



Investment Linked Fund Performance Report August 2017

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EXECUTIVE SUMMARY

It was a flattish month of August for Malaysia as the FBMKLCI Index traded in a narrow range of 1,761 to 1,777 points. This is due to concerns over the market valuations following its strong performance in 1H17 and lack of catalysts to drive the market. For the month, the FBMKLCI Index fell 0.7% or 13.3points to close at 1,773 level. The broader market underperformed the FBMKLCI Index, with the FBM EMAS rising by only 0.5% MoM to 12,610pts.

MGS strengthened mainly in the short-to-belly of the curve in August as the yield went down by 5-13 bps. The strengthening was due to heightened geopolitical tension between North Korea and the US as well as strong economic data released in Malaysia. Ringgit strengthened against the Dollar to RM 4.2715/USD from RM 4.2805/USD. Brent crude oil prices remain pretty much unchanged at USD 52.38/barrel compared to USD 52.68/barrel in the previous month.

Malaysia's 2Q17 GDP came in higher-than-expected at 5.8% vs market expectation of 5.4%, driven by both strong domestic and external demand at +5.7% (1Q'17: +7.7%) and +1.4% (1Q'17: -14.5%) respectively.

Going forward, better economic outlook, improving earnings, strengthening of the ringgit and potential election will continue to support the equity market for the next 12 months. However, short term issue may provide some negative sentiment in the immediate term. This should provide opportunity to accumulate on weakness. For fixed income, we are cautious in taking duration in view of an upward trending yield environment. Despite the local bond market is fuelled by the external risk factors such as geopolitical tension in North Korea, Brexit and fluctuation in crude oil prices, we believe corporate bond space still provides attractive yields given stable monetary stance from BNM and strong fundamentals in local market. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.

Based on the performance table below, on monthly basis, all funds had underperformed their benchmarks due to high exposure in underperforming securities.

Policyholders are encouraged to focus into regular premium given the current risk and volatile period of the economic and market condition. Risk adverse investors should focus into income fund due to its less volatile as compared to equity related funds.

Performance Table: Funds vs Benchmarks

	Asiapac Fund		Balanced Fund		Dividend Fund		Equity Fund		Global Yakin Fund		Income Fund		Jati Fund	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Monthly (%)	-2.50%	-0.90%	0.56%	0.70%	0.56%	0.75%	0.49%	0.75%	-0.49%	-0.48%	0.65%	0.66%	-0.32%	0.25%
3 Months (%)	3.63%	7.07%	0.13%	0.68%	-1.08%	0.41%	-0.70%	0.41%	0.58%	1.55%	0.88%	0.95%	-2.64%	-0.43%
6 Months (%)	9.68%	16.87%	2.52%	3.51%	1.28%	4.69%	2.22%	4.69%	2.38%	6.28%	2.44%	2.33%	-0.95%	2.92%
12 Months (%)	20.86%	21.25%	2.29%	3.78%	1.75%	5.67%	3.23%	5.67%	9.73%	9.20%	2.88%	1.89%	-1.33%	2.56%

Source: MCI/S Insurance Berhad

AsiaPac Fund Monthly Report (Aug 2017)

Investment Objective

To achieve steady income stream with potential growth in the Asia Pacific Region over medium to long term. The aim of the Fund is to outperform the S&P Ethical Pan Asia Select Dividend Opportunities Index over periods of five or more years.

Investment Strategy

To invest in Asia Pacific Ethical Dividend Exchange Traded Fund (ETF), managed by CIMB Principal Asset Management where the ETF is listed on the Singapore Stock Exchange.

The ETF focuses on top 40 ethical and high yielding stocks in the Asia Pacific Region excluding India, Taiwan, Japan, New Zealand and Philippines. The fund provides country diversification across the industry that is traded in US Dollar.

Risks

The Fund is considered low risk given the exposure to only one underlying securities with no attempt to select stocks individually or to take defensive positions in declining markets. Risk is managed at the management level, where the asset allocation of the fund to be reviewed on regular basis, and adjusted to commensurate with the Investment Team view on the relative attractiveness of each asset class.

