

Portfolio Investment Account-i

Quarterly Fund Performance Report for
Series 2 (August 2024 – October 2024)

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Fund Information

Product Name Portfolio Investment Account-i ("PIA-i")

Shariah Contract ***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.*

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 20 April 2022

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 Product Disclosure Sheet (PDS) available on HLISB's website.

Nature of Investment Account

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

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 PDS to achieve the Expected Profit Rate (EPR) while exercising appropriate defensive mechanisms to moderate market volatility.

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

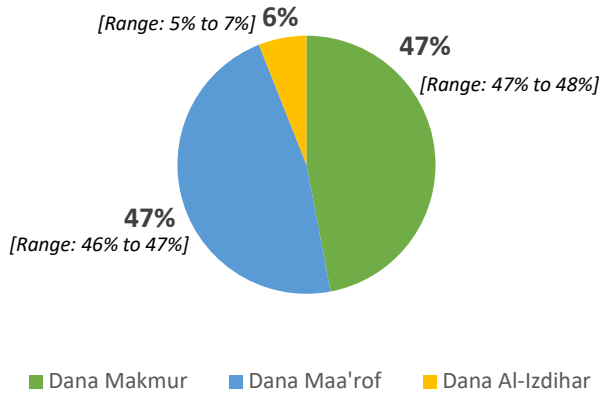
Fee Type	Fee Amount
Management Fee	Dana Al - Izdihar: 0.10% Dana Maa'rof: 1.50% Dana Makmur: 1.50% (Charged by HLISAM)
Upfront Fee	1% (Charged by the bank upfront upon placement by Investor during SP)
Incentive Fee	0% (No Incentive Fee was charged by the bank as the performance did not exceed the expected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

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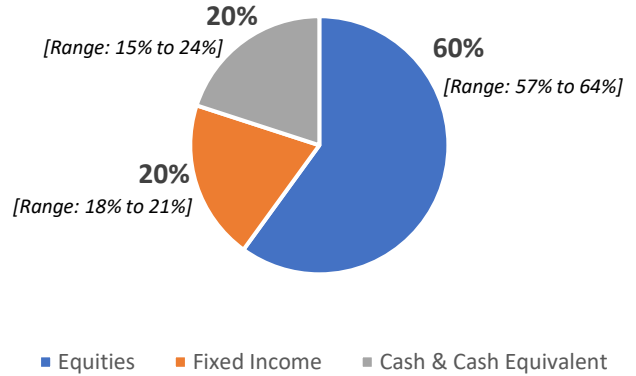
Investment Dana Allocation

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:

