



MARKET OUTLOOK

The ASEAN bourses recorded mixed returns in August where Jakarta Composite Index (JCI) and Singapore's Straits Times Index (STI) recorded positive returns with 1.7% and 0.1% MoM growth respectively. Meanwhile, Philippine's Stock Exchange Index (PCOMP), Thailand's Stock Exchange Index (SET) and FTSE Bursa Malaysia KLCI Index (FBMKLCI) were down by 0.7%, 1.3% and 4.9% MoM respectively.

The Eurozone has always been conflicted with long record of feeble inflation, but in August, the bloc's consumer prices landed into negative territory for the first time in 4 years at -0.2%. While consumption and industrial activities have improved since the lockdown were relaxed, sustainability of demand could be weighed down by rising unemployment and Euro's appreciation against the Dollar which later could pose further downside risks to inflation. On the other hand, the French government unveiled EUR100bil recovery plans (4% of GDP) which expected to revive the economy to pre-crisis level by 2022 after the country posted GDP contraction of 19% yoy in 2Q20.

China's Caixin manufacturing purchasing managers' index (PMI) showed further recovery recorded at 53.1 in August from 52.8 in the July, set the record over nine-year high propelled by higher new export orders and faster production activity. PMI reading above 50 indicates an expansion. The impact of lockdowns in major trade partners have started to moderate when curbs were relaxed as China's exports rose 9.5% in August, from 7.2% increase in July. On the other hand, imports registered 2.1% contraction, a further drop from 1.4% decline in July.

US unemployment rate was down by 8.4% in August, for the first time lower than 10% since the pandemic started, showed improving state of labour market after peaking at 14.7% at the height of the Covid-19 crisis in April. The US economy added 1.4 million in jobs last month, mainly in government sector, retail industry and professional and business services industry. In terms of retail sales, US retail rose modestly in July with 1.2% growth. However, as extension of jobless benefit looms to expire in end-September, the stalemate in the fiscal stimulus debate may undercut favourable outlook on the domestic consumption spending.

US and China may have reaffirmed their commitment to a phase one trade deal, but tensions continue to build up between the two nations over the banning of China-owned platforms; TikTok and WeChat in US. China retaliated with new export control risk which could raise the risk of technology protectionism. China is also planning to set new policies to develop its domestic semiconductor industry to reduce dependency on US technology components amid supply restrictions imposed by Trump administration. As US election looms, President Trump would be expected to continue to run hard against China to strengthen his political support. For this month, we retain our model portfolio allocation and continue to monitor market development.

EQUITY

FBMKLCI fell by 4.9% MoM in August 2020 to close at 1,525.21 points. Looking at the trading participants for the month, only local retailers were net buyers, buying RM1.73bil worth of shares. Local institutions and foreign investors on the other hand were the net sellers, selling RM0.23bil and RM1.49bil worth of shares respectively. For year-to-date (YTD), local retailers and local institutions were the net buyers, buying RM10.29bil and RM10.22bil worth of shares respectively while the foreign investors were net sellers, selling RM20.33bil.

Overall, sectors in Malaysia recorded mixed returns in August. Sectors like technology, healthcare, energy, property, telecom and utilities sectors were in the positive territory which went up by 11.3%, 7.5%, 6.5%, 3.5%, 1.5% and 0.8% MoM respectively. Other sectors namely transport, plantation, consumer, industrial product, finance and construction dropped by 1.2%, 1.3%, 2.1%, 3.3%, 4.0% and 4.5% MoM respectively. The construction segment was the biggest laggard over dry spell of contracts amid Covid-19 pandemic.

BOND

In August 2020, the yields for the Malaysian Government Securities (MGS) for the 3-year, 5-year, 7-year and 10-year fell by 7bps, 1bps, 3bps and 5 bps respectively to close at 1.83%, 2.10%, 2.28% and 2.60% respectively.

COMMODITIES

Crude palm oil went up by 2.3% MoM to close at RM2,845/MT in August compared to RM2,780/MT in July. Nymex (WTI) crude oil price jumped by 5.8% MoM in August, closing at \$42.61/barrel from \$40.27/barrel in the previous month. Meanwhile gold price edged up by 0.4% MoM to close at \$1,970.50/Oz in August, as compared to \$1,962.8/Oz in July. The oil prices showcased gradual recovery as countries are relaxing curb measures to allow re-opening of economies.





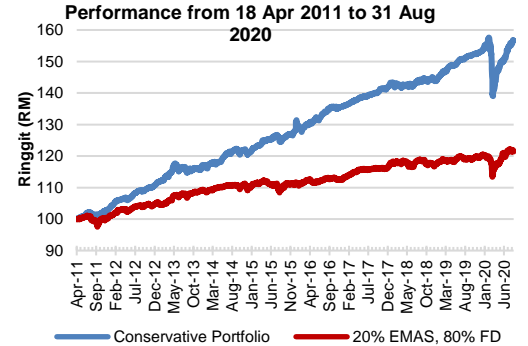
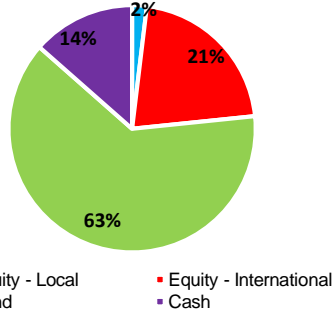
Commentary

All the model portfolios have outperformed the benchmark in August. Generally, all the funds within the portfolio recorded positive returns with the best performing funds were United Global Technology and Franklin U.S Opportunities MYR which rose by 8.1% and 7.1% respectively.

MODEL PORTFOLIO

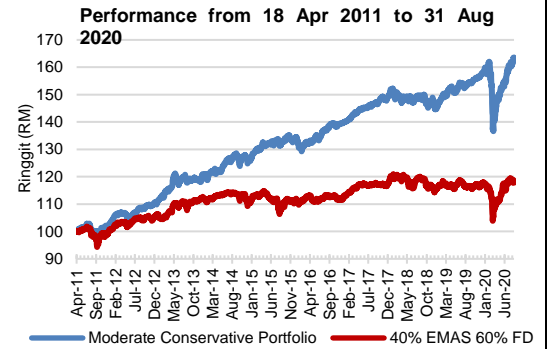
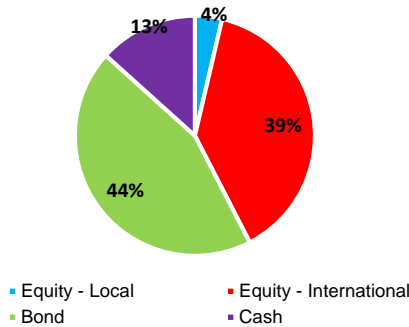
Conservative Portfolio

Franklin U.S. Opportunities MYR	3%
Affin Hwang World Series - EU Unconstrained MYR H	2%
Eastspring Investments Dinasti Equity	4%
Affin Hwang ALIMAN Asia (ex Japan) Growth	3%
AmAsia Pacific REITs B MYR	1%
United Golden Opportunity MYR H	1%
United Global Technology	2%
United Global Healthcare A MYR Acc	3%
Maybank Malaysia Dividend	1%
AmanahRaya Syariah Trust	25%
AmDynamic Bond	25%
Manulife Bond Plus	15%
AmanahRaya Unit Trust	10%
Phillip Money Market Fund	5%
TOTAL	100%



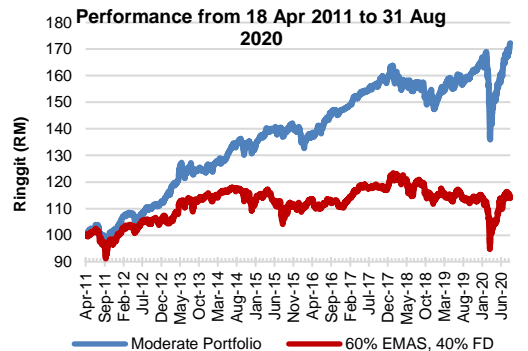
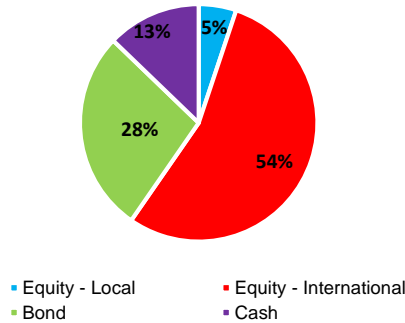
Moderate Conservative Portfolio

Franklin U.S. Opportunities MYR	6%
Affin Hwang World Series - EU Unconstrained MYR H	3%
Eastspring Investments Dinasti Equity	8%
Affin Hwang ALIMAN Asia (ex Japan) Growth	5%
Affin Hwang Select Dividend Fund	1%
AmAsia Pacific REITs B MYR	2%
United Golden Opportunity MYR H	2%
United Global Technology	6%
United Global Healthcare A MYR Acc	5%
Maybank Malaysia Dividend	2%
AmanahRaya Syariah Trust	25%
AmDynamic Bond	25%
Manulife Bond Plus	5%
Phillip Money Market Fund	5%
TOTAL	100%



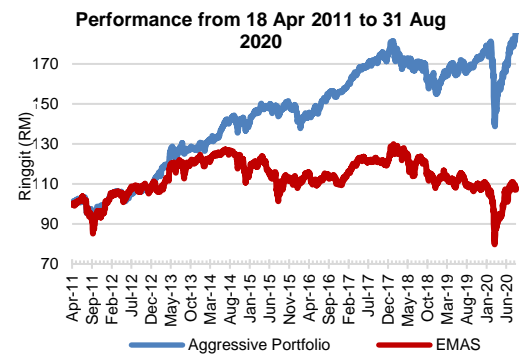
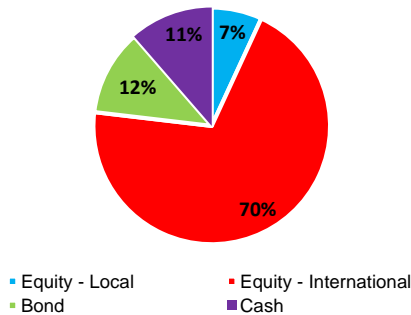
Moderate Portfolio

Franklin U.S. Opportunities MYR	9%
Affin Hwang World Series - EU Unconstrained MYR H	4%
Eastspring Investments Dinasti Equity	12%
Affin Hwang ALIMAN Asia (ex Japan) Growth	7%
Affin Hwang Select Dividend Fund	2%
AmAsia Pacific REITs B MYR	4%
United Golden Opportunity MYR H	4%
United Global Technology	8%
United Global Healthcare A MYR Acc	7%
Maybank Malaysia Dividend	3%
AmanahRaya Syariah Trust	20%
AmDynamic Bond	15%
Phillip Money Market Fund	5%
TOTAL	100%



Aggressive Portfolio

Franklin U.S. Opportunities MYR	12%
Affin Hwang World Series - EU Unconstrained MYR H	5%
Eastspring Investments Dinasti Equity	16%
Affin Hwang ALIMAN Asia (ex Japan) Growth	10%
Affin Hwang Select Dividend Fund	2%
AmAsia Pacific REITs B MYR	5%
United Golden Opportunity MYR H	5%
United Global Technology	10%
United Global Healthcare A MYR Acc	10%
Maybank Malaysia Dividend	5%
AmanahRaya Syariah Trust	10%
AmDynamic Bond	5%
Phillip Money Market Fund	5%
TOTAL	100%



	1 Mth	6Mths	YTD	1 Yr	Since Inception		1 Mth	6Mths	YTD	1 Yr	Since Inception
Conservative Portfolio	1.1%	2.1%	2.2%	3.4%	56.7%	Moderate Portfolio	2.6%	8.0%	5.0%	8.6%	72.2%
Benchmark	-0.5%	2.3%	1.1%	1.9%	21.4%	Benchmark	-1.7%	4.3%	-0.3%	0.0%	14.0%
Moderate Conservative Portfolio	1.9%	5.3%	3.8%	6.4%	63.6%	Aggressive Portfolio	3.3%	10.4%	5.7%	10.4%	85.7%
Benchmark	-1.1%	3.3%	0.5%	1.0%	17.9%	Benchmark	-2.9%	5.8%	-2.1%	-2.3%	7.1%

Source: Lipper



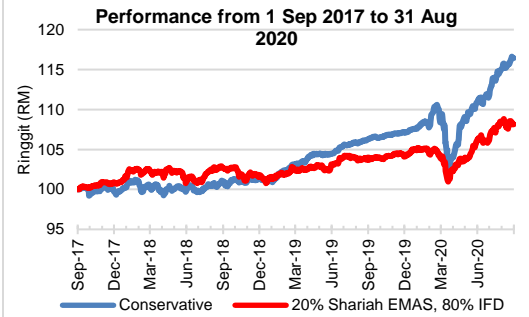
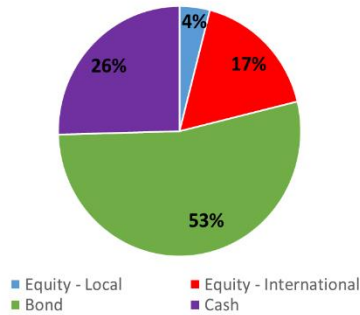
Commentary

Similarly, all our model portfolios have outperformed the benchmark in August. Most of the funds within the portfolios were in positive territory, with the best performing funds were Kenanga OA Inv-Kenanga Shariah Growth Opps and RHB Islamic Global Developed Markets MYR went up by 8.7% and 7.5% respectively.

SHARIAH MODEL PORTFOLIO

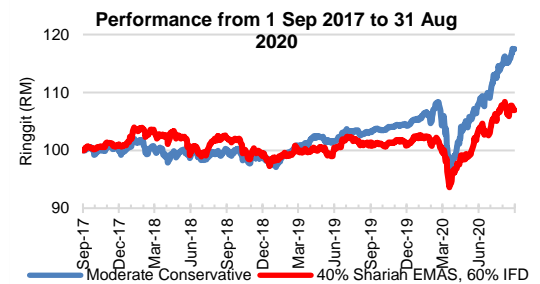
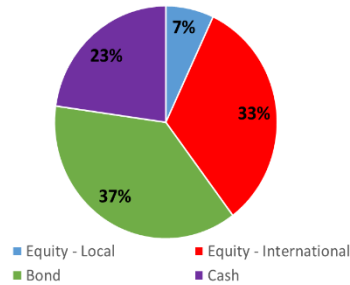
Conservative Portfolio

RHB Islamic Global Developed Markets MYR	4%
Aberdeen Standard Islamic World Equity A MYR	3%
Eastspring Investment Dinasti Equity	5%
Affin Hwang Aiman Asia (ex Japan) Growth	3%
Pheim Asia Ex - Japan Islamic	3%
Manulife Shariah Global REITs MYR	1%
BIMB - Arabesque I Global Dividend 1 MYR	1%
Amanah Raya Syariah Trust	25%
AmDynamic Sukuk A	25%
Maybank Malaysia Sukuk	15%
Kenanga Asnita BOND	10%
Phillip Master Islamic Cash Fund	5%
TOTAL	100%



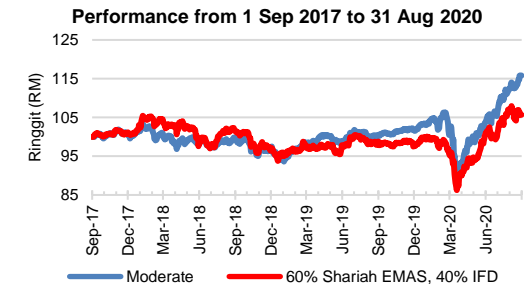
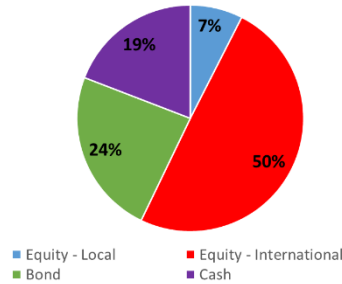
Moderate Conservative Portfolio

RHB Islamic Global Developed Markets MYR	7%
Aberdeen Standard Islamic World Equity A MYR	7%
Eastspring Investment Dinasti Equity	10%
Affin Hwang Aiman Asia (ex Japan) Growth	5%
Pheim Asia Ex - Japan Islamic	4%
Kenanga OA Inv-Kenanga Shariah Growth Opps	3%
Manulife Shariah Global REITs MYR	2%
BIMB - Arabesque I Global Dividend 1 MYR	2%
Amanah Raya Syariah Trust	25%
AmDynamic Sukuk A	25%
Maybank Malaysia Sukuk	5%
Phillip Master Islamic Cash Fund	5%
TOTAL	100%



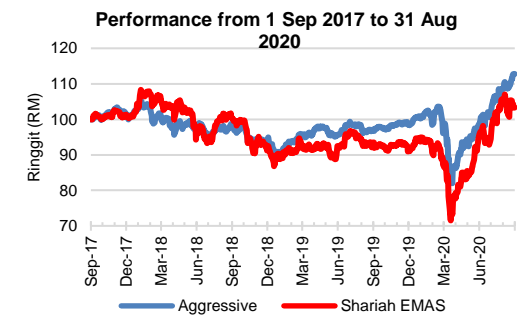
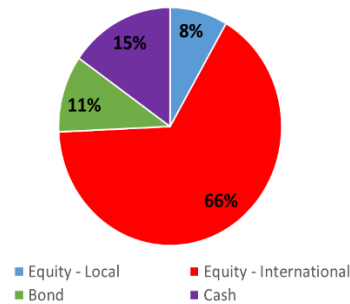
Moderate Portfolio

RHB Islamic Global Developed Markets MYR	10%
Aberdeen Standard Islamic World Equity A MYR	10%
Eastspring Investment Dinasti Equity	15%
Affin Hwang Aiman Asia (ex Japan) Growth	7%
Pheim Asia Ex - Japan Islamic	6%
Kenanga OA Inv-Kenanga Shariah Growth Opps	4%
Manulife Shariah Global REITs MYR	4%
BIMB - Arabesque I Global Dividend 1 MYR	4%
Amanah Raya Syariah Trust	20%
AmDynamic Sukuk A	15%
Phillip Master Islamic Cash Fund	5%
TOTAL	100%



Aggressive Portfolio

RHB Islamic Global Developed Markets MYR	14%
Aberdeen Standard Islamic World Equity A MYR	13%
Eastspring Investment Dinasti Equity	20%
Affin Hwang Aiman Asia (ex Japan) Growth	9%
Pheim Asia Ex - Japan Islamic	9%
Kenanga OA Inv-Kenanga Shariah Growth Opps	5%
Manulife Shariah Global REITs MYR	5%
BIMB - Arabesque I Global Dividend 1 MYR	5%
Amanah Raya Syariah Trust	10%
AmDynamic Sukuk A	5%
Phillip Master Islamic Cash Fund	5%
TOTAL	100%



	1 Mth	6Mths	YTD	1 Yr	Since Inception		1 Mth	6Mths	YTD	1 Yr	Since Inception
Conservative Portfolio	1.2%	7.4%	8.2%	9.6%	14.8%	Moderate Portfolio	3.2%	15.2%	12.4%	15.3%	15.8%
Benchmark	-0.3%	4.0%	3.1%	4.0%	8.5%	Benchmark	-1.1%	10.6%	6.5%	7.1%	5.7%
Moderate Conservative Portfolio	2.4%	12.6%	11.7%	13.8%	17.5%	Aggressive Portfolio	4.0%	17.3%	12.5%	16.1%	12.8%
Benchmark	-0.7%	7.1%	4.7%	5.5%	6.9%	Benchmark	-2.0%	18.4%	10.2%	10.5%	3.3%

Source: Lipper

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PHILLIP MUTUAL

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