

## MUDARABAH INVESTMENT ACCOUNT - DAILY FUND-i (GB)\*

### Fund Performance Report for the Quarter Ended 31 December 2019

Dear Valued Investment Account Holder ("IAH"),

We are pleased to present the following fund performance report for the quarter-ended 31 December 2019.

#### FUND INFORMATION

##### Type of Product

- This is an unrestricted investment account known as Mudarabah Investment Account under the Daily Fund-i (GB), where the customers provide the Bank with the mandate to invest in the Bank's selected portfolio of Shariah compliant assets, which may provide customers with potentially higher returns

##### Applicable Product

- Premier Mudarabah Account-i ("PMA-i")

##### Type of Investors

- Corporate Customers

##### Fund Inception

- 16 July 2015

##### Fund Investment Objectives

- The Fund's objective is to preserve capital while providing stable returns through low risk investments

##### Fund Investment Strategy

- The Fund will be invested in a blended portfolio of the Bank's assets
- This is a low risk investment to achieve capital preservation and steady returns

##### Profit Distribution Frequency

- Monthly

##### Valuation

- The Bank will perform valuation of the underlying assets of the Fund in accordance with the Malaysian Financial Reporting Standards ("MFRS") which will be carried out on a monthly basis

##### Other Information

- For fees, charges and other details on the product, please refer to [www.maybank2u.com.my](http://www.maybank2u.com.my)

#### FUND PERFORMANCE

##### Asset Allocation of Daily Fund-i (GB)

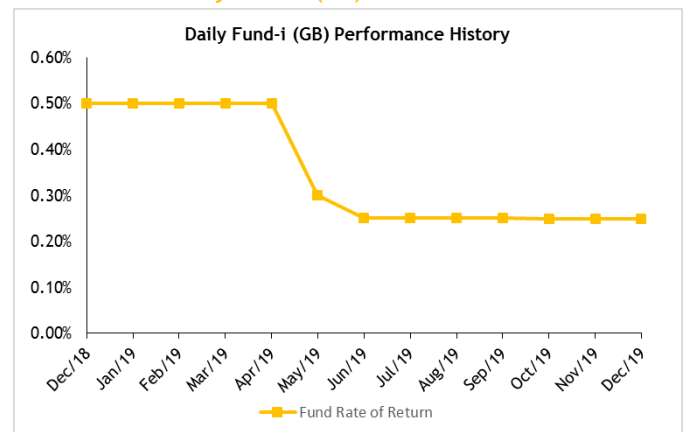
The fund is invested in a portfolio of the Bank's retail and non-retail assets<sup>1</sup> and the asset allocation for the past three quarters is as per the table below. The asset allocation is within the stated investment objective and strategy.

Type of Assets	Sept 2019	Dec 2019
Retail Financing	91%	91%
Non-Retail Financing	9%	9%
Marketable Securities	-	-
	100%	100%

Notes:

<sup>1</sup>Retail assets consist of Unit Trust, Automobile, Home, Personal and Credit Card Financing while non-retail assets consists of SME, BB and CB Financing

##### Profit Rate of Daily Fund-i (GB)



Based on the performance of the underlying assets, the profit rate to customers recorded an average of 0.35% p.a. since the Fund's inception and an average of 0.25% for Q4 2019.

Period	16 Oct 2019 to 15 Nov 2019	16 Nov 2019 to 15 Dec 2019	16 Dec 2019 to 15 Jan 2020
Fund Profit Rate to IAH (p.a.)	0.25% p.a.	0.25% p.a.	0.25% p.a.
Profit Sharing Ratio ("PSR") (IAH: Bank)	5:95	5:95	5:95

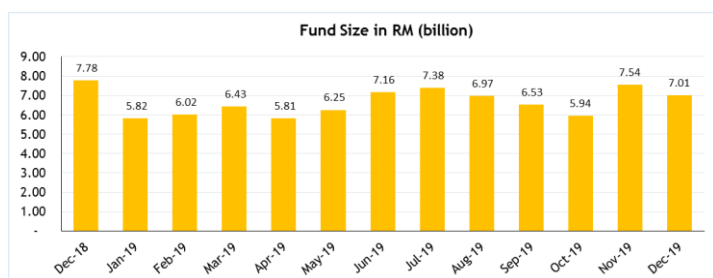
Notes:

- The fund profit rate represents the net profit rate to the IAH and is computed based on the following formula:  
Profit Rate = (Total Income - Impairment Allowances) \* PSR
- Past performance is not reflective of future performance.

#### FUND PERFORMANCE

##### Fund Size and Growth of Daily Fund-i (GB)

As at December 2019, the Daily Fund-i (GB) balance was recorded at RM 7.01 billion, 10% year-on-year decline from RM 7.78 billion in December 2018.



\*GB refers to the Global Banking / Corporate customers of the bank.

## MARKET OUTLOOK

Its meeting today, the Monetary Policy Committee (MPC) of Bank Negara Malaysia decided to maintain the Overnight Policy Rate (OPR) at 3.00 percent.

The global economy is expanding at a more moderate pace, with the slowdown becoming more synchronised across both the advanced and emerging economies. There is also evidence of the weak global trade affecting domestic demand, particularly investment activity. Going forward, geopolitical tensions, policy uncertainty and the unresolved trade disputes could exacerbate financial market volatility and further weigh on the global growth outlook. Monetary easing and other policy measures are expected to provide some support to growth.

For the Malaysian economy, latest indicators are in line with expectations, suggesting moderate expansion of economic activity for the third quarter. Going forward, growth is expected to remain anchored by firm private sector expenditure. While private investment is projected to remain modest, household spending will be supported by continued employment and wage growth. The recent Government measures will provide additional impetus to economic activity. On the external front, while exports will continue to be affected by slower global demand, this will be partly mitigated by its diversified structure. Overall, growth of the Malaysian economy is expected to be within projections in 2019 and the pace sustained going into 2020. This projection remains subject to downside risks, mainly stemming from uncertainties in global economic and financial conditions as well as weakness in commodity-related sectors.

Average headline inflation in 2019 will be low. In 2020, headline inflation is expected to average higher but remain modest. This reflects mainly the lapse in the impact from consumption tax policy changes, the lifting of the domestic retail fuel price ceiling amid the relatively subdued outlook on global oil prices, and measures in place to contain food prices. The trajectory of headline inflation will, however, be dependent on global oil and commodity price developments. Underlying inflation is expected to remain stable, supported by the continued expansion in economic activity and in the absence of strong demand pressures.

At the current level of the OPR, the stance of monetary policy remains accommodative and supportive of economic activity. The MPC will continue to assess the balance of risks to domestic growth and inflation, to ensure that the monetary policy stance remains conducive to sustainable growth amid price stability.

The meeting also approved the schedule of MPC meetings for 2020. In accordance with the Central Bank of Malaysia Act 2009, the MPC will convene six times during the year. The meetings will be held over two days, with the Monetary Policy Statement released at 3 p.m. on the second day of the MPC meeting.

Source: BNM Monetary Policy Statement 5th Nov 2019