



## MARKET OUTLOOK

The ASEAN market recorded positive returns in October with Jakarta Composite Index (JCI), Thailand's Stock Exchange Index (SET), FTSE Bursa Malaysia KLCI Index (FBMKLCI) and Philippine's Stock Exchange Index (PCOMP) all rise by 0.83%, 1.21%, 4.71% and 7.18% MoM, respectively. Singapore's Straits Times Index (STI) dropped by 1.19% MoM.

The Fed delivered a 75bps rate hike as expected while slashing hope for any potential Fed pivot to materialise. The initial comment that the Fed is aware of the lagged effects of monetary policy was deemed as a dovish signal and was quickly overturned by Jerome Powell, the Federal Reserve Chairman. He said that the FOMC had revised its estimate of the terminal rate (the highest federal funds rate in the hiking cycle) up from its September projections, and he referred to the pace of hikes not being as important as the terminal rate or how long rates stay there. Notably, Powell stated that it is "very premature" to consider pausing rate hikes while repeatedly stressing that labour market is too strong which may keep inflation elevated. Thus, some investors found solace when non-farm payroll was revealed to add 261k jobs, beating market consensus of 200k into the market as this shows U.S. economy is not weak enough to hint at coming recession while also not being strong enough to pressure the Fed to consider an even more aggressive program of rate hikes. Meanwhile, the unemployment rate fell to 3.7% from 3.5% due to the labour participation rate edged lower.

Over to the Eastern World, several reports surfaced last week based on an unverified report saying that China was preparing to retreat from the ZCS fuelled speculators to jump into action. The unverified report widely circulated on social media and stated that high-level officials met the prior weekend at the request of President Xi Jinping to discuss a conditional opening plan aimed at substantially opening by March 2023, Bloomberg reported. Separately, another report was seen in a state-run newspaper stating that China must strive to control coronavirus outbreaks and "correct mistakes from overly strict measures that have caused damage to people's properties and lives." However, the lockdown in Guangzhou as its covid cases rises indicates ZCS is still the reality.

As for Malaysia, the GE15 campaign takes full swing after the nomination day on 5<sup>th</sup> November. Although market sentiment would generally be positive going to the polling date on 19<sup>th</sup> November, raising the risk of a hung parliament formation put a cap on the potential market upside. Meanwhile, ZCS and Ukraine-Russia war development would remain in limelight affecting the short-term market sentiment. We maintain our neutral position in our strategic asset allocation for this month with 60:40 (equity: bond/cash) in our moderate portfolios.

## EQUITY

FBMKLCI rises 4.71% MoM in October to close at 1,460.38 points. Looking at the trading participants for the month, foreign investors and local retailers were the net sellers, selling MYR600.53 million and MYR163.74 million worth of shares, respectively. Local institutions were the net buyers, buying MYR764.27 million worth of shares. For year-to-date (YTD), local retail and foreign investors were the net buyers, buying MYR2,100.78 million and MYR6,023.71 million worth of shares, respectively, while the local institutions were net sellers, selling MYR8,124.48 million worth of shares.

For the month of October, both Technology and Construction sectors recorded negative growth by 3.79% and 1.23% MoM, respectively. Property, Utilities, Consumer, Finance, Industrial Product, Telecom, Energy, Plantation, Transport, and Healthcare sectors have risen by 0.02%, 0.31%, 2.68%, 3.42%, 3.49%, 3.74%, 4.23%, 6.27%, 11.86%, and 15.21% MoM, respectively.

## BOND

In October, the yield for the Malaysian Government Securities (MGS) for the 3-year, 5-year and 7-year increased by 2bps, 13bps and 4bps closing at 3.79%, 4.17% and 4.26% respectively, while 10-year decreased by 4bps, closing at 4.41%.

## COMMODITIES

Nymex (WTI) crude oil price rise by 8.86% MoM in October, closing at USD86.53/barrel. The oil price has been on the rise due to OPEC+ decision to cut production substantially. Crude palm oil rise by 15.96% MoM to close at MYR3,858/MT in September. Gold price decreased by 1.31% MoM to close at USD1,640.70/Oz in October on the strengthening of the US dollar.



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It's a matter of trust



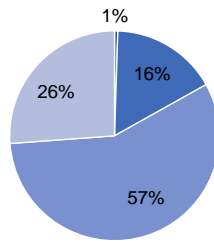
### Commentary

In October, all the model portfolios underperformed the benchmark. Overall, the portfolios have been moved by United Golden Opportunity MYR H and Principal China Direct Opportunities MYR, which dropped by 1.97% and 0.97%, respectively.

## CONVENTIONAL MODEL PORTFOLIO

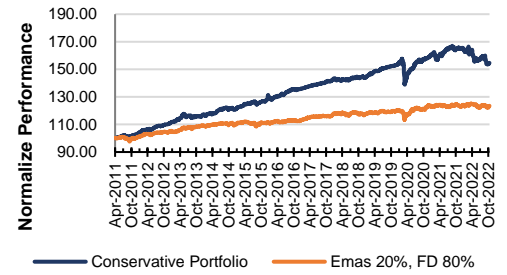
### Conservative Portfolio

Manulife Investment U.S. Equity MYR	2.0%
Affin Hwang World Series - Japan Growth MYR H	2.0%
Affin Hwang World Series - EU Unconstrained MYR H	2.0%
KAF Australia Islamic Property A MYR	1.0%
Principal China Direct Opportunities MYR	2.0%
Principal Islamic Asia Pacific Dynamic Equity	2.0%
Principal ASEAN Dynamic MYR	1.0%
Maybank Financial Institutions Income	10.0%
AmanahRaya Unit Trust	25.0%
AmlIncome	25.0%
Manulife Investment Bond	10.0%
AmAsia Pacific REITs B MYR	2.0%
United Golden Opportunity MYR H	1.0%
Principal Global Technology MYR H	1.0%
Affin Hwang World Series-Global Healthscience MYR	1.0%
ICD Global Sustainable	1.0%
Phillip Money Market Fund	12.0%
<b>TOTAL</b>	<b>100%</b>



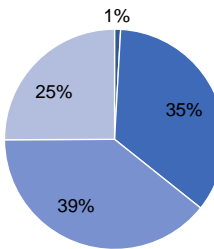
■ Equity - Local ■ Equity - International ■ Bond ■ Cash

### Performance from 18 Apr 2011 to 31 Oct 2022



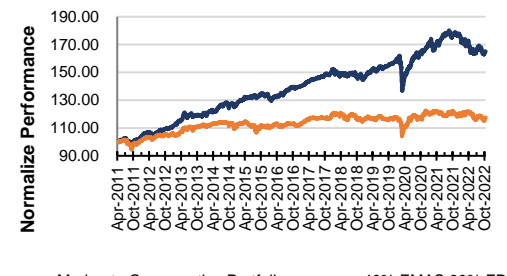
### Moderate Conservative Portfolio

Manulife Investment U.S. Equity MYR	4.0%
Affin Hwang World Series - Japan Growth MYR H	3.0%
Affin Hwang World Series - EU Unconstrained MYR H	3.0%
KAF Australia Islamic Property A MYR	3.0%
Principal China Direct Opportunities MYR	4.0%
Principal Islamic Asia Pacific Dynamic Equity	3.0%
Principal ASEAN Dynamic MYR	3.0%
Manulife India Equity MYR	1.0%
Maybank Financial Institutions Income	10.0%
AmanahRaya Unit Trust	20.0%
AmlIncome	20.0%
AmAsia Pacific REITs B MYR	3.0%
United Golden Opportunity MYR H	3.0%
Principal Global Technology MYR H	3.0%
Affin Hwang World Series-Global Healthscience MYR	3.0%
ICD Global Sustainable	2.0%
Phillip Money Market Fund	12.0%
<b>TOTAL</b>	<b>100%</b>



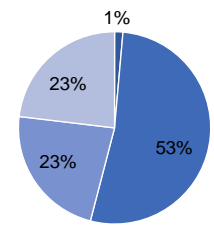
■ Equity - Local ■ Equity - International ■ Bond ■ Cash

### Performance from 18 Apr 2011 to 31 Oct 2022



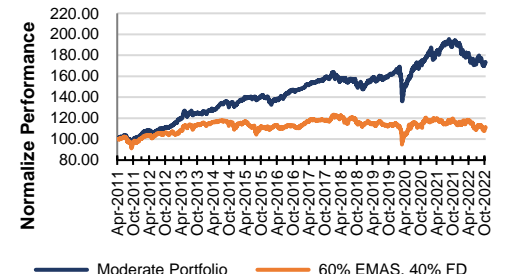
### Moderate Portfolio

Manulife Investment U.S. Equity MYR	5.0%
Affin Hwang World Series - Japan Growth MYR H	5.0%
Affin Hwang World Series - EU Unconstrained MYR H	5.0%
KAF Australia Islamic Property A MYR	5.0%
Principal China Direct Opportunities MYR	5.0%
Principal Islamic Asia Pacific Dynamic Equity	5.0%
Principal ASEAN Dynamic MYR	5.0%
Manulife India Equity MYR	3.0%
AmanahRaya Unit Trust	15.0%
AmlIncome	15.0%
AmAsia Pacific REITs B MYR	4.0%
United Golden Opportunity MYR H	4.0%
Principal Global Technology MYR H	4.0%
Affin Hwang World Series-Global Healthscience MYR	4.0%
ICD Global Sustainable	4.0%
Phillip Money Market Fund	12.0%
<b>TOTAL</b>	<b>100%</b>



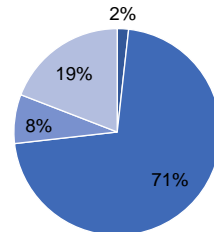
■ Equity - Local ■ Equity - International ■ Bond ■ Cash

### Performance from 18 Apr 2011 to 31 Oct 2022



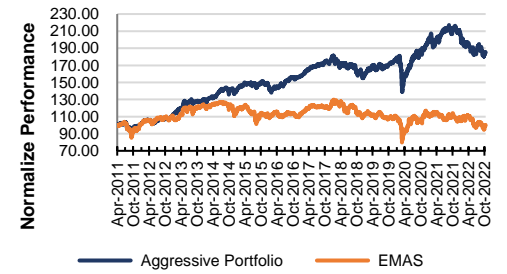
### Aggressive Portfolio

Manulife Investment U.S. Equity MYR	7.0%
Affin Hwang World Series - Japan Growth MYR H	7.0%
Affin Hwang World Series - EU Unconstrained MYR H	7.0%
KAF Australia Islamic Property A MYR	6.0%
Principal China Direct Opportunities MYR	7.0%
Principal Islamic Asia Pacific Dynamic Equity	7.0%
Principal ASEAN Dynamic MYR	6.0%
Manulife India Equity MYR	5.0%
AmanahRaya Unit Trust	5.0%
AmlIncome	5.0%
AmAsia Pacific REITs B MYR	6.0%
United Golden Opportunity MYR H	5.0%
Principal Global Technology MYR H	5.0%
Affin Hwang World Series-Global Healthscience MYR	5.0%
ICD Global Sustainable	5.0%
Phillip Money Market Fund	12.0%
<b>TOTAL</b>	<b>100%</b>



■ Equity - Local ■ Equity - International ■ Bond ■ Cash

### Performance from 18 Apr 2011 to 31 Oct 2022



	1 Mth	6Mths	YTD	1 Yr	Since Inception		1 Mth	6Mths	YTD	1 Yr	Since Inception
Conservative Portfolio	0.6%	-3.4%	-6.6%	-6.2%	54.6%	Moderate Portfolio	1.6%	-2.8%	-9.5%	-9.8%	73.2%
Benchmark	0.9%	-1.3%	-0.5%	-0.7%	23.5%	Benchmark	2.3%	-5.5%	-4.5%	-5.6%	11.3%
Moderate Conservative Portfolio	1.1%	-2.1%	-7.1%	-6.9%	65.1%	Aggressive Portfolio	2.1%	-3.6%	-12.3%	-13.0%	85.2%
Benchmark	1.6%	-3.4%	-2.5%	-3.2%	17.5%	Benchmark	3.7%	-9.7%	-8.5%	-10.5%	0.0%

Source: Lipper

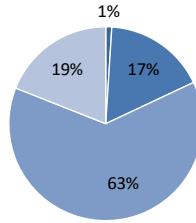
## Commentary

In October, all Shariah model portfolios underperformed the benchmark. Overall, the portfolios were dragged by Manulife Shariah Global REIT MYR and RHB Islamic Global Developed Markets MYR, which dropped by 5.54% and 4.98% MoM, respectively.

## SHARIAH MODEL PORTFOLIO

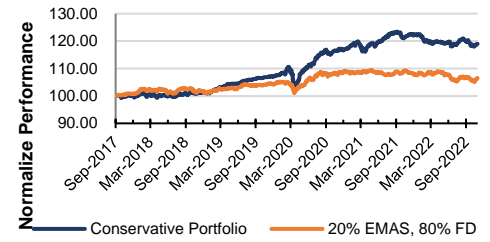
### Conservative Portfolio

Aberdeen Standard Islamic World Equity A MYR	3.0%
RHB Islamic Global Developed Markets MYR	2.0%
KAF Australia Islamic Property A MYR	2.0%
RHB Shariah China Focus MYR	3.0%
Principal Islamic Asia Pacific Dynamic Equity	2.0%
RHB Islamic ASEAN Megatrend MYR	2.0%
Maybank Malaysia Income-I C MYR	11.0%
AmanahRaya Syariah Trust	24.0%
AmAl-Amin	24.0%
Phillip Dana Murni	10.0%
Manulife Shariah Global REIT MYR	3.0%
ICD Global Sustainable	2.0%
Principal Islamic Lifetime Balanced	2.0%
Phillip Master Islamic Cash Fund	10.0%
<b>TOTAL</b>	<b>100%</b>



■ Equity - Local ■ Equity - International ■ Gold ■ Cash

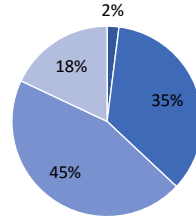
### Performance from 1 Sept 2017 to 31 Oct 2022



— Conservative Portfolio — 20% EMAS, 80% FD

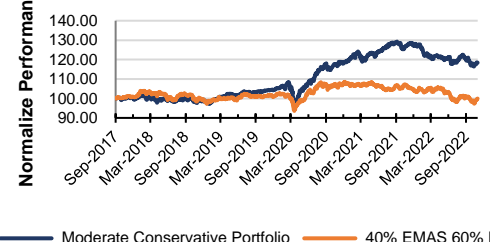
### Moderate Conservative Portfolio

Aberdeen Standard Islamic World Equity A MYR	5.0%
RHB Islamic Global Developed Markets MYR	5.0%
KAF Australia Islamic Property A MYR	4.0%
RHB Shariah China Focus MYR	5.0%
Principal Islamic Asia Pacific Dynamic Equity	5.0%
RHB Islamic ASEAN Megatrend MYR	4.0%
Maybank Malaysia Income-I C MYR	10.0%
AmanahRaya Syariah Trust	19.0%
AmAl-Amin	19.0%
Manulife Shariah Global REIT MYR	5.0%
ICD Global Sustainable	5.0%
Principal Islamic Lifetime Balanced	4.0%
Phillip Master Islamic Cash Fund	10.0%
<b>TOTAL</b>	<b>100%</b>



■ Equity - Local ■ Equity - International ■ Gold ■ Cash

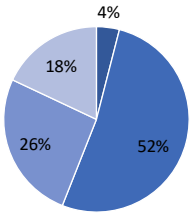
### Performance from 1 Sept 2017 to 31 Oct 2022



— Moderate Conservative Portfolio — 40% EMAS 60% FD

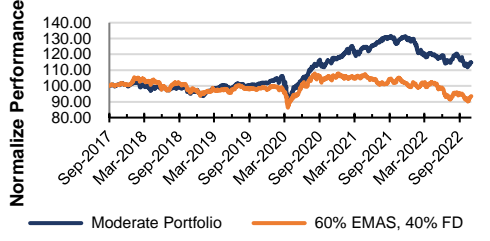
### Moderate Portfolio

Aberdeen Standard Islamic World Equity A MYR	8.0%
RHB Islamic Global Developed Markets MYR	7.0%
KAF Australia Islamic Property A MYR	7.0%
RHB Shariah China Focus MYR	7.0%
Principal Islamic Asia Pacific Dynamic Equity	7.0%
RHB Islamic ASEAN Megatrend MYR	7.0%
AmanahRaya Syariah Trust	14.0%
AmAl-Amin	13.0%
Manulife Shariah Global REIT MYR	7.0%
ICD Global Sustainable	7.0%
Principal Islamic Lifetime Balanced	6.0%
Phillip Master Islamic Cash Fund	10.0%
<b>TOTAL</b>	<b>100%</b>



■ Equity - Local ■ Equity - International ■ Gold ■ Cash

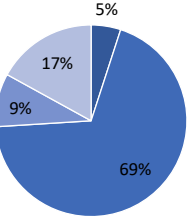
### Performance from 1 Sept 2017 to 31 Oct 2022



— Moderate Portfolio — 60% EMAS, 40% FD

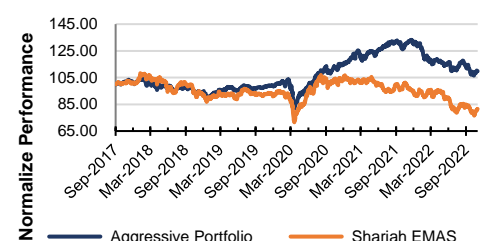
### Aggressive Portfolio

Aberdeen Standard Islamic World Equity A MYR	10.0%
RHB Islamic Global Developed Markets MYR	10.0%
KAF Australia Islamic Property A MYR	9.0%
RHB Shariah China Focus MYR	10.0%
Principal Islamic Asia Pacific Dynamic Equity	10.0%
RHB Islamic ASEAN Megatrend MYR	9.0%
AmanahRaya Syariah Trust	6.0%
Manulife Shariah Global REIT MYR	9.0%
ICD Global Sustainable	9.0%
Principal Islamic Lifetime Balanced	8.0%
Phillip Master Islamic Cash Fund	10.0%
<b>TOTAL</b>	<b>100%</b>



■ Equity - Local ■ Equity - International ■ Gold ■ Cash

### Performance from 1 Sept 2017 to 31 Oct 2022



— Aggressive Portfolio — Shariah EMAS

	1 Mth	6Mths	YTD	1 Yr	Since Inception		1 Mth	6Mths	YTD	1 Yr	Since Inception
Conservative Portfolio	0.7%	-0.5%	-2.9%	-2.4%	19.0%	Moderate Portfolio	2.0%	-3.7%	-11.5%	-11.6%	14.7%
Benchmark	0.9%	-2.0%	-1.9%	-2.2%	6.5%	Benchmark	2.5%	-7.8%	-8.6%	-9.8%	-6.4%
Moderate Conservative Portfolio	1.3%	-2.2%	-7.3%	-7.0%	18.4%	Aggressive Portfolio	2.5%	-5.5%	-15.9%	-15.9%	9.9%
Benchmark	1.7%	-5.0%	-5.3%	-6.0%	-0.1%	Benchmark	4.0%	-13.4%	-15.1%	-17.3%	-18.3%

Source: Lipper

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