



MARKET OUTLOOK

The ASEAN bourses mostly recorded positive returns in August except for Singapore's Straits Times Index (STI) that fell by 3.53% MoM. Philippine's Stock Exchange Index (PCOMP), Thailand's Stock Exchange Index (SET), FTSE Bursa Malaysia KLCI Index (FBMKLCI), and Jakarta Composite Index (JCI) rose by 9.33%, 7.68%, 7.14%, and 1.32% MoM respectively.

The ASEAN economic recovery is looking more subdued as the impact of mobility suppression is not limited to the domestic demand-driven economy as manufacturing centers were being hit with the reduced operation. Last month, the Manufacturing Purchasing Manager's Index (PMI) for Malaysia, Indonesia, Thailand and Philippines remained in the negative territory amidst a rapid fall in new orders and production stoppage. The repercussion of lockdowns and slow vaccination rollout prolong the uncertainty of its reopening plan which led the countries to drop to the bottom of Bloomberg's Covid Resilience Ranking in August, whereby Malaysia was put last despite covering nearly half of the population.

China's supply bottlenecks and high raw material prices have weighed down on production output, resulting in the Caixin manufacturing PMI turning red for the first time since April 2020. The manufacturing gauge came in at 49.2 in August, dropping below the 50-mark that separates monthly expansion from contraction. Albeit that, external demand remains resilient, as its exports rose 25.6% YoY to a record USD294.3 billion while imports surged 33.1% YoY, bringing a trade surplus of USD58.3 billion last month. This offset some weakness in domestic demand in the wake up of the tighter regulatory crackdown on the country's real estate sector and tougher response to curb Delta variants outbreaks.

Japan's au Jibun Bank Japan services PMI dipped to a 15-month low at 42.9 in August from 47.4 in July as businesses grappled with the slowdown in new orders due to subsequent restrictions. Despite that, firms are ramping up in new hiring as service providers increasing capacity in anticipation of recovering demand as the vaccination drive accelerated. The authority now expects to achieve 80% vaccination coverage of its adult population by this year in October. Nonetheless, public criticism of the government's pandemic response has resulted in Prime Minister Suga's approval rating dropping to an all-time low, which now sees the country transitioning to new leadership.

Powell managed to delink tapering and liftoff by noting that the Fed has 'articulated a different and substantially more stringent test' for liftoff. This is in line with the Fed dot plot where the Fed is leaning toward two rate increases by the end of 2023. We expect the market may have some selling pressure when Fed officially announces the tapering as we have seen in 2013 and this could potentially lead to a near-term risk of repricing in markets (i.e., softer stocks, higher volatility) since the market currently is fluxed with liquidity. For this month, we have made no changes to our portfolio allocation.

EQUITY

FBMKLCI rose by 7.14% MoM in August to close at 1,601.38 points. Looking at the trading participants for the month, local retailers and foreign investors were both net buyers, buying MYR469 million and MYR1.05 billion worth of shares respectively. On the other hand, local institutions were the only net sellers selling MYR1.52 billion worth of shares. For year-to-date (YTD), local institutions and foreign investors were the net sellers, selling MYR4.95 billion and MYR4.49 billion worth of shares respectively, while the local retailers were net buyers, buying MYR9.43 billion.

Most sectors in Malaysia were in the positive territory last month except for the healthcare sector, which fell 0.45% MoM. Others namely plantation, transport, finance, industrial product, consumer, utilities, property, energy, telecom, construction, and technology rose by 11.79%, 6.12%, 5.97%, 5.95%, 4.36%, 3.90%, 3.81%, 3.35%, 2.97%, 2.86%, and 1.91% MoM respectively. Glove counters saw selling pressure as most nations are ramping up inoculation drive coupled with declining average selling prices of gloves, albeit demand partially lifted by the spread of more contagious Delta variant outbreaks.

BOND

In August, the yield for the Malaysian Government Securities (MGS) for the 3-year, 5-year, 7-year, and 10-year rose by 6bps, 6bps, 2bps, and 2bps to close at 2.34%, 2.68%, 3.04%, and 3.19% respectively.

COMMODITIES

Nymex (WTI) crude oil prices fell by 7.37% MoM in August, closing at USD68.50/barrel from USD73.95/barrel in July. The crude palm oil fell by 3.35% MoM last month, closed at MYR4,500/MT in August, as compared to MYR4,656/MT in July. Last month, Malaysia's palm oil inventories jumped to their highest since June last year, rose 16.3% YoY with exports slumped 12.4% to 1.24million tonnes. Meanwhile, gold price rose by 0.18% MoM to close at USD1,815.80/Oz in August, as compared to USD1,812.60/Oz in July.





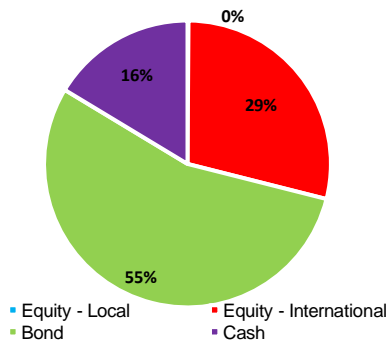
Commentary

All our model portfolios have underperformed the benchmark in August. Overall, the performance of the portfolios was mainly dragged down by Eastspring Investments Dinasti Equity and Affin Hwang Aiiman Asia (ex Japan) Growth MYR which fell by 3.1% and 2.0% MoM respectively.

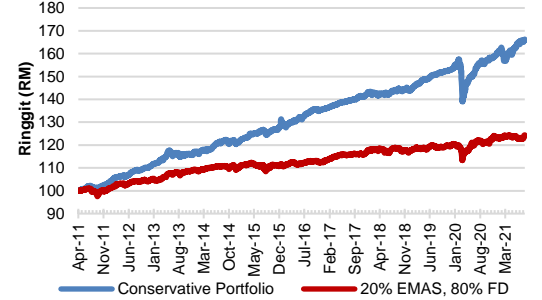
CONVENTIONAL MODEL PORTFOLIO

Conservative Portfolio

Franklin US Opportunities MYR	8%
RHB Entrepreneur	3%
Affin Hwang World Series EU Unconstrained MYR H	3%
AmChina A-Shares MYR	2%
Affin Hwang Aiiman Asia (exJapan) Growth MYR	2%
AmAsia Pacific REITs B MYR	1%
United Golden Opportunity MYR H	1%
United Global Technology Fund	3%
United Global Healthcare Fund A MYR Acc	3%
AmanahRaya Syariah Trust	25%
AmAl-Amin	25%
Maybank Financial Institutions Income	10%
Franklin Malaysia Sukuk A MYR	5%
ICD Global Sustainable	4%
Phillip Money Market Fund	5%
TOTAL	100%

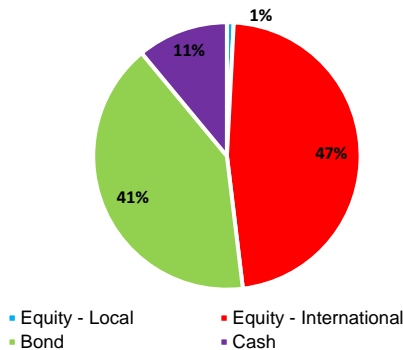


Performance from 18 Apr 2011 to 31 Aug 2021

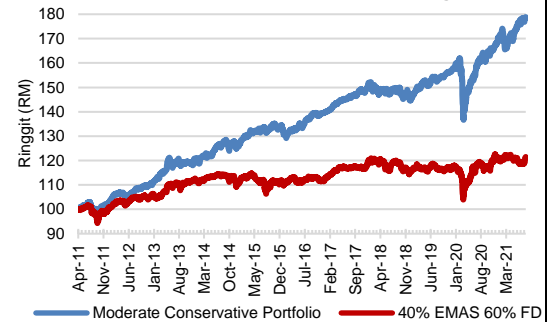


Moderate Conservative Portfolio

Franklin US Opportunities MYR	11%
RHB Entrepreneur	5%
Affin Hwang World Series EU Unconstrained MYR H	5%
AmChina A-Shares MYR	4%
Affin Hwang Aiiman Asia (exJapan) Growth MYR	2%
United ASEAN Discovery	2%
KAF Tactical	1%
AmAsia Pacific REITs B MYR	2%
United Golden Opportunity MYR H	2%
United Global Technology Fund	5%
United Global Healthcare Fund A MYR Acc	5%
AmanahRaya Syariah Trust	20%
Maybank Financial Institutions Income	20%
AmAl-Amin	5%
ICD Global Sustainable	6%
Phillip Money Market Fund	5%
TOTAL	100%

