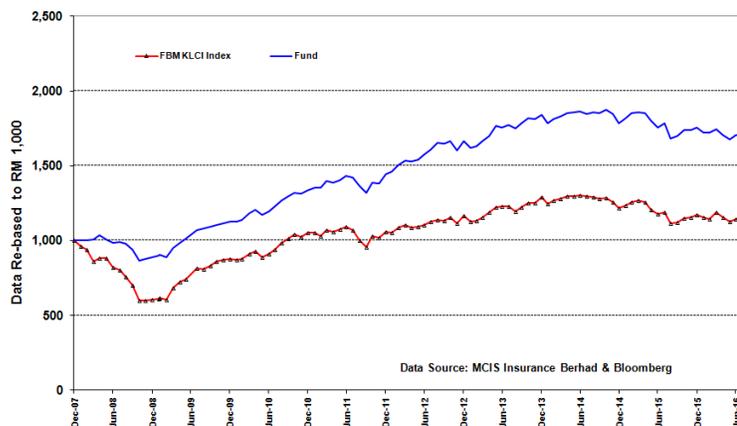
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 July 2016, the fund had outperformed the benchmark by 38bps 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

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

Fund Information

NAV (31.7.16)	RM0.8121
Fund Size	RM40.9 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%	84%
Cash	0%	20%	16%

Performance Table

Period	Fund	Index*
1 month (%)	0.33%	-0.05%
3 months (%)	0.38%	-1.16%
6 months (%)	-0.90%	-0.87%
12 months (%)	-4.32%	-4.06%
2 years (% pa)	-3.86%	-6.01%
3 years (% pa)	-1.19%	-2.30%
5 years (% pa)	3.71%	1.31%
Since Inception	6.45%	1.58%
Yield #	2.70%	3.08%

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 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

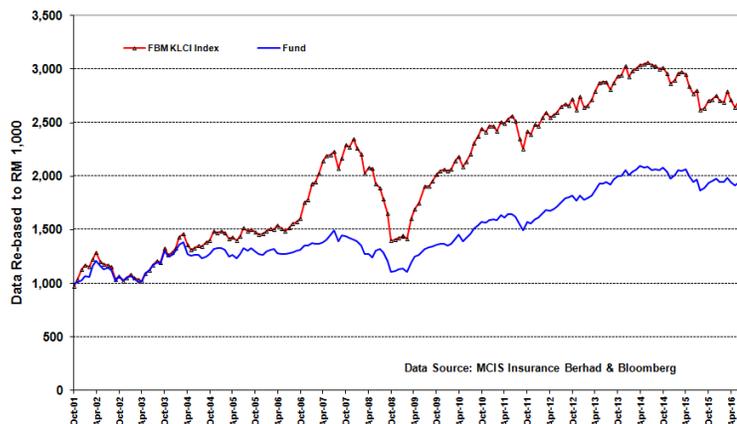
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 July 2016, the fund had outperformed the benchmark by 9bps 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
Telekom Malaysia Berhad
Sime Darby Berhad
Petronas Dagangan Berhad
Petronas Chemicals Group Berhad
Axiata Group Berhad
Maxis Berhad

Fund Information

NAV (31.7.16)	RM0.9704
Fund Size	RM8.9 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%	87%
Cash	0%	20%	13%

Performance Table

Period	Fund	Index*
1 month (%)	0.04%	-0.05%
3 months (%)	-0.48%	-1.16%
6 months (%)	-0.48%	-0.87%
12 months (%)	-1.41%	-4.06%
2 years (% pa)	-2.94%	-6.01%
3 years (% pa)	-0.13%	-2.30%
5 years (% pa)	3.62%	1.31%
Since Inception	4.57%	6.89%
Yield #	2.77%	3.08%

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 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.

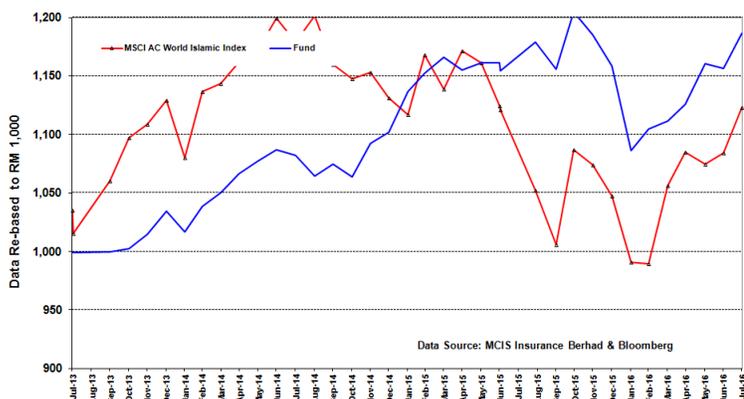
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 July 2016, the fund had underperformed the benchmark by 92bps MoM (month on month). The underperformance was mainly due to underperforming of the underlying securities compared to the benchmark index. However for since inception period, the fund had outperformed the benchmark.

Global Yakin Fund Performance Since Inception



Top Ten Holdings

Aberdeen Islamic World Equity Fund (AIWEF)

Fund Information

NAV (31.7.16)	RM0.5933
Fund Size	RM24.4 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%	90%
Cash	0%	20%	10%

Performance Table

Period	Fund	Index*
1 month (%)	2.63%	3.55%
3 months (%)	5.42%	3.48%
6 months (%)	9.20%	13.34%
12 months (%)	2.79%	0.18%
2 years (% pa)	4.71%	-2.42%
3 years (% pa)	5.89%	2.74%
5 years (% pa)	-	-
Since Inception	5.71%	3.83%

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 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

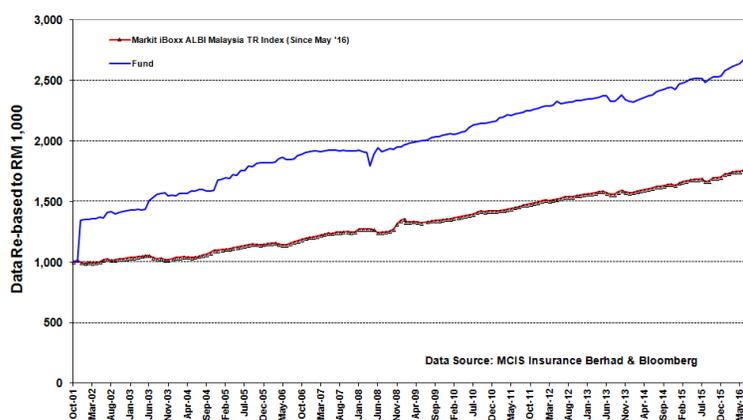
The Fund is considered lower risk given the exposure to cash and fixed income securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, 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 July 2016, the fund had underperformed the benchmark by 20bps MoM (month on month). The underperformance was due to underperforming of the fixed income securities compared to the benchmark index. However for since inception period, the fund had outperformed the benchmark.

Income Fund Performance Since Inception



Top Ten Holdings

Malaysian Government Securities
Projek Lebuhraya Utara-Selatan Berhad
Government Investment Issue
PBFIN Berhad
Sarawak Energy Berhad
Sabah Credit Corporation
Perdana Petroleum Berhad
Danga Capital Berhad
CIMB Bank Berhad

Fund Information

NAV (31.7.16)	RM1.3503
Fund Size	RM25.6 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%	71%
Cash	0%	25%	29%

Performance Table

Period	Fund	Index*
1 month (%)	1.09%	1.29%
3 months (%)	2.67%	2.13%
6 months (%)	4.53%	3.35%
12 months (%)	7.15%	5.62%
2 years (% pa)	5.87%	4.93%
3 years (% pa)	5.02%	4.62%
5 years (% pa)	3.91%	4.14%
Since Inception	6.93%	3.99%

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 (July 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

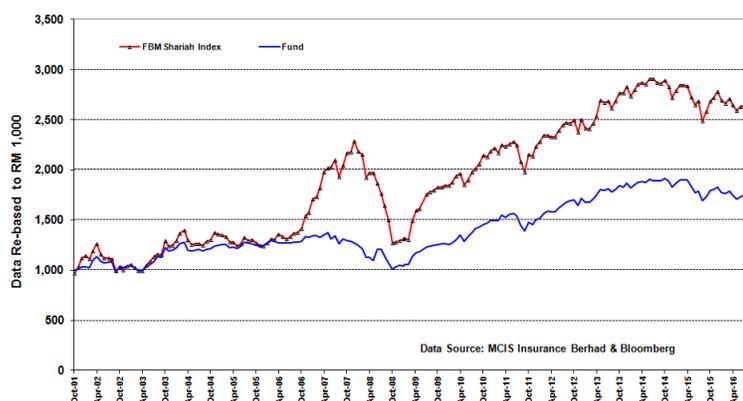
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 July 2016, the fund had outperformed the benchmark by 12bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming 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
 Telekom Malaysia Berhad
 Axiata Group Berhad
 Petronas Dagangan Berhad
 MISC Berhad
 SapuraKencana Petroleum Berhad
 IHH Healthcare Berhad
 MyETF Dow Jones Islamic Market Titan 25

