



April 2022

MONTHLY FUND PERFORMANCE UPDATE PB INCOME PLUS 2 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.

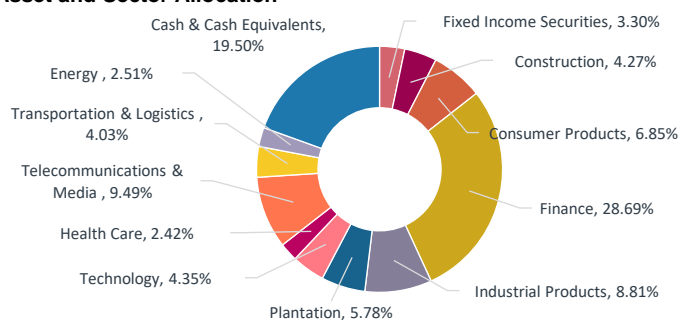
Fund Details

Unit NAV (30 Apr 2022)	: RM 0.91583
Fund Size (30 Apr 2022)	: RM 30.223 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 20 October 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

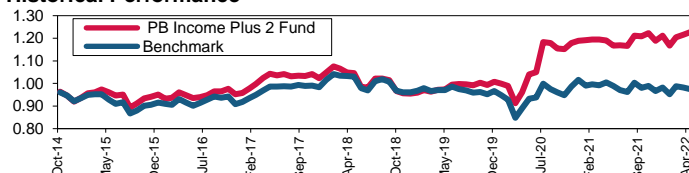
Top Holdings

1	PUBLIC BANK BHD	8.27%
2	MALAYAN BANKING BHD	7.25%
3	PETRONAS CHEMICALS GROUP BHD	3.75%
4	RHB BANK BHD	3.52%
5	CIMB GROUP HOLDINGS BHD	3.34%

Asset and Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund ^a	0.97%	0.39%	3.08%	26.19%	17.65%	29.15%
Benchmark [*]	-0.62%	-1.37%	-2.92%	0.50%	-1.05%	2.69%
Excess	1.59%	1.76%	6.00%	25.69%	18.70%	26.46%

^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") rose by 0.8% Month-on-Month ("MoM") to close at 1,600.43 pts on 29 April 2022. The Index outperformed the MSCI Asia Ex Japan Index, which fell by 2.5% MoM in Malaysian ringgit ("MYR") terms over the same period. Foreign investors were net buyers of Malaysian equities amounting to MYR826 million in April 2022, bringing the net buy by foreign investors to MYR7.3 billion on a Year-to-Date basis as of April 2022. During the month, the key detractors of the Index were Top Glove (-12.5%), Dialog Group (-8.7%) and Axiata (-7.3%), while the key gainers were Kuala Lumpur Kepong Bhd (+16.9%), IOI Corporation (+13.3%) and Petronas Chemicals (+6.4%). Energy (-8.7%), Telecommunications & Media (-3.4%) and Health Care (-2.7%) were the detractors while the best performers were Plantation (+11.9%), Industrial Products & Services (+2.2%) and Financial Services (+0.6%). Major news during the month included: 1) the Malaysian Communications and Multimedia Commission raising preliminary concerns about market competition that could arise from the proposed merger between Celcom Axiata Bhd and Digi.Com Bhd; 2) announcement by the Malaysian Government to acquire four Klang Valley highway concessionaries, namely Kesas Expressway (Lebuhraya Shah Alam), SMART Tunnel, SPRINT Expressway (Kerinci Link/Damansara Link/Penchala Link) and Damansara-Puchong Expressway (LDP) from the concession holders; and 3) Bank Negara Malaysia's ("BNM") announcement of the five successful applicants for the digital bank licences as approved by the Ministry of Finance ("MoF") Malaysia.

Malaysian Government Securities ("MGS") yield curve continued to shift higher in April following hawkish statements from major central banks coupled with the volatility seen in global rates market during the month. Locally, market sentiment remained weak as April was a heavy government bond auction supply month and most investors stayed side-lined prior to the May Monetary Policy Committee ("MPC") meeting. On the currency front, the Malaysian ringgit ("MYR") weakened by 3.16% against the US dollar ("USD") to end the month at MYR4.3370, tracking regional emerging market currencies movement against the USD. MGS levels as of end-April 2022 were: 3Y at 3.57% (+40 bps), 5Y at 3.90% (+51 bps), 7Y at 4.44% (+65 bps), 10Y at 4.33% (+48 bps), 15Y at 4.83% (+58 bps), 20Y at 4.91% (+47 bps) and 30Y at 4.96% (+43 bps).

There were four government securities auctions during the month: 10Y Government Investment Issue ("GII") 10/32 new issue auction with a tender size of MYR4.5 billion recorded a bid-to-cover ("BTC") ratio of 2.503x at an average yield of 4.193%, 15Y GI 7/36 reopening auction with a tender size of MYR2.5 billion and private placement of MYR2.5 billion recorded a BTC ratio of 1.879x at an average yield of 4.826%, 20Y MGS 10/42 new issue auction with a tender size of MYR2.5 billion and private placement of MYR2.5 billion recorded a BTC ratio of 1.918x at an average yield of 4.696% and 7Y MGS 4/29 new issue auction with a tender size of MYR5.0 billion recorded a BTC ratio of 2.196x at an average yield of 4.504%.

Foreign funds recorded an outflow of MYR4.0 billion in March 2022 (February 2022: MYR3.1 billion) amid global rates market selloff, extended USD strength and sizeable maturities during the month. Overall, foreign holdings in MGS and GII eased to 25.5% (February 2022: 25.8%).

On the economic data front, Malaysia's foreign reserves decreased by USD1.2 billion to USD114.4 billion as of 15 April 2022 (31 March 2022: USD115.6 billion). The reserves are sufficient to finance 6 months of retained imports and 1.2x of short-term external debt. Malaysia's exports recorded a robust expansion of 25.4% Year-on-Year ("YoY") in March 2022 (February 2022: 16.8% YoY). The exports growth was broad based, led by manufacturing goods on continued strength in the electrical & electronics, petroleum products, and optical and scientific equipment products. Meanwhile, imports rose faster at 29.9% YoY (February 2022: 18.3% YoY), on the back of an increase in consumption, intermediate and capital goods. As a result, trade balance widened to MYR26.7 billion (February 2022: MYR19.8 billion). Separately, Malaysia's Consumer Price Index ("CPI") in March 2022 held steady at 2.2% YoY (February 2022: +2.2% YoY), reflecting the continued fuel subsidies that helped to contain transport price inflation amid favourable base effects. The increase was mainly driven by Food & Non-Alcoholic Beverages (+4.0%), Furniture, Household Equipment and Routine Household Maintenance (+3.0%) and Restaurants & Hotels (+2.9%). Meanwhile, Malaysia's industrial production index growth eased slightly to 3.9% YoY in February 2022 (January 2022: 4.3% YoY). Both the manufacturing and electricity indices increased by 5.2% YoY and 3.9% YoY respectively, partially offset by a decline of 0.4% YoY in the mining sector.

On the primary corporate bond space, notable issuances included MYR2 billion Public Bank Berhad MTN, MYR1.2 billion SP Setia Berhad IMTN, MYR1.0 billion Cagamas Berhad MTN, MYR900 million Cagamas Berhad IMTN, MYR1 billion MMC Port Holdings Sdn Berhad IMTN, MYR900 million Hong Leong Bank Berhad MTN, MYR800 million Malaysia Airport Holdings Berhad IMTN, amongst others.

There was one credit rating downgrade and one credit rating upgrade in April 2022. The ratings of Serba Dinamik Holdings Berhad's Islamic IMTN and Islamic Commercial Papers ("ICP") programmes were downgraded from CIS/MARC-4IS to a default rating of DIS. The downgrade to DIS followed the declaration of an event of default by the ICP sukukholder, which was the outcome of a cross-default trigger on the IMTN/ICP programmes following missed coupon obligation. Separately, TSH Sukuk Murabahah Sdn Bhd's MYR150 million IMTN Programme rating was upgraded to AA-IS from A+IS. The ratings outlook is stable.

Market Outlook

The recent decisions out of the Federal Open Market Committee ("FOMC") meeting where the US Federal Reserve ("Fed") started on its first rate hike and clearly indicated its commitment to manage inflation expectations irrespective of uncertainties and downward pressures on growth, has cleared a key market uncertainty. In the near term, investors are assessing the impact of the geo-political tension between Russia and Ukraine, the surging commodity price shock, and its potential impact on inflation and global growth. The recent regulatory changes, property crisis and power crunch in China are also near-term economic headwinds. With the trajectory of Fed's pathway for rate hike becoming clearer, we are keeping our overweight stance. We look for opportunities to build position on any weakness. Downside risks to the market could stem from further deterioration and protracted global energy disruption, stagflation, and new Coronavirus ("COVID-19") variants. On the flip side, any resolution to the geopolitical tension with minimal disruption on global energy supply should rerate equities.

For Fixed Income, the 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. Having said that, the Ukraine-Russia military conflict is a key risk to global growth and could drive risk-off sentiment. 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.



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