

Portfolio Investment Account-i

Quarterly Fund Performance Report for
Series 2 (February 2024 – April 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

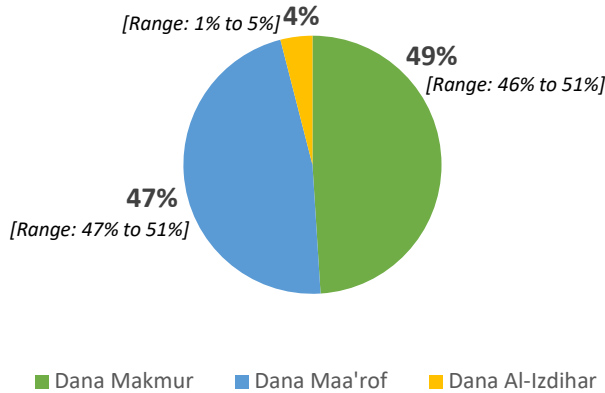
Fee Type	Fee Amount
Management Fee	Dana Al - Izdihar: 0.10% Dana Maa'rof: 1.50% Dana Makmur: 1.50% (Charged by HLISAM)
Upfront Fee	1% (Charged by the bank upfront upon placement by Investor during SP)
Incentive Fee	0% (No Incentive Fee was charged by the bank as the performance did not exceed the expected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

Portfolio Investment Account-i

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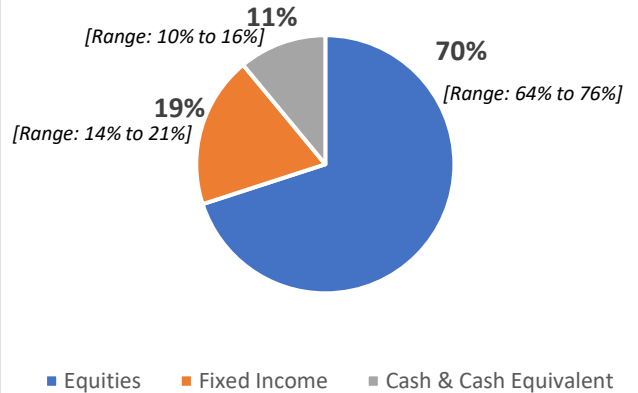
Investment Dana Allocation

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:

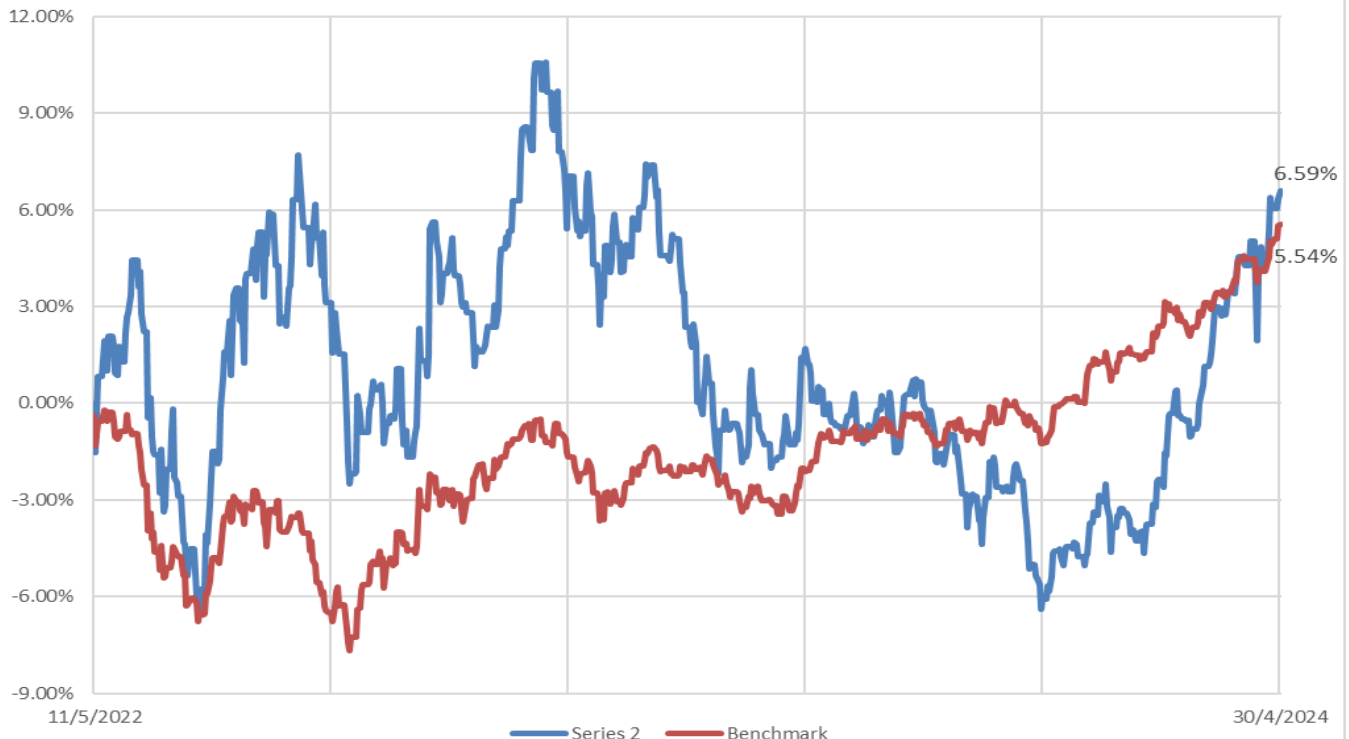
¹ Dana Al-Izdihar assets consist of Islamic deposits and Islamic money market instruments.

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 KLIPOR + 20% BNM Islamic Interbank Rate.
- Source: Bloomberg

Portfolio Investment Account-i

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Fund Performance Review

Malaysia's economy grew by 3.9% in the first quarter of 2024 (1Q2024), as compared to 3.0% in the previous quarter. The economic growth was led by the services sector, with all main sectors experiencing positive growth.

During the period under review, FBMKLCI and FBMS gained 4.2% and 7.2% respectively supported by local institutions who stayed net buyers for the second consecutive month. Foreign investors stayed net sellers in April 2024, albeit with net sell flows declining 52.2% to RM1.4 billion compared to net sell flows of RM2.9 billion in March 2024.

On the corporate front, DXN Holdings Bhd posted a 43.23% rise in net profit to RM79.02 million for its fourth quarter ended Feb 29, 2024 from RM55.17 million a year ago, on the back of higher revenue. The health and wellness direct selling company's revenue grew 16.21% to RM470.64 million from RM405 million, primarily attributed to increased revenue contributions from member-driven conventions and events, the launch of new products, and targeted marketing programmes. UWC Bhd's revenue declined 33.5% to RM61.13 million from RM91.92 million for its second quarter ended Jan 31, 2024 weighed by the semiconductor market cyclical downturn. The integrated engineering solutions provider's net profit fell 75% year-on-year, due to lower revenue coupled with higher expenditure for investment to cater for future growth.

During the quarter under review, Series 2 outperformed as compared to the benchmark return of 1.5% with a 10.95% return. The Malaysia Industrial sector (KLPRO) was up by 9.3%, Technology sector (KLTEC) up by 5.1% and Energy sector (KLENG) gained 9%.

Reference: Hong Leong Islamic Asset Management

Market Outlook & Strategy

We are positive on the domestic market in the near to mid-term. This is based on;

- (i) the decent valuation of local indices against the historical averages,
- (ii) better corporate results for majority of the sectors in the market (Utilities, Technology, Constructions, Industrials etc), and
- (iii) possibility of the foreign investors coming back into the market going forward. Foreign investors has been underweighting Malaysia equities for quite some time and the current shareholdings is around 18%-19%. Historically this is the lowest level and we are of the view that the downside is quite limited for now.

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: