

MUDARABAH INVESTMENT ACCOUNT - DAILY FUND-i (INDIVIDUAL)

Fund Performance Report for the Quarter Ended 30 June 2019

Dear Valued Investment Account Holder (“IAH”),

We are pleased to present the following fund performance report for the quarter-ended 30 June 2019

FUND INFORMATION

Type of Product

- This is an unrestricted investment account known as Mudarabah Investment Account under the Daily Fund-i (Individual), 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 Products

- Golden Savvy Account-i (“GSA-i”)
- net Account-i (“net-i”)
- Private Banking Account-i (“PBA-i”)
- Premier Mudarabah Account-i (“PMA-i”)

Type of Investors

- Individual

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

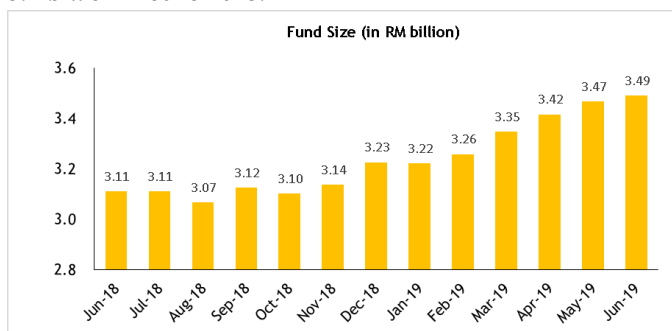
Other Information

- For fees, charges and other details on the product, please refer to www.maybank2u.com.my

FUND PERFORMANCE

Fund Size and Growth of Daily Fund-i (Individual)

As at June 2019, the Daily Fund-i (Individual) balance was recorded at RM 3.4 billion, 12% year-on-year growth from RM 3.1 billion in June 2018.



FUND PERFORMANCE

Asset Allocation of Daily Fund-i (Individual)

The fund is invested in a portfolio of the Bank’s retail and non-retail assets¹ and the asset allocation for the past two quarters is as per the table below. The asset allocation is within the stated investment objective and strategy.

Type of Assets	Mar 2019	Jun 2019
Retail Financing	92%	92%
Non-Retail Financing	8%	8%
Marketable Securities	-	-
	100%	100%

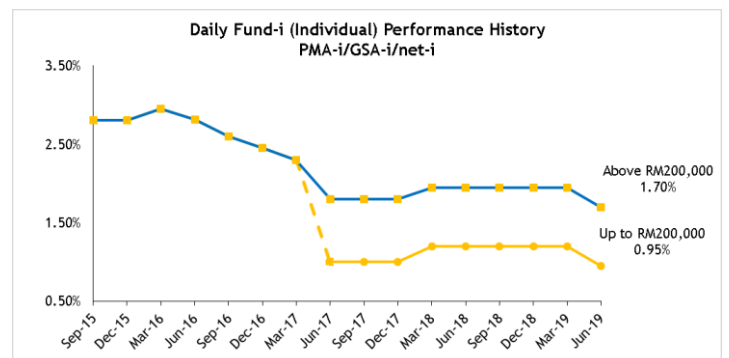
Notes:

¹ 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 (Individual)

(a) GSA-i / net-i / PMA-i

Based on the performance of the underlying assets, the profit rate to customers for the highest balance band (above RM200,000) recorded an average of 2.24% p.a. since the Fund’s inception and an average of 1.80% p.a. for 2Q 2019. The rate to customers for the lowest balance band (up to RM200,000) recorded an average of 1.85%p.a. since the Fund’s Inception and an average of 1.05%p.a. for 2Q 2019.



Period	16 Apr 2019 to 15 May 2019	16 May 2019 to 15 Jun 2019	16 Jun 2019 to 15 Jul 2019
	Fund Profit Rate to IAH (p.a.)	Fund Profit Rate to IAH (p.a.)	Fund Profit Rate to IAH (p.a.)
	Profit Sharing Ratio (“PSR”) (IAH : Bank)	Profit Sharing Ratio (“PSR”) (IAH : Bank)	Profit Sharing Ratio (“PSR”) (IAH : Bank)
Up to RM200,000	1.20%	1.00%	0.95%
Above RM200,000	1.95%	1.75%	1.70%

Notes:

1. The fund profit rate represents the net profit rate to the IAH and is computed based on the following formula:

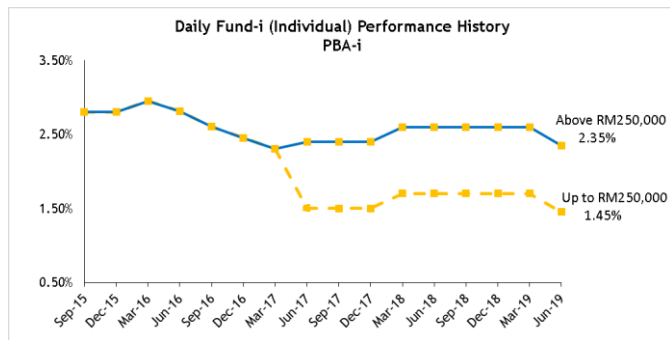
$$\text{Profit Rate} = (\text{Total Income} - \text{Impairment Allowances}) * \text{PSR}$$

2. Past performance is not reflective of future performance.

FUND PERFORMANCE

(b) PBA-i

Based on the performance of the underlying assets, the rate of return to customers for highest balance band (above RM250,000) recorded an average of 2.57% p.a. since the Fund's inception and an average of 2.43% p.a. for 2Q 2019. The rate of return to customers for lowest balance band (up to RM250,000) recorded an average of 2.10%p.a. since the Fund's Inception and an average of 1.53%p.a. for 2Q 2019.



Period	16 Apr 2019 to 15 May 2019		16 May 2019 to 15 Jun 2019		16 Jun 2019 to 15 Jul 2019	
	Fund Profit Rate to IAH (p.a.)	Profit Sharing Ratio ("PSR") (IAH : Bank)	Fund Profit Rate to IAH (p.a.)	Profit Sharing Ratio ("PSR") (IAH : Bank)	Fund Profit Rate to IAH (p.a.)	Profit Sharing Ratio ("PSR") (IAH : Bank)
Up to RM250,000	1.70%	34:66	1.45%	28:72	1.45%	28:72
Above RM250,000	2.60%	52:48	2.35%	46:54	2.35%	46:54

Notes:

- The fund profit rate represents the net profit rate to the IAH and is computed based on the following formula:

$$\text{Profit Rate} = (\text{Total Income} - \text{Impairment Allowances}) * \text{PSR}$$
- Past performance is not reflective of future performance.

MARKET OUTLOOK

At 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 continues to expand moderately. Labour conditions in the advanced economies remain firm, while domestic demand continues to support growth in Asia. Leading indicators, however, point to a softening of the near term global economic outlook, with considerable downside risks remaining primarily from prolonged trade tensions. While the prospects of monetary easing in the major economies have somewhat eased global financial conditions, heightened policy uncertainty could lead to excessive financial market volatility.

MARKET OUTLOOK

The Malaysian economy grew within expectations in the first quarter of the year, supported by both domestic and external factors. Looking ahead, while the external sector performance is likely to be weighed down by slower global growth and trade tensions, economic growth will be supported by domestic demand. Household and capital spending will continue to be driven by stable labour market conditions and capacity expansion in key sectors such as manufacturing and services. The baseline projection remains within the range of 4.3% - 4.8%. This projection, however, is subject to downside risks from ongoing uncertainties in the global and domestic environment, worsening trade tensions and extended weakness in commodity-related sectors.

While headline inflation has remained low in the recent period, it is projected to rise in the coming months as the impact of the changes in consumption tax policy lapses. For 2019 as a whole, average headline inflation is expected to be broadly stable compared to 2018. The trajectory of headline inflation will be dependent on global oil prices and policy measures such as the timing of the lifting of the price ceiling on domestic retail fuel prices. 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.

Source: BNM Monetary Policy Statement 9th Jul 2019