Fund Information

NAV (31.7.16)	RM0.8736
Fund Size	RM11.5 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%	82%
Cash	0%	20%	18%

Performance Table

Period	Fund	Index*
1 month (%)	0.91%	0.79%
3 months (%)	0.03%	-0.08%
6 months (%)	-1.53%	-1.79%
12 months (%)	-2.38%	-1.41%
2 years (% pa)	-3.99%	-4.53%
3 years (% pa)	-1.16%	-0.47%
5 years (% pa)	2.56%	3.29%
Since Inception	3.83%	6.79%
Yield #	2.19%	2.67%

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

The local bourse did not enjoy the rally experienced in the regional equity markets in July. The FBM KLCI only closed 1 point lower m-o-m at 1,653 points as market sentiment got hit by news related to 1MDB from the US authorities. The broader market outperformed the KLCI, with the FBM EMAS gaining 0.5% m-o-m to 11,585 points. Average daily value traded on Bursa in Jun declined 16% m-o-m to RM1.8bn, which was 11% below the YTD average value.

On the domestic economic front, exports bounced back into gain 3.4% y-o-y in June (-0.9% in May and +1.6% in April). Measured in USD terms, exports contracted for the 21 straight months but at a smaller margin. As a whole, global trade activity continued to remain sluggish as evidenced by the global merchandise trade contracting for the 20 consecutive months since October 2014, although the magnitude of decline appeared to be receding in May. The weak global economic outlook and increasing uncertainty suggest Malaysia's exports will likely remain sluggish in 2H 2016.

Globally, China's export growth stayed at low levels in Jul 2016 to -4.4% y-o-y (-4.8% in Jun) and import growth further deteriorated to -12.5% y-o-y in Jul 2016 (-8.4% in Jun). The trade surplus was enlarged to USD52.3bn in Jul 2016. China's export and import growth surprised the market, indicating both domestic and overseas demand recovery remained sluggish. Meanwhile, the US unemployment rate remained stable at 4.9% of the total labour force in July, unchanged from June, as Americans employers were optimistic on the nation's economic prospects to hire an unexpectedly large number of workers during the month.

Chart 1: FBMKLCI Daily Chart



Source: Bloomberg

Chart 2: FBMKLCI Monthly Pattern and Cycle Analysis



Source: Bloomberg

Market Outlook & Strategy

The local market may likely turn choppy and volatile ahead of the Euro, Japan and England's central banks meetings while the overall sentiment is still jittery on expectations of another lacklustre August reporting season. We expect the run in Asia's equity markets to continue in August and this positive sentiment should soon spill over to the local bourse. However, we expect the smallcaps to outperform, particularly politically linked stocks as the market pre-election rally continues. KLCI should test the 1,750-1,800 levels in August.

We retain our cautious stance on equity markets given that we are already in a matured stage of the global growth cycle, with rising risks arising from possible policy missteps. However, the current global growth cycle can be prolonged by continued stimulus by global policymakers. Beyond this, we remain gravely concerned on the ability of policymakers in the major world economies to hold up growth given diminishing policy ammunition. We will continue to remain selective in accumulating stocks into our portfolio with limited downside. Furthermore, announcement of corporate results in August may provide some direction given the slower earnings growth seen over the last few quarters and the impact of potential slower economic growth for the next 6 to 12 months.

