

Portfolio Investment Account-i

Quarterly Fund Performance Report for
Series 1 (January 2025 – March 2025)



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Fund Information

Product Name Portfolio Investment Account-i ("PIA-i")

Shariah Contract ***Wakalah bi Al-Istithmar** - An agency contract where the Investor (Muwakkil) authorizes Hong Leong Islamic Bank Berhad (HLISB) as Agent (Wakil) to perform a particular task for the purpose of investment.*

Investment Account Type **Restricted Investment Account** – Investor(s) provides the Bank with a specific investment mandate such as purpose, asset class, economic sector and/or period of investment.

Fund Inception 21 December 2021

Fund Investment Strategies

The fund will be invested into three (3) Shariah Compliant Unit Trust funds managed by Hong Leong Islamic Asset Management (HLISAM) which are known as Dana Al-Izdihar (Money Market), Dana Maa'rof (Balanced) and Dana Makmur (Equity). The investment into the three (3) Dana mentioned above will be based on respective asset allocations within the allowable threshold as specified in the PDS to achieve the Expected Profit Rate (EPR) while exercising appropriate defensive mechanisms to moderate market volatility.

Investment Objective

The fund aims for capital growth and regular income through medium risk investment.

Profit Payment Policy

Profit (if any) payment will be credited into Investor's CASA-i (HLISB) / CASA (HLBB) within four (4) Business Days after Profit Distribution Period (PDP).

Investor Profile

- Category of Investor(s):
 - Individual(s)
 - Sole-Proprietorship(s)
- Investor(s) with medium risk tolerance

Note:

Investor(s) are advised to understand the risk(s) related to PIA-i before making an investment decision. Further explanation of each risk is in Product Disclosure Sheet (PDS) available on HLISB's website.

Fees & Charges

Fee Type	Fee Amount
Management Fee	Dana Al- Izdihar: 0.10% Dana Ma'rof: 1.50% Dana Makmur: 1.50% (Charged by HLISAM)
Upfront Fee	1% (Charged by the bank upfront upon placement by Investor during SP)
Incentive Fee	0% (No Incentive Fee was charged by the bank as the performance did not exceed the expected profit rate of 6% p.a.)

Nature of Investment Account

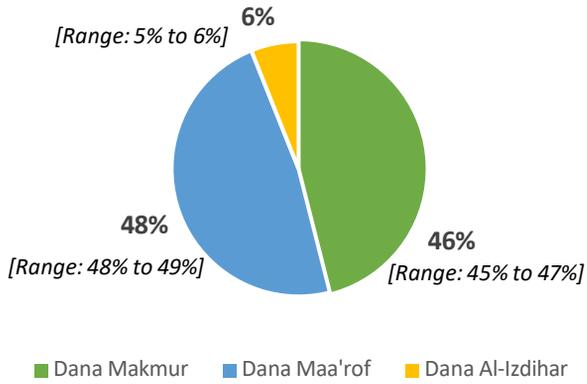
An investment fund with semi-annual Profit Distribution Period (PDP).

Portfolio Investment Account-i

Quarterly Fund Performance Report for Series 1 (January 2025 – March 2025)

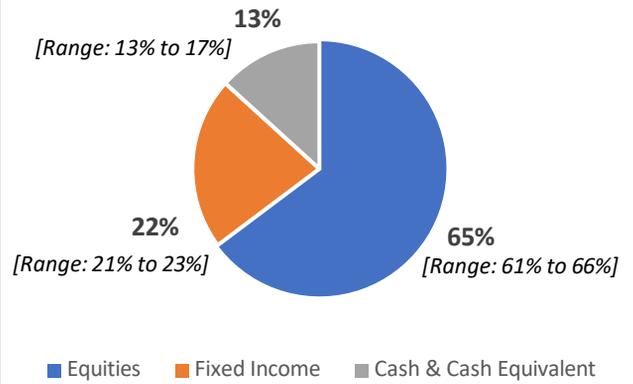
Investment Dana Allocation

The fund is invested in a portfolio that consist of Dana Al-Izdihar¹, Dana Maa'rof² and Dana Makmur³ as per chart below (with the allocation range throughout the investment period).



Investment Asset Class Allocation

Dana Al-Izdihar, Dana Maa'rof and Dana Makmur are invested in a portfolio of Equities, Fixed Income, and Cash & Cash Equivalent as per chart below (with the allocation range throughout the investment period).

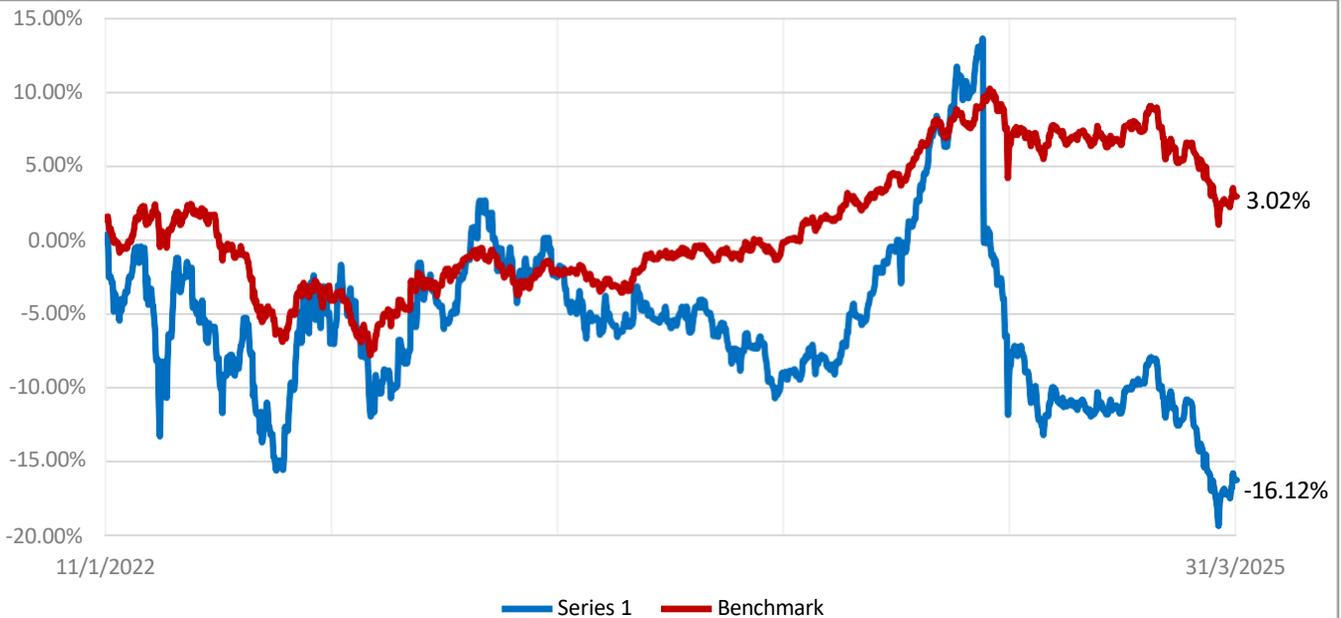


Note:

- ¹ Dana Al-Izdihar assets consist of Islamic deposits and Islamic money market instruments.
- ² Dana Maa'rof assets consist of Shariah-compliant equities, Islamic money market instruments and sukuk.
- ³ Dana Makmur assets consist of Shariah-compliant equities, Islamic money market instruments and sukuk.

[Range]: The range mentioned above indicates the percentage of the asset and dana breakdown and movements during the investment period.

Fund Performance



Note:

- Benchmark = 50% FTSE Bursa Malaysia EMAS Sharia return + 30% 3-months KLIBOR + 20% BNM Islamic Interbank Rate.
- The PIA-i fund registered a loss of -9.81% in six months during the sixth PDP on 1st January 2025.
- Source: Bloomberg

Portfolio Investment Account-i

Fund Performance Report for Series 1 (January 2025 – March 2025)

Fund Performance Review

In March 2025, FBMKLCI dropped by 3.9% to 1,514 points, a level not seen since February 2024 while FBMS was down by 3.3% to 11,124 points. This made FBMKLCI the worst-performing market among the MIST (Malaysia, Indonesia, Singapore, and Thailand) for the month, lagging behind global indices like the MSCI Emerging Market Index (+0.4% mom) and MSCI All Country Asia ex-Japan Index (-0.2% mom). Foreign investors continued to sell Malaysian stocks for the sixth consecutive month, with net sell flows more than doubling to RM4.6 billion. This pushed the cumulative net foreign outflow since 2010 to a new record high of RM48.5 billion. Meanwhile, local institutions were net buyers for the fifth consecutive month, with their purchases almost tripling to RM4.3 billion. Local retailers were also net buyers with inflow of RM0.2 billion. Only two of Bursa Malaysia's 13 indices—Energy and Utilities recorded gains in March. The worst-performing sectors were Telecommunication (-6.4%), Finance (-4.9%), and Healthcare (-4.3%).

On the corporate front, Malaysia Building Society Bhd has declared an interim dividend of 1.8 sen per share for the financial year ended Dec 31, 2024 (FY2024). This brings MBSB's total dividend payout for FY2024 to 4.55 sen per share, higher than the 3.5 sen per share distributed in FY2023. However, it remains below the record-high payout of 8.5 sen per share declared for FY2022. KJTS Group Bhd has secured a contract from KIP Real Estate Investment Trust to provide retrofit works, operations and maintenance (O&M) services as well as provide chilled water supply for seven of the retail property trust's shopping malls. The contract was awarded to KJTS' wholly-owned unit KJ Technical Services Sdn Bhd by KIP REIT's trustee, Pacific Trustees Bhd.

Series 1 underperformed against the benchmark return of 2.4% during the period with a return of -8.3%, mainly attributed by the fund's increased exposure in the Energy and Construction sector in our portfolio (Dana Makmur and Dana Maa'rof). The Malaysia Energy index (KLENG) was down by 7.1% while the Malaysia Construction index (KLCON) was down by 13.4% during the period under review.

Reference: Hong Leong Islamic Asset Management Sdn Bhd

Market Outlook & Strategy

Outlook

We are of the view that the market will continue to be jittery, with investors waiting for the details of tariff plan by President Trump. Foreign net selling across the emerging markets intensified, and we expect the market will continue to be volatile in the next few months as details and impact of the tariff war remain to be in question. While the general equities market seems cheap for now, we do not discount that the market could continue to be depressed in the short to medium term given the lack of catalysts and more risks going forward that could impact the corporates' earnings.

Strategy

While our positive stance on a longer-term view remained unchanged, we are defensive in the short term as uncertainties in the market continue, especially in sectors that performed well last year (constructions, properties, healthcare).

Reference: Hong Leong Islamic Asset Management Sdn Bhd

Statement of Any Changes

There have been no changes in the Investment Objectives, Strategies, restrictions and limitations during the investment period.

Portfolio Investment Account-i

Quarterly Fund Performance Report for Series 1 (January 2025 – March 2025)

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Prepared by: