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# Investment Link Fund Performance Report January 2022

## **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

The FBMKLCI Index closed the month of January 2022 at 1,512.27 points with negative MTD performance by -3.5%. The losses were due to concerns over rising operating costs, rising global interest rates, policy uncertainties, ESG and political risks in the country. There were also slight concerns over the rising new COVID-19 cases.

Malaysia Government Securities (“MGS”) yields were seen rising across the curve, reflecting the market concern on rising global inflation and hawkish monetary stance from the world major economies. Given the OPEC+ production was consistently below target output, the oil price surged to USD91.21/barrel in Jan’22 (Dec’21: USD77.78/barrel), a figure last seen in 7-years ago. Meantime, ringgit weakened to RM4.190/USD as compared to RM4.166/USD a month earlier.

On the local economic data, inflation eased slightly to +3.2% YoY in Dec’21, mainly attributable to the higher price of food and non-alcoholic beverages and transport cost. Food and non-alcoholic beverages rose by +3.2%YoY, driven by the supply disruptions arising from heavy rains and floods in the country. Transport on the other hand eased slightly to +9.5% YoY due to the diminishing base effect.

For equity market, in the short term, we expect the market to continue trading sideways before taking opportunity on CNY rally in early February. For the longer run, we believe the local equity market will improve supported by better domestic activities locally, especially in the second half of the year.

For fixed income, BNM is anticipated to tune monetary stance to slight hawkish in 2022 when the COVID-19 pandemic is nearing to the end. The external risk factors such as trade war between US and China and the fluctuation in crude oil prices will continue to weigh on the local market, but we believe corporate bond space still provides attractive yields. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.

Based on table below, on monthly basis, most of the funds managed to outperformed the respective benchmarks, except for Dividend Fund and Global Yakin Fund.

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		Titan Fund	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Monthly (%)	0.73%	0.48%	-1.60%	-1.99%	-3.78%	-3.53%	-3.46%	-3.53%	-11.09%	-3.95%	-0.09%	-0.45%	-4.83%	-5.66%	2.35%	-6.44%
3 Months (%)	1.41%	0.63%	-1.19%	-1.19%	-3.89%	-3.20%	-4.10%	-3.20%	-10.15%	-1.52%	1.19%	0.78%	-5.55%	-8.12%	9.61%	-2.27%
6 Months (%)	-4.78%	-5.70%	1.57%	0.42%	2.66%	1.18%	2.45%	1.18%	-8.86%	0.22%	0.45%	-0.59%	0.25%	-3.98%	12.17%	3.89%
12 Months (%)	-0.53%	-6.92%	0.86%	-2.41%	1.90%	-3.46%	1.84%	-3.46%	6.57%	10.92%	0.24%	-1.69%	-2.21%	-10.11%	33.05%	23.97%

Source: MCIS Insurance Berhad

# AsiaPac Fund Monthly Report (January 2022)

## 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 Principal S&P Asia Pacific Ethical Dividend Exchange Traded Fund (ETF), managed by Principal Asset Management Berhad 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.

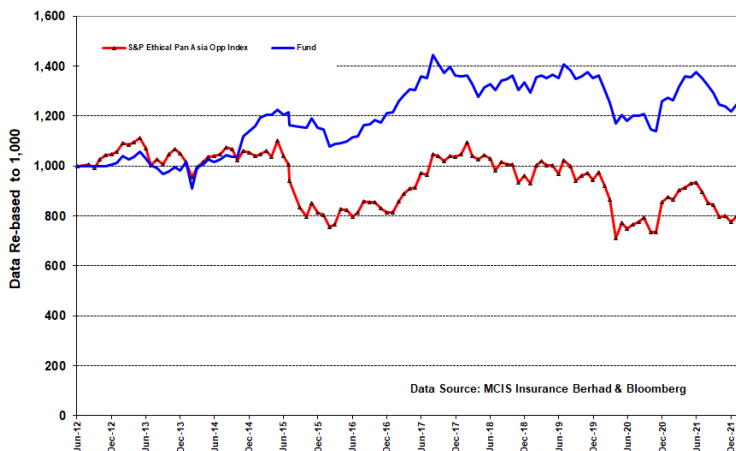
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 January 2022, the fund had outperformed the benchmark by 25bps MoM (month-on-month). The fund had outperformed the benchmark since inception.

AsiaPac Fund Performance Since Inception



## Top Ten Holdings

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

## Fund Information

NAV (31.01.22)	RM0.6287
Fund Size	RM65.68 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 (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

## Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
ETF	80%	100%	93%
Cash	0%	20%	7%

## Performance Table

Period	Fund	Index*
1 month (%)	0.73%	0.48%
3 months (%)	1.41%	0.63%
6 months (%)	-4.78%	-5.70%
12 months (%)	-0.53%	-6.92%
2 years (% pa)	-1.84%	-6.52%
3 years (% pa)	-2.51%	-7.08%
5 years (% pa)	-0.02%	-1.27%
Since Inception (% pa)	2.42%	-2.24%

**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 Life 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.

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 (January 2022)

## 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

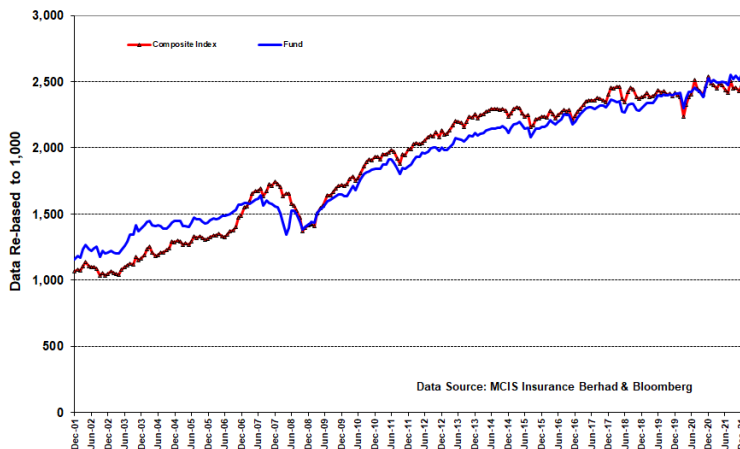
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, 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 January 2022, the fund had outperformed the benchmark by 39bps 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

- MCIS Life Income Fund (Unit Trust)
- Sabah Development Bank Berhad (Bond)
- Telekosang Hydro One Sdn Bhd (Bond)
- CIMB Bank Berhad (Equity)
- Malayan Banking Berhad (Equity)
- Edra Solar Sdn Bhd (Bond)
- Malayan Banking Berhad (Bond)
- Projek Lebuhraya Utara-Selatan (Bond)
- Northern Gateway Infrastructure Sdn Bhd (Bond)
- Malaysia Building Society Berhad (Bond)

## Fund Information

NAV (31.01.22)	RM1.2560
Fund Size	RM8.65 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 (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

## Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	40%	60%	46%
Fixed Income	40%	60%	46%
Cash	0%	20%	8%

## Performance Table

Period	Fund	Index*
1 month (%)	-1.60%	-1.99%
3 months (%)	-1.19%	-1.19%
6 months (%)	1.57%	0.42%
12 months (%)	0.86%	-2.41%
2 years (% pa)	2.13%	0.63%
3 years (% pa)	2.74%	0.55%
5 years (% pa)	2.41%	1.34%
Since Inception (% pa)	4.63%	4.46%

**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 Life 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 Market iBoxx ALBI Malaysia TR Index (Since June '16). 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 Market Indices.

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 (January 2022)

## 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

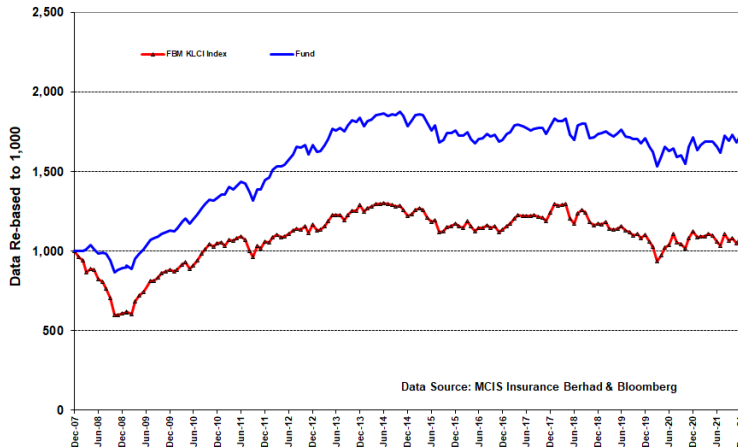
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 January 2022, 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.

Dividend Fund Performance Since Inception



## Top Ten Holdings

Public Bank Berhad  
Malayan Banking Berhad  
Petronas Gas Berhad  
Petronas Chemicals Group Berhad  
CIMB Bank Berhad  
Maxis Berhad  
Tenaga Nasional Berhad  
DiGi.Com Berhad  
Axiata Group Berhad  
IOI Corporation Berhad

## Fund Information

NAV (31.01.22)	RM0.7897
Fund Size	RM28.95 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 (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

## Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	96%
Cash	0%	20%	4%

## Performance Table

Period	Fund	Index*
1 month (%)	-3.78%	-3.53%
3 months (%)	-3.89%	-3.20%
6 months (%)	2.66%	1.18%
12 months (%)	1.90%	-3.46%
2 years (% pa)	0.25%	-0.62%
3 years (% pa)	-1.51%	-3.51%
5 years (% pa)	-0.85%	-1.98%
Since Inception (% pa)	3.68%	0.32%
Yield #	4.01%	4.60%

**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 Life 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 Life.

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 (January 2022)

## 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

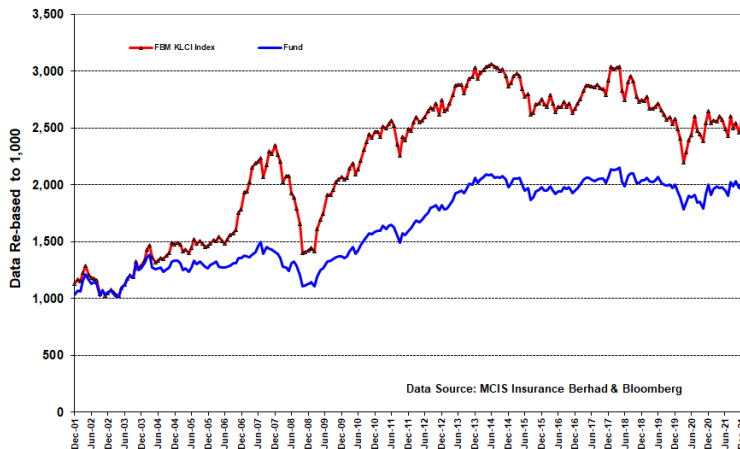
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 January 2022, the fund had outperformed the benchmark by 6bps MoM (month-on-month). The outperformance was mainly driven by higher exposure of outperforming securities in the portfolio compared to benchmark.

Equity Fund Performance Since Inception



## Top Ten Holdings

Malayan Banking Berhad  
CIMB Bank Berhad  
Public Bank Berhad  
Tenaga Nasional Berhad  
IOI Corporation Berhad  
Petronas Chemicals Group Berhad  
Maxis Berhad  
Sime Darby Plantation Berhad  
DiGi.Com Berhad  
Telekom Malaysia Berhad

## Fund Information

NAV (31.01.22)	RM0.9738
Fund Size	RM9.7 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 (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

## Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	94%
Cash	0%	20%	6%

## Performance Table

Period	Fund	Index*
1 month (%)	-3.46%	-3.53%
3 months (%)	-4.10%	-3.20%
6 months (%)	2.45%	1.18%
12 months (%)	1.84%	-3.46%
2 years (% pa)	0.09%	-0.62%
3 years (% pa)	-1.54%	-3.51%
5 years (% pa)	-0.28%	-1.98%
Since Inception (% pa)	3.33%	4.52%
Yield #	3.94%	4.60%

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

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\* Index is FBM KLCI sourced from Bloomberg.

# Yield data is sourced from Bloomberg, and MCIS Life.

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 (January 2022)

### 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 Standard Islamic World Equity Fund (ASWIEF) which managed by abrdn Islamic Malaysia Sdn Bhd (formerly known as Aberdeen Standard Investments (Malaysia) 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.

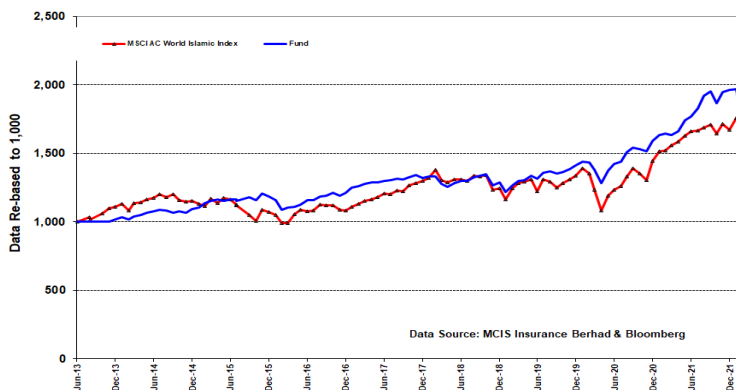
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 January 2022, the fund had underperformed the benchmark by 714bps 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 Standard Islamic World Equity Fund (ASWIEF)

### Fund Information

NAV (31.01.22)	RM0.8749
Fund Size	RM105.08 million
Inception Date	8-July-2013
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major New newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
ASWIEF	80%	100%	96%
Cash	0%	20%	4%

### Performance Table

Period	Fund	Index*
1 month (%)	-11.09%	-3.95%
3 months (%)	-10.15%	-1.52%
6 months (%)	-8.86%	0.22%
12 months (%)	6.57%	10.92%
2 years (% pa)	10.53%	11.82%
3 years (% pa)	11.42%	10.64%
5 years (% pa)	6.77%	10.59%
Since Inception (% pa)	6.74%	6.30%

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

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\* Index is MSCI AC World Islamic sourced from Bloomberg.

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 (January 2022)

### 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 Markit iBoxx ALBI Malaysia TR 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.

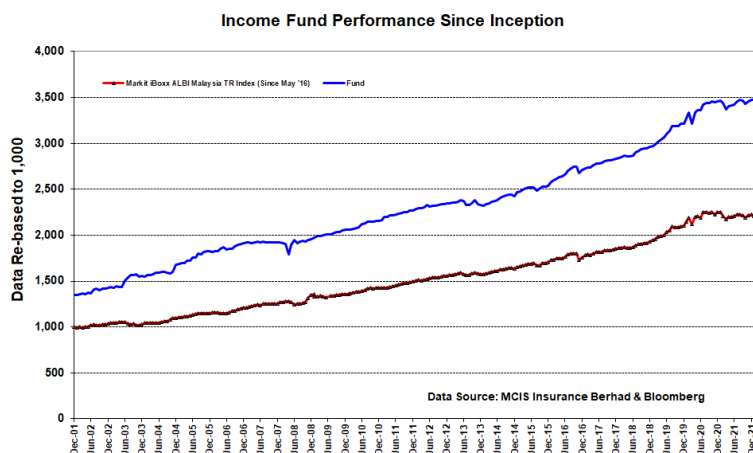
### Risks

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 January 2022, the fund had outperformed the benchmark by 36bps 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  
 Leader Energy Sdn Berhad  
 Cello Capital Berhad  
 Telekomang Hydro One Sdn Bhd  
 Edra Solar Sdn Bhd  
 Sabah Development Bank Berhad  
 UiTM Solar Power Sdn Berhad  
 Swirl Assets Berhad  
 Malayan Banking Berhad  
 SAJ Capital Sdn Bhd

### Fund Information

NAV (31.01.22)	RM1.7369
Fund Size	RM44.51 million
Inception Date	15-Oct-01
Fund Management Fee	0.5% p.a.
Pricing	Daily
Price Quote	Major New paper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Fixed Income	75%	100%	93%
Cash	0%	25%	7%

### Performance Table

Period	Fund	Index*
1 month (%)	-0.09%	-0.45%
3 months (%)	1.19%	0.78%
6 months (%)	0.45%	-0.59%
12 months (%)	0.24%	-1.69%
2 years (% pa)	2.94%	1.45%
3 years (% pa)	5.33%	4.40%
5 years (% pa)	4.96%	4.45%
Since Inception (% pa)	6.32%	3.98%

**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 Life 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 June '16). 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.

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 (January 2022)

### 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

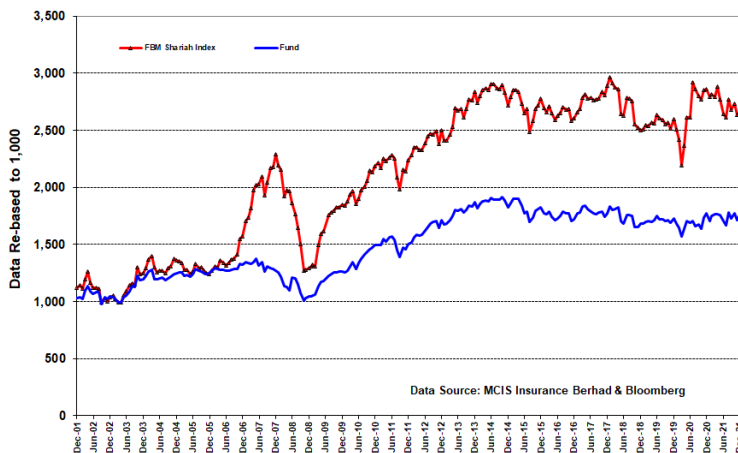
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 January 2022, the fund had outperformed the benchmark by 83bps MoM (month-on-month). The outperformance was mainly driven by higher exposure of outperforming securities in the portfolio compared to benchmark.

Jati Fund Performance Since Inception



### Top Ten Holdings

Petronas Gas Berhad  
 Axiata Group Berhad  
 Sime Darby Plantation Berhad  
 Tenaga Nasional Berhad  
 Telekom Malaysia Berhad  
 Maxis Berhad  
 IOI Corporation Berhad  
 Dialog Group Berhad  
 MISC Berhad  
 Sime Darby Berhad

### Fund Information

NAV (31.01.22)	RM0.8356
Fund Size	RM19.25 million
Inception Date	15-Oct-01
Fund Management Fee	1.35% 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 (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	93%
Cash	0%	20%	7%

### Performance Table

Period	Fund	Index*
1 month (%)	-4.83%	-5.66%
3 months (%)	-5.55%	-8.12%
6 months (%)	0.25%	-3.98%
12 months (%)	-2.21%	-10.11%
2 years (% pa)	-0.37%	0.07%
3 years (% pa)	-0.21%	0.05%
5 years (% pa)	-1.13%	-1.10%
Since Inception (% pa)	2.56%	4.63%
Yield #	3.35%	3.98%

**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 Life 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 Life.

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.

# Titan Fund

## Monthly Report (January 2022)

### Investment Objective

The Fund invests in MyETF Dow Jones U.S. Titans 50 ("MyETF-US50") which aims to provide investment results that closely correspond to the performance of the Dow Jones Islamic Market U.S. Titans 50 Index.

### Investment Strategy

MyETFDJ50 is managed by i-VCAP Management Sdn Bhd and it invests into 50 largest Shariah compliant companies listed in the U.S. MyETFDJ50 is a passively managed fund.

### 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.

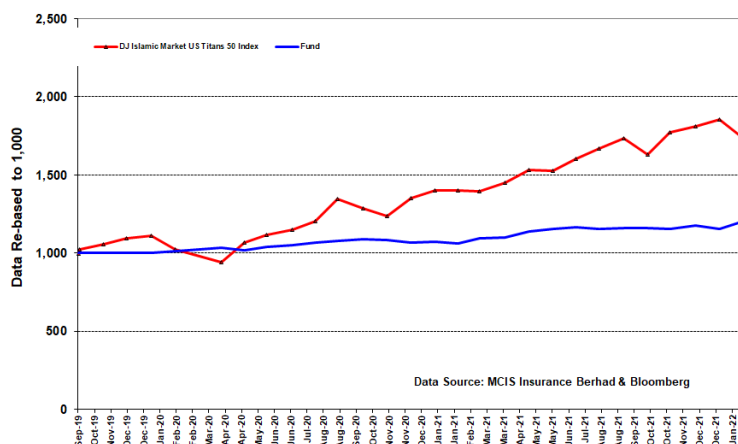
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

The Fund is suitable for investors who are seeking for diversification and investment opportunities in Shariah-compliant equities in the U.S. market and seeking liquid financial instruments with an index tracking feature.

### Fund Performance

For the month ended January 2022, the fund had outperformed the benchmark by 879bps MoM (month-on-month).

Titan Fund Performance Since Inception



### Fund Information

NAV (31.01.22)	RM0.7746
Fund Size	RM113.22 million
Inception Date	17-Sept-2019
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 (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
MyETFDJ50	80%	100%	93%
Cash	0%	20%	7%

### Performance Table

Period	Fund	Index*
1 month (%)	2.35%	-6.44%
3 months (%)	9.61%	-2.27%
6 months (%)	12.17%	3.89%
12 months (%)	33.05%	23.97%
2 years (% pa)	21.50%	24.90%
3 years (% pa)	n/a	n/a
5 years (% pa)	n/a	n/a
Since Inception (% pa)	19.86%	25.58%

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

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\* Index Dow Jones Islamic Market U.S. Titans50 Index sourced from Bloomberg.

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.

### Top Ten Holdings

MyETF Dow Jones U.S. Titans 50 (MyETF-US50)

# Equity Market Review and Outlook

## Market Review

The FBMKLCI Index closed the month of January 2022 at 1,512.27 points with negative MTD performance by -3.5%. The losses were due to concerns over rising operating costs, rising global interest rates, policy uncertainties, ESG and political risks in the country. There were also slight concerns over the rising new COVID-19 cases. The average daily trading volumes rose 13% MoM to 3.34bil units in January, while average daily trading value improved 3% MoM to RM2.1bil.

During the month, foreign investors turned the largest net buyers of RM332mil of equities from largest net sellers of RM1.14bil of equities in December 2021. This lowered the cumulative net foreign outflows since 2010 to RM34.6bil. Local institutional investors turned the largest net sellers of RM663mil worth of equities to be compared with net buyers of RM958mil of equities in December. Meanwhile, local retailers' net buying fell to RM87mil (from RM316mil in Dec 2021), making them the third-largest net buyers.

Globally, it was a negative month in January 2022 as the investors had already been eyeing expected rate hike in March. There was also concern on the escalating tensions between the US and Russia over Ukraine that might putting markets in reverse. In the US, Dow Jones Industrial index weakened by 3.3% MoM and the broader S&P 500 index closed lower by 5.3% MoM. It was also the same momentum in Europe, where Bloomberg European 500 index closed 3.2% MoM lower. In Asia, the performance was mixed with negative bias and the MSCI Asia APEX50 ex-Japan closed 2.0% MoM lower during the month.

**Chart 1: FBMKLCI Weekly Chart**



Source: MCIS/Bloomberg

**Chart 2: FBMKLCI Monthly Chart**



Source: MCIS/Bloomberg

## Market Outlook & Strategy

Traditionally, FBMKLCI index's performance tends to be mixed in February, with an average monthly +0.7%/+2.2% over the past 10 years/44 years. We expect the market to be supportive by its attractive valuations at current levels of 1.51x as it is now below its 25-year historical average of P/B (1.83x) and 15.1x PER compared to the 22-year historical average of PER (17.1x). As at 1<sup>st</sup> February 2022, 78.7% of Malaysia's population has taken the second dose of COVID-19 vaccine, meanwhile 36.8% has taken the booster. This has slightly lifted the market sentiment with more economic and social activities leniency were allowed by the government.

Technically, the FBMKLCI Index has been consolidating in January and brushed off the December gain. It was traded below all the long-term moving averages, which deemed as negative. A break below the 1,500 psychological level may see the index to test the 2021 low of 1,475 next. Any movement below the level is medium-term negative for the index, targeting the support at 1,330-1,370 followed by the head & shoulders measurement target of 1,271 level. On the upside, the index remains below the 200-week exponential moving average (EMA) as well as under the 1,618-1,625 critical resistance, indicating that the bears are still in control.

For short term, we expect the market will continue to trade sideways before taking opportunity on CNY rally in early February. For the longer run, we believe the local equity market will improve supported by better domestic activities locally, especially in the second half of the year.

## Fixed Income Review and Outlook

### Market Review

Malaysia Government Securities (“MGS”) yields were seen rising across the curve, reflecting the market concern on rising global inflation and hawkish monetary stance from the world major economies. Given the OPEC+ production was consistently below target output, the oil price surged to USD91.21/barrel in Jan'22 (Dec'21: USD77.78/barrel), a figure last seen in 7-years ago. Meantime, ringgit weakened to RM4.190/USD as compared to RM4.166/USD a month earlier.