Fixed Income Review and Outlook

Market Review

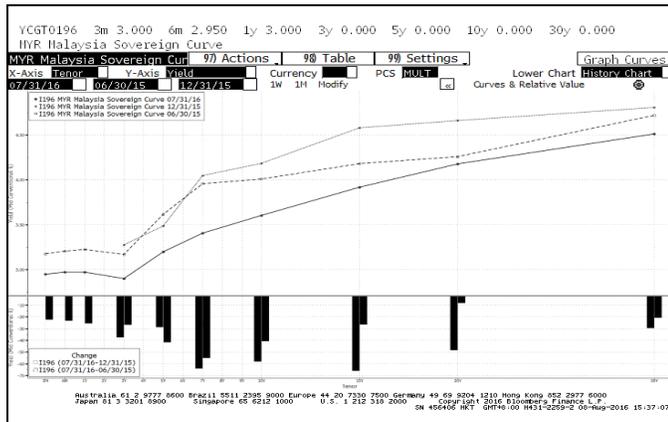
Malaysian sovereign bonds recorded a strong rally in the month of July, driven by Bank Negara Malaysia (BNM)'s easing the Overnight Policy Rate (OPR) and the decision by the US Federal Open Market Committee (FOMC) to maintain the Federal Funds Rate. BNM surprisingly lowered the Overnight Policy Rate (OPR) by 25bps to 3.00% on 13 July 2016, causing a knee-jerk rally in Ringgit bonds. Gains, however, retraced lower after the central bank governor Datuk Muhammad Ibrahim's mention of no plans for further rate cuts in 2016, in addition to explaining that the July rate cut was more of a pre-emptive move. On 27 July 2016, the US Federal Reserve (the Fed) has decided to not to raise interest rate, maintaining their ultra-low level they have been at since December 2015. While Ringgit govies were pricing in for no further OPR easing for 2016, it has instead garnered demand when the US Federal Reserve maintained its accommodative stance and reiterated its gradual tightening path.

Meanwhile, declining crude oil prices and a weaker Ringgit, in conjunction with profit taking pressure also weighed on Ringgit bonds. Brent crude oil was at \$42.46 per barrel while USD/MYR was at 4.0300 at month end. The June 2016 Consumer Price Index (CPI) was +1.6% Year-on-Year (Y-o-Y) and was the lowest since March 2015 (versus consensus of +1.8%), dragged by lower prices in the transportation sector.

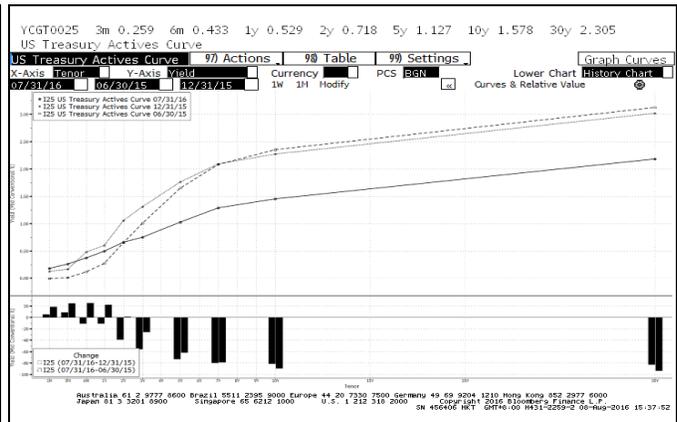
The auctions unveiled in July 2016 are as follows:

Government Auctions in July 2016				
Issue	Issue Date	Amount (RM million)	Bid-cover (times)	Avg Yield (%)
15-year Re-opening of MGS (Mat on 06/31)	15-Jul-16	2,500	2.222	3.856
5-year Re-opening of MGII (Mat on 08/21)	22-Jul-16	3,500	2.454	3.401

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



Source: Bloomberg



Source: Bloomberg

Foreign ownership in Ringgit sovereign bonds saw further increase in the month of June 2016 (amid consecutive foreign inflows since October 2015). Foreign holdings in outstanding MGS edged higher from 48.7% to 49.8%, whilst overall govies (MGS plus GII) increased from 33.4% to 34.2% of the total outstanding value. Notably, foreign holdings in GII rose steadily from RM10.2 billion in October 2015 to RM21.8 billion as at end of June. While we await data to be released at this juncture, we believe that foreign players showed net demand for Ringgit bonds in July, because of ultra-low interest rates in the advanced economies and continuous slack in growth in these countries.

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. The unexpected rate cut confirms that there are concerns of a slowdown in Malaysia. The new Governor, Datuk Muhammad Ibrahim, whom chaired the Monetary Policy Committee (MPC) meeting, justified the rate cut as a pre-emptive measure in case the Malaysian economy slows down as result of internal and external conditions.