

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.

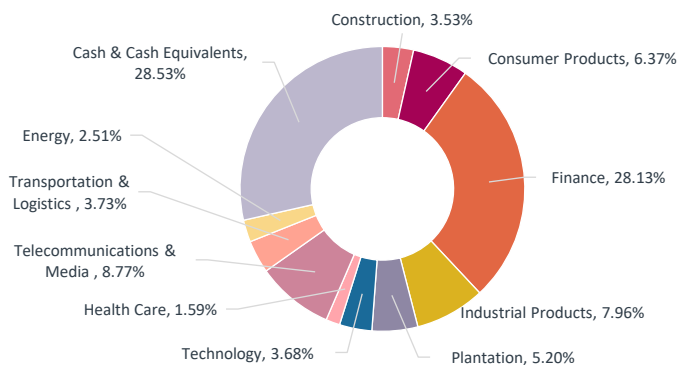
Fund Details

Unit NAV (31 May 2022)	: RM 0.85364
Fund Size (31 May 2022)	: RM 4.971 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

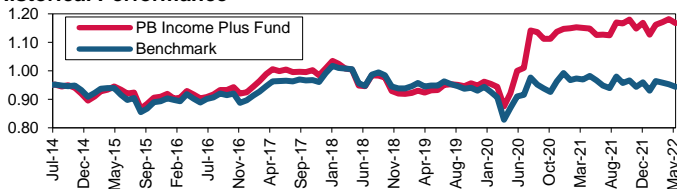
Top Holdings

1	PUBLIC BANK BHD	8.24%
2	MALAYAN BANKING BHD	6.92%
3	PETRONAS CHEMICALS GROUP BHD	3.51%
4	RHB BANK BHD	3.49%
5	HONG LEONG BANK BHD	3.23%

Asset and Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund ^a	-1.24%	1.66%	3.61%	25.16%	16.80%	22.83%
Benchmark ^a	-0.98%	-0.02%	-2.34%	-0.56%	-2.08%	-0.68%
Excess	-0.26%	1.68%	5.95%	25.72%	18.88%	23.51%

^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 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 1.9% Month-on-Month ("MoM") to close at 1,570.10 pts on 31 May 2022. The Index underperformed the MSCI Asia Ex Japan Index, which rose by 1.3% MoM in Malaysian ringgit ("MYR") terms over the same period. Foreign investors were net buyers of Malaysian equities amounting to MYR77 million in May 2022, bringing the net buy by foreign investors to MYR7.4 billion on a Year-to-Date basis as of May 2022. During the month, the key detractors of the Index were Top Glove Corporation Bhd (-16.7%), Kuala Lumpur Kepong Berhad (-13.2%) and Axiata Group Berhad (-8.6%), while the key gainers were Telekom Malaysia Bhd (+7.4%), Hong Leong Financial Group Berhad (+4.0%) and Petronas Dagangan Berhad (+3.8%). Sector wise, Transportation & Logistics (-8.2%), Plantation (-7.8%) and Health Care (-4.5%) were the key detractors while the best performers were Utilities (+1.4%) and Financial Services (+0.4%). Major news during the month included Bank Negara Malaysia ("BNM") hiking the overnight policy rate ("OPR") by 0.25% to 2% in the May Monetary Policy Committee ("MPC") meeting, MRT Corporation announcing the tenders for the 5 main work packages for the MRT Line 3, and the banning of chicken poultry exports by the Government.

Malaysian Government Securities ("MGS") rallied across the curve on generally thinner liquidity in May as buying sentiment improved amongst investors following lower global rates movement. During the month, BNM embarked on its policy normalization cycle with a 25bps hike in the OPR to bring OPR to 2.00% from 1.75% at the MPC meeting. On the currency front, the MYR weakened by 0.93% against the US dollar ("USD") to end the month at MYR4.3774. MGS levels as of end-May 2022 were: 3Y at 3.46% (-11 bps), 5Y at 3.75% (-15 bps), 7Y at 4.04% (-39 bps), 10Y at 4.20% (-13 bps), 15Y at 4.55% (-29 bps), 20Y at 4.64% (-27 bps) and 30Y at 4.85% (-11 bps).

There were three government securities auctions during the month: 30Y Government Investment Issue ("GII") 5/52 new issue auction with a tender size of MYR2.5 billion and private placement of MYR500 million recorded a bid-to-cover ("BTC") ratio of 2.57x at an average yield of 5.357%, 10Y MGS 7/32 reopening auction with a tender size of MYR4.5 billion recorded a BTC ratio of 2.598x at an average yield of 4.294% and 3Y GII 10/25 reopening auction with a tender size of MYR5.0 billion recorded a BTC ratio of 3.632x at an average yield of 3.632%.

Foreign funds registered an outflow of MYR2.2 billion in April 2022 (Mar 2022: -MYR4.0 billion). This was the second consecutive month of outflows with foreign funds continued to exit from regional bond markets on expectation of an aggressive US Federal Reserve ("Fed") rate hike coupled with a weaker MYR. Overall, foreign holdings in MGS and GII eased to 25.0% (March 2022: 25.5%).

On the economic data front, Malaysia's foreign reserves decreased by USD1.1 billion to USD111.4 billion as of 13 May 2022 (29 April 2022: USD112.5 billion). The reserves are sufficient to finance 5.6 months of retained imports and 1.1x of short-term external debt. Malaysia's exports grew 20.7% Year-on-Year ("YoY") in April 2022 (Mar 2022: 25.3% YoY). The growth was mainly driven by petroleum products, palm oil & palm oil-based products and metal products. Meanwhile, imports grew 22.0% YoY (March 2022: 29.9% YoY), on the back of an increase in consumption and intermediate goods, partially offset by a decline in capital goods. As a result, trade balance narrowed slightly to MYR23.5 billion (March 2022: MYR26.6 billion). Separately, Malaysia's Consumer Price Index ("CPI") inched higher marginally to 2.3% YoY in April 2022 (March 2022: +2.2% YoY). The increase was mainly driven by Transport (+3.0%), Food & Non-Alcoholic Beverages (+4.1%) and Restaurants & Hotels (+3.2%). Core inflation also edged higher to 2.1% YoY (March 2022: +2.0% YoY) amid pent up discretionary spending and services demand. Meanwhile, Malaysia's industrial production index grew by 5.1% YoY in March 2022 (February 2022: 4.0%). The manufacturing, electricity and mining indices increased by 6.9% YoY, 0.8% YoY and 0.3% YoY respectively.

On the primary corporate bond space, notable issuances included MYR1.5 billion Imtiaz Sukuk II Berhad IMTN, MYR710 million Tanjung Bin Energy Sdn Bhd IMTN and MYR310 million Sabah Development Bank Berhad MTN.

There was one credit rating upgrade in May 2022. The ratings of Zamrad Assets Berhad's Tranche 4 Class B Sukuk Murabahah was upgraded to AAA/Stable from AA2/Stable. The rating outlook on Tranche 5 Class B Sukuk was also revised to positive from stable.

Market Outlook

With the exception of Japan, global central banks have started to hike policy rates with clear commitments to rein in inflationary expectations leading to an environment of rising interest rates which would put pressure on the valuation for stocks. Ongoing geopolitical tension between Russia and Ukraine remains unabated with European Union ("EU") now committing to restrict energy imports from Russia while sourcing for alternative supplies elsewhere with clear implications for global energy markets and supply chain. China's commitment to the "zero-COVID" strategy leading to recent lockdowns in Shanghai and Beijing, which together with the recent regulatory changes, property crisis and power crunch, are creating some near-term global economic headwinds, given China's role as the global manufacturing hub and the key contributor of global economic growth in recent years. Recent US inflationary data led to market pricing in a more aggressive US Federal Reserve ("Fed") tightening and this has resulted in heightened market volatility and increased risk aversion among investors. In terms of strategy, we are keeping our slight overweight stance. Domestically, the local market is supported by (1) recovery in corporate earnings from the reopening of the economy, and (2) Malaysia as a net commodity exporter is expected to benefit from high commodity price. We look for opportunities to build position on any weakness. Downside risks to the market could stem from Fed's over tightening of rates, deterioration and protracted global energy disruption, stagflation and new COVID-19 variants.

For Fixed Income, major central banks have inevitably reiterated the hawkish tone despite the ongoing geopolitical tension between Russia and Ukraine. Persistently high inflation pressures central banks to move forward with the tightening path despite material downgrades to growth forecast, reflecting the effects of sanctions and energy shocks. 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.



Lipper Leader Fund for:

- Total Return
- 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