

## **Term Investment Account-i**

Wholesale Fund Performance Report for  
Quarter Ended 31 March 2022

## Term Investment Account-i

Wholesale Fund Performance Report for Quarter Ended 31 March 2022

### Fund Information

<b>Product Name</b>	Term Investment Account-i ("TIA-i")
<b>Shariah Contract</b>	<b>Mudarabah</b> - A profit sharing contract between the Bank as fund manager and the customer as Investment Account Holder (IAH) or the Investor(s).
<b>Investment Account Type</b>	<b>Unrestricted Investment Account</b> – Investor(s) provides the Bank with a mandate to make an ultimate investment decision without specifying specific restrictions or conditions.
<b>Fund Inception</b>	8 January 2019

### Investment Objective

The fund aims to generate stable returns over an agreed investment interval through low to medium risk investment activities.

### Investor Profile

- Category of Investor(s):
  - Wholesale(s)
- Investor(s) with low to medium risk
- Investor(s) who seeks stable profits

#### Note:

Investor(s) are advised to understand the risk(s) related to TIA-i before making an investment decision. Further explanation of each risk is in Product Disclosure Sheet (PDS) available on Hong Leong Islamic Bank's website.

### Profit Payment Policy

Profit distribution is upon maturity.

### Nature of Investment Account

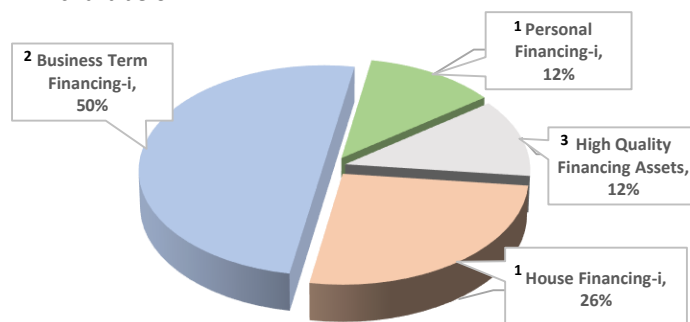
A renewable term investment type of 1 to 12 months tenure.

### Fund Investment Strategies

Investment into selective Shariah-compliant financing assets within the risk parameters prescribed under the Fund Investment Objective. Portfolio rebalancing is also executed to ensure the performance of the particular assets is aligned with the Investment Objective. Any profit generated from the investment will be shared between the Investor(s) and the Bank according to mutually pre-agreed Profit Sharing Ratio (PSR) whilst losses (if any) will be borne by the Investor(s).

### Investment Asset Allocation

The fund is invested in a portfolio of Hong Leong Islamic Bank's retail assets<sup>1</sup>, non-retail assets<sup>2</sup> and HQLA<sup>3</sup> as per chart below.



#### Note:

<sup>1</sup> Retail financing assets consist of House Financing-i and Personal Financing-i.

<sup>2</sup> Non-retail financing assets consist of Business Term Financing-i.

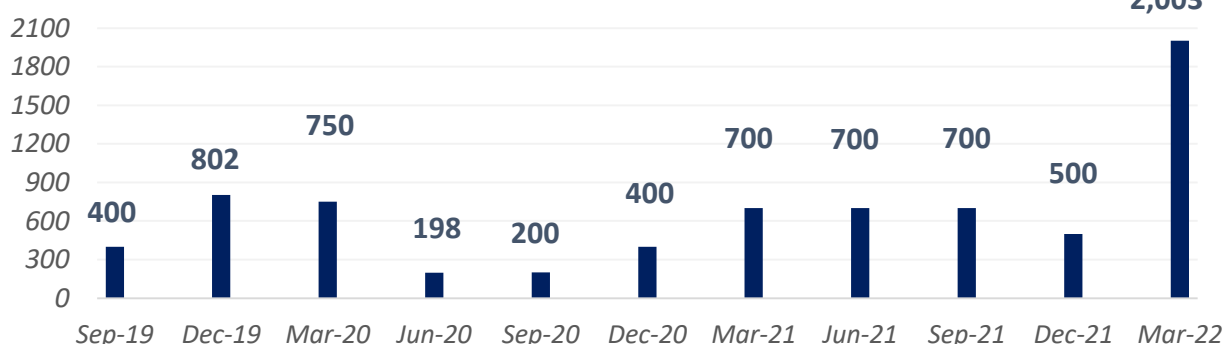
<sup>3</sup> High Quality Liquid Assets (HQLA) are assets that can be easily and immediately converted into cash at little or no loss of value.

### Fund Performance

#### 1. Fund Size and Returns

As at March 2022, Term Investment Account-i wholesale fund balance was recorded at RM2,003 million. Wholesale Fund Balance was nil prior to September 2019.

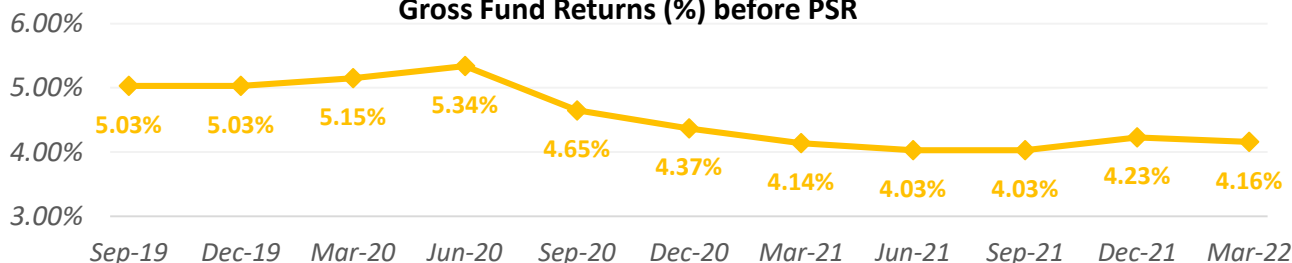
TIA-i Wholesale Fund Size (RM 'mil)



## Term Investment Account-i

Wholesale Fund Performance Report for Quarter Ended 31 March 2022

Gross Fund Returns (%) before PSR



### 2. Rate of Return of TIA-i for Wholesale Investors

This section is applicable to wholesale Investor(s) for the quarter period ended March 2022.

#### 1 Month

Month <sup>4</sup>	Gross Rate of Return (Gross RoR) <sup>5</sup>	Rate of Return to Investors % (p.a.) <sup>6</sup>	
		Wholesale Rate	
		Indicative	Actual
Jan	4.20	2.05	2.05
Feb	4.16	2.05	2.05
Mar	4.16	2.05	2.05

#### 4 Month

Month <sup>4</sup>	Gross Rate of Return (Gross RoR) <sup>5</sup>	Rate of Return to Investors % (p.a.) <sup>6</sup>	
		Wholesale Rate	
		Indicative	Actual
Jan	-	-	-
Feb	-	-	-
Mar	4.16	2.20	2.20

#### 2 Month

Month <sup>4</sup>	Gross Rate of Return (Gross RoR) <sup>5</sup>	Rate of Return to Investors % (p.a.) <sup>6</sup>	
		Wholesale Rate	
		Indicative	Actual
Jan	-	-	-
Feb	-	-	-
Mar	4.16	2.10	2.10

#### 6 Month

Month <sup>4</sup>	Gross Rate of Return (Gross RoR) <sup>5</sup>	Rate of Return to Investors % (p.a.) <sup>6</sup>	
		Wholesale Rate	
		Indicative	Actual
Jan	4.20	2.25	2.25
Feb	4.16	2.25	2.25
Mar	4.16	2.25	2.25

#### 3 Month

Month <sup>4</sup>	Gross Rate of Return (Gross RoR) <sup>5</sup>	Rate of Return to Investors % (p.a.) <sup>6</sup>	
		Wholesale Rate	
		Indicative	Actual
Jan	4.20	2.15	2.15
Feb	4.16	2.15	2.15
Mar	4.16	2.15	2.15

#### 12 Month

Month <sup>4</sup>	Gross Rate of Return (Gross RoR) <sup>5</sup>	Rate of Return to Investors % (p.a.) <sup>6</sup>	
		Wholesale Rate	
		Indicative	Actual
Jan	4.20	2.50	2.50
Feb	4.16	2.50	2.50
Mar	4.16	2.50	2.50 <sup>7</sup>

