

MULTI-ASSET INVESTMENT ACCOUNT-i (“MAIA”)

A close-ended investment account that aims to maximize investment returns by investing in a diversified portfolio of Shariah-compliant Financing Assets and marketable securities.

KEY INFORMATION

Investment Account Type
3-year close-ended

Shariah Contract
Mudarabah

Commencement Date
20 Jan 2021

Maturity Date
20 Jan 2024 (3 years tenure)

Portfolio Size
RM124.02 m

Arranger's Fee
1.5%

Target Return
4.25% p.a. with yearly potential profit pay out of 3.00% p.a.

Min Initial Placement
RM10,000

Profit Sharing Ratio
95 : 5 (IAH : Bank)

Exit Fee
Year 1: 2.0%
Year 2: 1.5%
Year 3: 1.0%
Maturity date: Nil

Partial redemption not allowed

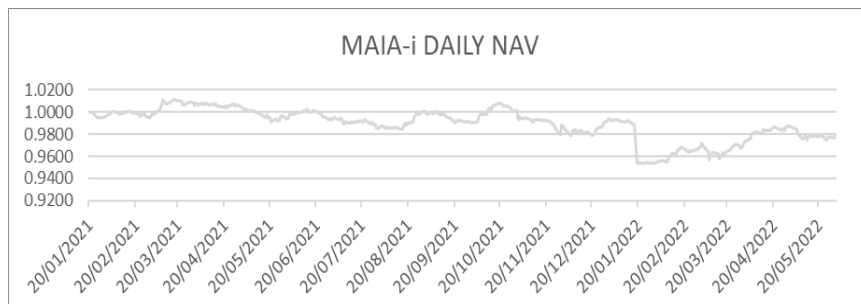
Redemption Request
For any redemption application received or deemed to have been received by the Bank before the cut-off time of 2.30 p.m. on any Business Day, the MAIA would be cancelled based on the NAV of the MAIA as at the valuation point after the request for redemption of the MAIA is received and accepted by the Bank.

Payment for Early Redemption Proceeds
T + 31 days

NAV per MAIA Unit
0.96580

NAV Early Redemption Illustration
0.96580 (NAV) - 1.5% (Exit Fee)
= 0.95131

PERFORMANCE CHART AS AT 30th JUNE 2022



PERFORMANCE RETURN AS AT 30th JUNE 2022

Total Return (%)	1 Mth	YTD	1 YR	3YR	SI
MAIA	-1.35%	0.26%	0.37%	-	-0.34%

Annualized Return (%)	1YR	3YR	SI
MAIA	0.26%	-	-0.23%

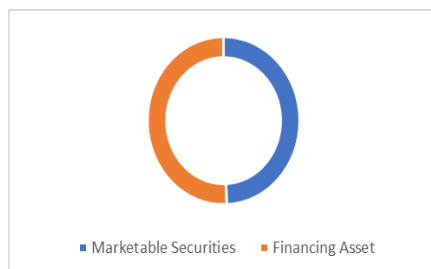
Calendar Year Return	2021
MAIA	-0.60%

PROFIT DISTRIBUTION HISTORY

Date	Annual Distribution* (%)	Additional Distribution (Hibah)* (%)
19 January 2022	3.00%	0.045%

*Note: *Annual distribution and Additional Distribution for MAIA is based on customer's net investment amount.*

ASSET ALLOCATION AS AT 30th JUNE 2022



FINANCING ASSETS	
Unit Trust Financing	25.60%
Automobile Financing	20.48%
Specific Non-Retail Asset	2.76%
Home Financing	2.35%
	51.19%

MARKETABLE SECURITIES	
Equity	40.32%
Cash & Cash Equivalent	8.49%
	48.81%

IMPORTANT/DISCLAIMER

THIS IS AN INVESTMENT ACCOUNT PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A DEPOSIT PRODUCT.

WARNING

THE RETURNS ON THIS INVESTMENT ACCOUNT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSETS. THE PRINCIPAL AND RETURNS ARE NOT GUARANTEED AND CUSTOMER RISKS EARNING NO RETURNS AT ALL. THIS INVESTMENT ACCOUNT IS NOT PROTECTED BY PERBADANAN INSURANS DEPOSIT MALAYSIA (“PIDM”).

**SECTOR ALLOCATION AS AT
30th JUNE 2022**

REAL ESTATE	26.6%
CONSUMER STAPLES	21.1%
INDUSTRIALS	14.5%
UTILITIES	8.7%
COMMUNICATION SERVICES	7.7%
FINANCIALS	7.1%
MATERIALS	6.7%
HEALTH CARE	3.5%
INFORMATION TECHNOLOGY	3.0%
ENERGY	1.1%

**TOP 10 MARKETABLE SECURITIES HOLDINGS AS
AT 30th JUNE 2022**

AXIS REAL ESTATE INVESTMENT TRUST	7.17%
KLCC PROPERTY HOLDINGS BHD	7.11%
AL-AQAR HEALTHCARE REIT	6.61%
LINGKARAN TRANS KOTA HOLDINGS BHD	4.68%
BANK ISLAM MALAYSIA BERHAD	4.26%
TIME DOTCOM BHD	3.65%
KUALA LUMPUR KEPONG BHD	3.64%
GAMUDA BHD	3.55%
QL RESOURCES BHD	3.36%
WESTPORTS HOLDINGS BHD	3.17%

MONTHLY COMMENTARY
Performance Review

- The returns from the investment in financing assets as at 30th June 2022 has been stable at 3.00% p.a. from a portfolio of MIB's credit facility such as auto financing, unit trust financing, home financing and specific non-retail asset.
- In June, the **MAIA equity portfolio returned -2.94%, outperforming the FBM Emas Shariah Index (-8.74%)**. Positions in Industrials performed well during the month. However, positions in plantation, materials and financials detracted value from the Fund.
- **We have raised more cash during the month**, from 14% (of equity portfolio) as of end-May to 17% as of end-June amidst heightened market volatility and uncertainty. **We are maintaining high allocation to cash and reducing our expected yield** for the year as we cut-loss on several positions to protect the capital of the portfolio
- Since inception, the equity portfolio **continued to display its resilience**, returning -7.38%, whilst the FBM Emas Shariah index continuously deteriorated by -19.11% for the same period.

Outlook & Strategy

- 2022 is turning out to be one of the most challenging years on record with performance across all asset classes in the red. Inflationary pressures have seen interest rates rising with the benchmark UST 10-Year yield rising from 1.60% at the start of the year to about 2.97% as of end-May 2022. Inflation in the US has been going up rapidly and hitting 9.1% in June. This is the highest level since the 1980 and is likely caused by the large fiscal and monetary stimulus following COVID-19.
- As a response, the Federal Reserve raise its rate by 75bps during its latest FOMC meeting in line with market forecasts. With the current outlook of US inflation, we expect the Fed to raise further between 75-100 bps during the next meeting in end-July 2022.
- With the Fed now leaning towards more aggressive hikes, it is likely that BNM too will likely raise the pace of tightening with another 25bps hike in 2022 on top of the 25bps hike in May & July. Therefore, we project Malaysia's OPR to end the year at 2.50%.
- BNM's accelerated rate normalization appears to be in response to the US Fed and other global central banks which have started to tighten monetary policies to combat runaway inflation. We also see this as a right move to defend the weakening MYR vs the USD greenback.
- The outlook for Malaysian equity markets continue to be challenging for the rest of 2022, in line with correction in the global space triggered by rising interest rates as well as the Russia-Ukraine War. The outlook is clouded by concerns ranging from growth scare to elevated inflation. However, we believe that the financial markets are bottoming with the likely peaking of interest rates in to happen soon.
- For FBM Emas Shariah index, it has already corrected more than 23% from its previous peak in April 2021, and the drawdown is one of the largest outside a recession/crisis. We are waiting for further confirmation including reopening in China and direction of interest rates before we decide whether to increase our equity exposure.
- We maintain our long-term positive view on the stocks under our holdings in MAIA-I as we believe these companies are stable. With the correction, we see emerging value in the companies in our holdings. As we get more clarity on the economic direction globally, we believe these companies will move towards their long-term fair values. Despite the correction in the market, the portfolio has proved to be more resilient during the downturn.
- We seek to protect the capital of the portfolio now, hence, preferring to hold more cash. We will increase our equity position as and when we are more comfortable with the direction of inflation, interest rates and the global economy.

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