October 2023

MONTHLY FUND PERFORMANCE UPDATE
A-DANA STRATEGIC DYNAMIC

Investment Objective

The Fund seeks long-term total return (combination of capital growth and income) through a portfolio of Shariah-compliant investments across global markets and asset classes. The Fund adopts a dynamic and flexible asset allocation to mitigate downside risk. The Fund will aim to achieve a target net return of 6% per annum over the long term.

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

Fund Details

Unit NAV (31 Oct 2023)	:	RM 1.08544
Fund Size (31 Oct 2023)	:	RM 21.132 million
Fund Currency	:	Ringgit Malaysia
Fund Inception	:	15 June 2022
Offer Price at Inception	:	RM1.00
Fund Management Charge	:	1.50% p.a.
Takaful Operator	:	AIA PUBLIC Takaful Bhd.
Fund Type	:	Feeder Fund
Basis of Unit Valuation	:	Net Asset Value
Frequency of Unit Valuation	:	Daily

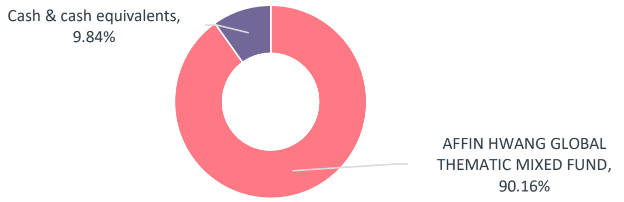
Underlying Fund Details

Name	:	Affin Hwang AIIMAN Global Thematic Mixed Asset Fund
Type	:	Mixed Assets (Shariah)
Investment Manager	:	Affin Hwang Asset Management Berhad

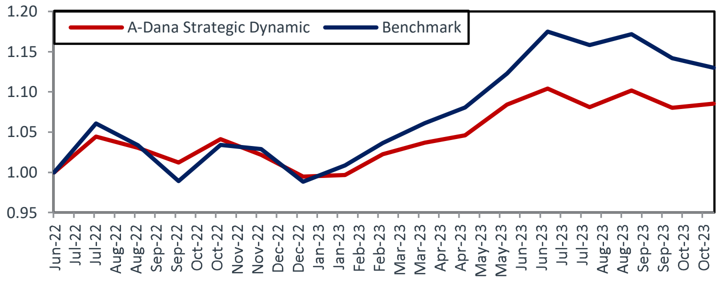
Top Holdings

1.	Affin Hwang Global Thematic Mixed Fund Islamic Global Equity Index Fund	90.16%
2.	Shariah compliant money market instruments and/or Cash	9.84%

Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	0.49%	3.77%	4.25%	N/A	N/A	8.54%
Benchmark*	-1.05%	4.59%	9.26%	N/A	N/A	13.01%
Excess	1.54%	-0.82%	-5.01%	N/A	N/A	-4.47%

~ *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.*

* *65.0% Dow Jones Islamic Market World Total Return Index + 35.0% Dow Jones Sukuk Index (Source: Bloomberg)*

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

Market Review

Global equities fell over concerns that interest rates may remain higher for longer given sticky inflation prints. Rising geopolitical tension within the Middle East also hurt risk appetites. The MSCI AC World Index declined 3.0% while the DJIM World Index retreated 3.2%. S&P 500 dropped 2.1%. Surging yields placed downward pressure on equities amid growing consensus that the US Federal Reserve ("Fed") is likely to continue the elevated rate narrative against the backdrop of a resilient US economy. Rising oil prices, impacted by the fresh conflict flaring in the Middle East, had also raised concerns over the possibility of stickier inflation and further tightening by the Fed.

MSCI Europe fell 3.6% over growing concerns regarding economic prospects in the Eurozone. The European Central Bank ("ECB") held interest rates steady at its October 2023 meeting, breaking a series of 10 consecutive increases. Inflation numbers were more positive, with annual inflation falling to 2.9% in October 2023. Japan equities declined, with the Topix down 4.3%. Rising US Treasury yields continued to weaken the Japanese yen ("JPY"), exerting pressure on the Bank of Japan ("BOJ"). During the monetary policy meeting this month, it decided to further adjust its yield curve control policy, allowing the 10-year Japanese Government Bond yield to rise above 1.0%, which fell short of market expectations. MSCI Asia Pacific ex-Japan traded down 4.1%, led by disappointing performance from Indonesia, South Korea and the Philippines. MSCI China declined 4.3% as investor sentiment continued to weaken due to the country's economic slowdown. A lack of convincing responses from the Chinese government had also dialled down investor appetite. MSCI Emerging Markets ("EM") was down 3.9%.

Within fixed income, bonds continued their correction, hit by the prevailing narrative of sustained higher interest rates. The US 10-year yield increased from 4.57% to 4.91%, while the two-year rose from 5.05% to 5.10%. Sukuk was down 0.7% this month, as measured by Bloomberg Barclays Global Aggregate Custom Sukuk ex-MYR. Commodities declined 0.2%. Precious metals was the best performing component but this was largely offset by declines in energy, particularly from crude, heating and gas oil. On a positive note, Gold gained 7.3% as the Middle East conflict prompted investors to seek safe haven assets. Within currencies, the US dollar ("USD") strengthened 0.5% (as measured by the DXY index) while the Malaysia ringgit ("MYR") depreciated 1.5% against the greenback in October 2023.

Market Outlook

Markets seem to have moved on from the risk of recession and are now anticipating a 'soft landing' for the US economy. However, growth remains slow and uneven, with weaker recoveries expected in much of Europe and China. The latest renewed conflict in the Middle East could further affect economic growth in the region and the rest of the world.

While the Underlying Manager still expects nominal growth to be positive which is supportive of corporate earnings, real yields are under upward pressure and market performance remains very narrow. There is also significant divergence between domestic economies around the world, with the US and China presenting two extremes; the former continues to run a little bit too hot while the latter is still dealing with the consequences of over-investment in the real estate sector. The Underlying Manager remains selective in the equity exposure, favouring US and Japan.

In fixed income, the Underlying Manager prefers to maintain its exposure in European Investment Grade credits as this asset class offers better yields. The Underlying Manager continues to avoid the long end of the US yield curve due to concerns about government debt levels and current inversion. Meanwhile, the sell-off in bond markets has resulted in attractive yields in US high yield debt. Corporate and household balance sheets remain strong, standing them in good stead to digest tightening financial conditions and moderate growth, without a significant pick up in defaults. As a result, the Underlying Manager has decided to increase its allocations to US high yield debt in the Multi-Asset portfolios where permitted.

In currencies, slowing European growth also leads the Underlying Manager to be underweight Euro ("EUR") against a combination of the Canadian Dollar ("CAD"), Chinese Renminbi ("RMB") and US Dollar ("USD"). In Asia, while the domestic economy in China is sluggish, the Underlying Manager is seeing some signs of an export recovery in the region and believe that pessimism might be excessive in the short term. This is expressed via currency positions in the Chinese Renminbi ("RMB") and Korean Won ("KRW"). The Underlying Manager also maintains its overweight position in commodities as it provides some upside if the export cycle picks up and also protects its portfolios from the risk of persistent inflation and geopolitical risk.

In summary, the Underlying Manager is positioned for the ongoing strength in the US economy, a slowdown in Europe and a potential improvement in Asian exports against low expectations while keeping a close eye as the Underlying Manager steers through market cross-currents. Rather than shy away from risk altogether, as nimble investors, the Underlying Manager believes there are alpha opportunities where valuations are dislocated and could offer long-term returns.