



July 2026

MONTHLY FUND PERFORMANCE UPDATE A-DANA BALANCED

Investment Objective

The fund objective is to maximize total returns with reasonable safety of principal and is suitable for participants who are willing to take moderate risk in order to achieve a reasonable return.

Notice: Please refer to the Fund Fact Sheet for more information about the Fund.

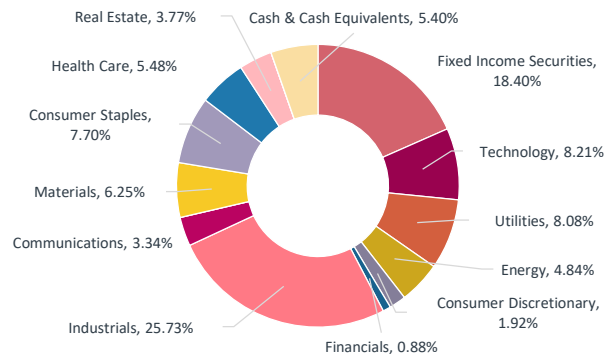
Fund Details

Unit NAV (31 July 2026)	: RM 2.01924
Fund Size (31 July 2026)	: RM 225.705 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 8 August 2011
Offer Price at Inception	: RM1.00
Fund Management Charge	: 1.20% p.a.
Investment Manager	: AIA Bhd.
Takaful Operator	: AIA PUBLIC Takaful Bhd.
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

Top Holdings

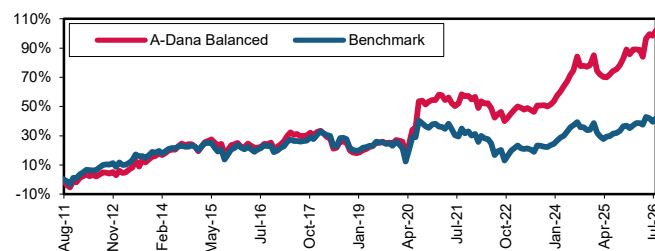
1	TENAGA NASIONAL BHD	8.08%
2	AEON CREDIT SERVICE M BHD	4.44%
3	MALAYSIA GOVERNMENT SECURITIES	4.34%
4	GAMUDA BHD	3.69%
5	IHH HEALTHCARE BHD	3.61%

Asset and Sector Allocation



*Sector Allocation sourced from GICS Sector effective on June 2026

Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund ^A	1.73%	6.80%	15.06%	34.05%	32.73%	101.92%
Benchmark [*]	1.76%	2.40%	7.72%	15.13%	9.53%	42.01%
Excess	-0.03%	4.40%	7.33%	18.91%	23.20%	59.91%

^A Calculation of past performance is based on NAV-to-NAV. This is strictly the performance of the investment fund, and not the returns earned on the actual premiums/contributions paid of the investment-linked product.

^{*} 70% FBM Emas Shariah (Source: Bursa Malaysia) + 30% GII ALL Index (Source: RAM QuantShop @www.quantshop.com)

Notice: Past performance of the Fund is not an indication of its future performance.

Market Review

The FBMS ("Index") rose 2.5% Month-on-Month ("MoM") to close at 12,604 pts in July 2026, underperforming the MSCI Asia ex Japan Index, which fell 3.5% MoM in Malaysian Ringgit ("MYR") terms over the same period. The rally was driven by stronger domestic macroeconomic fundamentals, foreign investors turning net buyers, and encouraging early corporate earnings season, which outweighed external headwinds. Foreign investors turned out to be net buyers at MYR267 million in July 2026, from net sellers of MYR2,382 million in May 2026. Local institutions turned into net sellers, with net outflow of MYR406 million. Market liquidity softened during the month, with Bursa Malaysia's average daily trading value ("ADTV") falling to MYR2.4 billion in July from MYR3.0 billion in June amid renewed tensions in the Middle East. At the stock level, Petronas Chemicals (+18.0%), CelcomDigi (+11.6%) and SD Guthrie (+5.8%) were the key gainers, while Axiata Group (-5.7%), IOI Properties (-3.8%), and Mr. D.I.Y Group (-3.7%) were the main detractors. Sector-wise, Plantation (+4.9%), Industrial (+4.5%) and Finance (+3.7%) outperformed, while Utilities (-1.9%), Property (-1.4%) and REIT (-0.4%) lagged. Key developments during the month include the start of 2Q26 corporate earnings season, Malaysia's stronger-than-expected 2Q26 advance GDP growth of 5.8% YoY, and Bank Negara Malaysia's decision to maintain the Overnight Policy Rate (OPR) at 2.75%.

The Government Investment Issue ("GII") yields traded higher across the curve amid a "higher-for-longer" global rates narrative because of the ongoing geopolitical tensions and inflationary concerns. The resumption of US-Iran hostilities drove crude oil prices sharply higher, with the Brent briefly crossing the USD100 per barrel mark, reigniting inflationary fears across global bond markets. During the month, the US Federal Reserve ("Fed") kept rates unchanged at 3.50–3.75%. Although widely expected, US Treasuries ("UST") sold off sharply as the decision was interpreted by markets as insufficient to counter persistent inflationary pressures. These external factors, along with a heavy pipeline of domestic corporate bond primary issuances locally, exerted upward pressure on yields. On the currency front, the Malaysian ringgit ("MYR") was broadly unchanged relative to the US Dollar ("USD"), ending the month at 4.086. GII levels as at end-July 2026 were: 3-year at 3.35% (+10bps), 5-year at 3.49% (+11bps), 7-year at 3.63% (+8bps), 10-year at 3.70% (+9bps), 15-year at 3.95% (+6bps), and 20-year at 4.00% (+1bp).

Net foreign inflows into Malaysia's fixed income assets rose by MYR4.9 billion in June 2026 (May 2026: -MYR4.3 billion). However, foreign holdings in Malaysian Government Securities ("MGS") and GII specifically dipped to 20.6% in June 2026 (May 2026: 20.8%).

There was one government security auction during the month: The 3.5-year GII 10/29 reopening with an auction size of MYR5.0bn drew a BTC ratio of 2.260x at an average yield of 3.287%.

On the economic data front, Malaysia's foreign reserves rose to USD132.6 billion as of 30 June 2026 (29 May 2026: USD130.5 billion). The reserves position is sufficient to finance 4.7 months of imports of goods and services and cover 0.9x of total short-term external debt. Malaysia's headline inflation moderated to 1.9% YoY in June 2026 (May 2026: 2.0% YoY). The moderation was primarily driven by lower fuel pump and gold prices, as well as cheaper education. Core inflation, which excludes volatile fresh food prices and price-administered goods, inched lower to 1.9% YoY (May 2026: 2.0% YoY). Malaysia's exports grew 45.4% YoY in June 2026 (May 2026: 45.3% YoY), driven by strong growth in both domestic exports and re-exports. Imports growth accelerated to 43.9% YoY (May 2026: +14.1% YoY), resulting in a narrower trade surplus of MYR14.9 billion (May 2026: MYR40.4 billion). Industrial Production for May 2026 grew 8.4% YoY (April 2026: 8.2% YoY). The growth was supported by higher output in the mining



Lipper Leader Fund for:

1. Total Return
2. Consistent Return

Lipper uses a ranking system of 1 to 5. A ranking of 5 means the fund is in the top 20% of funds in that category while a ranking of 1 means the fund is in the bottom 20%. Source: www.lipperleaders.com

sector, partly offset by moderating growth in the manufacturing and electricity sectors.

On the primary corporate bond space, notable issuances included MYR5.3 billion Infracap Resources IMTN and MYR1.0 billion Bank Pembangunan IMTN. In terms of credit ratings, RAM downgraded Telekomang Hydro One's MYR470 million ASEAN Green SRI Sukuk to BBB1 from A1.

Market Outlook

The Strait of Hormuz has reopened following a Memorandum of Understanding (MoU) agreement signed on 17 June 2026, which made the reopening a core condition of the accord. Energy prices have eased from their recent highs, and we view the earlier supply shock as transitory in nature. The geopolitical situation remains fluid, and the agreement's durability is still very much untested with renewed strikes and Iranian retaliation were already reported in late June 2026. If the peace process stalls or implementation falls short, the risk of renewed supply disruption and another leg up in energy prices is real. The Fed maintained rates in June 2026 and July 2026, but its updated projections send a stronger signal, pointing to a higher-for-longer regime that keeps the US dollar firm and Emerging Markets ("EM") currencies under pressure for now. Overall, we stay positive on equities, with a base case of no recession and no excessive rate hikes. Inflation should also ease as oil prices reverse. This view is supported by continued earnings upgrades, particularly in the technology sector, underpinned by fundamentally driven Artificial Intelligence ("AI")-related demand. Hyperscalers' capex spending remains disciplined rather than overleveraged, and AI monetization continues to show a positive trend.

For Malaysia, we remain constructive on domestic equities. Malaysia is among the least affected markets in a higher oil price environment, given that the country is a net exporter of oil and gas, while domestic inflation remains contained at around 2%. Domestic growth also continues to be supported by several structural initiatives, including the Johor-Singapore Special Economic Zone, the National Energy Transition Roadmap, and ongoing major infrastructure projects. Key risks to monitor include a collapse of the ceasefire that reignites oil prices, any pullback in AI-related capex from global hyperscalers, and delays to domestic initiatives. We remain committed to a proactive and disciplined approach to portfolio construction as conditions evolve.

Looking ahead, the Malaysian bond market is expected to remain supported by healthy domestic liquidity, although risks are likely to stay elevated amid ongoing geopolitical tensions and uncertainty surrounding the Fed's interest rate trajectory. Domestically, Bank Negara Malaysia ("BNM") maintained the Overnight Policy Rate ("OPR") at 2.75% during its July 2026 Monetary Policy Committee ("MPC") meeting, with its policy stance remaining broadly neutral despite growing inflation concerns stemming from elevated energy prices. As such, BNM is likely to remain data-dependent and keep monetary policy unchanged in the near term while assessing the evolving balance between growth and inflation risks. Meanwhile, developments on Malaysia's political front will continue to be closely monitored, particularly about policy continuity, fiscal consolidation efforts, and structural reform initiatives, given their potential impact on investor sentiment and foreign participation in the local bond market.