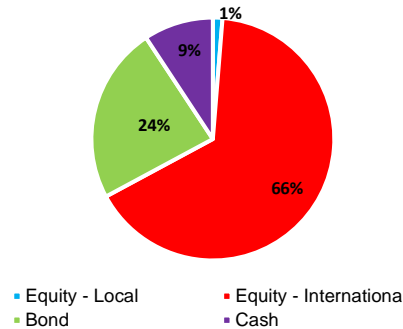


Performance from 18 Apr 2011 to 31 Aug 2021

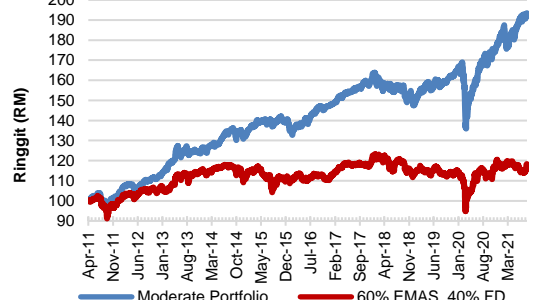


Moderate Portfolio

Franklin US Opportunities MYR	14%
RHB Entrepreneur	7%
Affin Hwang World Series EU Unconstrained MYR H	7%
AmChina A-Shares MYR	5%
Affin Hwang Aiiman Asia (exJapan) Growth MYR	3%
United ASEAN Discovery	3%
KAF Tactical	2%
AmAsia Pacific REITs B MYR	4%
United Golden Opportunity MYR H	4%
United Global Technology Fund	7%
United Global Healthcare Fund A MYR Acc	7%
AmanahRaya Syariah Trust	15%
Maybank Financial Institutions Income	10%
ICD Global Sustainable	7%
Phillip Money Market Fund	5%
TOTAL	100%

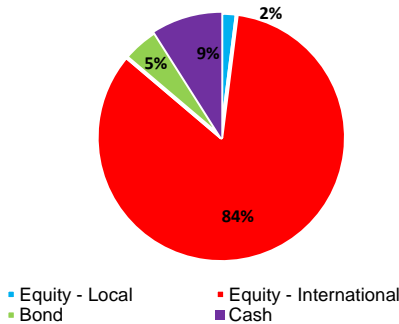


Performance from 18 Apr 2011 to 31 Aug 2021

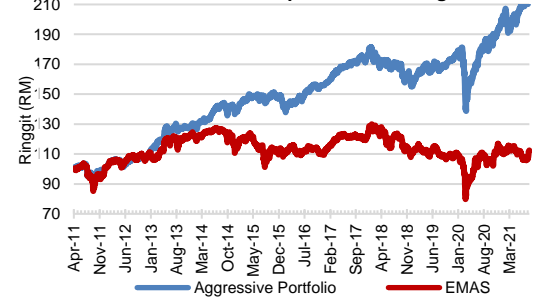


Aggressive Portfolio

Franklin US Opportunities MYR	17%
RHB Entrepreneur	8%
Affin Hwang World Series EU Unconstrained MYR H	8%
AmChina A-Shares MYR	6%
Affin Hwang Aiiman Asia (exJpn) Growth MYR	5%
United ASEAN Discovery	5%
KAF Tactical	2%
AmAsia Pacific REITs B MYR	5%
United Golden Opportunity MYR H	5%
United Global Technology Fund	10%
United Global Healthcare Fund A MYR Acc	10%
AmanahRaya Syariah Trust	5%
ICD Global Sustainable	9%
Phillip Money Market Fund	5%
TOTAL	100%



Performance from 18 Apr 2011 to 31 Aug 2021



	1 Mth	6Mths	YTD	1 Yr	Since Inception		1 Mth	6Mths	YTD	1 Yr	Since Inception
Conservative Portfolio	0.7%	4.1%	4.2%	6.1%	66.2%	Moderate Portfolio	1.2%	7.4%	7.8%	12.3%	93.4%
Benchmark	1.3%	0.7%	0.7%	2.3%	24.3%	Benchmark	3.6%	0.4%	-0.2%	3.7%	18.2%
Moderate Conservative Portfolio	1.0%	5.8%	6.1%	9.3%	78.8%	Aggressive Portfolio	1.5%	9.0%	9.4%	15.4%	114.3%
Benchmark	2.4%	0.6%	0.2%	3.1%	21.5%	Benchmark	6.0%	0.1%	-1.1%	4.9%	12.4%

Source: Lipper



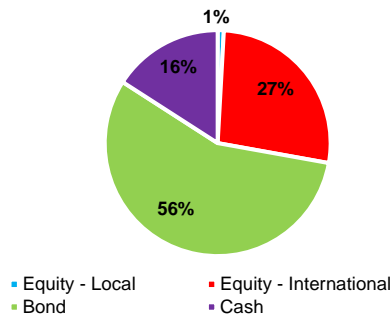
Commentary

Similarly, all the shariah model portfolios have underperformed the benchmark in August. The worst performing funds of the month were Eastspring Investments Dinasti Equity and Affin Hwang Aiiman Asia (ex Japan) Growth MYR which fell by 3.1% and 2.0% MoM respectively.

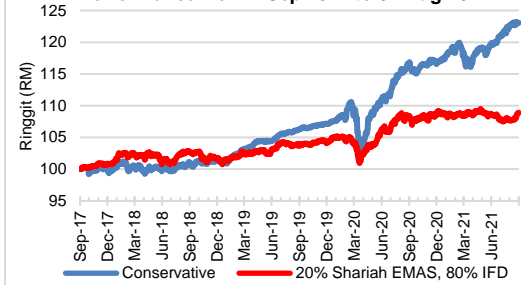
SHARIAH MODEL PORTFOLIO

Conservative Portfolio

RHB Islamic Global Developed Markets MYR	9%
Aberdeen Standard Islamic World Equity A MYR	8%
Eastspring Investments Dinasti Equity	2%
Affin Hwang Aiiman Asia (ex Japan) Growth MYR	2%
AmASEAN Equity	2%
Manulife Shariah Global REIT MYR	1%
Affin Hwang Aiiman Balanced	2%
AmanahRaya Syariah Trust	24%
AmAl-Amin	24%
Maybank Malaysia Income-I A MYR	5%
Franklin Malaysia Sukuk A MYR	11%
ICD Global Sustainable	5%
Phillip Master Islamic Cash Fund	5%
TOTAL	100%

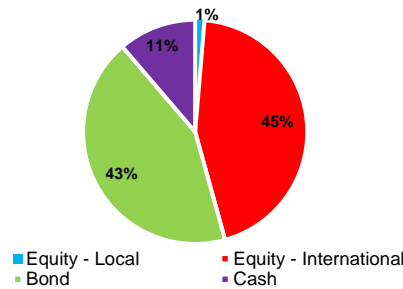


Performance from 1 Sep 2017 to 31 Aug 2021

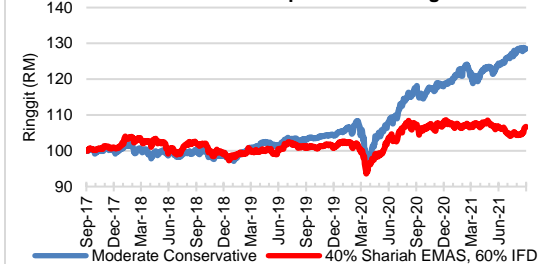


Moderate Conservative Portfolio

RHB Islamic Global Developed Markets MYR	13%
Aberdeen Standard Islamic World Equity A MYR	13%
Eastspring Investments Dinasti Equity	5%
Affin Hwang Aiiman Asia (ex Japan) Growth MYR	4%
AmASEAN Equity	3%
Kenanga OA Inv-Kenanga Shariah Growth Opps	1%
Manulife Shariah Global REIT MYR	2%
Affin Hwang Aiiman Balanced	4%
AmanahRaya Syariah Trust	19%
Maybank Malaysia Income-I A MYR	19%
AmAl-Amin	5%
ICD Global Sustainable	7%
Phillip Master Islamic Cash Fund	5%
TOTAL	100%

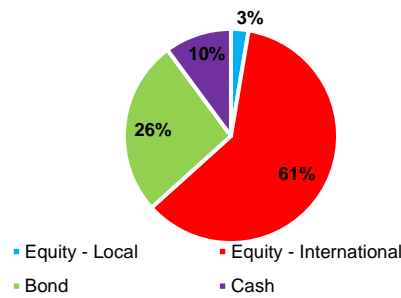


Performance from 1 Sep 2017 to 31 Aug 2021

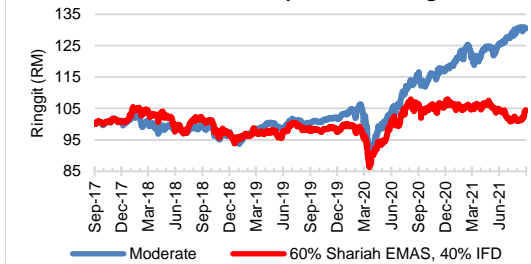


Moderate Portfolio

RHB Islamic Global Developed Markets MYR	17%
Aberdeen Standard Islamic World Equity A MYR	16%
Eastspring Investments Dinasti Equity	7%
Affin Hwang Aiiman Asia (ex Japan) Growth MYR	7%
AmASEAN Equity	6%
Kenanga OA Inv-Kenanga Shariah Growth Opps	2%
Manulife Shariah Global REIT MYR	4%
Affin Hwang Aiiman Balanced	6%
AmanahRaya Syariah Trust	11%
Maybank Malaysia Income-I A MYR	11%
ICD Global Sustainable	8%
Phillip Master Islamic Cash Fund	5%
TOTAL	100%

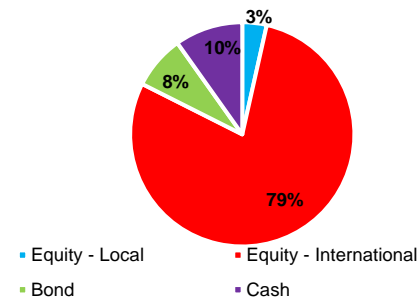


Performance from 1 Sep 2017 to 31 Aug 2021

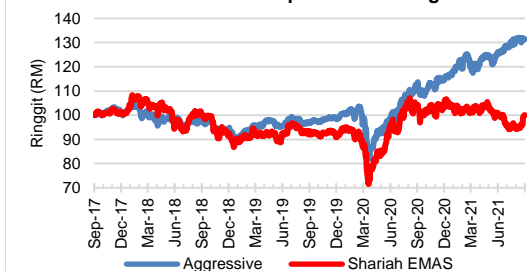


Aggressive Portfolio

RHB Islamic Global Developed Markets MYR	21%
Aberdeen Standard Islamic World Equity A MYR	21%
Eastspring Investments Dinasti Equity	12%
Affin Hwang Aiiman Asia (ex Japan) Growth MYR	8%
AmASEAN Equity	8%
Kenanga OA Inv-Kenanga Shariah Growth Opps	2%
Manulife Shariah Global REIT MYR	5%
Affin Hwang Aiiman Balanced	6%
AmanahRaya Syariah Trust	2%
ICD Global Sustainable	10%
Phillip Master Islamic Cash Fund	5%
TOTAL	100%



Performance from 1 Sep 2017 to 31 Aug 2021



	1 Mth	6Mths	YTD	1 Yr	Since Inception		1 Mth	6Mths	YTD	1 Yr	Since Inception
Conservative Portfolio	0.6%	4.4%	4.4%	5.7%	23.1%	Moderate Portfolio	0.9%	7.8%	8.9%	12.7%	30.6%
Benchmark	1.1%	0.3%	0.3%	0.7%	8.9%	Benchmark	3.3%	-0.7%	-1.4%	-1.2%	4.4%
Moderate Conservative Portfolio	0.8%	6.3%	6.9%	9.4%	28.5%	Aggressive Portfolio	1.0%	9.5%	11.2%	16.5%	31.4%
Benchmark	2.2%	-0.2%	-0.6%	-0.3%	6.7%	Benchmark	5.8%	-1.8%	-3.1%	-3.2%	0.2%

Source: Lipper

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PHILLIP MUTUAL

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