

Portfolio Investment Account-i

Quarterly Fund Performance Report for
Series 1 (January 2024 – March 2024)

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Fund Information

Product Name	Portfolio Investment Account-i ("PIA-i")
Shariah Contract	<i>Wakalah bi Al-Istithmar - An agency contract where the Investor (Muwakkil) authorizes Hong Leong Islamic Bank Berhad (HLISB) as Agent (Wakil) to perform a particular task for the purpose of investment.</i>
Investment Account Type	Restricted Investment Account - Investor(s) provides the Bank with a specific investment mandate such as purpose, asset class, economic sector and/or period of investment.

Fund Inception 21 December 2021

Nature of Investment Account

An investment fund with semi-annual Profit Distribution Period (PDP).

Profit Payment Policy

Profit (if any) payment will be credited into Investor's CASA-i (HLISB)/CASA (HLBB) within four (4) Business Days after PDP.

Fees & Charges

Fee Type	Fee Amount
Management Fee	Dana Al - Izdihar: 0.10% Dana Maa'rof: 1.50% Dana Makmur: 1.50% (Charged by HLISAM)
Upfront Fee	1% (Charged by the bank upfront upon placement by Investor during SP)
Incentive Fee	0% (No Incentive Fee was charged by the bank as the performance did not exceed the expected profit rate of 6% p.a.)

Fund Investment Strategies

The fund will be invested into three (3) Shariah Compliant Unit Trust funds managed by Hong Leong Islamic Asset Management (HLISAM) which are known as Dana Al-Izdihar (Money Market), Dana Maa'rof (Balanced) and Dana Makmur (Equity). The investment into the three (3) Dana mentioned above will be based on respective asset allocations within the allowable threshold as specified in the Product Disclosure Sheet (PDS) to achieve the Expected Profit Rate (EPR) while exercising appropriate defensive mechanisms to moderate market volatility.

Investment Objective

The fund aims for capital growth and regular income through medium risk investment.

Investor Profile

- Category of Investor(s):
 - Individual(s)
 - Sole-Proprietorship(s)
- Investor(s) with medium risk tolerance

Note:

Investor(s) are advised to understand the risk(s) related to PIA-i before making an investment decision. Further explanation of each risk is in the PDS available on HLISB's website.

Return Performance

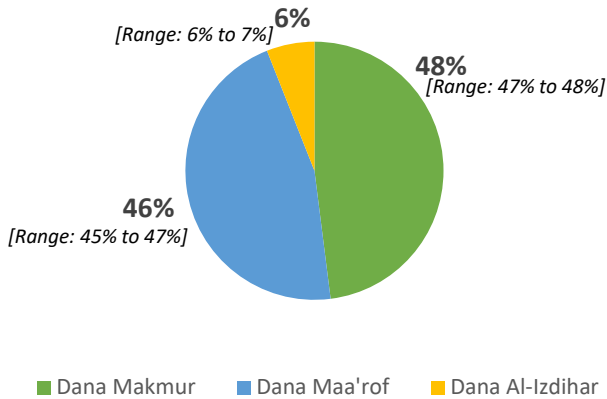
PDP	Period	Total Return since Inception (%)
PDP 4	6 Months (11 July 2023 - 11 January 2024)	-7.85%

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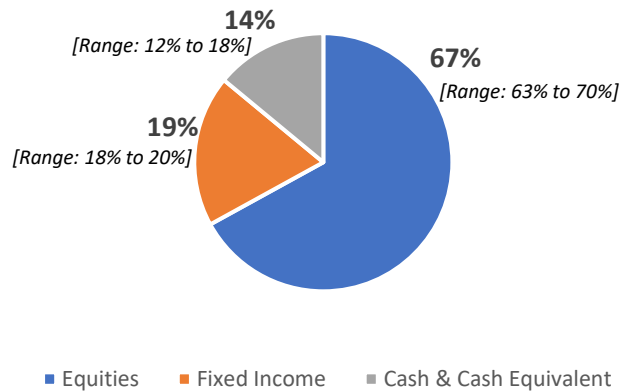
Investment Dana Allocation

The fund is invested in a portfolio that consist of Dana Al-Izdihar¹, Dana Maa'rof² and Dana Makmur³ as per chart below (with the allocation range throughout the investment period).



Investment Asset Class Allocation

Dana Al-Izdihar, Dana Maa'rof and Dana Makmur are invested in a portfolio of Equities, Fixed Income, and Cash & Cash Equivalent as per chart below (with the allocation range throughout the investment period).



Note:

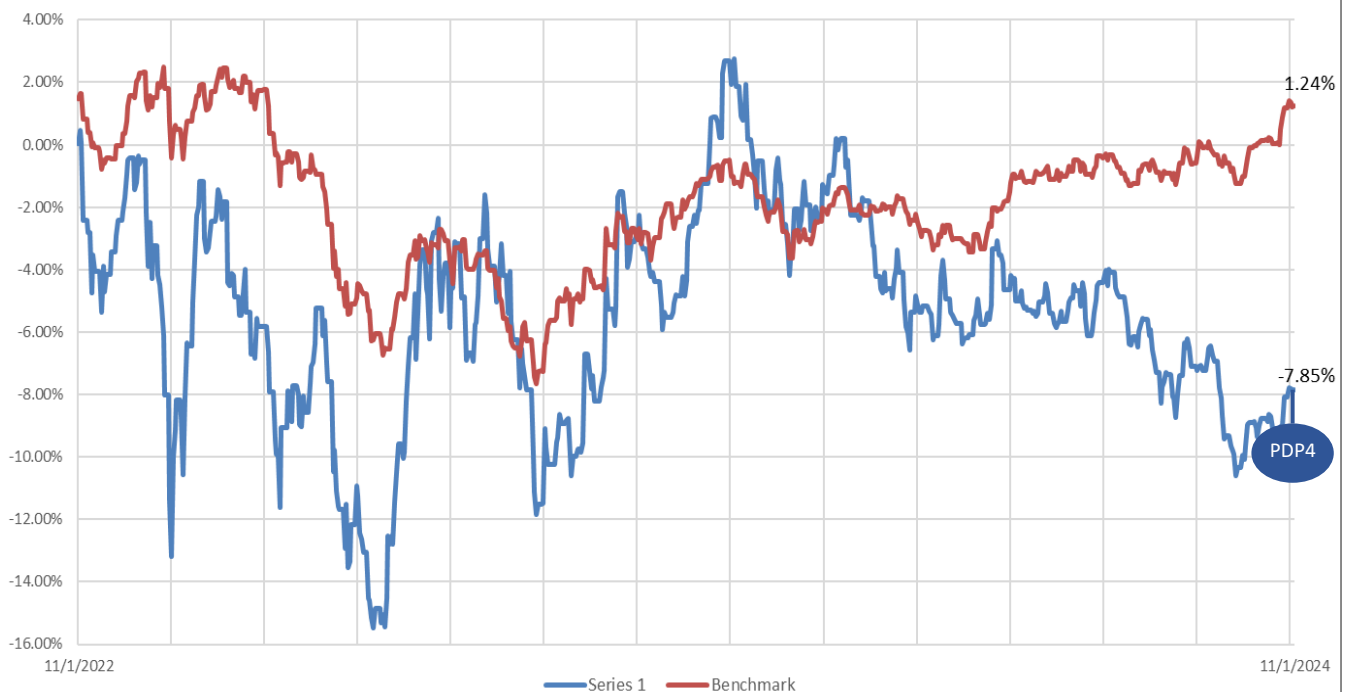
¹ Dana Al-Izdihar assets consist of Islamic deposits and Islamic money market instruments.

² Dana Maa'rof assets consist of Shariah-compliant equities, Islamic money market instruments and sukuk.

³ Dana Makmur assets consist of shariah-compliant equities, Islamic money market instruments and sukuk.

[Range]: The range mentioned above indicates the percentage of the asset and dana breakdown and movements during the investment period.

Fund Performance



Note:

- Benchmark = 50% FTSE Bursa Malaysia EMAS Sharia return + 30% 3-months KLIBOR + 20% BNM Islamic Interbank Rate.
- The PIA-i fund registered a loss of -7.85% in six months during the forth PDP on 11th January 2024.
- Source: Bloomberg

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Fund Performance Review

The FBMKLCI and FBMS were up by 5.6% and 6.0% respectively during the period under review. However, the FBMKLCI fell 1.0% MoM to end March 2024 at 1,536 pts, making it the first time in 6 months that the FBMKLCI was down MoM. Foreign investors turned net sellers after previously net buying for four consecutive months, with net sell flows of RM2.9 billion in March 2024 (vs. net buy flow of RM1.3 billion in February 2024). Local institutional investors became net buyers with a net buy flow of RM3.5 billion (vs. net buy flow of RM721.4 million in February 2024). Local retail investors remained net sellers for the ninth month in a row with net sell flows of RM292.3 million in March 2024.

On the corporate front, Permodalan Negeri Selangor Bhd (PNSB), a state-owned real estate development company, signed an agreement with construction firms IJM Corp Bhd and Lim Seong Hai Capital Bhd to study connectivity routes and introduce key transportation links in the state. The collaboration aims to transform the road transportation infrastructure focusing on the Southern Selangor Integrated Regional Development. Tenaga Nasional Bhd (TNB) spent RM12 billion last year on various expenses with 50% or RM6 billion allocated for Bumiputera companies or vendors. President and chief executive officer Datuk Megat Jalaluddin Megat Hassan said TNB consistently ensures that its expenditure is allocated to Bumiputera suppliers or vendors as a contribution to the development of that group.

Series 1 outperformed against the benchmark return of 1.5% during the period with a return of 8.5%, mainly attributed by the fund's overweight exposure in the Energy sector in our equities and balanced portfolio (Dana Makmur and Dana Maa'rof). The Malaysia Energy sector (KLENG) was up by 16.5%, Industrial sector (KLPRO) up by 3.8%, Technology sector (KLTEC) up by 2%.

Reference: Hong Leong Islamic Asset Management

Market Outlook & Strategy

Although we still expect the market to be volatile in the short term, we are quite positive on the domestic equities market over the medium to longer term. This is stemmed from the possible US interest rate hikes in the second half of 2024, making the interest rates differences lesser compared to Malaysia. Valuation-wise, despite a good run on a YTD basis, our market is still relatively cheap compared to the long-term average and better corporate results could boost the interest from both local players and foreign investors.

Reference: Hong Leong Islamic Asset Management

Statement of Any Changes

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

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Prepared by: