



Investment Linked Fund Performance Report September 2017

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EXECUTIVE SUMMARY

September was a negative month for Malaysia. The FBMKLCI Index rebounded at the start of the month to peak at 1,789 pts on 12 Sep 2017, but only to give up much of those gains and more when the Federal Reserve signaled one more rate hike towards year end. For the month, the benchmark index edged down 17.6pts or 1% m-o-m to close at 1,756pts. The key sectors that dragged down the KLCI in Sept was the finance and technology sectors. The broader market outperformed the KLCI, as the FBM EMAS fell 0.6% m-o-m to 12,531pts.

Malaysia Government Securities (MGS) weakened across the curve in September with the yields went up 4-16 bps. The weakening was due to the more hawkish FOMC statement, pointing to another rate hike this year, despite a weaker-than-expected inflation rate. From it, the Dollar strengthened against Ringgit, from RM4.2715/USD to low of RM4.1860/USD before strengthening back up to RM4.2190/USD after the FOMC meeting. Brent crude oil prices went up from USD52.38/barrel to USD 57.54/barrel as a quarter of US refining capacity went offline after Hurricane Harvey hit Texas.

Inflation edged higher to 3.7% in August'17 (July'17: 3.2%), mainly due to increasing transportation cost (fuel) by 20.4% y-o-y following the higher global oil prices. The trade balance was widened to RM8.03 billion, supported by both strong export growth of +30.9% and import growth of +21.8% in August.

Going forward, we cautiously positive on the equity market backed by better economic outlook, improving earnings, strengthening of the ringgit and potential election this year. However, short term geopolitical issues and foreign selling on the market may provide some negative sentiment in the immediate term. This should provide opportunity to accumulate on weakness. For fixed income, we are cautious in taking duration in view of an upward trending yield environment. Despite the local bond market is fuelled by the external risk factors such as geopolitical tension in North Korea, Brexit and fluctuation in crude oil prices, we believe corporate bond space still provides attractive yields given stable monetary stance from BNM and strong fundamentals in local market. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.

Based on the performance table below, on monthly basis, equity based funds had outperformed their respective benchmarks; namely Dividend, Equity and Jati. Meanwhile other funds had underperformed their benchmarks.

Policyholders are encouraged to focus into regular premium given the current risk and volatile period of the economic and market condition. Risk adverse investors should focus into income fund due to its less volatile as compared to equity related funds.

Performance Table: Funds vs Benchmarks

	Asiapac Fund		Balanced Fund		Dividend Fund		Equity Fund		Global Yakin Fund		Income Fund		Jati Fund	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Monthly (%)	-2.54%	-1.95%	0.31%	-0.30%	0.27%	-0.99%	0.34%	-0.99%	1.30%	3.35%	0.19%	0.40%	0.80%	0.38%
3 Months (%)	1.57%	5.64%	0.51%	0.37%	-0.07%	-0.46%	0.13%	-0.46%	1.61%	5.30%	1.05%	1.19%	-0.50%	-0.19%
6 Months (%)	5.14%	11.93%	1.53%	1.92%	-0.93%	0.89%	0.34%	0.89%	2.81%	8.57%	2.65%	2.94%	-2.75%	-0.11%
12 Months (%)	15.88%	19.10%	2.96%	4.13%	2.94%	6.23%	4.62%	6.23%	9.07%	12.91%	2.34%	2.03%	0.29%	3.64%

Source: MCI/S Insurance Berhad

AsiaPac Fund Monthly Report (September 2017)

Investment Objective

To achieve steady income stream with potential growth in the Asia Pacific Region over medium to long term. The aim of the Fund is to outperform the S&P Ethical Pan Asia Select Dividend Opportunities Index over periods of five or more years.

Investment Strategy

To invest in Asia Pacific Ethical Dividend Exchange Traded Fund (ETF), managed by CIMB Principal Asset Management where the ETF is listed on the Singapore Stock Exchange.

The ETF focuses on top 40 ethical and high yielding stocks in the Asia Pacific Region excluding India, Taiwan, Japan, New Zealand and Philippines. The fund provides country diversification across the industry that is traded in US Dollar.

Risks

The Fund is considered low risk given the exposure to only one underlying securities with no attempt to select stocks individually or to take defensive positions in declining markets. Risk is managed at the management level, where the asset allocation of the fund to be reviewed on regular basis, and adjusted to commensurate with the Investment Team view on the relative attractiveness of each asset class.

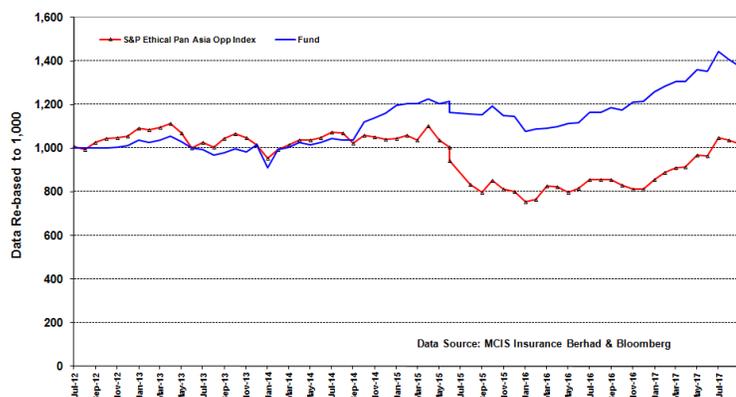
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

The target market is for investors who are seeking regional exposure from investment and at the same time, seeking for medium to long term capital appreciation with moderate market risk.

Fund Performance

For the month ended September 2017, the fund had underperformed the benchmark by 449bps MoM (month on month). This was mainly due to strengthening of ringgit during the period. However for since inception period, the fund had outperformed the benchmark.

AsiaPac Fund Performance Since Inception



Top Ten Holdings

CIMB S&P Asia Pacific Ethical Dividend Exchange Traded Fund (ETF)

Fund Information

NAV (29.9.17)	RM0.6867
Fund Size	RM33.80 million
Inception Date	15-July-2012
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
ETF	80%	100%	86%
Cash	0%	20%	14%

Performance Table

Period	Fund	Index*
1 month (%)	-2.54%	-1.95%
3 months (%)	1.57%	5.64%
6 months (%)	5.14%	11.93%
12 months (%)	15.88%	19.10%
2 years (% pa)	19.05%	27.74%
3 years (% pa)	9.82%	-0.17%
5 years (% pa)	-	-
Since Inception	6.23%	0.35%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is S&P Ethical Pan Asia Select Dividend Opportunities sourced from Bloomberg.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Balanced Fund Monthly Report (September 2017)

Investment Objective

The objective of the Balanced Fund is to provide security and income, while maintaining and potentially increasing the value of capital over the medium to long-term, through exposure across a range of asset classes. The Fund aims to outperform the performance benchmark over periods of three or more years.

Investment Strategy

To invest in Malaysian equities and fixed income securities, including government bonds and corporate debt securities. The asset allocation is reviewed on a regular basis, and is adjusted commensurate with our view on the relative attractiveness of each asset class.

Risks

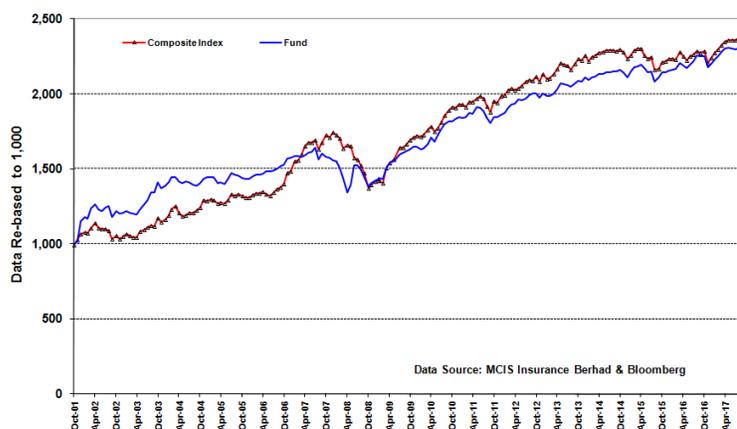
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, and the liquidity of the underlying assets. Additionally, levels of interest rates, and credit downgrades of defaults can affect the value of fixed income securities

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended September 2017, the fund had outperformed the benchmark by 1bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming securities in the portfolio compared to benchmark.

Balanced Fund Performance Since Inception



Top Ten Holdings

- Malaysian Government Securities (Bond)
- Sabah Credit Corporation (Bond)
- CIMB Bank Berhad (Bond)
- Sarawak Hidro Sdn Bhd (Bond)
- Tenaga Nasional Berhad (Equity)
- Northern Gateway Infrastructure Sdn Bhd (Bond)
- Malayan Banking Berhad (Equity)
- Projek Lebuhraya Utara-Selatan (Bond)
- Telekom Malaysia Berhad (Equity)
- AmanahRaya Real Estate Investment Trust (Reits)

Fund Information

NAV (29.9.17)	RM1.1580
Fund Size	RM8.04 million
Inception Date	15-Oct-01
Fund Management Fee	1.25% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	40%	60%	47%
Fixed Income	40%	60%	50%
Cash	0%	20%	3%

Performance Table

Period	Fund	Index*
1 month (%)	0.31%	-0.30%
3 months (%)	0.51%	0.37%
6 months (%)	1.53%	1.92%
12 months (%)	2.96%	4.13%
2 years (% pa)	4.73%	4.51%
3 years (% pa)	2.49%	1.20%
5 years (% pa)	2.97%	2.55%
Since Inception	5.39%	5.53%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* The benchmark index is a composite of 50% FBM KLCI Index and 50% of Markit iBoxx ALBI Malaysia TR Index (Since Dec '12). Prior to that, the index used was HSBC Malaysia All Bond Index for the fixed income portion. Benchmark return is calculated on re-based basis. The source is from the subscription of Markit Indices.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Dividend Fund Monthly Report (September 2017)

Investment Objective

To achieve steady income stream with potential for capital growth over medium to long term by focusing mostly on high dividend yielding stocks and money market instruments. The aim of the Fund is to outperform the FBM KLCI Index over periods of five or more years.

Investment Strategy

To invest in a broad selection of companies listed on the Malaysian Stock Exchange. Using a relative value methodology, the fund focuses on undervalued stocks relative to fundamental value, with the aim of achieving an income stream, together with some degree of long-term capital gains.

Risks

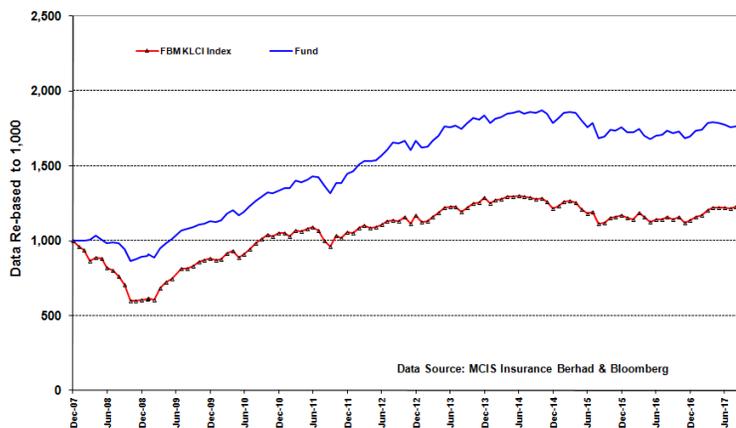
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended September 2017, the fund had outperformed the benchmark by 72bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming stocks in the portfolio compared to benchmark.

Dividend Fund Performance Since Inception



Top Ten Holdings

Sime Darby Berhad
Telekom Malaysia Berhad
Petronas Gas Berhad
Public Bank Berhad
Petronas Chemicals Group Berhad
Maxis Berhad
Malayan Banking Berhad
Tenaga Nasional Berhad
Axiata Group Berhad
DiGi.Com Berhad

Fund Information

NAV (29.9.17)	RM0.8417
Fund Size	RM35.66 million
Inception Date	21-Jan-08
Fund Management Fee	1.5% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	95%
Cash	0%	20%	5%

Performance Table

Period	Fund	Index*
1 month (%)	0.27%	-0.99%
3 months (%)	-0.07%	-0.46%
6 months (%)	-0.93%	0.89%
12 months (%)	2.94%	6.23%
2 years (% pa)	2.15%	4.07%
3 years (% pa)	-1.48%	-1.67%
5 years (% pa)	1.43%	1.41%
Since Inception	6.04%	2.02%
Yield #	2.90%	3.18%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is FBM KLCI sourced from Bloomberg.

Yield data is sourced from Bloomberg, and MCIS.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Equity Fund Monthly Report (September 2017)

Investment Objective

The objective of the Equity Fund is to achieve capital growth over the medium to long term by focusing on high quality equities listed on the FBM KLCI Index. The aim of the Equity Fund is to outperform the Index over periods of five or more years.

Investment Strategy

To invest in a broad selection of companies listed on the Malaysian Stock Exchange. Using a relative value methodology, the fund focuses on the stocks whose shares appear undervalued relative to fundamental value, with the aim of achieving long term growth in capital value.

Risks

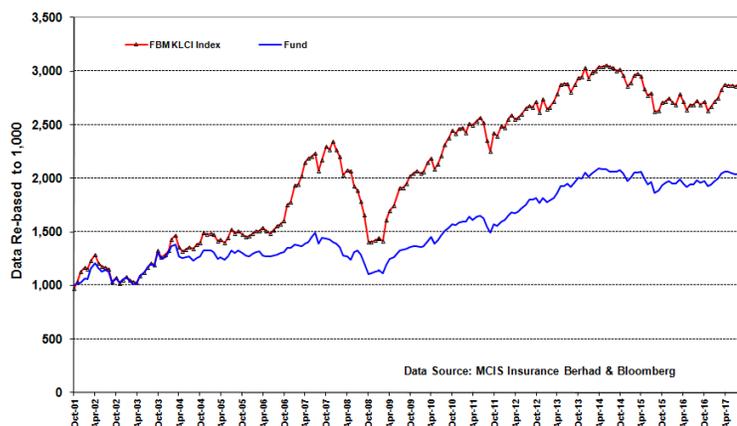
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended September 2017, the fund had outperformed the benchmark by 65bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming stocks in the portfolio compared to benchmark.

Equity Fund Performance Since Inception



Top Ten Holdings

Tenaga Nasional Berhad
Malayan Banking Berhad
Public Bank Berhad
IOI Corporation Berhad
KLCCP Stapled Group
Petronas Chemicals Group Berhad
Sime Darby Berhad
Telekom Malaysia Berhad
Petronas Dagangan Berhad
CIMB Bank Berhad

Fund Information

NAV (29.9.17)	RM1.0259
Fund Size	RM10.61 million
Inception Date	15-Oct-01
Fund Management Fee	1.40% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	95%
Cash	0%	20%	5%

Performance Table

Period	Fund	Index*
1 month (%)	0.34%	-0.99%
3 months (%)	0.13%	-0.46%
6 months (%)	0.34%	0.89%
12 months (%)	4.62%	6.23%
2 years (% pa)	4.25%	4.07%
3 years (% pa)	-0.13%	-1.67%
5 years (% pa)	2.60%	1.41%
Since Inception	4.59%	6.77%
Yield #	3.12%	3.18%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is FBM KLCI sourced from Bloomberg.

Yield data is sourced from Bloomberg, and MCIS.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Global Yakin Fund

Monthly Report (September 2017)

Investment Objective

The fund aims for capital appreciation in the long term by investing in an international portfolio of Shariah-compliant equities and equity-related securities of companies with good growth potential.

Investment Strategy

The Fund is to feed into Aberdeen Islamic World Equity Fund (AIWEF) which managed by Aberdeen Islamic Asset Management Sdn Bhd. The Fund invests in shariah approved securities across the globe.

The Fund seeks to achieve its objective by investing in an international portfolio of Shariah-compliant equities and equity-related securities of companies with good growth potential. The countries that the Fund will invest in will include, but not limited to Canada, United States of America, United Kingdom, France, Germany, Italy, Netherlands, Sweden, Switzerland, Japan, Australia, China, Hong Kong, Korea, Singapore, Taiwan, Brazil and Mexico.

Risks

The Fund is considered low risk given the exposure to only one underlying securities with no attempt to select stocks individually or to take defensive positions in declining markets. Risk is managed at the management level, where the asset allocation of the fund to be reviewed on regular basis, and adjusted to commensurate with the Investment Team view on the relative attractiveness of each asset class.

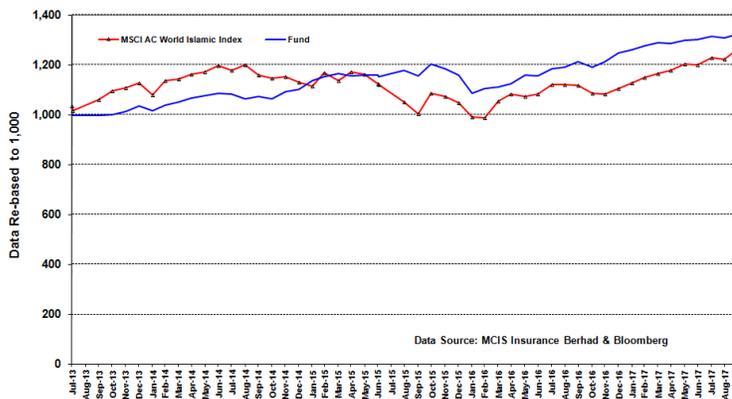
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

The Fund is suitable for investors who seek capital appreciation over a long term investment horizon and who are willing to accept high level of risk.

Fund Performance

For the month ended September 2017, the fund had underperformed the benchmark by 205bps MoM (month on month). The underperformance was mainly due to underperforming of the underlying securities compared to the benchmark index.

Global Yakin Fund Performance Since Inception



Top Ten Holdings

Aberdeen Islamic World Equity Fund (AIWEF)

Fund Information

NAV (29.9.17)	RM0.6624
Fund Size	RM31.13 million
Inception Date	8-July-2013
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
AIWEF	80%	100%	87%
Cash	0%	20%	13%

Performance Table

Period	Fund	Index*
1 month (%)	1.30%	3.35%
3 months (%)	1.61%	5.30%
6 months (%)	2.81%	8.57%
12 months (%)	9.07%	12.91%
2 years (% pa)	7.06%	12.15%
3 years (% pa)	7.23%	2.93%
5 years (% pa)	-	-
Since Inception	6.84%	5.68%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is MSCI AC World Islamic sourced from Bloomberg.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Income Fund

Monthly Report (September 2017)

Investment Objective

The objective of the Income Fund is to provide investors with security of income by investing in a mix of fixed income and fixed deposit securities. The aim of the Fund is to outperform the HSBC Malaysia Local Currency All Bond Total Return Index.

Investment Strategy

To invest into underlying asset classes as per the Asset Allocation Ranges. The asset allocation is reviewed on a regular basis, and is adjusted commensurate with our view on the relative attractiveness of each asset class. The Fund invests in cash and fixed income securities including government bonds and corporate debt securities.

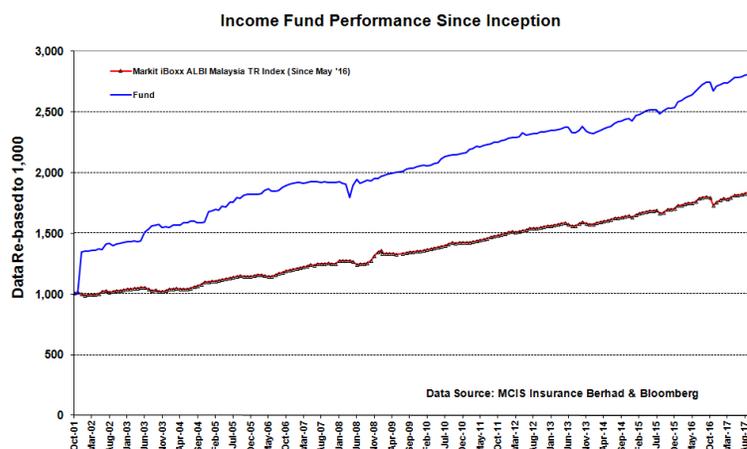
Risks

The Fund is considered lower risk given the exposure to cash and fixed income securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets. Additionally, levels of interest rates, and credit downgrades or defaults can affect the value of fixed income securities.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended September 2017, the fund had underperformed the benchmark by 21bps MoM (month on month). The underperformance was due to underperforming of the fixed income securities compared to the benchmark index.



Top Ten Holdings

Malaysian Government Securities
 Government Investment Issue
 Northern Gateway Infrastructure Sdn Bhd
 YTL Corporation Berhad
 Sabah Development Bank Berhad
 PBFIN Berhad
 BGSM Management Sdn Bhd
 Sabah Credit Corporation
 Perdana Petroleum Berhad
 Sarawak Hidro Sdn Bhd

Fund Information

NAV (29.9.17)	RM1.4066
Fund Size	RM27.53 million
Inception Date	15-Oct-01
Fund Management Fee	0.5% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Fixed Income	75%	100%	90%
Cash	0%	25%	10%

Performance Table

Period	Fund	Index*
1 month (%)	0.19%	0.40%
3 months (%)	1.05%	1.19%
6 months (%)	2.65%	2.94%
12 months (%)	2.34%	2.03%
2 years (% pa)	5.89%	4.87%
3 years (% pa)	5.01%	4.03%
5 years (% pa)	3.88%	3.59%
Since Inception	6.68%	3.88%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* The benchmark index is Markit iBoxx ALBI Malaysia TR Index (Since Dec '12). Prior to that, the index used was HSBC Malaysia All Bond Index. Benchmark return is calculated on re-based basis. The source is from the subscription of Markit Indices.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Jati Fund

Monthly Report (September 2017)

Investment Objective

The Jati Fund is invested in accordance with Shariah principles in Shariah sanctioned equities, money market instruments, and fixed income investments. The aim is to provide security and income, while maintaining and potentially increasing the value of capital over the medium to long-term. The Jati Fund is not a takaful product.

Investment Strategy

To invest in a broad selection of Shariah approved securities listed on the Malaysian Stock Exchange. Using a relative value methodology it looks to buy stocks whose shares appear undervalued relative to fundamental value, with the aim of achieving an income stream, together with some degree of long-term capital gains.

Risks

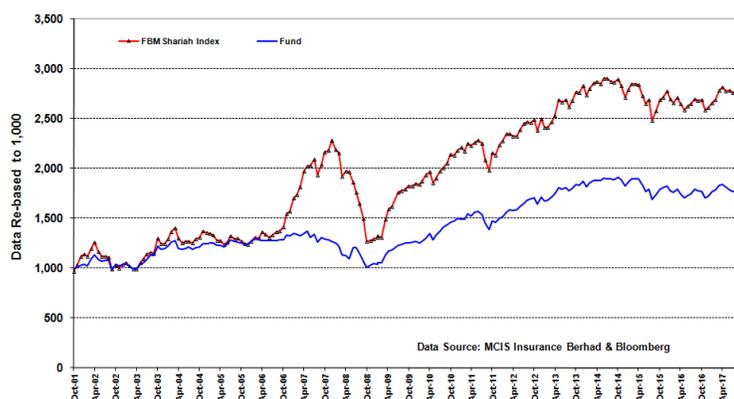
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended September 2017, the fund had outperformed the benchmark by 42bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming stocks in the portfolio compared to benchmark.

Jati Fund Performance Since Inception



Top Ten Holdings

Tenaga Nasional Berhad
Sime Darby Berhad
Petronas Dagangan Berhad
Petronas Chemicals Group Berhad
Sapura Energy Berhad
Telekom Malaysia Berhad
IHH Healthcare Berhad
MISC Berhad
Axiata Group Berhad
DiGi.Com Berhad

Fund Information

NAV (29.9.17)	RM0.8901
Fund Size	RM12.37 million
Inception Date	15-Oct-01
Fund Management Fee	1.35% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	90%
Cash	0%	20%	10%

Performance Table

Period	Fund	Index*
1 month (%)	0.80%	0.38%
3 months (%)	-0.50%	-0.19%
6 months (%)	-2.75%	-0.11%
12 months (%)	0.29%	3.64%
2 years (% pa)	1.25%	3.75%
3 years (% pa)	-1.98%	-0.99%
5 years (% pa)	0.99%	2.44%
Since Inception	3.67%	6.60%
Yield #	2.19%	2.53%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is FBMS Index sourced from Bloomberg.

Yield data is sourced from Bloomberg, and MCIS.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Equity Market Review and Outlook

Market Review

September was a negative month for Bursa Malaysia. The FBMKLCI Index rebounded at the start of the month to peak at 1,789 pts on 12 Sep 2017, but only to give up much of those gains and more when the Federal Reserve signaled one more rate hike towards year end. For the month, the benchmark index edged down 17.6pts or 1% m-o-m to close at 1,756pts. The key sectors that dragged down the KLCI in Sept was the finance and technology sectors. The broader market outperformed the KLCI, as the FBM EMAS fell 0.6% m-o-m to 12,531pts. Average daily value traded on Bursa in September rose 30% mom to RM2.5bn.

On the domestic economic front, Malaysia exports grew at a robust 21.5% y-o-y in August, albeit slowing from +30.9% in the previous month. This was likely on the back of a waning low-base effect. Given the strong performance in external activities YTD, it is expected that 2017 exports and imports to pick up to 15.2% and 18.6% from 1.1% and 1.9% in 2016 respectively.

Globally, the global service sector continued to make solid progress in September. Business activity rose at a similar pace to August's two-year high, rounding off the best quarter since the 2Q15. The global purchasing managers' index (PMI) for services, based on a survey conducted by JP Morgan and Markit Economics, posted a reading of 54.0 in September, inching marginally lower from 54.1 in August. Output increased across the business, consumer and financial services sectors.

Chart 1: FBMKLCI Weekly Chart



Source: CIMB Research

Chart 2: FBMKLCI Monthly Pattern and Cycle Analysis



Source: Bloomberg

Market Outlook & Strategy

Technically, the Head & Shoulders (H&S) pattern continues to take shape for the long term view. This multi-year reversal pattern would only be confirmed on a break below the neckline which is roughly about the 1,680 levels. In September, the index failed to surpass above the long-term downtrend line from the all-time high of 1,896 (red line) following several attempts. As of now, the chart shows that the index appears to be turning down from the LT downtrend line amid sliding indicators. Traders may want to trade cautiously. Next supports are seen 1,751, 1,743 and 1,730.

Going forward, we cautiously positive on the equity market backed by better economic outlook, improving earnings, strengthening of the ringgit and potential election this year. However, short term geopolitical issues and foreign selling on the market may provide some negative sentiment in the immediate term. This should provide opportunity to accumulate on weakness.

Fixed Income Review and Outlook

Market Review

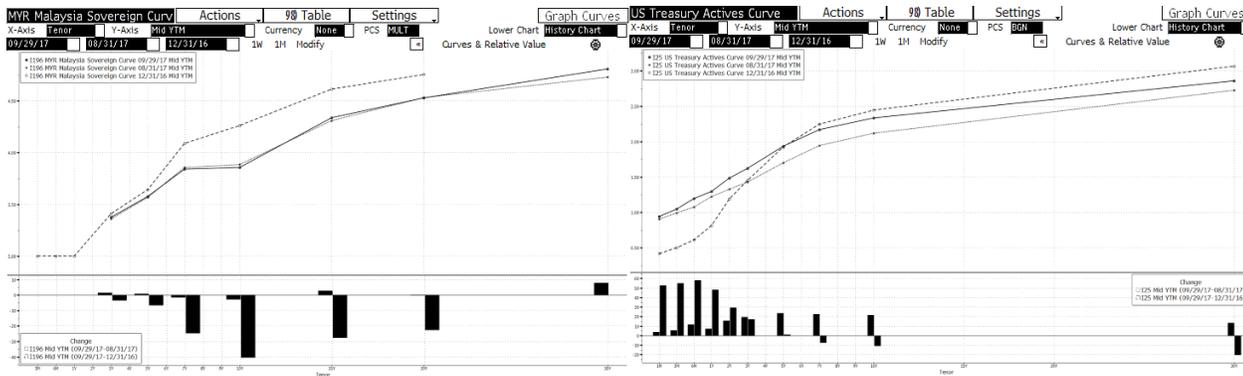
Malaysia Government Securities (MGS) weakened across the curve in September with the yields went up 4-16 bps. The weakening was due to the more hawkish FOMC statement, pointing to another rate hike this year, despite a weaker-than-expected inflation rate. From it, the Dollar strengthened against Ringgit, from RM4.2715/USD to low of RM4.1860/USD before strengthening back up to RM4.2190/USD after the FOMC meeting. Brent crude oil prices went up from USD52.38/barrel to USD 57.54/barrel as a quarter of US refining capacity went offline after Hurricane Harvey hit Texas.

On local economic data, inflation edged higher to 3.7% in August'17 (July'17: 3.2%), mainly due to increasing transportation cost (fuel) by 20.4% y-o-y following the higher global oil prices. The trade balance was widened to RM8.03 billion, supported by both strong export growth of +30.9% and import growth of +21.8% in August. Malaysia continues to build up the foreign reserve, with the latest figure at US\$100.8 billion. The reserve is sufficient to retain 7.7 months of imports and 1.1 times short term external debts. BNM kept the Overnight Policy Rate at 3% for the seventh straight meeting in September, citing good growth momentum and contained inflation.

The auctions unveiled in September 2017 are as follows;

Government Auctions				
Issue	Issue Date	Amount (RM million)	Bid-cover (times)	Avg Yield (%)
5-Year Re-issuance of MGS(Mat March/22)	15/9/2017	4,000.00	1.90	3.50
15-Year Re-issuance of MGII(Mat Aug/33)	29/9/2017	4,000.00	1.73	4.58

Table 1: Government Auctions in September 2017. Source: Bank Negara Malaysia



Source: Bloomberg

Source: Bloomberg

10-year US Treasury prices took a downturn, moving the yield higher from 2.17% to 2.33% due to the recent FOMC statement, which indicated the balance sheet reduction plan and another 4 potential rate hikes by 2018. The effect of hurricane Irma and Harvey are viewed short-term and unlikely to alter the medium-term economic outlook.

Market Outlook & Strategy

With major central banks showing signal towards tightening policy, we are cautious in taking duration in view of an upward trending yield environment. Despite the local bond market is fuelled by the external risk factors such as geopolitical tension in North Korea, Brexit and fluctuation in crude oil prices, we believe corporate bond space still provides attractive yields given stable monetary stance from BNM and strong fundamentals in local market. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.