

### Investment Objective

To provide a steady income and capital growth over a medium to long-term period by investing in a portfolio of Shariah-approved securities.

### Fund Details

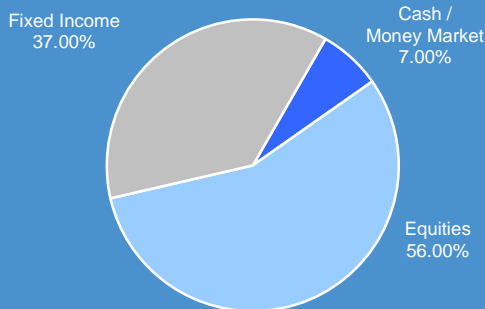
Fund Size	RM36,038,340
Unit NAV @ 31/08/2021	RM3.0841
Valuation Frequency	Daily
Fund Manager	Affin Hwang Asset Management Berhad
Fund Management Fee	1.25% p.a.
Launch Date	25 Sep 2006

### Portfolio Composition and Holdings

#### Top Five Holdings

Securities	% Holding
GII 4.13% (09.07.2029)	8.6%
Telekom Malaysia Bhd	5.5%
Unisem M Berhad	4.4%
BGSM Management Sdn Bhd 7.10% (28.12.2022)	4.3%
BIMB Holdings Bhd	3.9%

#### Portfolio Composition by Category of Investment



### Fund Performance\*

Total Return (%)	1 Month	3 Month	6 Month	1 Year	3 Year	5 Year	YTD	Since Inception
Fund	3.51	4.92	0.20	2.77	31.58	41.73	2.55	208.37
Benchmark	2.96	0.19	(0.33)	(0.45)	4.79	10.22	(0.84)	85.50

Annualised Return (%)	1 Year	3 Year	5 Year	YTD	Since Inception
Fund	2.77	9.57	7.22	3.85	7.83
Benchmark	(0.45)	1.57	1.96	(1.26)	4.22

Calendar Year Return (%)	2020	2019	2018	2017
Fund	28.11	3.03	-7.95	14.67
Benchmark	6.76	3.75	-5.19	7.01

\*Calculation of performance is based on NAV-to-NAV basis including fund distribution(s), if any. Also, performance for 1-, 3-, 6-months and 1-, 3-, 5-years is based on the fund's performance for the respective preceding period.

#### Fund Performance vs Benchmark From 26 September 2006 to 31 August 2021



Benchmark : 50% in KLSI + 50% in 12 month fixed deposit Maybank Mudharabah-General Investment (GIA) Account.

### Fund Strategy

The Fund will focus on achieving its objective by investing in a balanced portfolio consisting Shariah-compliant fixed income instruments, i.e. investment grade Islamic debt securities and Islamic money market instruments and Shariah-compliant equities.

The Fund's investment in Islamic debt securities would consist of government and corporate Sukuk. The selection of Sukuk will depend largely on but not limited to the credit ratings of issuances and issuers strong creditability in meeting their financial obligations. The fund manager hold the option of investing into other fixed income assets such as Islamic money market instruments and/or Islamic deposits.

For the Shariah-compliant equity investments, the fund manager is selective in its strategy by focusing on quality stocks with strong cash flows, and stocks giving attractive dividend yields or the potential to do so. The fund manager will also take tactical investments in selected situational stocks with strong fundamentals.



### Market Outlook

For the month of August, the KLCI gained 7.1% to close at 1,602 points, its best monthly performance in over a decade. Meanwhile, the S&P 500 added 3.1% and the MSCI Asia ex-Japan gained 2.1%.

On the economic front, 1) the HIS Markit Purchasing Managers' Index firmed up to 40.1 in July vs. 39.9 in June as the domestic economy gradually reopens. ; 2) Malaysia's exports & imports grew 1.9% & 0.5% respectively y-o-y despite lockdown measures. ; 3) Malaysia's 2Q21 GDP grew 16.1% y-o-y, driven mainly by low based effect & robust net exports.

On corporate developments, 1) Genting Malaysia Bhd's 49%-owned Empire Resorts will be bidding for a mobile sports betting license in New York, US via a consortium. ; 2) Bursa Malaysia Bhd together with Securities Commission has announced the extension of the Intraday Short Selling restriction to 31 Dec 2021. ; 3) Axiata Group Bhd will be looking to acquire 66% of Link Net, an Indonesian high speed broadband services provider. ; 4) Genting Berhad's casino bid in Yokohama, Japan will likely face difficulties following the appointment of a new anti-casino mayor to the city.

In terms of fund flows for Malaysian equities, foreigners turned net buyers in the month of August with a total net inflow of RM1.1bn taking YTD net outflow to -RM4.4bn. Buying activity was mainly concentrated in the banking names. Local institutions turned net sellers for the month at RM1.5bn with selling activity mainly concentrated in the technology & small cap names.

Sentiment for domestic equities took a sharp upturn following the appointment of Dato Sri Ismail Sabri Yaakob as the 9th Prime Minister of Malaysia, which investors perceive as bringing stability to the current political scene. Meanwhile, the minimal changes of names within the

Cabinet would mean that ongoing policies will remain largely unchanged & bring more certainty to the market. All eyes will now be on the first Parliamentary sitting for the new government which is slated for 13th of September. Meanwhile on the pandemic front, the situation is progressing optimistically despite stubbornly high case count as 60% of adults are now vaccinated domestically. This paves way for more states to potentially move into Phase 2 of the National Recovery Plan & with this, the gradual reopening of the economy. The month of August also marked the 2nd quarter results season & most corporates have released firm sets of results, particularly the banking sector which is economic bellwether.

After a strong pent-up demand in recent quarters, we expect global economic data to start showing signs of slowing down going forward. However, near term volatility could come from potential tapering by US Fed. There could be upward repricing risk in the UST yields if the Fed starts to taper in 4Q2021 and this will also impact the outlook for local bonds. However, we view that much of the big move had already taken place in 1Q2021.

Domestically, the rapid rise in Covid-19 cases is being offset by the acceleration of vaccination program and reopening of certain economic sectors. Hence, we view OPR to be kept at 1.75% in September MPC meeting.