

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

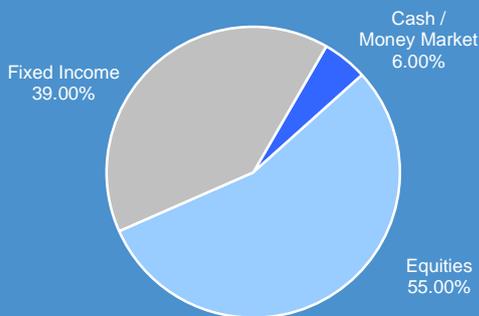
Fund Size	RM34,529,046
Unit NAV @ 31/03/2021	RM3.0146
Valuation Frequency	Daily
Fund Manager	Affin Hwang Asset Management Berhad
Fund Management Fee	1.25% p.a.
Launch Date	25 Sep 2006

Portfolio Composition and Holdings

Top Five Holdings

Securities	% Holding
GII 4.13% (09.07.2029)	9.2%
Telekom Malaysia Berhad	5.9%
Perbadanan Kemajuan N Selangor 5% (10.08.2021)	
BGSM Management Sdn Bhd 7.10% (28.12.2022)	4.7%
GII 3.726% (31.03.2026)	3.1%

Portfolio Composition by Category of Investment



Fund Performance*

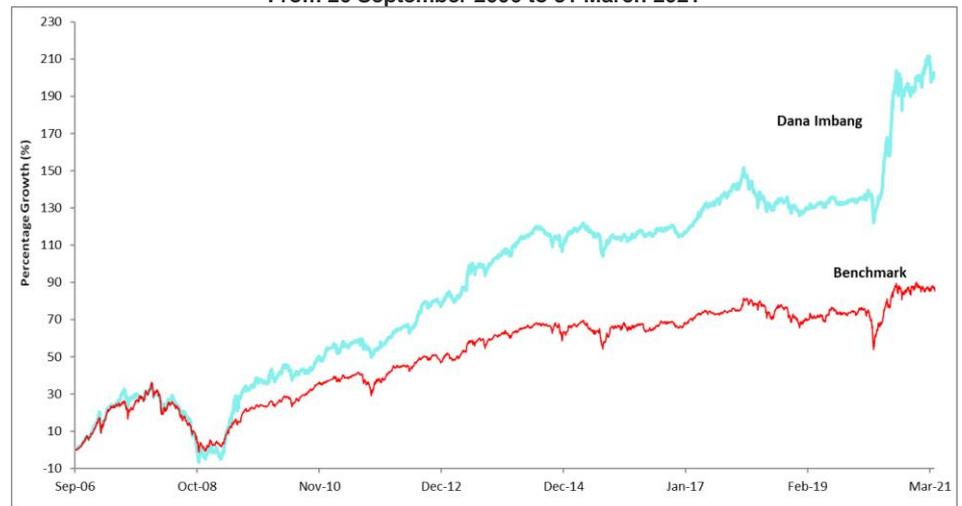
Total Return (%)	1 Month	3 Month	6 Month	1 Year	3 Year	5 Year	YTD	Since Inception
Fund	(2.06)	0.24	2.92	31.85	27.60	38.66	0.24	201.42
Benchmark	(0.41)	(0.91)	0.39	14.31	3.88	10.85	(0.91)	85.36

Annualised Return (%)	1 Year	3 Year	5 Year	YTD	Since Inception
Fund	31.85	8.46	6.75	0.98	7.89
Benchmark	14.31	1.28	2.08	(3.64)	4.34

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 March 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 February, the KLCI fell 0.3% to close at 1,573.5. Meanwhile, the S&P 500 gained 4.2% and the MSCI Asia ex-Japan was down by 2.3%.

On the economic front, 1) Malaysian Department of Statistics estimated that January 2021's real GDP growth was -3.0% y-o-y due to the implementation of Movement Control Order 2.0. ; 2) BNM has reduced the lower end of its 2021 GDP growth forecast to 6.0-7.5% from 6.5-7.5% previously citing potential risk from stricter containment measures. ; 3) trade activity expanded a strong 15.4% y-o-y in February as the global economic recovery spurred both imports and exports. ; 4) the Consumer Price Index rose 0.1% y-o-y in February, driven by rising food and fuel prices.

In corporate developments, 1) Berjaya Corp Bhd has appointed Jalil Rasheed as their Chief Executive Officer, the first non-family member to hold the position. ; 2) Gamuda Bhd's 60%-owned subsidiary SRS Consortium Sdn Bhd will undertake the reclamation and development of Island A under the Penang Transport Master Plan. ; 3) Boustead Holdings Bhd announced the disposal of its cruise operations to Westports Holdings Bhd and Klang Port Management Sdn. Bhd. ; 4) US Customs & Border Protection has found that certain products by Top Glove Corp Bhd were manufactured via forced labour.

In terms of fund flows, foreigners were small net sellers in the month of March with a total net outflow of -RM34.0m taking YTD net outflow to -RM1.7bn. Buying activity by foreigners were concentrated in the glove names, particularly Supermax Corp Bhd and Top Glove Corp Bhd while selling down Tenaga Nasional Bhd and Inari Amertron Bhd.

Investors will remain watchful on the pace of economic recovery with the vaccine rollout already underway. Meanwhile, Prime Minister Tan Sri Muhyiddin Yassin has also unveiled a fresh round of stimulus package totaling RM11bn comprising of subsidy extensions and targeted cash handouts. On the long term, our focus will continue to be in 1) reopening

plays as we do not expect the government to implement harsh lockdowns across the country ; 2) the technology sector which are driven by structural trends such as 5G green technology adoption. Near term, the earnings season kickstarting mid-April and the ongoing domestic political uncertainty will lend to some market volatility. Outside of Malaysia, a potential deterioration in US-China relations and harsher lockdown measures in Europe are key risks.

We do not expect key central banks to raise interest rates anytime soon. The economic recovery will be uneven in 2021 as vaccinations will take time and at the same time Covid-19 continues to linger. At the same time, we expect inflation to pick up in 2021 mainly due to low base effect and supply disruptions but expect it to taper off eventually. As such, the steep rise in yields recently may not be sustained.

In addition to the positive conclusion on FTSE Russell review, we also expect stronger support from local money in 2Q21. We prefer government bonds due to attractive valuations and superior liquidity. After the steep correction, we are mildly cautious on duration and look to stay neutral on this front.

In corporate bond space, we continue to favor short to mid-term tenure for yield pickup. After a strong primary market in 1Q21, we expect supply pressure to lessen, hence, more support in this space.