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# Investment Link Fund Performance Report February 2021

## **General Advice Warning**

The information contained in this material is general information and intended for the use of professional advisers, researchers and trustees. It does not take into account the objectives, financial situation or needs of any person. These factors should be considered before acting on this information.

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## **Past performance is not a reliable indicator of future performance**

The information in this presentation should not be considered a personal recommendation on any of the securities or stocks mentioned.

## EXECUTIVE SUMMARY

The FBMKLCI Index gained 0.7% m-o-m in February 2021, thanks to the deployment of the COVID-19 vaccine which kicked in on 24 February 2021. The market sentiment also improved as the government relaxed some of the movement control measures throughout the month. The vaccines development has pulled the glove stocks prices lower than they were a month earlier.

Malaysia Government Securities (“MGS”) yield spiked up across the curve on the back of higher global rates. Ringgit on the other hand weakened slightly to MYR4.0498/USD as compared to a month earlier at USD4.0400/USD. The crude oil prices also rose to pre-COVID19 level of USD66.13/barrel (Jan’21: USD55.88/barrel) given the hope of global economic recovery after the COVID-19 vaccine rolled-out.

On local economic data, inflation continues to be in the negative territory for 11-straight months albeit recovering strongly to -0.2% YoY in Jan’21 (Dec’20: -1.4% YoY). This was mainly driven by the moderating Transport cost (Jan’21: -0.9% YoY, Dec’20: -5.1% YoY) as global crude oil prices continued to rise. RON95 fuel price rose to MYR1.87 in Jan’21 (Dec’20: MYR1.75) though it is still lower than MYR2.08 in a year ago. As electricity tier-based discounts expired in Dec’20, deflation in Housing, Water, Electricity, Gas and Other Fuels dissipated to -0.7% YoY (Dec’20: -3.3% YoY).

Going forward, we believe that outlook for the local equity market is improving. Rollout of vaccine for COVID-19 will be the key success factor as this will improve the domestic activities locally. Hence, increasing weight into the equity exposure that will push equity related funds higher in the medium term.

For fixed income, following the OPR cut by 125bps and SRR cut by 100bps in 2020, BNM is expected to tune monetary stance to slight dovish throughout 2021 given the hope of economic recovery post COVID-19 pandemic. The external risk factors such as trade war between US and China and the fluctuation in crude oil prices will continue to weigh on the local market, but we believe corporate bond space still provides attractive yields. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.

Based on table below, on monthly basis, funds performances were mixed against their benchmarks. Balanced Fund, Dividend Fund, Equity Fund, Income Funds, Jati Fund and Titan Fund had outperformed the 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		Titan Fund	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Monthly (%)	4.25%	4.46%	0.79%	-0.63%	2.25%	0.72%	2.50%	0.72%	-0.45%	2.20%	-0.79%	-1.99%	2.52%	0.84%	1.19%	-0.41%
3 Months (%)	4.57%	5.78%	1.67%	0.13%	0.88%	0.96%	2.14%	0.96%	2.62%	7.73%	-0.20%	-0.77%	0.84%	-1.28%	0.17%	3.03%
6 Months (%)	9.11%	13.95%	3.20%	0.85%	4.70%	3.44%	6.34%	3.44%	5.86%	12.00%	-0.17%	-1.91%	5.38%	-1.42%	-1.01%	3.37%
12 Months (%)	5.11%	4.37%	4.00%	3.70%	2.84%	6.41%	3.68%	6.41%	18.27%	26.36%	3.15%	0.58%	6.71%	16.71%	13.83%	35.92%

Source: MCI/S Insurance Berhad

## AsiaPac Fund Monthly Report (February 2021)

### 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 Principal S&P Asia Pacific Ethical Dividend Exchange Traded Fund (ETF), managed by Principal Asset Management Berhad 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.

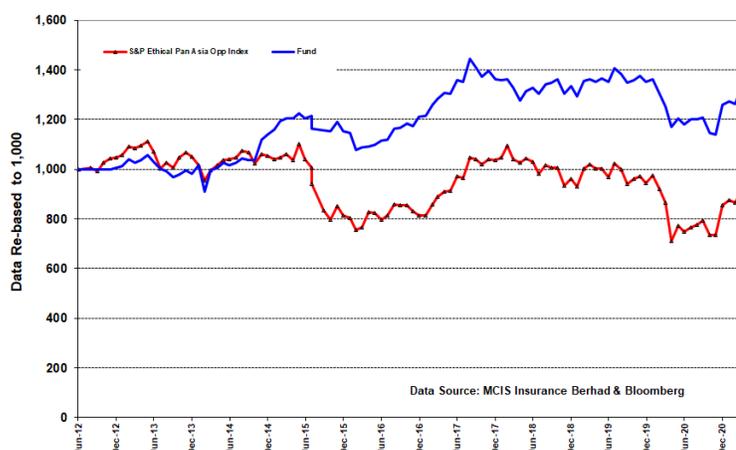
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 February 2021, the fund had underperformed the benchmark by 21bps MoM (month on month). The fund had outperformed the benchmark since inception.

AsiaPac Fund Performance Since Inception



### Top Ten Holdings

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

### Fund Information

NAV (26.02.21)	RM0.6589
Fund Size	RM63.62 million
Inception Date	15-July-2012
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
ETF	80%	100%	88%
Cash	0%	20%	12%

### Performance Table

Period	Fund	Index*
1 month (%)	4.25%	4.46%
3 months (%)	4.57%	5.78%
6 months (%)	9.11%	13.95%
12 months (%)	5.11%	4.37%
2 years (% pa)	-1.62%	-5.90%
3 years (% pa)	-0.26%	-4.61%
5 years (% pa)	3.92%	3.38%
Since Inception (% pa)	3.24%	-1.17%

**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 Life 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.

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 (February 2021)

### 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

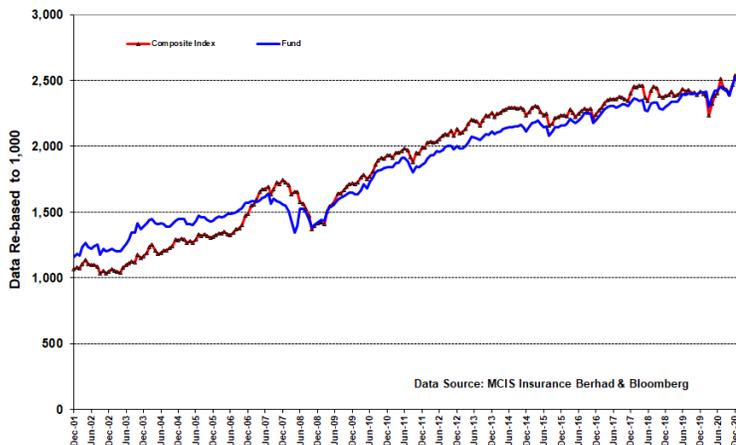
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, 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 February 2021, the fund had outperformed the benchmark by 142bps 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

Telekosang Hydro One Sdn Bhd (Bond)  
Edra Solar Sdn Bhd (Bond)  
CIMB Bank Berhad (Bond)  
Northern Gateway Infrastructure Sdn Bhd (Bond)  
Sabah Development Bank Berhad (Bond)  
Telekom Malaysia Berhad (Equity)  
Projek Lebuhraya Utara-Selatan (Bond)  
Malayan Banking Berhad (Equity)  
Malaysia Building Society Berhad (Bond)  
Malaysia Steel Works (KL) Berhad (Bond)

### Fund Information

NAV (26.02.21)	RM1.2551
Fund Size	RM8.58 million
Inception Date	15-Oct-01
Fund Management Fee	1.25% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	40%	60%	44%
Fixed Income	40%	60%	48%
Cash	0%	20%	8%

### Performance Table

Period	Fund	Index*
1 month (%)	0.79%	-0.63%
3 months (%)	1.67%	0.13%
6 months (%)	3.20%	0.85%
12 months (%)	4.00%	3.70%
2 years (% pa)	3.61%	1.20%
3 years (% pa)	2.09%	0.29%
5 years (% pa)	2.96%	2.07%
Since Inception (% pa)	4.85%	4.77%

**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 Life 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 Market 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 Market Indices.

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 (February 2021)

### 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

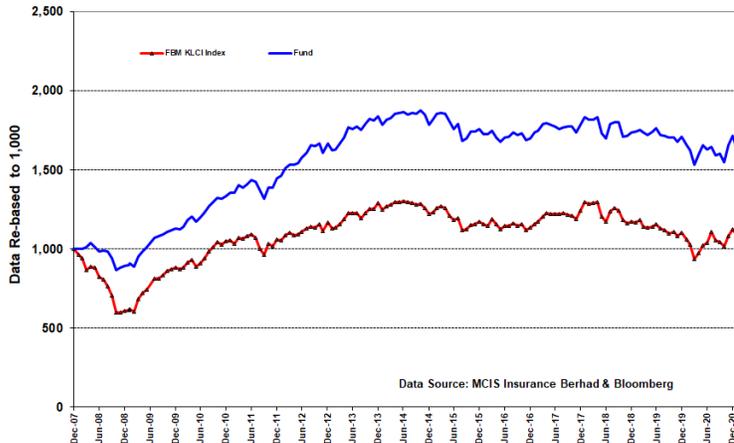
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 February 2021, the fund had outperformed the benchmark by 153bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming securities in the portfolio compared to benchmark.

Dividend Fund Performance Since Inception



### Top Ten Holdings

Petronas Gas Berhad  
 Petronas Chemicals Group Berhad  
 Public Bank Berhad  
 Maxis Berhad  
 Malayan Banking Berhad  
 Tenaga Nasional Berhad  
 IOI Corporation Berhad  
 Sime Darby Plantation Berhad  
 Axiata Group Berhad  
 DiGi.Com Berhad

### Fund Information

NAV (26.02.21)	RM0.7924
Fund Size	RM29.65 million
Inception Date	21-Jan-08
Fund Management Fee	1.5% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	91%
Cash	0%	20%	9%

### Performance Table

Period	Fund	Index*
1 month (%)	2.25%	0.72%
3 months (%)	0.88%	0.96%
6 months (%)	4.70%	3.44%
12 months (%)	2.84%	6.41%
2 years (% pa)	-2.45%	-3.88%
3 years (% pa)	-2.77%	-5.27%
5 years (% pa)	-0.67%	-0.95%
Since Inception (% pa)	3.96%	0.67%
Yield #	2.77%	3.01%

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\* Index is FBM KLCI sourced from Bloomberg.

# Yield data is sourced from Bloomberg, and MCIS Life.

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 (February 2021)

### 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

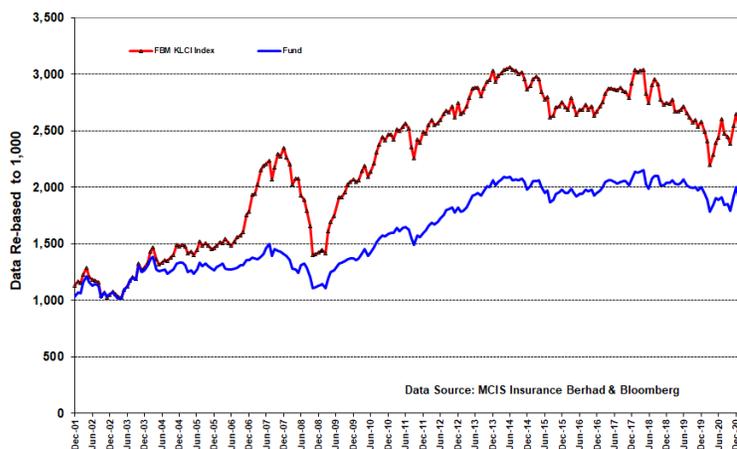
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 February 2021, the fund had outperformed the benchmark by 178bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming securities 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  
 Telekom Malaysia Berhad  
 CIMB Bank Berhad  
 Petronas Chemicals Group Berhad  
 Maxis Berhad  
 Axiata Group Berhad  
 DiGi.Com Berhad

### Fund Information

NAV (26.02.21)	RM0.9801
Fund Size	RM9.58 million
Inception Date	15-Oct-01
Fund Management Fee	1.40% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	92%
Cash	0%	20%	8%

### Performance Table

Period	Fund	Index*
1 month (%)	2.50%	0.72%
3 months (%)	2.14%	0.96%
6 months (%)	6.34%	3.44%
12 months (%)	3.68%	6.41%
2 years (% pa)	-2.50%	-3.88%
3 years (% pa)	-2.69%	-5.27%
5 years (% pa)	0.11%	-0.95%
Since Inception (% pa)	3.53%	4.97%
Yield #	2.88%	3.01%

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

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\* Index is FBM KLCI sourced from Bloomberg.  
 # Yield data is sourced from Bloomberg, and MCIS Life.

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 (February 2021)

### 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 Standard Islamic World Equity Fund (ASWIEF) which managed by Aberdeen Standard Islamic Investment (Malaysia) 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.

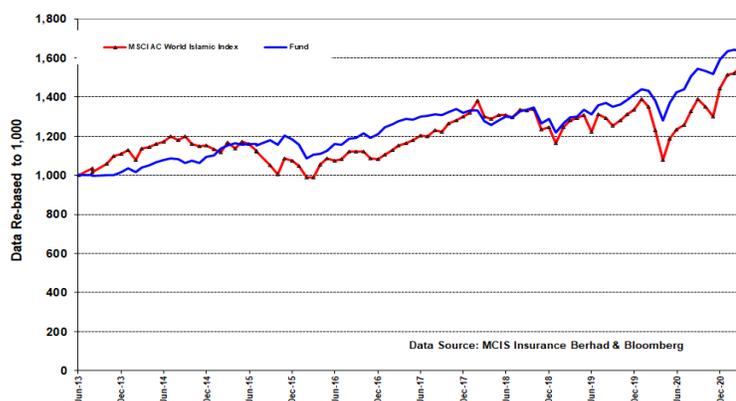
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

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 February 2021, the fund had underperformed the benchmark by 265bps 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 Standard Islamic World Equity Fund (ASWIEF)

### Fund Information

NAV (26.02.21)	RM0.8172
Fund Size	RM77.38 million
Inception Date	8-July-2013
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
ASWIEF	80%	100%	84%
Cash	0%	20%	16%

### Performance Table

Period	Fund	Index*
1 month (%)	-0.45%	2.20%
3 months (%)	2.62%	7.73%
6 months (%)	5.86%	12.00%
12 months (%)	18.27%	26.36%
2 years (% pa)	12.21%	10.16%
3 years (% pa)	8.54%	6.14%
5 years (% pa)	8.15%	11.98%
Since Inception (% pa)	6.62%	5.94%

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

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\* Index is MSCI AC World Islamic sourced from Bloomberg.

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 (February 2021)

### 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.

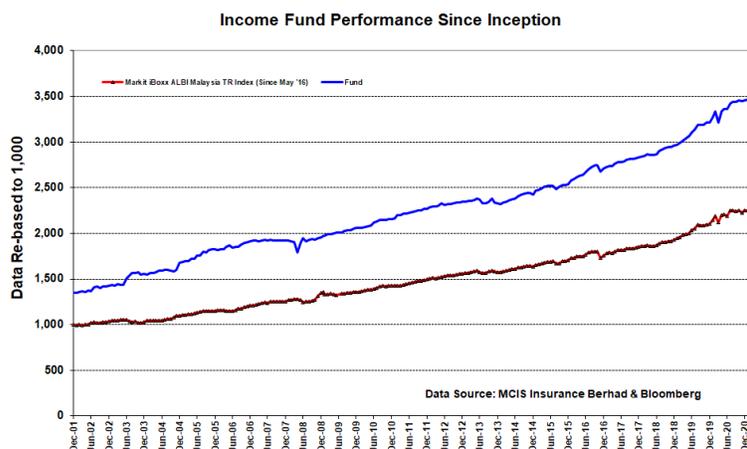
### Risks

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 February 2021, the fund had outperformed the benchmark by 120bps MoM (month on month). The outperformance was due to outperforming of the fixed income securities compared to the benchmark index.



### Top Ten Holdings

Malaysian Government Securities  
 Leader Energy Sdn Berhad  
 Sabah Development Bank Berhad  
 Telekomang Hydro One Sdn Bhd  
 Edra Solar Sdn Bhd  
 Northern Gateway Infrastructure Sdn Bhd  
 UiTM Solar Power Sdn Berhad  
 Swirl Assets Berhad  
 SAJ Capital Sdn Bhd  
 Malaysia Steel Works (KL) Berhad

### Fund Information

NAV (26.02.21)	RM1.7190
Fund Size	RM44.01 million
Inception Date	15-Oct-01
Fund Management Fee	0.5% p.a.
Pricing	Daily
Price Quote	Major New s paper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Fixed Income	75%	100%	79%
Cash	0%	25%	21%

### Performance Table

Period	Fund	Index*
1 month (%)	-0.79%	-1.99%
3 months (%)	-0.20%	-0.77%
6 months (%)	-0.17%	-1.91%
12 months (%)	3.15%	0.58%
2 years (% pa)	7.21%	6.12%
3 years (% pa)	6.46%	5.80%
5 years (% pa)	5.78%	4.92%
Since Inception (% pa)	6.57%	4.16%

**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 Life 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.

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 (February 2021)

### 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

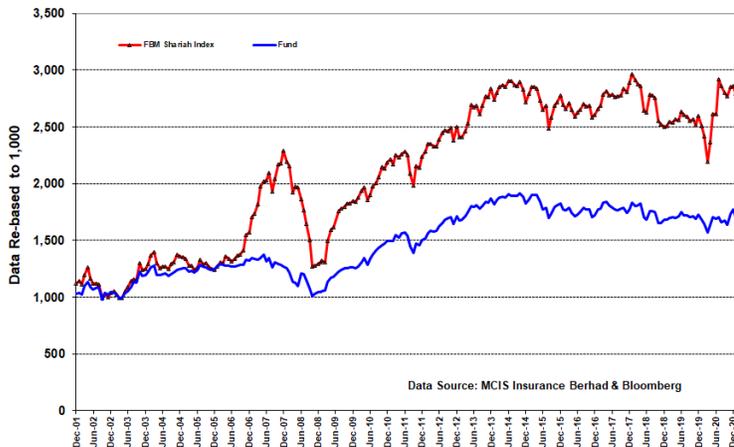
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and 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 February 2021, the fund had outperformed the benchmark by 168bps MoM (month on month). The outperformance was mainly driven by higher exposure of outperforming securities in the portfolio compared to benchmark.

Jati Fund Performance Since Inception



### Top Ten Holdings

- Telekom Malaysia Berhad
- Tenaga Nasional Berhad
- Axiata Group Berhad
- IOI Corporation Berhad
- Petronas Chemicals Group Berhad
- Maxis Berhad
- Sime Darby Plantation Berhad
- Sime Darby Berhad
- Press Metal Berhad
- Petronas Gas Berhad

### Fund Information

NAV (26.02.21)	RM0.8760
Fund Size	RM18.48 million
Inception Date	15-Oct-01
Fund Management Fee	1.35% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	89%
Cash	0%	20%	11%

### Performance Table

Period	Fund	Index*
1 month (%)	2.52%	0.84%
3 months (%)	0.84%	-1.28%
6 months (%)	5.38%	-1.42%
12 months (%)	6.71%	16.71%
2 years (% pa)	1.48%	5.18%
3 years (% pa)	-0.96%	-1.13%
5 years (% pa)	-0.11%	1.16%
Since Inception (% pa)	2.93%	5.48%
Yield #	2.71%	2.78%

**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 Life 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 Life.

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.

# Titan Fund

## Monthly Report (February 2021)

### Investment Objective

The Fund invests in MyETF Dow Jones U.S. Titans 50 ("MyETFDJ50") which aims to provide investment results that closely correspond to the performance of the Dow Jones Islamic Market U.S. Titans 50 Index.

### Investment Strategy

MyETFDJ50 is managed by i-VCAP Management Sdn Bhd and it invests into 50 largest Shariah compliant companies listed in the U.S. MyETFDJ50 is a passively managed fund.

### 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.

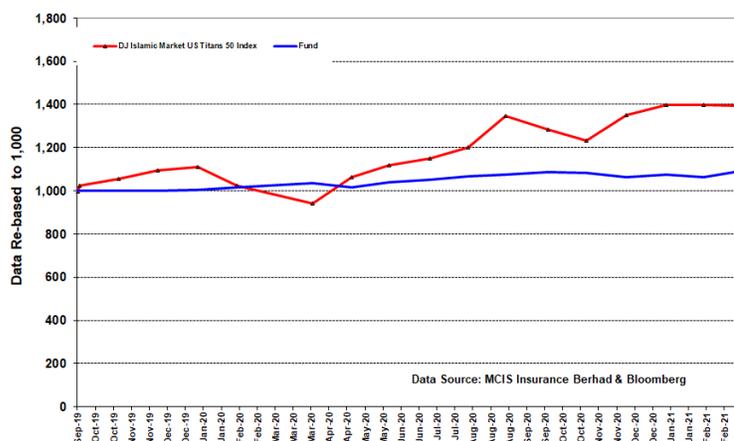
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

The Fund is suitable for investors who are seeking for diversification and investment opportunities in Shariah-compliant equities in the U.S. market and seeking liquid financial instruments with an index tracking feature.

### Fund Performance

For the month ended February 2021, the fund had outperformed the benchmark by 160bps MoM (month on month).

Titan Fund Performance Since Inception



### Fund Information

NAV (26.02.21)	RM0.5891
Fund Size	RM22.78 million
Inception Date	17-Sept-2019
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or <a href="http://www.mcis.my">http://www.mcis.my</a>
Fund Manager	MCIS Insurance Berhad (MCIS Life)
Exceptional Circumstances	Refer to your Policy Document

### Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
MyETFDJ50	80%	100%	60%
Cash	0%	20%	40%

### Performance Table

Period	Fund	Index*
1 month (%)	1.19%	-0.41%
3 months (%)	0.17%	3.03%
6 months (%)	-1.01%	3.37%
12 months (%)	13.83%	35.92%
2 years (% pa)	n/a	n/a
3 years (% pa)	n/a	n/a
5 years (% pa)	n/a	n/a
Since Inception (% pa)	11.55%	24.73%

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

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\* Index Dow Jones Islamic Market U.S. Titans50 Index sourced from Bloomberg.

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.

### Top Ten Holdings

MyETFDJ50

# Equity Market Review and Outlook

## Market Review

The FBMKLCI Index gained 0.7% m-o-m in February 2021, thanks to the deployment of the COVID-19 vaccine which kicked in on 24 February 2021. The market sentiment also improved as the government relaxed some of the movement control measures throughout the month. The vaccines development has pulled the glove stocks prices lower than they were a month earlier.

The average daily value traded on the Malaysian stock exchange grew 4% m-o-m in February 21 to RM5.3billion and volumes rose to 9.5 billion (vs. 7.1 billion in January, +33.8% m-o-m), as trading activities by retailers picked up post the Chinese New Year festival on 12 Feb 2021. Local retail investors were the largest net buyer, while local institutional investors were the largest net seller.

Globally, it was a mixed performance in February 2021. In the US, Dow Jones Industrial index picked up 3.2% and the broader S&P 500 index closed 2.6% higher. The positive sentiment was coming from the growing optimism surrounding the economic recovery and decreasing number of COVID-19 infections. Euro area was also showing positive returns with Bloomberg European 500 index closed 2.5% higher. In Asia, MSCI Asia APEX 50 ex-Japan closed marginally higher by 0.2% m-o-m and average Asian markets gained 2.2% m-o-m.

**Chart 1: FBMKLCI Daily Chart**



Source: MCIS/Bloomberg

**Chart 2: FBMKLCI Weekly Chart**



Source: MCIS/Bloomberg

## Market Outlook & Strategy

Traditionally, FBMKLCI index's performance tends to be mixed in March, with the benchmark posting +0.3%/-0.4% m-o-m returns over the past 10/43 years. Improved sentiments were expected on the progress of the COVID-19 vaccination programme, lower COVID-19 cases and strong quarterly earnings.

Technically, both daily and weekly charts are indicating that the FBMKLCI is currently at its lower range of its trading channel. Breaking the channel in the coming weeks might indicate more weakness in the month ahead. However, the benchmark still trading above 200-day (daily) and 50-day (weekly) moving average, showing the market is likely to consolidate sideways. Support is seen at 1,550 level while resistance is seen at 1,700 level.

Based on the above highlights, we believe that outlook for the local equity market is improving. Rollout of vaccine for COVID-19 will be the key success factor as this will improve the domestic activities locally. Hence, increasing weight into the equity exposure that will push equity related funds higher in the medium term.

## Fixed Income Review and Outlook

### Market Review

Malaysia Government Securities (“MGS”) yield spiked up across the curve on the back of higher global rates. Ringgit on the other hand weakened slightly to MYR4.0498/USD as compared to a month earlier at USD4.0400/USD. The crude oil prices also rose to pre-COVID19 level of USD66.13/barrel (Jan’21: USD55.88/barrel) given the hope of global economic recovery after the COVID-19 vaccine rolled-out.

Taking a hit from the second wave of COVID-19 pandemic, Malaysia 4Q’20 GDP came in lower at -3.4% YoY (3Q’20: -2.6%), making the full year 2020 GDP at -5.6% (2019: +4.3%). All sectors were impacted, including services (4Q’20: -4.9% YoY; 3Q’20: -4.0% YoY), mining (4Q’20: -10.6% YoY; 3Q’20: -6.8% YoY), agriculture (4Q’20: -0.7% YoY; 3Q’20: -0.5% YoY) and construction (4Q’20: -13.9% YoY; 3Q’20: -12.4% YoY) while manufacturing growth slowed (4Q’20: +3.0% YoY; 3Q’20: +3.3% YoY). Domestic Demand took a hit to -4.4% YoY (3Q’20: -3.3% YoY), but External Demand was seen sustained at +12.4% YoY (3Q’20: +21.9% YoY) given the strong exports on E&E and Rubber Products.

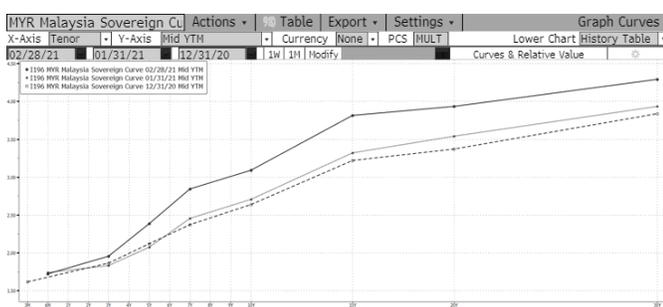
Inflation continues to be in the negative territory for 11-straight months albeit recovering strongly to -0.2% YoY in Jan’21 (Dec’20: -1.4% YoY). This was mainly driven by the moderating Transport cost (Jan’21: -0.9% YoY, Dec’20: -5.1% YoY) as global crude oil prices continued to rise. RON95 fuel price rose to MYR1.87 in Jan’21 (Dec’20: MYR1.75) though it is still lower than MYR2.08 in a year ago. As electricity tier-based discounts expired in Dec’20, deflation in Housing, Water, Electricity, Gas and Other Fuels dissipated to -0.7% YoY (Dec’20: -3.3% YoY).

Malaysia external reserves peaked at USD109.0bil as at end-Feb’21 as compared to a month earlier at USD108.6bil. The reserve is sufficient to cover 8.6 months of retained imports and 1.2x short-term external debt and is above the minimum requirement of USD90.3bil IMF Reserve Adequacy.

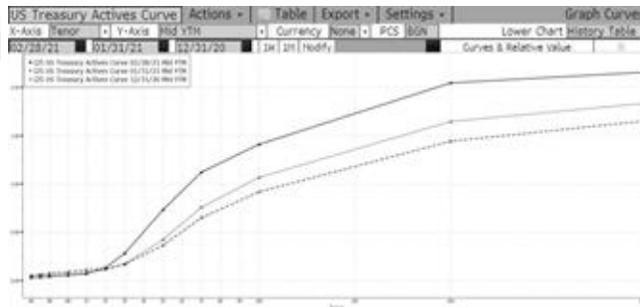
The auctions unveiled in February 2021 are as follow;

Government Auctions Issue	Issue Date	Amount (RM million)	Bid-cover (times)	Avg Yield (%)
5year Re-Issuance of GII(Mat 3/26)	4/2/2021	4,500.00	2.07	2.25
20year Re-Issuance of MGS(Mat 5/40)	18/2/2021	4,000.00	2.22	3.97
7year Re-Issuance of GII(Mat 9/27)	25/2/2021	3,500.00	2.20	2.81

Source: Bank Negara Malaysia



Source: Bloomberg



Source: Bloomberg

10-Year US Treasury (“UST”) yield spiked up by 34bps to 1.407% as at end-Feb’21 as broader inflationary pressure is expected to materialize this year. This is mainly driven by the reopening of the US economy, pent-up spending by consumers and expectation of further fiscal aid from Biden administration.

### Market Outlook & Strategy

Following the OPR cut by 125bps and SRR cut by 100bps in 2020, BNM is expected to tune monetary stance to slight dovish throughout 2021 given the hope of economic recovery post COVID-19 pandemic. The external risk factors such as trade war between US and China and the fluctuation in crude oil prices will continue to weigh on the local market, but we believe corporate bond space still provides attractive yields. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.