#### Note:

<sup>4</sup> Subscription Month

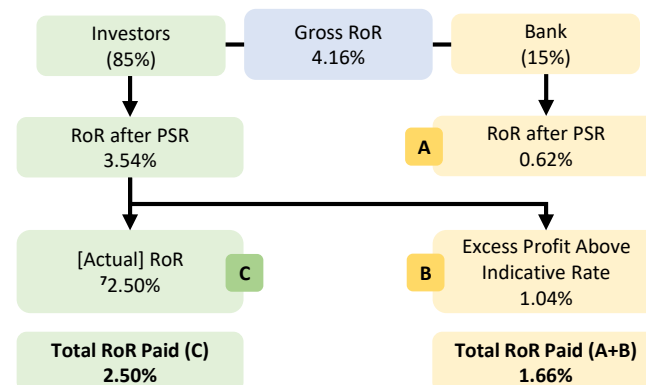
<sup>5</sup> Gross RoR is the return from investment before the application of Profit Sharing Ratio (PSR).

- PSR for all tenures - 85 (Investors): 15 (Bank)

<sup>6</sup> [Indicative] Rate of Return to Investors % p.a is the target rate advertised by the Bank to the Investors.

<sup>6</sup> [Actual] Rate of Return to Investors % p.a is the net profit rate to Investors after applying PSR to Gross RoR. Any excess profit after PSR generated above from Indicative Rate of Return to Investors will be kept by the Bank.

Profit Calculation Illustration (12 Months Indicative Rate in March 2022; 2.50% p.a)



## Term Investment Account-i

Wholesale Fund Performance Report for Quarter Ended 31 March 2022

### Profit & Loss Statement

Profit & Loss Statement for Quarter Ended 31 March 2022			
	RM' Jan 2022	RM' Feb 2022	RM' Mar 2022
Total Gross Income	1,908,588	4,485,761	5,496,350
Net Income Distributed to Investors	1,108,356	2,443,977	2,901,194
Net Income Distributed to Bank	800,232	2,041,784	2,595,156

### Underlying Asset Outlook

Based on the Fund Investment Strategies during this review period, the Bank is optimistic on the future performance of the fund until the next review period.

### Statement of Any Changes

There have been no changes in the Investment Objectives, Strategies, restrictions and limitations during the quarter period.

### Market Outlook

The outlook for the Islamic finance industry continues to face a challenging operating environment following the COVID-19 pandemic. However, the financial system is expected to remain resilient, backed by strong buffers in capital, liquidity and financing provisioning built over the years.

### IMPORTANT/DISCLAIMER

**THIS IS AN INVESTMENT ACCOUNT PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING / ALLOCATED ASSETS AND IS NOT A DEPOSIT PRODUCT.**

### WARNING

**THE RETURN ON THIS INVESTMENT ACCOUNT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSETS. THE PRINCIPAL AND RETURNS ARE NOT GUARANTEED AND CUSTOMER RISKS EARNING NO RETURNS AT ALL. IF THE INVESTMENT IS REDEEMED EARLY, CUSTOMER MAY SUFFER LOSSES IN PART OR THE ENTIRE PRINCIPAL SUM INVESTED. THIS INVESTMENT ACCOUNT IS NOT PROTECTED BY PERBADANAN INSURANS DEPOSIT MALAYSIA.**

*THIS FUND PERFORMANCE REPORT IS PREPARED ONLY FOR THE USE AND BENEFIT OF THE INVESTOR TO ASSESS THE PERFORMANCE OF THE INVESTMENT. THIS REPORT IS NOT TO BE REPRODUCED, CITED OR REFERRED TO IN WHOLE OR IN PART WITHOUT PRIOR WRITTEN CONSENT BY HONG LEONG ISLAMIC BANK.*

*THE INFORMATION DESCRIBED HEREIN IS AND SHALL NOT BE RELIED UPON AS AN ASSURANCE OR REPRESENTATION OF THE FUTURE PERFORMANCE OF THE INVESTMENT. HONG LEONG ISLAMIC BANK ACCEPTS NO RESPONSIBILITY TO ANYONE OTHER THAN THE PARTIES IDENTIFIED IN THIS REPORT FOR THE INFORMATION PROVIDED.*

Prepared by: