September 2021

# Allianz Life Global High Payout Fund

## Investment Objective

The Global High Payout Fund (the "Fund") feeds into Allianz Global Investors Premier Funds- Allianz Global High Payout Fund (USD) ["CIS"] and has a two-part investment strategy. Firstly, the investment manager invests in stocks from a globally diversified universe that offer a high and sustainable dividend yield. In a second step call options on these stocks are sold to generate option premium, enhancing dividends and reducing overall portfolio risk. By these means the Funds' investment objective is to provide a total return from dividend income, option premiums and capital appreciation that should lead to sustainable distributions to investors.

## Investor Profile

The Fund is designed for investors who want regular and sustainable potential high payouts.

## Performance Indicator

| | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years | 10 years | YTD | Since Inception (Annualised) |
|---|---|---|---|---|---|---|---|---|---|
| Global High Payout Fund | -2.11% | 0.44% | 5.93% | 27.46% | 26.01% | 44.02% | 142.56% | 18.13% | 3.74% |
| Benchmark: 60% MSCI World + 40% MSCI World Dividend Yield* | -1.34% | 1.79% | 6.48% | 16.52% | 5.58% | 23.60% | 123.78% | 14.83% | 4.24% |
| Allianz Global High Payout Fund (USD) | -2.54% | -0.31% | 5.67% | 29.41% | 26.95% | 45.47% | 70.53% | 15.51% | 2.25% |

Ringgit depreciated 3.98% (YTD) and depreciated 0.99% (since inception).

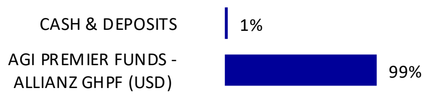
Source: Bloomberg and https://sg.allianzgi.com/

The above performance of the Fund is calculated in Ringgit Malaysia on a NAV-to-NAV basis including gross dividends paid out. 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.

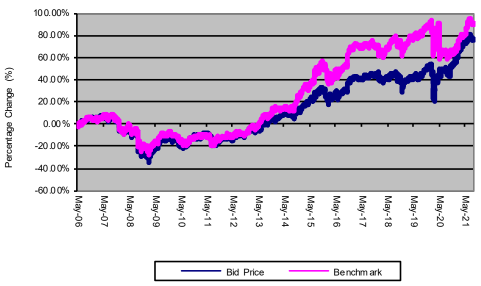
## Facts on CIS

| | |
|---|---|
| Name | Allianz Global Investors Premier Funds- Allianz Global High Payout Fund (USD) ("AGI Premier Funds – Allianz GHPF (USD)") |
| Type | Equity Fund |
| Fund Manager | Allianz Global Investors Singapore Limited |
| Fund Currency | USD |

Portfolio Composition




Performance Since Inception




## Key Fund Facts

| | |
|---|---|
| Fund Size | RM8.559 million |
| Risk Profile | Moderate Investor |
| Launch Date | 27th March 2006 |
| Fund Currency | Ringgit Malaysia |
| Investment Manager | Allianz Life Insurance Malaysia Berhad |
| Pricing Frequency | Daily |
| Price per Unit[1] (as at 30th September 2021) - Bid | 1.348 |
| Management Fee | 1.50% 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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Allianz

## Manager's Comment (For Allianz Global High Payout Fund (USD))

*Portfolio Highlights*
The Fund registered loss of -2.11% in September, underperforming the MSCI World which was down -1.34%.

*What helped*
- Due to its defensive positioning, the Fund could post a clear outperformance versus global equity markets.

*What hurt*
- The strategy and the Fund lagged its customised benchmark in a weaker market environment.

*Market Review & Outlook*
- Global equity markets mostly retreated over September. While US Federal Reserve chair Jerome Powell's dovish comments at the Jackson Hole annual gathering of central bankers initially provided some support, sentiment later deteriorated as growth and inflation concerns gained the upper hand and the prospect of higher interest rates loomed into view. Additionally, markets were shaken by fears that a leading Chinese homebuilder would default on its debt, the effects of which would be felt well beyond China itself. Almost all sectors declined over the month, with energy stocks a rare bright spot.
- US equities lost ground over September, recording their worst monthly performance since the start of the pandemic in March 2020. Sentiment was knocked by concerns over elevated valuations, possible tax increases and the crisis at a Chinese homebuilder, as well as worries over how stocks would respond to an eventual tightening in monetary policy. Domestic political tensions also ramped up.
- While Congress passed a temporary measure to keep the federal government funded until early December, moderate and progressive Democrats remain at odds over two key pillars of President Joe Biden's legislative agenda: the USD 1 trillion infrastructure bill and a USD 3.5 trillion investment in America's social safety net.
- European equities retreated over September (in EUR terms) with sentiment pressured by fears of higher inflation, slower growth and a potential default from the afore-mentioned Chinese homebuilder, the effects of which would be felt well beyond China itself. Most sectors fell, except Energy. In contrast, utility companies declined the most as Spain's move to tax the windfall profits of electricity companies that have benefited from soaring gas prices sparked fears that other governments could follow suit.

# Investment Strategy & Approach

Investors should realize that there are risks of investing in the Funds as listed below:-

- **Market Risk** – The value of the Fund's investment assets may be affected by changes in economic fundamentals, interest rate movement, regulatory policy, political and industrial developments. These market factors may result in fluctuations in the value of the Fund's investment assets. This risk may be mitigated by ensuring a rigorous review of macroeconomic factors and asset allocation strategy.

- **Currency Risk** – For foreign investment, fluctuations in currency exchange rates may have an impact on the value of the Fund's investment assets. This risk may be minimized by engaging in foreign currency hedging.

- **Country/Foreign Investment Risk** – This risk refers to the risks of investing in foreign markets. The value of the foreign investment assets directly or indirectly held by the Fund may be affected by country-specific factors, such as the country's economic fundamentals, social and political stability and regulatory policy. This risk may be mitigated by ensuring a rigorous review of macroeconomic factors and asset allocation strategy.

- **Specific Security Risk** – The value of the assets in particular securities and money market instruments may be affected by company-specific factors, such as business situation, financial condition and corporate governance of the company. This risk may be minimized through diversification of investments in a wide scope of companies belonging to a multitude of sectors.

- **Sector Risk** – The value of the Fund's investment assets may be adversely affected by the changes in sector-specific factors, such as the business condition, industry outlook and demand/supply dynamic of the industry. This risk may be minimized through portfolio diversification and control on sector concentration risk.

- **Liquidity Risk** – If an asset has insufficient liquidity, there is the risk that the asset cannot be sold or can only be sold at a significant discount to the purchase price. The lack of liquidity of an asset may cause its purchase price to increase significantly. The risk is managed by including liquidity factor into security selection and further mitigated by diversification.

- **Target Fund Risk** – As the Fund is a feeder fund, it will invest into a Target Fund which is being managed by a Target Fund Manager. While we would make every effort to ensure that the objectives of the Target Fund are appropriately aligned with those of ours, we do not have control over the Target Fund Manager's investment in terms of its approach, intelligence, operations and management. In the unlikely event of any mishandling of the Target Fund, the NAV of our Fund, which is investing predominantly into the Target Fund, could be similarly adversely affected.

Overall, on top of regulatory limits imposed by Bank Negara Malaysia, we have put in place tight internal investment limits for all asset class with oversight by risk officer to ensure that the Fund does not take on excessive risk, albeit we cannot guarantee the total elimination of risks associated with investing in the Fund.