January 2022

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.

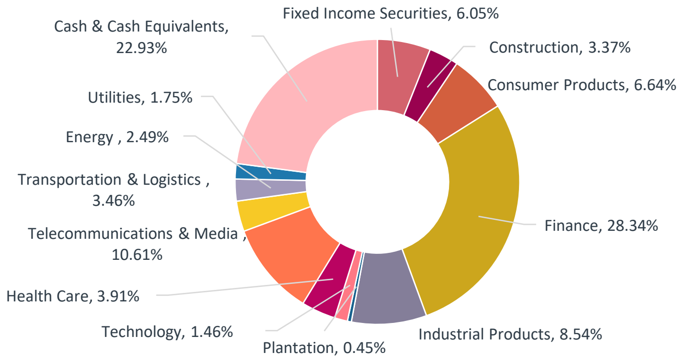
Fund Details

Unit NAV (31 Jan 2022)	:	RM 0.82410
Fund Size (31 Jan 2022)	:	RM 4.964 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

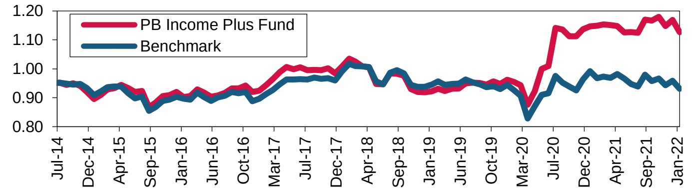
Top Holdings

1	PUBLIC BANK BHD	7.78%
2	MALAYAN BANKING BHD	6.24%
3	ABU DHABI NATIONAL ENERGY	6.05%
4	CIMB GROUP HOLDINGS BHD	4.98%
5	PETRONAS CHEMICALS GROUP BHD	3.69%

Asset and Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund^	-3.64%	0.17%	-1.99%	22.14%	19.27%	18.58%
Benchmark*	-2.99%	-0.91%	-3.84%	-1.61%	1.82%	-2.03%
Excess	-0.65%	1.08%	1.85%	23.75%	17.45%	20.61%

^ 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") fell by 3.5% Month-on-Month ("MoM") to close at 1,512.27 pts on 31 January 2022. The Index underperformed the MSCI Asia Ex Japan Index, which fell by 2.6% MoM in Malaysian ringgit ("MYR") terms over the same period. Foreign investors turned net buyers of MYR0.3 billion of Malaysian Equities after being net sellers in December 2021, while local institutional investors turned net sellers of MYR0.7 billion of equities (net buyers in the previous month). During the month, the key gainers of the Index were Press Metal (+6.6%), Hong Leong Financial Group (+5.0%) and Hong Leong Bank (+4.2%) while the key detractors were Top Glove (-17.8%), Inari Amerton (-17.5%), and Digi.Com (-12.8%). Except Industrial Products & Services (+2.9%), all other sectors were broadly lower, led by Technology (-17.5%), Telecommunications & Media (-11.2%) and Healthcare (-11.0%). Notable news during the month included: (i) Malaysia's Consumer Price Index ("CPI") rose 3.2% Year-on-Year ("YoY") in December 2021 surpassing the average inflation of 1.9% in 2011-2021; (ii) reinstatement of MYR1,000 cap on stamp duty for stock trades; and (iii) banking system net financing growth rising to 4.4% in November 2021 (vs 4.0% in October 2021) due to higher loan growth of 4.3% (vs 3.3% in October 2021).

Malaysian Government Securities ("MGS") yield curve bear-steepened, tracking higher global rate movements during the month. At the January 2022 Monetary Policy Committee ("MPC") meeting, Bank Negara Malaysia ("BNM") decided to maintain the Overnight Policy Rate ("OPR") at 1.75%. On the currency front, Malaysian ringgit ("MYR") weakened by 0.55% against the greenback to close the month at MYR4.1829. MGS levels as of end-January 2022 were: 3Y at 2.82% (-1 bps), 5Y at 3.27% (+11 bps), 7Y at 3.52% (+14 bps), 10Y at 3.70% (+13 bps), 15Y at 4.08% (+14 bps), 20Y at 4.25% (+16 bps) and 30Y at 4.32% (+14 bps).

There were three government securities auctions during the month: 5Y MGS 11/26 reopening auction with a tender size of MYR5 billion recorded a bid-to-cover ("BTC") ratio of 2.329x at an average yield of 3.273%, 10Y MGS 7/32 new issue auction with a tender size of MYR4.5 billion recorded a BTC ratio of 2.044x at an average yield of 3.582% and 15Y Government Investment Issue ("GII") 7/36 reopening auction with a tender size of MYR3 billion recorded a BTC ratio of 2.574x at an average yield of 4.161%.

Foreign funds inflows surged to MYR6.1 billion in December 2021 (November 2021: -MYR3.6 billion). This brought the 2021 full year inflow to total at MYR33.6 billion (2020: +MYR18.3 billion). As a result, foreign holdings in MGS and GII increased to 25.9% (November 2021: 25.4%).

On the economic data front, Malaysia's foreign reserves decreased by USD0.7 billion to USD116.2 billion as of 14 January 2022 (31 December 2021: USD116.9 billion). The reserves are sufficient to finance 7.4 months of retained imports and 1.2x of short-term external debt. Malaysia's exports increased 29.2% Year-on-Year ("YoY") in December 2021 (November 2021: 32.4% YoY). The growth was mainly driven by petroleum products, electrical and electronic ("E&E") products, chemicals and chemical products, and palm oil based manufactured products. Meanwhile, imports grew 23.6% YoY (November 2021: 37.9% YoY), on the back of an increase in consumption, intermediate and capital goods. As a result, trade balance widened to MYR30.99 billion (November 2021: MYR18.9 billion). For the full year of 2021, exports posted the largest gain since 1998, at 26%, while import growth hit the highest since 2004, at 23.3%. This brought trade surplus to an all-time high of MYR252.6 billion in 2021. Additionally, Malaysia's Consumer Price Index ("CPI") in December 2021 increased 3.2% YoY (November 2021: +3.3% YoY), due to the low base effect in the previous year. The increase was mainly driven by Transport (+9.5%), Housing, Water, Electricity, Gas & other Fuels (+3.4%) and Food & Non-alcoholic Beverages (+3.2%). Therefore, headline CPI averaged 2.5% for 2021. Separately, Malaysia's industrial production index grew by 9.4% YoY in November 2021 (October 2021: 5.5%). The increase was mainly driven by the manufacturing (+11.3%), electricity (+5.1%) and mining (+3.7%) indices.

On the primary corporate bond space, notable issuances included MYR1.03 billion Cagamas Berhad IMTN, MYR500 million Dialog Group Berhad IMTN and MYR200 million Sabah Credit Corporation IMTN, amongst others.

There were one credit rating upgrade and one credit rating downgrade in January 2022. Bumitama Agri Ltd's MYR2 billion IMTN Sukuk Musharakah programme credit rating was upgraded to AA2/Stable from AA3/Stable. Meanwhile, MEX II Sdn Bhd's MYR1.3 billion Sukuk Murabahah Programme and MYR150 million Junior Bonds were downgraded to the defaulted rating of D from CIS/C.

Market Outlook

Given 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. We are cautiously optimistic on the equity market and maintain our preference for equities over fixed income given the normalisation of 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 expectations of monetary policy withdrawals and tightening are being priced in the bond market yields. Domestically, BNM's 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.