

Portfolio Investment Account-i

Quarterly Fund Performance Report for
Series 1 (July 2024 – September 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

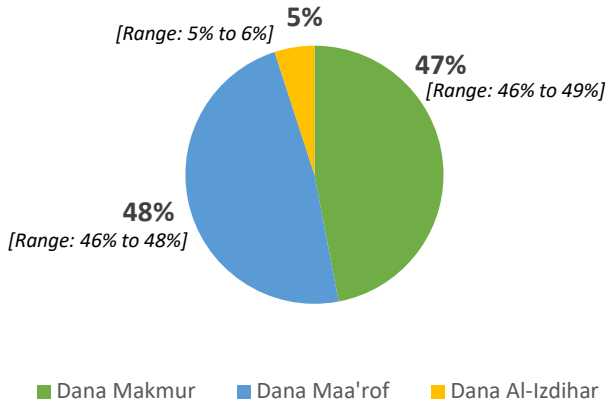
PDP	Period	Total Return since Inception (%)
PDP 5	6 Months (11 January 2024 - 11 July 2024)	0.00%

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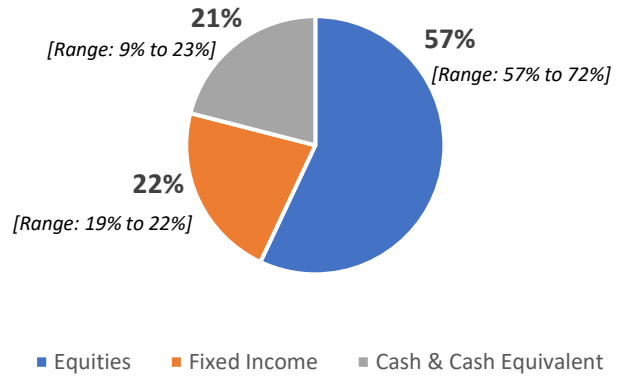
Investment Dana Allocation

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:

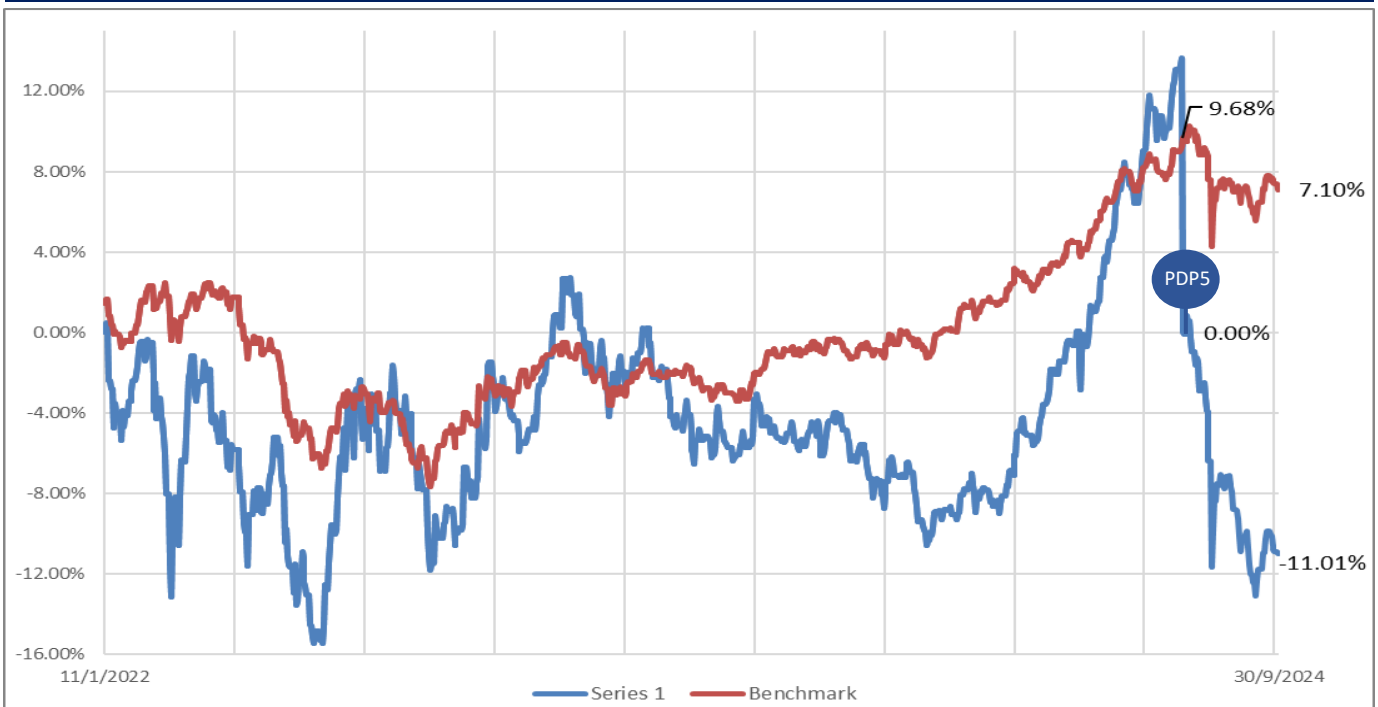
¹ Dana Al-Izdihar assets consist of Islamic deposits and Islamic money market instruments.

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 is at par for the fifth PDP on 11th July 2024.
- Source: Bloomberg

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Fund Performance Review

The FBMKLCI was up by 3.7% while FBMS was down by 2.5% during the period under review, ending September 2024 at 1,649 pts and 12,245 pts respectively. In 9M24, the FBMKLCI remained the leader amongst the MIST (Malaysia, Indonesia, Singapore and Thailand) markets in terms of index growth (+13.4% YTD). Foreign investors stayed net buyers for the third consecutive month in September 2024, with net buy flows of RM0.5 billion. The net buy flows helped to expand the YTD cumulative net foreign inflows to RM3.6 billion. Meanwhile, local institutional investors stayed net sellers in September 2024 with net sell flows of RM0.1 billion making it the eighth consecutive month where local institutional net flows were opposite of foreign investor net flows. Local retail investors remained net sellers for the 15th month in a row, with their net sell flows falling 91.7% mom to RM49.6 million.

On the corporate front, IJM Corp Bhd has secured two contracts with a combined value of RM561 million for the construction of data centres in Johor and an industrial manufacturing facility in Penang. The data centre construction project was awarded by an international data centre developer, whose name was not disclosed. Press Metal Aluminium Holdings Bhd has teamed up with three Indonesian companies to operate an alumina refinery plant in West Kalimantan, Indonesia. The plant is expected to have an annual production capacity of one to 1.2 million tonne under the first phase, with a potential expansion to double this output. Hiap Teck Venture Bhd's net profit for the financial year ended July 31, 2024 (FY2024) more than tripled to RM106.3 million from RM30.91 million a year ago, driven by stable steel prices, improved margins and higher sales volume.

Series 1 underperformed against the benchmark return of 1.5% during the period with a return of -7.7%, mainly attributed by the fund's overweight exposure in the Energy and Industrial Products and Services sector in our equities and balanced portfolio (Dana Makmur and Dana Maa'rof). The Malaysia Energy index (KLUTL) was down by 11.4% while the Malaysia Industrial index (KLPRO) was down by 9.7% during the period under review.

Reference: Hong Leong Islamic Asset Management

Market Outlook & Strategy

Outlook

Globally, investors are looking out for US economic numbers as this could provide some ideas as how much the rate cut is going to be implemented and whether there is a possibility of a hard landing. Yen carry trade unwinding could also be in play as Bank of Japan (BoJ) might need to increase its rates as inflation numbers is on the rise. Domestic economy is looking resilient for now. However, global geopolitical risks and lower job numbers from the US could pose some threat to our local equity market.

Strategy

To increase exposure in bigger cap names/high dividend yielding stocks as we expect foreign investors to start going back into the Malaysia market i.e., telecommunication, utilities, financial services.

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: