December 2021

MONTHLY FUND PERFORMANCE UPDATE
PB INCOME PLUS FUND

Investment Objective

The Fund seeks growth of capital and income through investment in a diversified portfolio of stocks, bonds and cash by investing in ringgit denominated government and corporate bonds and Malaysian equities.

This Fund will pay a fixed payout of 5 cents per unit per annum for first five (5) years of which 2.5 cents will be distributed semi-annually. However, in the event the income received from the underlying fund is insufficient to support the fixed payout, we have the discretion to liquidate a portion of the Fund's investment fund in order to meet the fixed payout requirement. Any payout will cause the Net Asset Value (NAV) to be adjusted accordingly and thus unit price will decrease.

In any event, if the NAV of the Fund drops to RM0.70 or lower where it is no longer capable of supporting further payouts, the fixed payout will cease. However, the fixed payout will resume when the NAV increases above RM0.70.

After five (5) years, the payout will be made annually if the Fund's NAV price is above RM1.00. The amount of payout declared, if any, may vary from year to year. The NAV will be adjusted accordingly upon each payout.

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

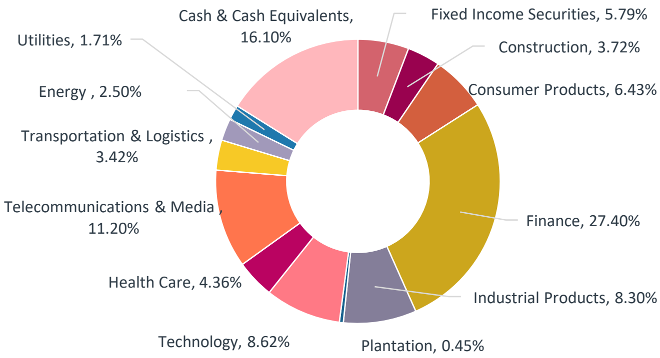
Fund Details

Unit NAV (31 Dec 2021)	:	RM 0.85526
Fund Size (31 Dec 2021)	:	RM 5.195 million
Fund Currency	:	Ringgit Malaysia
Fund Inception	:	21 July 2014
Offer Price at Inception	:	RM0.95
Fund Management Charge	:	1.20% p.a
Investment Manager	:	AIA Bhd.
Basis of Unit Valuation	:	Net Asset Value
Frequency of Unit Valuation	:	Daily

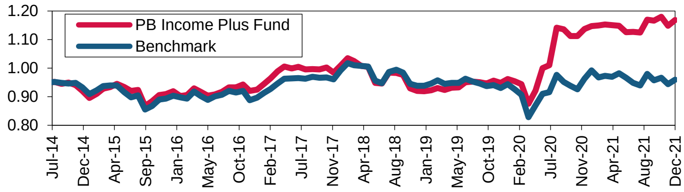
Top Holdings

1	PUBLIC BANK BHD	7.34%
2	MALAYAN BANKING BHD	5.99%
3	ABU DHABI NATIONAL ENERGY	5.79%
4	CIMB GROUP HOLDINGS BHD	5.39%
5	PETRONAS CHEMICALS GROUP BHD	3.71%

Asset and Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund^	1.86%	3.73%	1.94%	27.21%	26.42%	23.06%
Benchmark*	1.66%	1.18%	-3.34%	2.28%	6.93%	0.98%
Excess	0.20%	2.55%	5.28%	24.93%	19.49%	22.08%

^ 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 100 (Source: Bursa Malaysia) + 30% MGS All Index (Source: RAM QuantShop @ www.quantshop.com)*
Note: The total fund returns are inclusive of the payout, if applicable.

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

Market Review

The FBMKLCI ("Index") rose by 3.5% Month-on-Month ("MoM") to close at 1,567.53 pts on 31 December 2021. The Index outperformed the MSCI Asia Ex Japan Index, which fell by 0.1% MoM in Malaysian ringgit ("MYR") terms over the same period. In December 2021, foreign investors turned net sellers of MYR1.1 billion of Malaysian Equities during the month after being net buyers for 4 consecutive months while local institutional investors turned net buyers of MYR958 million of Malaysian equities (net sellers in the previous month). During the month, the key gainers of the Index were IHH Healthcare (+11.5%), Public Bank (+5.5%) and Maybank (+4.0%) while the key detractors were Hartalega Holdings (-11.7%), Top Glove (-11.1%) and PPB Group (-4.0%). All sectors were broadly higher, led by Industrial Products & Services (+7.0%), Financial Services (+4.5%) and Telecommunications & Media (+3.9%) except for Health Care (-1.3%). Notable news during the month included: (i) the announcement by FTSE Russell that Inari Amertron will be added to the KLCI Index, replacing Hap Seng Consolidated; (ii) Communications and Multimedia Minister Tan Sri Annuar Musa said that Cabinet will discuss and decide on the future of 5G single wholesale network by January 2022; and (iii) Ministry of Finance ("MoF") announced that stamp duty cap for share trading will be reinstated at MYR1,000, with a rate of 0.15%, and tax exemption of all types of foreign incomes for individuals as well as extension of tax the exemption of dividend incomes earned by limited liability companies and partnerships.

Malaysian Government Securities ("MGS") yield curve flattened, primarily driven by year-end rebalancing flows which drove the longer tenor yields lower while the front-end of the curve was pressured by the short-dated benchmark bond reopening auction amid thin year-end liquidity. On the currency front, Malaysian ringgit ("MYR") strengthened by 1.21% against the greenback to close the month at MYR4.1600. MGS levels as of end-December 2021 were: 3Y at 2.83% (+15 bps), 5Y at 3.16% (+4 bps), 7Y at 3.39% (+1 bps), 10Y at 3.57% (+5 bps), 15Y at 3.94% (+6 bps), 20Y at 4.08% (-5 bps) and 30Y at 4.18% (-2 bps).

There were two government securities auctions during the month: 7Y Government Investment Issue ("GII") 10/28 reopening auction with a tender size of MYR3.5 billion recorded a bid-to-cover ("BTC") ratio of 2.247x at an average yield of 3.481% and 3Y MGS 6/24 reopening auction with a tender size of MYR4.5 billion recorded a BTC ratio of 1.158x at an average yield of 2.881%.

Foreign funds net sold MYR3.6 billion in November 2021 (October 2021: +MYR2.9 billion). The weakened foreign demand for MYR securities was likely due to the stronger US dollar ("USD") which was driven by the US Federal Reserve's hawkish pivot and the emergence of the Coronavirus ("COVID-19") Omicron variant, and the outflow could also be exacerbated by the MYR10 billion MGS maturity on 30 November which was not fully rolled over in the domestic market. As a result, foreign holdings in MGS and GII decreased slightly to 25.4% (October 2021: 25.9%).

On the economic data front, Malaysia's foreign reserves decreased by USD400 million to USD116.3 billion as of 15 December 2021 (30 November 2021: USD116.7 billion). The reserves are sufficient to sustain 7.9 months of retained imports and 1.2x of short-term external debt. Malaysia's exports increased 32.4% Year-on-Year ("YoY") in November 2021 (October 2021: 25.5% YoY). The growth was mainly driven by petroleum products, electrical and electronic products, and palm oil. Meanwhile, imports grew 38.0% YoY (October 2021: 27.9% YoY), on the back of an increase in consumption, intermediate and capital goods. As a result, trade balance decreased to MYR18.9 billion (October 2021: MYR26.3 billion). Additionally, Malaysia's Consumer Price Index ("CPI") in November 2021 increased 3.3% YoY (October 2021: +2.9% YoY). The increase was mainly driven by transport (+12.7%), housing, water, electricity, gas & other fuels (+3.4%) and food & non-alcoholic beverages (+2.7%). Separately, Malaysia's industrial production index in October 2021 increased 5.5% YoY (September 2021: +2.5% YoY), driven by an increase in the manufacturing index (+8.0%) and electricity index (+4.1%), partially offset by a contraction in the mining index (-3.5%).

On the primary corporate bond space, notable issuances included MYR1.0 billion Yinson Holdings Berhad IMTN, MYR800 million Malaysia Airport Holdings Berhad IMTN, and MYR600 million Press Metal Aluminium Holdings Berhad IMTN, amongst others.

There were two credit rating downgrades in December 2021. Serba Dinamik Holdings Berhad IMTN programme credit rating was downgraded to C from BB/Negative while Senai-Desaru Expressway Berhad MYR1.89 billion IMTN was downgraded to BB/Negative from BBB-/Negative.

Market Outlook

Given that the economic recovery is already partially reflected in the equity valuation, investors are now watching the macro data closely to gauge the strength of inflation, the pace of monetary policy tightening, and the threat of new Coronavirus ("COVID-19") variants. The recent regulatory changes, property crisis and power crunch in China are likely to dampen the near-term economic growth outlook. Domestically, we expect corporate earnings to recover as the local economy will be fully reopened by 1Q2022 with encouraging progress in overall vaccination rate. Despite the tempered optimism on the local equity market post prosperity tax announcement, we are cautiously optimistic on the equity market and maintain our preference for equities over fixed income given the impending full reopening of the economy, subsiding political risk in the near term and normalisation of local interest rate. Downside risks to the market could stem from new COVID-19 variants, slower China growth, faster than expected policy tightening, domestic political uncertainties, and government policy risk.

For Fixed Income, Global economy would generally see higher growth and inflation in 2022, hence monetary policy withdrawals are likely. However, there could be potential divergence of policy measures by key central banks driven by the pace of economic recovery. Domestically, Bank Negara Malaysia's ("BNM") policy measures should remain accommodative in the near term and the supply of sovereign bonds should be well absorbed by the market. Overall, the domestic financial system liquidity remains ample, which shall remain supportive of the bond market.