November 2020

Allianz Life Amanah Dana Ikhlas

Allianz

Investment Objective

The Allianz Life Amanah Dana Ikhlas (the “Fund”) feeds into Maybank Malaysia Balanced-I Fund (“CIS”) and aims to seek a mix of regular income stream and possible capital growth over the medium to long term by investing in listed equities, Islamic debt instruments and other assets that are permissible under the Shariah Principles.

Investor Profile

The Fund is suitable for investors who are looking for fund that invests in Shariah-compliant securities, seek regular income and moderate capital appreciation, have moderate risk tolerance and medium to long term investment horizon.

Performance Indicator

	1 month	6 months	1 year	3 years	5 years	YTD	Since Inception (Annualised)
Allianz Life Amanah Dana Ikhlas	0.17%	9.29%	9.09%	7.72%	11.32%	8.70%	2.96%
Benchmark: 50% FBM Emas Shariah Index + 50% GIA rate*	1.71%	5.45%	8.63%	6.83%	12.28%	6.83%	2.94%
Maybank Malaysia Balanced-I Fund	0.12%	10.04%	8.26%	9.80%	15.09%	9.73%	3.89%

* Source: Bursa and Bank Negara Malaysia.

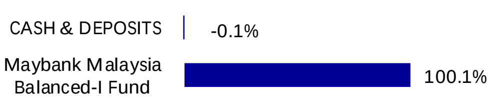
The above performance of the Fund is calculated in Ringgit Malaysia on a NAV-to-NAV basis with gross dividends reinvested. It is strictly the performance of the investment fund and not the

Facts on CIS

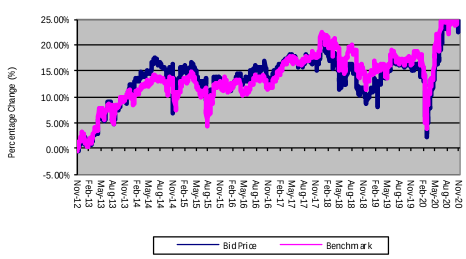
Name	Maybank Malaysia Balanced-I Fund^
Type	Managed Fund
Fund Manager	Maybank Asset Management
Fund Currency	MYR

^Maybank Malaysia Balanced-I Fund (previously known as MAYBANK Dana Ikhlas) is managed by Maybank Asset Management Sdn. Bhd. Please refer to https://www.maybank-am.com.my for more information.

Portfolio Composition by Asset



Performance Since Inception



Key Fund Facts

Fund Size	RM15.032 million
Risk Profile	Moderate Investor
Launch Date	26 November 2012
Fund Currency	Ringgit Malaysia
Investment Manager	Allianz Life Insurance Malaysia Berhad
Pricing Frequency	Daily
Price per Unit[1] (as at 30th November 2020) - Bid	0.600
Management Fee	1.19% p.a
Other Charges[2]	Include but not limited to government tax, auditor fee, custodian fee, & transaction charge

1. The price 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. To ensure fair treatment to all unit holders, transaction costs of acquiring and disposing of assets of the Fund are recouped by making a dilution or transaction cost adjustment to the NAV per unit of the Fund. Allianz Life Insurance Malaysia Berhad retains the right to suspend issuance or redemption of units of the Fund under exceptional circumstances, e.g. temporary closure of any stock exchange, as disclosed in the fund brochure.
2. Expenses directly related to and necessary in operating the Fund.

Allianz Life Insurance Malaysia Berhad (104248-X)
Level 29, Menara Allianz Sentral , 203 , Jalan Tun Sambanthan, Kuala Lumpur Sentral , 50470 Kuala Lumpur.
Allianz Life Call Centre : 603-2264 1188
www. allianz.com.my

Allianz Life Amanah Dana Ikhlas

Manager's Comments

Market Commentary

The Malaysian bond market went through a period of consolidation in the month of November following rising global bond yields that saw heightened profit taking during the month. The month also saw two major local events which were the BNM OPR decision and Budget 2021. BNM decision to maintain OPR at 1.75% on Nov 3 saw bond yields moved up after its announcement from likely unwinding of recent dovish positioning and profit taking in the market. Subsequently, yields on corporate sukuks also softened in tandem with the selloff in govvies. The tabling and news of the passing of Budget 2021 in Parliament saw some recovery in govvies which provided some support in the recent selloff. However, rising global bond yields driven by positive vaccine news continued to overshadow local govvies as sentiment remained fairly weak with wider bid-offer quotes especially in the long ends. The market is expected to see light trading heading into the year end in absence of new catalyst. Despite domestic headwinds, foreign inflow into Ringgit bonds continued in November, albeit at a slower pace of RM1.9 bln (Oct: RM8.0 bln), as emerging market debts look more attractive amidst low yield environment and extended USD weakness. This inflow brought YTD cumulative flows to +RM14.8 bln and foreign share in MGS and MGS+GII at 40.1% and 24.6% respectively (Oct: 40.3% and 24.5% respectively).

Meanwhile, Malaysian equities saw a strong rally in November in line with other risk assets, driven by news of successful COVID-19 vaccine development as well as the US election outcome of a Biden Presidency with a (likely) split Congress after a closely fought race. In general, there was rotation out of outperformers (e.g., growth plays, defensives, COVID-19 beneficiaries) into cyclicals and value plays. The FBM KLCI was up 6.5% whilst FBM Emas Shariah index, the barometer of Malaysian shariah equities, was up xx% for the month. Although decent, local market performance was overshadowed by other laggard ASEAN peers such as Thailand and Singapore, which were up double digit during the month. ASEAN currencies were also amongst the best performing currencies this month against a weaker USD, with the IDR and THB appreciating 3.5% and 2.8% respectively. In the commodities space, oil (Brent) prices jumped 25% on expectations that OPEC+ would hold back output hikes while gold prices fell 5% as markets moved into risk-on mode.

Allianz Life Insurance Malaysia Berhad (104248-X)
Level 29, Menara Allianz Sentral , 203 , Jalan Tun Sambanthan, Kuala Lumpur Sentral , 50470 Kuala Lumpur.
Allianz Life Call Centre : 603-2264 1188
www. allianz.com.my

November 2020

Allianz Life Amanah Dana Ikhlas

Manager's Comments

Market Outlook and Strategy

The current Covid-19 pandemic is negatively affecting the economic activities on the global scale resulting in central banks and governments resorting to monetary and fiscal approach to combat the slowdown effect. BNM had revised Malaysia 2020 growth expectation lower to between -3.5% to -5.5%, following a very weak 2Q 2020 GDP number of contraction of -17.1% year-on-year. Mwanwhile, 3Q 2020 GDP showed a slower decrease of -2.7% following the reopening of the economy after the relaxation of MCO. BNM had also cut OPR by a total of 125 basis points this year, as well as made changes to SRR to allow banks to use MGS and GII for SRR compliance. While most economies have started to reopen, growth outlook remains challenging. Rates are expected to stay lower for longer, with the US Fed indicating that it expects zero interest rate through to at least FY2022 and that a recovery of employment back to pre-Covid 19 is the key indicator. Meanwhile, BNM kept OPR at 1.75% in its latest meeting in November, and continued to reiterate its current monetary policy stance remains accommodative. Further monetary policy action is expected to be data dependent, and while we think that recent positive vaccine news could mean the end of a rate cut cycle, we think that BNM still has room to cut given the benign inflation outlook and the downside risk to growth from the current containment measures (Conditional CMCO) imposed by the government amidst the new wave of resurging covid-19 cases.

The resurgence of COVID-19 cases globally is alarming and fresh lockdowns may threaten global macroeconomic recovery, however, with recent news flow on vaccine development and effectiveness, the market is poised to end 2020 on a strong note. Going into 2021, we are more positive on Asian equities, including Malaysia, as the distribution of COVID-19 vaccines should herald some return to normalcy. Markets as well as stocks that have been hard hit by the pandemic should continue to benefit from positive news flow on vaccines. We expect better performance on laggard stocks that are poised to benefit from the recovery from the pandemic. That said, politics may take center stage in 2021 once the COVID-19 vaccines are produced and the pandemic comes under wraps. With the ongoing political tussle, there is a high possibility of a snap elections being held in the 2H 2021 along with the Sarawak state election. Due to the political uncertainty, foreign flows may not see any substantial pick-up in the near term.

For Malaysian sukuk, we believe the local bond market will remain supported by demand from local institutional investors such as pension funds, banks and asset managers. We are looking to be neutral duration relative to the TRBPAM Sukuk Index given our expectation that yields will stay low for longer, as global growth outlook remains challenging. We continue to overweight corporate bonds over sovereign bonds to anchor the Fund's income in corporate bonds' coupons as they are less volatile and provide higher yields to buffer against potential mark-to-market losses in the event of a turnaround in sovereign bond yields. We will continue to trade opportunistically and also look into new primary issuances that offer higher yields to deliver the required performance.

For Malaysian equities, we increase our exposure towards year end as we position the portfolios for a recovery in the market following positive news on vaccine development. In terms of sectors, we are repositioning our portfolios from sectors that have done well (healthcare) into bashed down cyclicals (Banks, oil & gas, plantation, construction and transportation/logistics). Gloves may still see good earnings for the next few quarters, however sentiment may impact the share price as investors take profit and move over to bashed down recovery plays, hence over the medium term we seek to reduce exposure. Over a longer term we continue to favour Technology as the long term prospects remain intact with the push for 5G Infrastructure.

Allianz Life Insurance Malaysia Berhad (104248-X)
Level 29, Menara Allianz Sentral , 203 , Jalan Tun Sambanthan, Kuala Lumpur Sentral , 50470 Kuala Lumpur.
Allianz Life Call Centre : 603-2264 1188
www. allianz.com.my