February 2021

Allianz Life Amanah Dana Ikhlas

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	1.83%	2.52%	12.52%	7.38%	15.07%	1.66%	3.09%
Benchmark: 50% FBM Emas Shariah Index + 50% GIA rate*	0.52%	0.00%	10.04%	4.00%	12.56%	-0.48%	2.81%
Maybank Malaysia Balanced-I Fund	2.07%	2.92%	14.01%	9.56%	19.00%	2.00%	4.06%

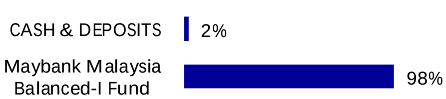
* Source: Bursa and Bank Negara Malaysia.
The above performance of the Fund is calculated in Ringgit Malaysia on a NAV-to-NAV basis with gross dividends reinvested. It is strictly the performance of the investment fund and not the returns earned on the actual premiums paid of the investment-linked product. Past performance is not an indication of future performance.

Facts on CIS

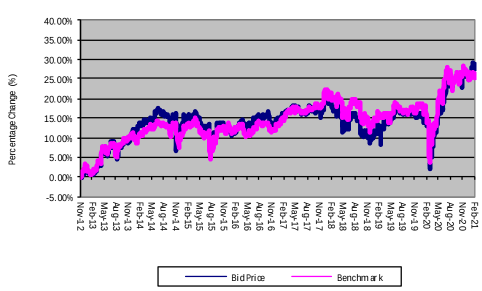
Name	Maybank Malaysia Balanced-I Fund^
Type	Managed Fund
Fund Manager	Maybank Asset Management
Fund Currency	MYR

^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	RM16.035 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 28th February 2021) - Bid	0.611
Management Fee	1.22% 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.

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Manager's Comments

Market Commentary

The Malaysian sovereign bond curve continued to steepen and shift higher in February, taking cue from the global bond sell-off amidst increasing confidence in global growth outlook, coupled with the concerns on the removal of restrictions for EPF i-sinar withdrawals. The bond yields were higher by 11-48bps across the board over the month. Meanwhile, corporate bonds also softened over the month, but at a smaller rate. Meanwhile on foreign flows, February marks the 10th consecutive month of foreign inflows into MYR bonds by RM7.2bln (Jan 2021: RM3.7bln) as foreigners seek higher carry in emerging market debts. Foreign share in MGS and MGS + GII to increased to 41.2% and 25.4% respectively (Jan 2021: 40.5% and 24.9% respectively) due to faster increase in net supply of MGS.

The 'reflation trade' continued into February with the global vaccine rollout and prospects of US fiscal stimulus. Towards month end however, equity markets pulled back as global bond yields rose on higher inflation expectations. Commodity prices stayed strong with Brent oil price surging c.20% in the month and copper hitting 10-year highs. In contrast, gold prices fell c.6% amidst higher US long-dated real yields. Asian currencies were mixed against a marginally stronger USD with the THB and IDR being the worst-performing currencies. Closer to home, the KLCI was flat (+0.7% mom) although the market rose as high as 1,608 pts before succumbing to selling pressure to close at 1,577.8. In macroeconomics, Malaysia reported a contracted GDP of 3.4% yoy in 4Q20, bringing the 2020 GDP to -5.6%. During the month, Malaysia began easing lockdown measures as well as kick-starting the vaccine programme, helping the sentiment rotating towards recovery plays. Net foreign outflows persisted during the month, amounting to RM0.9bn (US$222m) and outflow from local institutions of RM1.7bn. Retailers were net buyers of RM2bn (US$493m).

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Manager's Comments

Market Outlook & Strategy

The Malaysian bond market are on a similar trajectory with other regional markets with yields currently rising and curves seen to be steepening for the time being on the back of increasing optimism on global growth outlook. We view that economic activities would pick up with fewer disruptions once forthcoming vaccines are made available in Malaysia which we expect only in 2H21 at the earliest. Nevertheless, we expect the uneven economic recoveries globally will provide support to the bond market where low interest rates environment will be maintained for longer by central bankers to ensure accommodative environment to their economies. On monetary policy, following the 125bps of cumulative OPR cuts in 2020 and having stayed on hold since then, we view BNM will likely stand pat with OPR at 1.75% through 2021 unless the current Covid-19 condition continue to adversely impact the domestic economy to a worse level relative to 2020. In such event, there could be another potential reduction OPR cut by BNM.

While rising commodity prices may see an inflation scare, leading to a correction in risk assets, we remain sanguine. The backdrop for Asian equities in 2021 looks promising with a global growth recovery, an improved commodities outlook, (likely) less-hostile US-China relations and still-accommodative monetary and fiscal policy. While valuations are elevated, this is compensated by still-ample liquidity.

For Malaysian sukuk, we will maintain our underweight duration relative to the TRBPAM Sukuk Index as we assume a more defensive stance given our expectation of a steepening yield curve on the back of improvement in economic activities as vaccinations are rolled out globally. We will continue to trade opportunistically and look into new primary issuances that offer higher yields to deliver the required performance. We continue to prefer 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 as economy starts to recover. We prefer strong AA-rated and A-rated papers; for yield pickup and potential long term upgrade as economic activities accelerate.

For Malaysian equities, continue to increasing our equity weighting for recovery and re-opening plays. These broadly, sector-wise, would be cyclicals (e.g., Industrials, Materials, Energy, Consumer Discretionary) over defensives (e.g., Healthcare, Utilities, Consumer Staples, Communication Services). Technology stocks have suffered in recent weeks following the rotation out of growth into value. However, we believe the underlying growth drivers are primarily structural in nature and look to add opportunistically.

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