

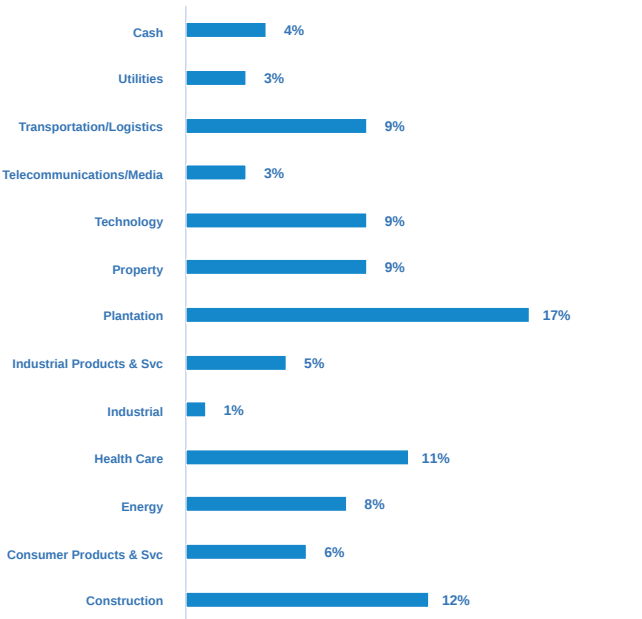
Investment Objective

- The Fund aims to provide capital growth over medium to long-term investment horizon.

Investor Profile

- Targeted for high-risk investors looking to invest in Shariah-compliant equities and equity-related assets with good growth and high return potential.

Fund Details	
Unit NAV (31/03/2025)	RM0.533
Fund Size (31/03/2025)	RM155.45m
Launch Date	07 July 2007
Fund Currency	Ringgit
Fund Management Fee	1.5% per annum
Fund Manager	Zurich Life Insurance Malaysia Berhad
Top Holdings (As at 31/03/2025)	
Top Glove Corp Bhd	7.55%
Dialog Group Bhd	7.08%
SD Guthrie Bhd	6.94%
MISC Bhd	6.83%
IJM Corp Bhd	6.32%
Asset and Sector Allocation (As at 31/03/2025)	

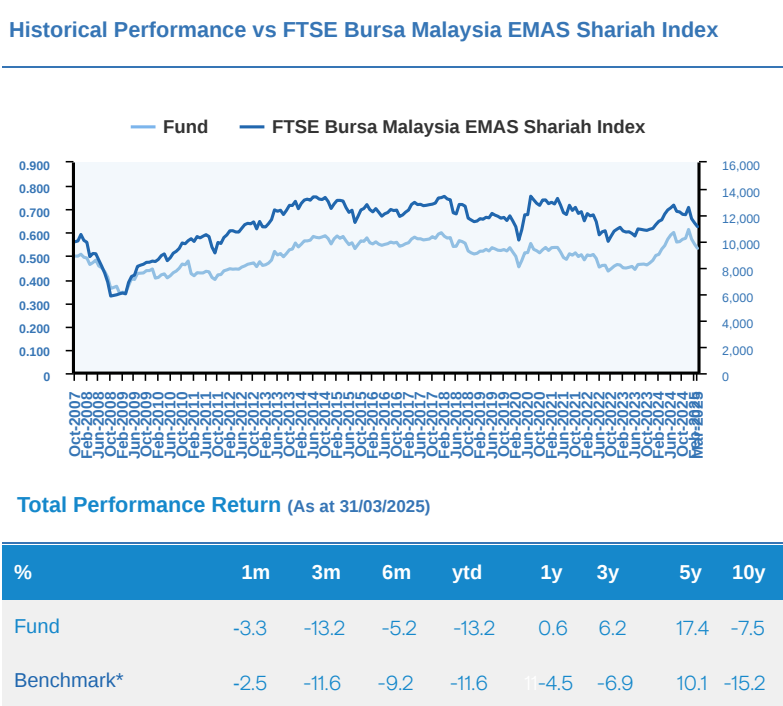


Note: Asset allocation as at 31/03/2025 is 4% Cash, 0% Derivatives, 96% Equities

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*FTSE Bursa Malaysia EMAS Shariah Index
Notice: Past performance of the fund is not an indication of its future performance

Market / Fund Review

FBMS was down – 2.5% in March . Aside from the risk aversion surrounding impending Trump tariff measures and recession fears re-emerging in the US, the index was also weighed down by many heavyweights (mainly Tenaga) going ex-dividend during the month and ROI harvesting activities by domestic institutions. Almost all sectors were in the red with top laggards being Telcos and Healthcare.

Malaysia's manufacturing sector moderated in March after a notable improvement in February, with a PMI reading of 48.8pts vs 49.7pts. S&P Global stated that firms remained under pressure at the end of the 1Q, with broad-based weakness seen. New export orders, output, employment and inventory levels eased, with some evidence suggesting that global trade uncertainty had affected international demand. Business confidence, after hitting the highest since October 2024 in February, also waned. That said, the latest PMI data still suggests modest growth in GDP for 1Q25, sustaining the trend seen in 2H24. To recap, Malaysia's GDP grew by 5% in 4Q24 and 5.1% for 2024. BNM maintained its GDP growth forecast of 4.5-5.5% in 2025 during the recent briefing but highlighted potential risk to growth due to the trade restrictions.

BNM maintained OPR at 3.00% during the last MPC meeting and we expect the central bank to hold rates steady given muted inflation and modest economic growth. Inflation rose 1.5% in February, lower than the 1.7% in the previous month. There appears to be sufficient headroom to central bank's latest 2.0-3.5% CPI forecast for 2025 with the impending subsidy rationalization plans.

Market Outlook & Strategy

The FBMS's valuation is below to historical mean at 13.4x. More clarity on the new Government's policy posture, in our view, should reduce the current risk premiums applied to the market (yield gap of ~282bps). Sustained strength in domestic investments (both DDI and FDI), fiscal consolidation gathering pace (in particular, subsidy rationalisation initiatives) and the strengthening of the Ringgit are factors we see supportive of the further narrowing of risk premiums and consequently higher valuation multiples.

Elevated volatility likely persists from external macro concerns and will remain unsettled due to increasing recession risks in the US economy amid Trump's unpredictable tariff and trade policies. However, we are looking to deploy into sustainable dividend yielders and value beaten-down names which we think have been de-rated beyond their fundamentals. We remain constructive on domestic driven sectors and potential direct beneficiaries of the NETR and stay invested in sectors such as Construction, Property and Utilities. Key risks are the derailment of Malaysia's macroeconomic recovery and corporate earnings growth due to slower global economic growth and heightened geopolitical risk.