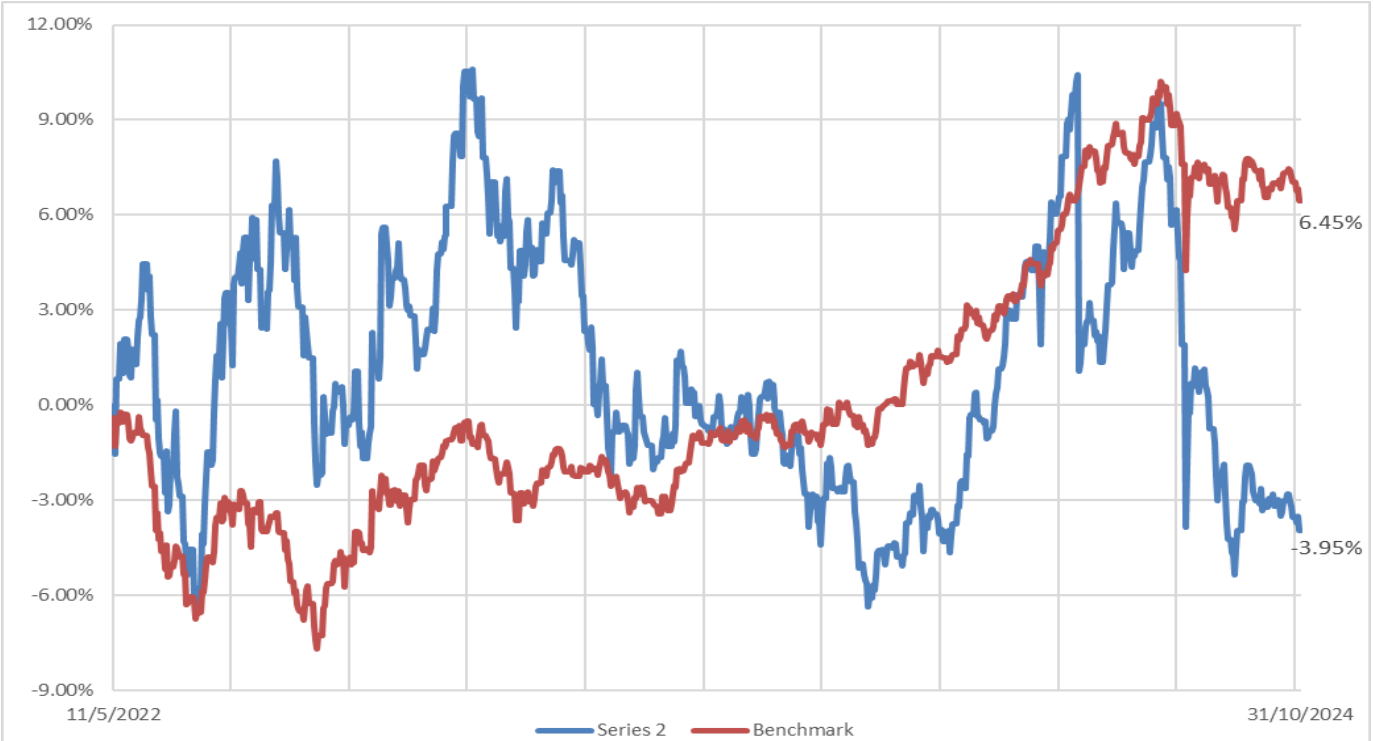
¹ Dana Al-Izdihar assets consist of Islamic deposits and Islamic money market instruments.

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.
- Source: Bloomberg

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Fund Performance Review

The FBMKLCI and FBMS were down by -1.5% and -5.5% respectively during the period under review, closing at 1,602 pts and 12,062 pts respectively. Despite being the worst-performing MIST (Malaysia, Indonesia, Singapore and Thailand) market in October 2024, FBMKLCI still remained the leader amongst the MIST markets in terms of index growth (+10.1% YTD). Foreign investors turned net sellers having been net buyers for the previous three months with net sell flows of RM1.8 billion substantially higher than the net buy flows of RM0.5 billion in September 2024. The net sell flows contracted the YTD cumulative net foreign inflows to RM1.8 billion. Meanwhile, local institutional investors returned to being net buyers with net sell flows of RM1.8 billion matching the net sell flows of foreign investors. Local retail investors also returned to being net buyers, having been net sellers for the previous 15 consecutive months, with net buy flows of RM136.3 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 tonnes 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 2 underperformed against the benchmark return of 1% during the period with a return of -8.2%, mainly attributed by the fund's overweight exposure in the Healthcare and Industrial Products and Services sector in our equities and balanced portfolio (Dana Makmur and Dana Maa'rof). The Malaysia Healthcare index (KLHEAL) was down by 0.2% while the Malaysia Industrial index (KLPRO) was down by 9.3% during the period under review.

Reference: Hong Leong Islamic Asset Management

Market Outlook & Strategy

Outlook

Globally, investors are keeping watch on the US economic numbers, i.e., non-farm payroll, jobless claims, consumer price index to determine whether US will be having a hard or soft landing. US market seems to be upbeat on Trump winning the presidential election and market seems less volatile for now. However, we maintain our cautious stance towards the year end.

Strategy

To increase exposure in bigger cap names as we expect foreign investors to start going back into the Malaysia market i.e., telecommunication, utilities, financial services. Short term trading and tactical sector allocation into exporters (Electronic Manufacturing Services and glove players/healthcare).

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: