



## Dana Imbang

Fund Update June 2021

### 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

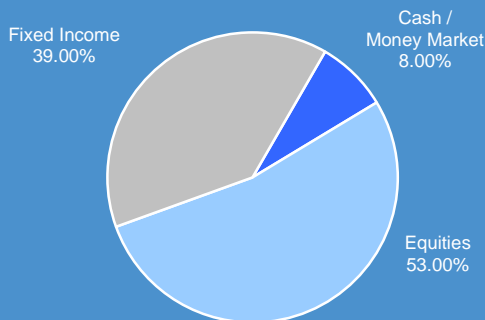
Fund Size	RM34,268,496
Unit NAV @ 30/06/2021	RM2.9598
Valuation Frequency	Daily
Fund Manager	Affin Hwang Asset Management Berhad
Fund Management Fee	1.25% p.a.
Launch Date	25 Sep 2006

### Portfolio Composition and Holdings

#### Top Five Holdings

Securities	% Holding
GII 4.13% (09.07.2029)	9.3%
Telekom Malaysia Bhd	5.9%
Perbadanan Kemajuan N Selangor 5% (10.08.2021)	5.8%
BGSM Management Sdn Bhd 7.10% (28.12.2022)	4.6%
BIMB Holdings Bhd	4.1%

#### Portfolio Composition by Category of Investment



### Fund Performance\*

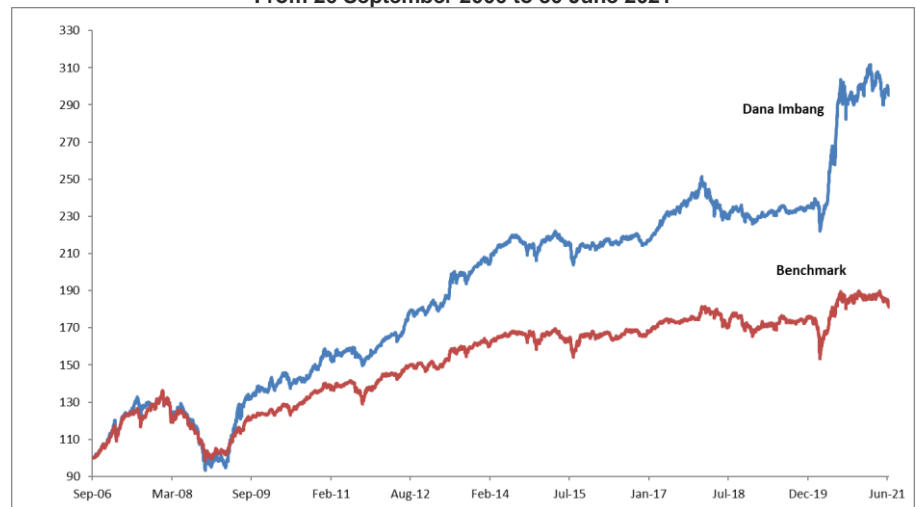
Total Return (%)	1 Month	3 Month	6 Month	1 Year	3 Year	5 Year	YTD	Since Inception
Fund	0.69	(1.82)	(1.59)	12.74	28.74	37.14	(1.59)	195.94
Benchmark	(2.27)	(2.37)	(3.27)	1.81	5.54	9.37	(3.27)	80.96

Annualised Return (%)	1 Year	3 Year	5 Year	YTD	Since Inception
Fund	12.74	8.78	6.52	-3.18	7.62
Benchmark	1.81	1.81	1.81	-6.48	4.10

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 30 June 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 June, the KLCI fell 3.2% to close at 1,533 points. Meanwhile, the S&P 500 gained 2.3% and the MSCI Asia ex-Japan slipped marginally by 0.4%.

On the economic front, 1) the Consumer Price Index rose 4.4% y-o-y in May, easing from 4.7% y-o-y registered in April and undershot Bank Negara Malaysia's projection of 7% for the month. ; 2) Rating agency S&P affirmed Malaysia's credit rating at A- while keeping a negative outlook. ; 3) Malaysia's Industrial Production Index jumped a record 50.1% y-o-y in May on the back of MCO1.0's low base effect last year and robust external demand.

On corporate developments, 1) MMC Corp Bhd's controlling shareholder Seaport Terminals (Johor) Sdn. Bhd. has announced its plans to privatize the group via a capital reduction and repayment exercise. ; 2) Axiata Bhd and DiGi.com Bhd has agreed to merge their domestic telco operations. ; 3) Malayan Banking Bhd's group CEO Datuk Amirul Feisal Wan Zahir is said to take over as the CEO of sovereign fund Khazanah Nasional Bhd. ; 4) Kuala Lumpur Kepong Bhd has proposed to acquire a 56.2% stake in IJM Plantation Bhd for RM1.5bn.

In terms of fund flows for Malaysian equities, foreigners remained net sellers in the month of June with a total net outflow of –RM1.2bn taking YTD net outflow to –RM4.2bn. Selling activity was mainly concentrated in the glove and banking names. Local institutions maintained net sellers for the month at –RM1.2bn with selling activity mainly concentrated in the glove, plantation & small cap names.

It was another tough month for Malaysian equities as stubbornly high COVID19 cases and challenges posed by the Delta variant has the government to re-implement strict lockdown measures across the country. This jittered domestic investors and we saw weakness in the general market, particularly the recovery names which overshadowed the

progressive ramp up of vaccination efforts. Over the month, the government has also announced the National Recovery Plan and in a nutshell, relaxation on the ongoing lockdown will only take place with 10% of the population fully vaccinated and daily cases fall below 4,000/day. Following up, another RM150bn stimulus package, PEMULIH was announced of which RM10bn is direct fiscal injection. Another dampener in the market are increasing political noises with continued newsflow on potential shifts in political power blocs and calls by the royal audience for Parliament to reconvene.

We believe major Central Banks are unlikely to raise rates anytime soon and will take a wait-and-see approach to see sustainability of economic data and inflation trend amidst downside risks. However, global monetary policy normalization could take place as early as 2022 as global growth is expected to improve due to ramp up of global vaccination.

For Malaysia, we opine OPR to remain unchanged at 1.75% during next MPC meeting in July as current monetary stance remain accommodative. However, the downside risk has increased due delay in reopening of the economy due to still high covid cases. On this note, Malaysia's GDP has been revised downwards to 4.5% from 6.0% by the World Bank.