On the local economic data, inflation eased slightly to +3.2% YoY in Dec'21 (Nov'21: +3.3% YoY), mainly attributable to the higher price of food and non-alcoholic beverages and transport cost. Food and non-alcoholic beverages rose by +3.2%YoY (Nov'21: +2.7% YoY), driven by the supply disruptions arising from heavy rains and floods in the country. Transport on the other hand eased slightly to +9.5% YoY (Nov'21: +12.7% YoY) due to the diminishing base effect.

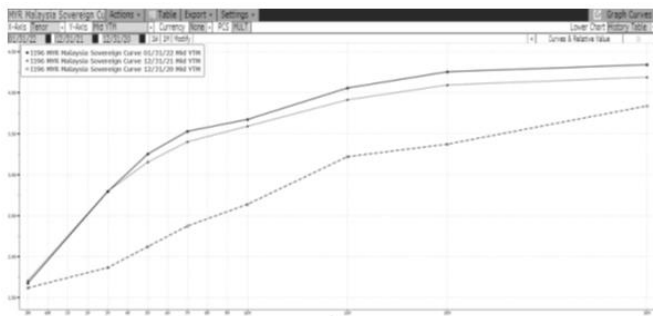
Strong external trade continued in Dec'21, with exports growth at +29.2% YoY (Nov'21: +32.4% YoY). Manufacturing exports was supported by higher E&E products (Dec'21: +36.1% YoY; Nov'21: +17.4% YoY), which offset easing in petroleum products (Dec'21: +25.6% YoY; Nov'21: +111.6% YoY), chemical products (Dec'21: +36.3% YoY; Nov'21: +45.9% YoY) and manufactures of metals (Dec'21: +26.5% YoY; Nov'21: +75.9% YoY). rubber products exports continued its decline (Dec'21: -39.5% YoY; Nov'21: 33.7% YoY) on the back of the ease of COVID-19 pandemic globally. Imports growth moderated to +23.6% YoY (Nov'21: +37.9% YoY) as per the trends in imports of intermediate goods (Dec'21: +27.1% YoY; Nov'21: +47.4% YoY), consumption goods (Dec'21: +13.1% YoY; Nov'21: +22.8% YoY), and capital goods (Dec'21: +21.0% YoY; Nov'21: +31.2% YoY).

Malaysia external reserves declined slightly to USD116.1bil as at end-Jan'22 (end-Dec'21: USD116.9bil). The reserve is sufficient to cover 7.5 months of retained Imports and is 1.2 times short-term external debt.

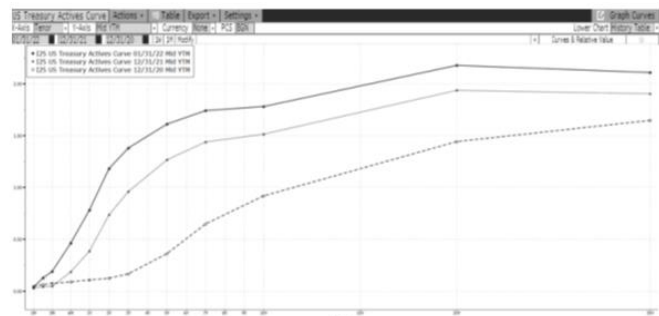
The auctions unveiled in January 2022 are as follow;

Government Auctions		Amount	Bid-cover	Avg Yield
Issue	Issue Date	(RM million)	(times)	(%)
5year Re-Issuance of MGS(Mat GS 11)	07/01/2022	5,000.00	2.33	3.27
10.5year Re-Issuance of MGS(Mat GS 7/)	14/01/2022	4,500.00	2.04	3.58
15year Re-Issuance of GII(Mat II 7/)	31/01/2022	3,000.00	2.57	4.16

Source: Bank Negara Malaysia



Source: Bloomberg



Source: Bloomberg

The 10-year US Treasury yield spiked higher to 1.77% (Nov'21: 1.51%) given the rising inflationary pressure. According to the latest US Fed minutes, the US Fed is expected to start hiking its benchmark interest rate as early as in Mar'22.

### Market Outlook & Strategy

BNM is anticipated to tune monetary stance to slight hawkish in 2022 when the COVID-19 pandemic is nearing to the end. The external risk factors such as trade war between US and China and the fluctuation in crude oil prices will continue to weigh on the local market, but we believe corporate bond space still provides attractive yields. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.