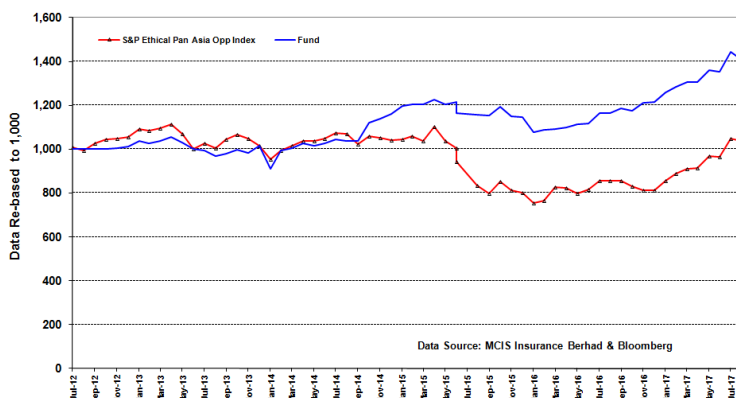
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

The target market is for investors who are seeking regional exposure from investment and at the same time, seeking for medium to long term capital appreciation with moderate market risk.

Fund Performance

For the month ended August 2017, the fund had underperformed the benchmark by 340bps MoM (month on month). This was mainly due to strengthening of ringgit during the period. However for since inception period, the fund had outperformed the benchmark.

AsiaPac Fund Performance Since Inception



Top Ten Holdings

CIMB S&P Asia Pacific Ethical Dividend Exchange Traded Fund (ETF)

Fund Information

NAV (30.8.17)	RM0.7046
Fund Size	RM33.65 million
Inception Date	15-July-2012
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
ETF	80%	100%	89%
Cash	0%	20%	11%

Performance Table

Period	Fund	Index*
1 month (%)	-2.50%	-0.90%
3 months (%)	3.63%	7.07%
6 months (%)	9.68%	16.87%
12 months (%)	20.86%	21.25%
2 years (% pa)	21.86%	24.31%
3 years (% pa)	10.79%	-0.96%
5 years (% pa)	-	-
Since Inception	6.86%	0.74%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is S&P Ethical Pan Asia Select Dividend Opportunities sourced from Bloomberg.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Balanced Fund Monthly Report (Aug 2017)

Investment Objective

The objective of the Balanced Fund is to provide security and income, while maintaining and potentially increasing the value of capital over the medium to long-term, through exposure across a range of asset classes. The Fund aims to outperform the performance benchmark over periods of three or more years.

Investment Strategy

To invest in Malaysian equities and fixed income securities, including government bonds and corporate debt securities. The asset allocation is reviewed on a regular basis, and is adjusted commensurate with our view on the relative attractiveness of each asset class.

Risks

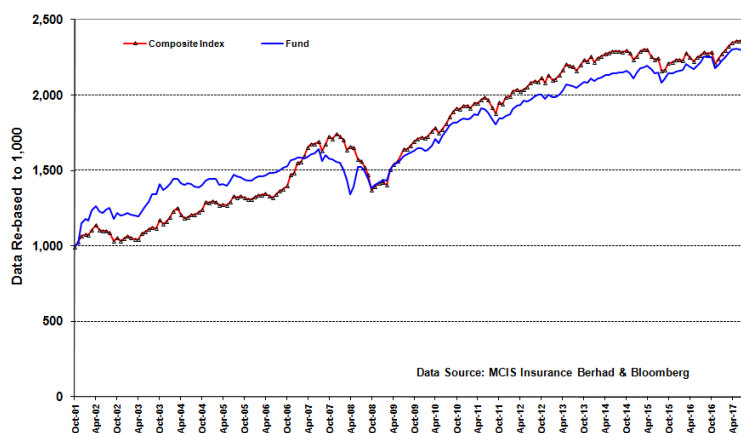
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, and the liquidity of the underlying assets. Additionally, levels of interest rates, and credit downgrades of defaults can affect the value of fixed income securities

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended August 2017, the fund had underperformed the benchmark by 14bps MoM (month on month). The underperformance was mainly driven by higher exposure of underperforming securities in the portfolio compared to benchmark.

Balanced Fund Performance Since Inception



Top Ten Holdings

- Malaysian Government Securities (Bond)
- Sabah Credit Corporation (Bond)
- CIMB Bank Berhad (Bond)
- Sarawak Hidro Sdn Bhd (Bond)
- Tenaga Nasional Berhad (Equity)
- Malayan Banking Berhad (Equity)
- Projek Lebuhraya Utara-Selatan (Bond)
- Telekom Malaysia Berhad (Equity)
- CIMB Bank Berhad (Equity)
- AmanahRaya Real Estate Investment Trust (Reits)

Fund Information

NAV (30.8.17)	RM1.1544
Fund Size	RM8.0 million
Inception Date	15-Oct-01
Fund Management Fee	1.25% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	40%	60%	47%
Fixed Income	40%	60%	45%
Cash	0%	20%	8%

Performance Table

Period	Fund	Index*
1 month (%)	0.56%	0.70%
3 months (%)	0.13%	0.68%
6 months (%)	2.52%	3.51%
12 months (%)	2.29%	3.78%
2 years (% pa)	5.28%	4.86%
3 years (% pa)	2.40%	1.17%
5 years (% pa)	2.97%	2.55%
Since Inception	5.40%	5.58%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* The benchmark index is a composite of 50% FBM KLCI Index and 50% of Markit iBoxx ALBI Malaysia TR Index (Since Dec '12). Prior to that, the index used was HSBC Malaysia All Bond Index for the fixed income portion. Benchmark return is calculated on re-based basis. The source is from the subscription of Markit Indices.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Dividend Fund Monthly Report (Aug 2017)

Investment Objective

To achieve steady income stream with potential for capital growth over medium to long term by focusing mostly on high dividend yielding stocks and money market instruments. The aim of the Fund is to outperform the FBM KLCI Index over periods of five or more years.

Investment Strategy

To invest in a broad selection of companies listed on the Malaysian Stock Exchange. Using a relative value methodology, the fund focuses on undervalued stocks relative to fundamental value, with the aim of achieving an income stream, together with some degree of long-term capital gains.

Risks

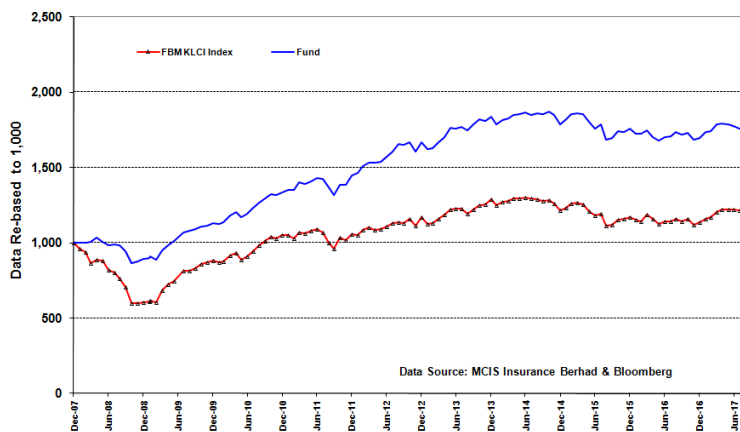
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended August 2017, the fund had underperformed the benchmark by 19bps MoM (month on month). The underperformance was mainly driven by higher exposure of underperforming stocks in the portfolio compared to benchmark.

Dividend Fund Performance Since Inception



Top Ten Holdings

Sime Darby Berhad
Telekom Malaysia Berhad
Petronas Gas Berhad
Public Bank Berhad
Petronas Chemicals Group Berhad
Maxis Berhad
Malayan Banking Berhad
Tenaga Nasional Berhad
DiGi.Com Berhad
Axiata Group Berhad

Fund Information

NAV (30.8.17)	RM0.8394
Fund Size	RM35.89 million
Inception Date	21-Jan-08
Fund Management Fee	1.5% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	93%
Cash	0%	20%	7%

Performance Table

Period	Fund	Index*
1 month (%)	0.56%	0.75%
3 months (%)	-1.08%	0.41%
6 months (%)	1.28%	4.69%
12 months (%)	1.75%	5.67%
2 years (% pa)	2.43%	4.86%
3 years (% pa)	-1.67%	-1.69%
5 years (% pa)	1.31%	1.50%
Since Inception	6.07%	2.14%
Yield #	3.02%	3.08%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is FBM KLCI sourced from Bloomberg.

Yield data is sourced from Bloomberg, and MCIS.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Equity Fund Monthly Report (Aug 2017)

Investment Objective

The objective of the Equity Fund is to achieve capital growth over the medium to long term by focusing on high quality equities listed on the FBM KLCI Index. The aim of the Equity Fund is to outperform the Index over periods of five or more years.

Investment Strategy

To invest in a broad selection of companies listed on the Malaysian Stock Exchange. Using a relative value methodology, the fund focuses on the stocks whose shares appear undervalued relative to fundamental value, with the aim of achieving long term growth in capital value.

Risks

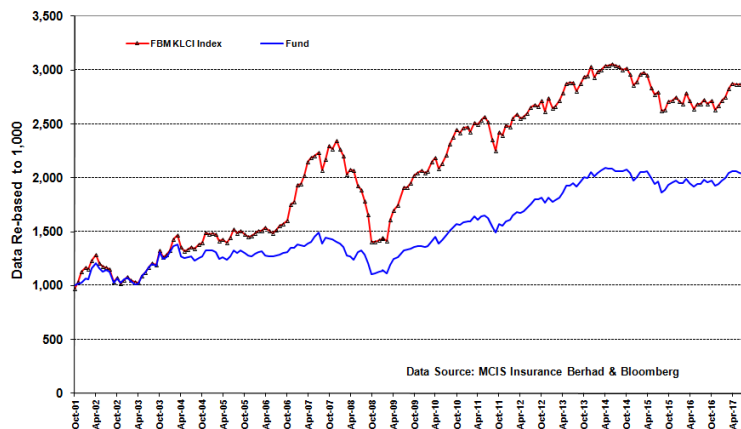
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended August 2017, the fund had underperformed the benchmark by 26bps MoM (month on month). The underperformance was mainly driven by higher exposure of underperforming stocks in the portfolio compared to benchmark.

Equity Fund Performance Since Inception



Top Ten Holdings

Tenaga Nasional Berhad
Public Bank Berhad
Malayan Banking Berhad
IOI Corporation Berhad
Telekom Malaysia Berhad
Petronas Chemicals Group Berhad
Sime Darby Berhad
Petronas Dagangan Berhad
CIMB Bank Berhad
Petronas Gas Berhad

Fund Information

NAV (30.8.17)	RM1.0224
Fund Size	RM10.56 million
Inception Date	15-Oct-01
Fund Management Fee	1.40% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	98%
Cash	0%	20%	2%

Performance Table

Period	Fund	Index*
1 month (%)	0.49%	0.75%
3 months (%)	-0.70%	0.41%
6 months (%)	2.22%	4.69%
12 months (%)	3.23%	5.67%
2 years (% pa)	4.70%	4.86%
3 years (% pa)	-0.34%	-1.69%
5 years (% pa)	2.60%	1.50%
Since Inception	4.60%	6.88%
Yield #	3.17%	3.08%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is FBM KLCI sourced from Bloomberg.

Yield data is sourced from Bloomberg, and MCIS.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Global Yakin Fund

Monthly Report (Aug 2017)

Investment Objective

The fund aims for capital appreciation in the long term by investing in an international portfolio of Shariah-compliant equities and equity-related securities of companies with good growth potential.

Investment Strategy

The Fund is to feed into Aberdeen Islamic World Equity Fund (AIWEF) which managed by Aberdeen Islamic Asset Management Sdn Bhd. The Fund invests in shariah approved securities across the globe.

The Fund seeks to achieve its objective by investing in an international portfolio of Shariah-compliant equities and equity-related securities of companies with good growth potential. The countries that the Fund will invest in will include, but not limited to Canada, United States of America, United Kingdom, France, Germany, Italy, Netherlands, Sweden, Switzerland, Japan, Australia, China, Hong Kong, Korea, Singapore, Taiwan, Brazil and Mexico.

Risks

The Fund is considered low risk given the exposure to only one underlying securities with no attempt to select stocks individually or to take defensive positions in declining markets. Risk is managed at the management level, where the asset allocation of the fund to be reviewed on regular basis, and adjusted to commensurate with the Investment Team view on the relative attractiveness of each asset class.

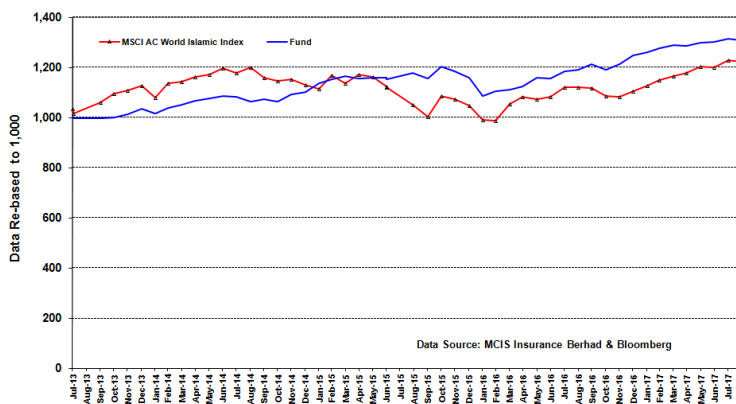
The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

The Fund is suitable for investors who seek capital appreciation over a long term investment horizon and who are willing to accept high level of risk.

Fund Performance

For the month ended August 2017, the fund had underperformed the benchmark by 97bps MoM (month on month). The underperformance was mainly due to underperforming of the underlying securities compared to the benchmark index.

Global Yakin Fund Performance Since Inception



Top Ten Holdings

Aberdeen Islamic World Equity Fund (AIWEF)

Fund Information

NAV (30.8.17)	RM0.6539
Fund Size	RM30.17 million
Inception Date	8-July-2013
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
AIWEF	80%	100%	89%
Cash	0%	20%	11%

Performance Table

Period	Fund	Index*
1 month (%)	-0.49%	-0.48%
3 months (%)	0.58%	1.55%
6 months (%)	2.38%	6.28%
12 months (%)	9.73%	9.20%
2 years (% pa)	5.32%	7.85%
3 years (% pa)	7.10%	0.62%
5 years (% pa)	-	-
Since Inception	6.65%	4.97%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is MSCI AC World Islamic sourced from Bloomberg.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Income Fund

Monthly Report (Aug 2017)

Investment Objective

The objective of the Income Fund is to provide investors with security of income by investing in a mix of fixed income and fixed deposit securities. The aim of the Fund is to outperform the HSBC Malaysia Local Currency All Bond Total Return Index.

Investment Strategy

To invest into underlying asset classes as per the Asset Allocation Ranges. The asset allocation is reviewed on a regular basis, and is adjusted commensurate with our view on the relative attractiveness of each asset class. The Fund invests in cash and fixed income securities including government bonds and corporate debt securities.

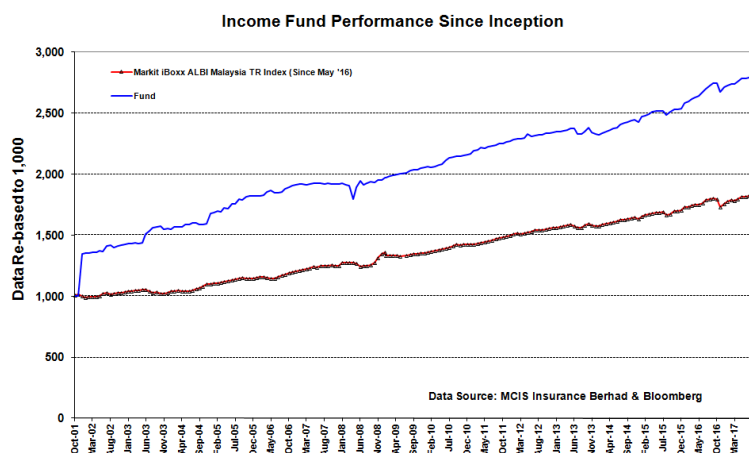
Risks

The Fund is considered lower risk given the exposure to cash and fixed income securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets. Additionally, levels of interest rates, and credit downgrades or defaults can affect the value of fixed income securities.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended August 2017, the fund had underperformed the benchmark by 1bps MoM (month on month). The underperformance was due to underperforming of the fixed income securities compared to the benchmark index.



Top Ten Holdings

Malaysian Government Securities
 Government Investment Issue
 YTL Corporation Berhad
 Sabah Development Bank Berhad
 PBFIN Berhad
 BGSM Management Sdn Bhd
 Sabah Credit Corporation
 Perdana Petroleum Berhad
 Sarawak Hidro Sdn Bhd
 Bank Pembangunan Malaysia Berhad

Fund Information

NAV (30.8.17)	RM1.4040
Fund Size	RM27.56 million
Inception Date	15-Oct-01
Fund Management Fee	0.5% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Fixed Income	75%	100%	83%
Cash	0%	25%	17%

Performance Table

Period	Fund	Index*
1 month (%)	0.65%	0.66%
3 months (%)	0.88%	0.95%
6 months (%)	2.44%	2.33%
12 months (%)	2.88%	1.89%
2 years (% pa)	6.32%	4.78%
3 years (% pa)	5.03%	4.00%
5 years (% pa)	3.88%	3.50%
Since Inception	6.70%	3.87%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* The benchmark index is Markit iBoxx ALBI Malaysia TR Index (Since Dec '12). Prior to that, the index used was HSBC Malaysia All Bond Index. Benchmark return is calculated on re-based basis. The source is from the subscription of Markit Indices.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Jati Fund

Monthly Report (Aug 2017)

Investment Objective

The Jati Fund is invested in accordance with Shariah principles in Shariah sanctioned equities, money market instruments, and fixed income investments. The aim is to provide security and income, while maintaining and potentially increasing the value of capital over the medium to long-term. The Jati Fund is not a takaful product.

Investment Strategy

To invest in a broad selection of Shariah approved securities listed on the Malaysian Stock Exchange. Using a relative value methodology it looks to buy stocks whose shares appear undervalued relative to fundamental value, with the aim of achieving an income stream, together with some degree of long-term capital gains.

Risks

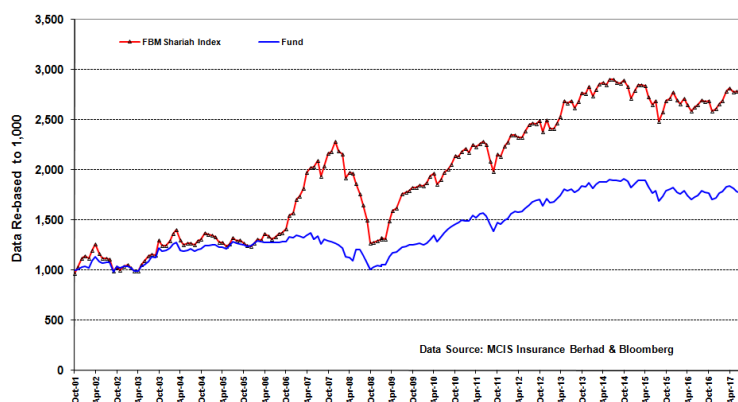
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended August 2017, the fund had underperformed the benchmark by 7bps MoM (month on month). The underperformance was mainly driven by higher exposure of underperforming stocks in the portfolio compared to benchmark.

Jati Fund Performance Since Inception



Top Ten Holdings

Tenaga Nasional Berhad
Sime Darby Berhad
SapuraKencana Petroleum Berhad
Petronas Dagangan Berhad
Telekom Malaysia Berhad
Petronas Chemicals Group Berhad
IHH Healthcare Berhad
MISC Berhad
DiGi.Com Berhad
Axiata Group Berhad

Fund Information

NAV (30.8.17)	RM0.8830
Fund Size	RM12.22 million
Inception Date	15-Oct-01
Fund Management Fee	1.35% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mcis.my
Fund Manager	MCIS Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	88%
Cash	0%	20%	12%

Performance Table

Period	Fund	Index*
1 month (%)	-0.32%	0.25%
3 months (%)	-2.64%	-0.43%
6 months (%)	-0.95%	2.92%
12 months (%)	-1.33%	2.56%
2 years (% pa)	2.10%	5.55%
3 years (% pa)	-2.31%	-1.20%
5 years (% pa)	1.00%	2.30%
Since Inception	3.64%	6.61%
Yield #	2.26%	2.53%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is FBMS Index sourced from Bloomberg.

Yield data is sourced from Bloomberg, and MCIS.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

Equity Market Review and Outlook

Market Review

It was a flattish month of August for Malaysia as the FBMKLCI Index traded in a narrow range of 1,761 to 1,777 points. This is due to concerns over the market valuations following its strong performance in 1H17 and lack of catalysts to drive the market. The August results season failed to lift the market sentiment as the number of companies that missed earnings expectations continue to trump companies that beat earnings expectations. For the month, the FBMKLCI Index fell 0.7% or 13.3points to close at 1,773 level. The broader market underperformed the FBMKLCI Index, with the FBM EMAS rising by only 0.5% MoM to 12,610pts. Average daily value traded on Bursa in August declined 5% MoM to RM1.94billion.

On the domestic economic front, exports surged to 30.9% YoY in July, after slowing to 9.9% last month, on the back of base effects and a distortive festive period. Meanwhile, Industrial Production Index (IPI) slowed to 4% YoY in June, from +4.6% in May, on the back of a slowdown in manufacturing activities and electricity output. For 1H17, IPI growth averaged at 4.3% YoY, higher compared to 3.2% in the same period last year.

Globally, Eurozone 2Q GDP growth was confirmed at 0.6% QoQ, accelerating from +0.5% the quarter before. The pick-up in expansion was supported by continued growth in Germany, the region's largest economy, and the strongest Spanish performance in almost two years. The European Central Bank is confident that inflation will eventually pick up as wages rise and economic slack abates, and President Mario Draghi has had to upgrade his view of the economy in recent months.

Chart 1: FBMKLCI Weekly Chart



Source: CIMB Research

Chart 2: FBMKLCI Monthly Pattern and Cycle Analysis



Source: Bloomberg

Market Outlook & Strategy

Technically, the Head & Shoulders (H&S) pattern continues to take shape for the long term view. This multi-year reversal pattern would only be confirmed on a break below the neckline which is roughly about the 1,680 levels. Despite the recently announced strongest macro-economic numbers in the years, the index is still a distant cry from its all-time high. We are cautious in the immediate term. A close below the 1,751 levels would turn bearish outlook on Malaysia shares. Supports are seen 1,751 and 1,737.

Going forward, better economic outlook, improving earnings, strengthening of the ringgit and potential election will continue to support the equity market for the next 12 months. However, short term issue may provide some negative sentiment in the immediate term. This should provide opportunity to accumulate on weakness.

Fixed Income Review and Outlook

Market Review

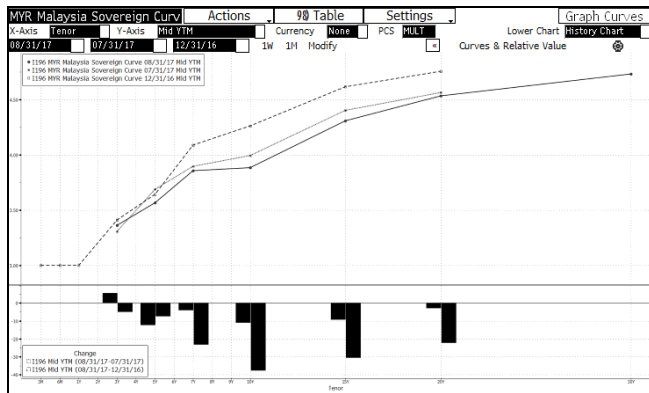
Malaysia Government Securities (MGS) strengthened mainly in the short-to-belly of the curve in August as the yield went down by 5-13 bps. The strengthening was due to heightened geopolitical tension between North Korea and the US as well as strong economic data released in Malaysia. Ringgit strengthened against the Dollar to RM 4.2715/USD from RM 4.2805/USD. Brent crude oil prices remain pretty much unchanged at USD 52.38/barrel compared to USD 52.68/barrel in the previous month.

On economic data, 2Q'17 GDP came in higher-than-expected at 5.8% vs market expectation of 5.4%, driven by both strong domestic and external demand at +5.7% (1Q'17: +7.7%) and +1.4% (1Q'17: -14.5%) respectively. Headline inflation was eased in July'17 for the fourth consecutive month to +3.2% from +3.6% in June, again driven by lower transport cost (oil) which decelerated to +7.7% vs +10.5% in June. Both Malaysia export and import eased in June'17 due to seasonal effect of Ramadhan and Eid, but trade surplus widened to +MYR9.9b (May'17: +MYR5.7b). External reserve finally reached back the US\$100b mark at US\$100.4b (last seen July'15), amid subdued capital outflows, repatriation of export earnings and FDIs. The reserve is sufficient to retain 7.9 months of imports and 1.1 times short term external debts. Foreign holding of MGS was seen quite stable for the past 4 months, ranging at the 40% level (July'17: 40.1%), compared to the peak of 51.9% in Oct'16.

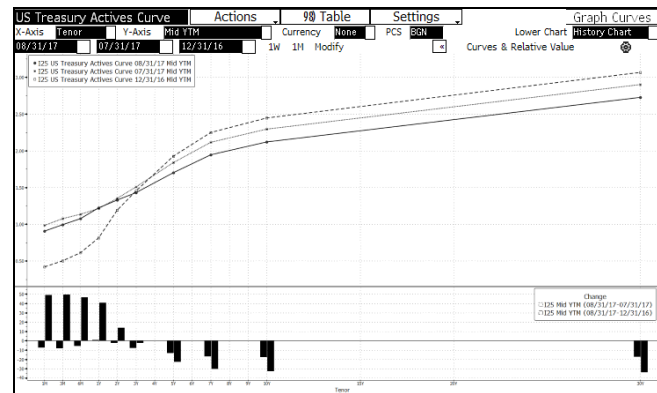
The auctions unveiled in August 2017 are as follows;

Government Auctions in July 2017				
Issue	Issue Date	Amount (RM million)	Bid-cover (times)	Avg Yield (%)
20-Year New Issuance of GII(Mat on 8/2037)	4-Aug-17	2,500.00	1.78	4.755
3-Year New Issuance of MGS(Mat on 2/2021)	15-Aug-17	3,500.00	1.71	3.441
7-Year Re-Issuance of GII(Mat on 8/2024)	30-Aug-17	4,000.00	2.10	3.975

Table 1: Government Auctions in August 2017. Source: Bank Negara Malaysia



Source: Bloomberg



Source: Bloomberg

10-year US Treasury price rallied, moving the yield down to 2.12% due to increased geopolitical risk between North Korea and the US, together with the softer inflation rate and Trump's threat to shut down the Government over the border security funding.

Market Outlook & Strategy

With major central banks showing signal towards tightening policy, we are cautious in taking duration in view of an upward trending yield environment. Despite the local bond market is fuelled by the external risk factors such as geopolitical tension in North Korea, Brexit and fluctuation in crude oil prices, we believe corporate bond space still provides attractive yields given stable monetary stance from BNM and strong fundamentals in local market. As such, we will keep looking to buy on dips of corporate bonds if the opportunity arises.