Phillip allocator

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MONTHLY INVESTMENT ALLOCATOR

MARKET OUTLOOK

The MSCI Asia Pacific Ex-Japan Index (+1.9%) continued its lead over the MSCI World Index (+1.2%) for the second consecutive month as US tariff negotiations gained positive momentum. Thailand (+14.0%) recovered dramatically after forming a double bottom in June, thanks to a ceasefire over border disputes with Cambodia as well as a reduction in the US tariff rate from 36% to 19%. Indonesia (+8.0%) market was also bolstered by new deals with US, lowering their tariff rate from 32% to 19%. Taiwan (+5.8%) rallied strongly after positive earnings results from TSMC as well as loosened export restriction to China for Nvidia chips. On the losing end, India (-2.9%) was a surprising underperformer as US slapped it with 25% tariff plus penalties due to its ongoing trade arrangements with Russia. Philippines (-1.8%) market stumbled despite negotiating a 19% tariff, an outcome some pundits called unfair due to the tariff-free access imports from US received from the deal. Malaysia (-1.3%) also declined earlier in the month on news of a 25% US tariff, but later rebounded after the rate was reduced to 19% as part of a broader agreement. The deal also included a commitment to purchase 30 additional Boeing aircraft and an easing of the halal certification process for US meat exports, provided producers meet Malaysia's existing standards.

On the monetary policy front, in July, the Federal Reserve (Fed) held interest rates steady at the 4.25% to 4.50% range during its meeting, as widely expected. Separately, the European Central Bank (ECB) left interest rates unchanged at 2.00%. In Asia, the People's Bank of China (PBoC) maintained the one-year LPR at 3.0% and the five-year LPR at 3.5%. The Bank of Japan left its key short-term interest rate unchanged at 0.5% during its July meeting. Finally, Bank Negara Malaysia (BNM) cut the Overnight Policy Rate (OPR) by 25 basis points to 2.75%, the first time in nearly two years.

The U.S. has reached tariff agreements with several key partners, including Japan, Korea, most ASEAN countries, the EU, and the UK. However, the tariff discussion deadline with China and Mexico has been extended, while Canada and India face higher tariffs. We view the overall trade environment as still uncertain, especially since major trading partners like China have yet to reach a resolution—making the eventual outcomes particularly important. On the monetary front, the Fed remains cautious about rate cuts, citing the need to assess the inflationary impact of tariffs. Our outlook for global equities remains cautious, as sentiment is expected to remain sensitive to policy signals from major economies.

The launch of the 13th Malaysia Plan outlines the country's development direction for the next five years, with targeted support for key sectors such as Construction, Renewables, Technology, and Property. The KLCI remains a relative laggard year-to-date, trading at 13.4x P/E—1.1 standard deviation below its 10-year mean—offering attractive valuations. While near-term headwinds persist from rising cost pressures (including SST, electricity tariffs, and EPF contributions for foreign workers), we believe strong domestic liquidity, compelling valuations, and proactive policy support could help mitigate downside risks and support selective buying opportunities ahead.

EQUITY

The FBMKLCI Index lost 1.3% month-on-month (m-o-m) in July, closing at 1,513.25 points. Meanwhile, the Small Cap Index increased by 1.3%, while the Mid 70 Index increased by 2.8%.

Sector-wise in July, the top-performing sectors were Construction, REITs, Industrial, up 5.2%, 4.5%, and 3.8%, m-o-m, respectively. The worst-performing sectors were Healthcare, Financials, and Transport which saw declines of 2.8%, 2.1% and 0.7%, respectively. Foreign investors continued to be net sellers in July, recording RM0.9 billion in outflows.

Separately, in July, there were six listings on the ACE Market (ASM Automation Grp Bhd, PMCK Bhd, A1 A.K. Koh Grp Bhd, iCents Grp Holdings Bhd, Enproserve Grp Bhd, and Oxford Innotech Bhd).

BOND

For the month of July, the yield for the Malaysian Government Securities (MGS) for the 3-year, 5-year, 7-year and 10-year decreased by 9bps, 5bps, 7bps, and 10bps, closing at 3.06%, 3.15%, 3.34% and 3.37% respectively.

COMMODITIES & CURRENCIES

For the month of July, WTI crude oil rose by 6.4% m-o-m, closing at US$69.3 per barrel, while Brent oil climbed 7.3%, finishing at US$72.5 per barrel. Crude palm oil closed at RM4,175/MT, registering a gain of 5.5%, while spot gold lost 0.4%, ending the month at US$3,293.2/oz. Currency-wise, the Malaysian ringgit depreciated by 1.4% m-o-m against the greenback to RM4.2650/USD. Meanwhile, the Dollar Index gained sharply by 3.2% to 99.9 points.

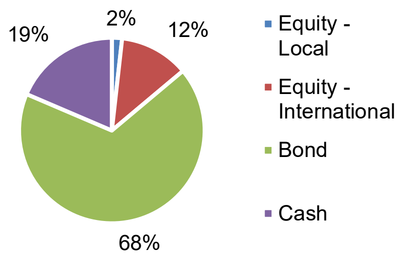
Commentary

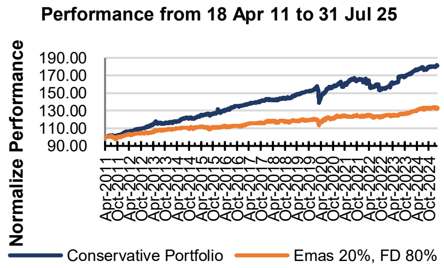
In July, all ports outperformed the benchmark. RHB Shariah China Focus MYR (+7.94%) and Principal Greater China Equity MYR (+6.44%) were the top performers, while KAF Core Income (-0.27%) lagged.

CONVENTIONAL MODEL PORTFOLIO

Conservative Portfolio

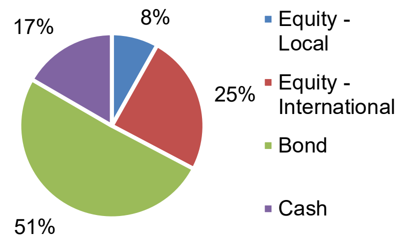
AmanahRaya Unit Trust	20.0%
United-i ESG Series-High Quality Sukuk MYR	20.0%
AmDynamic Bond	20.0%
Kenanga ASnitaBOND	20.0%
Principal Global Titans MYR	2.5%
Aberdeen Standard Islamic World Equity A MYR	2.5%
Maybank Asiapac Ex-Japan Equity-I	1.5%
Manulife Investment Shariah Asia-Pacific ex Japan	1.5%
Principal Greater China Equity Fund – MYR	2.5%
RHB Shariah China Focus MYR	2.5%
KAF Core Income	2.0%
Phillip Master Money Market	5.0%
TOTAL	**100%**

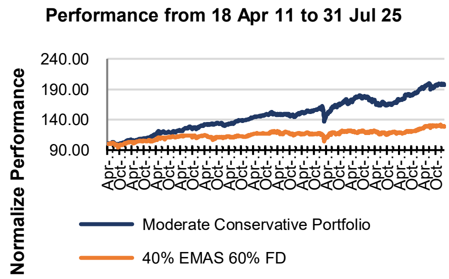




Moderate Conservative Portfolio

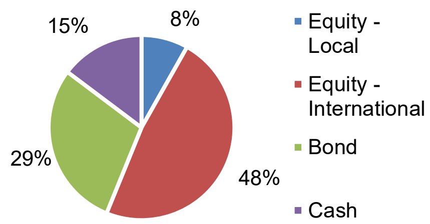
AmanahRaya Unit Trust	15.0%
United-i ESG Series-High Quality Sukuk MYR	15.0%
AmDynamic Bond	15.0%
Kenanga ASnitaBOND	15.0%
Principal Global Titans MYR	5.0%
Aberdeen Standard Islamic World Equity A MYR	5.0%
RHB Islamic Global Developed Markets MYR	5.0%
Maybank Asiapac Ex-Japan Equity-I	2.5%
Manulife Investment Shariah Asia-Pacific ex Japan	2.5%
Principal Greater China Equity Fund – MYR	2.5%
RHB Shariah China Focus MYR	2.5%
KAF Core Income	5.0%
Kenanga Growth Series 2 MYR	5.0%
Phillip Master Money Market	5.0%
TOTAL	**100%**

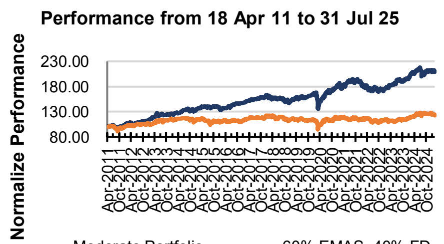




Moderate Portfolio

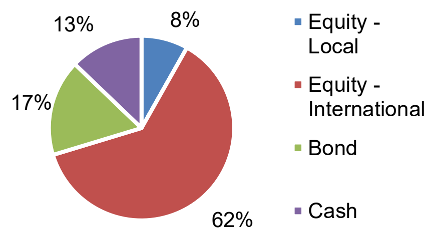
AmanahRaya Unit Trust	10.0%
United-i ESG Series-High Quality Sukuk MYR	10.0%
AmDynamic Bond	7.5%
Kenanga ASnitaBOND	7.5%
Principal Global Titans MYR	7.5%
Aberdeen Standard Islamic World Equity A MYR	7.5%
RHB Islamic Global Developed Markets MYR	7.5%
BIMB-Arabesque i Global Dividend 1 MYR	7.5%
Maybank Asiapac Ex-Japan Equity-I	5.0%
Manulife Investment Shariah Asia-Pacific ex Japan	5.0%
Principal Greater China Equity Fund – MYR	5.0%
RHB Shariah China Focus MYR	5.0%
KAF Core Income	5.0%
Kenanga Growth Series 2 MYR	5.0%
Phillip Master Money Market	5.0%
TOTAL	**100%**

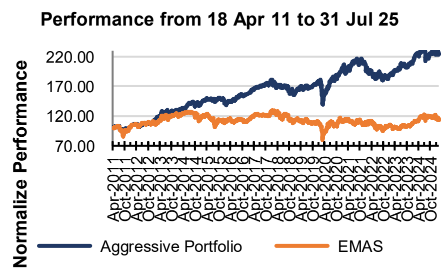




Aggressive Portfolio

AmanahRaya Unit Trust	5.0%
United-i ESG Series-High Quality Sukuk MYR	5.0%
AmDynamic Bond	5.0%
Kenanga ASnitaBOND	5.0%
Principal Global Titans MYR	10.0%
Aberdeen Standard Islamic World Equity A MYR	10.0%
RHB Islamic Global Developed Markets MYR	10.0%
BIMB-Arabesque i Global Dividend 1 MYR	10.0%
Maybank Asiapac Ex-Japan Equity-I	7.5%
Manulife Investment Shariah Asia-Pacific ex Japan	7.5%
Principal Greater China Equity Fund – MYR	5.0%
RHB Shariah China Focus MYR	5.0%
KAF Core Income	5.0%
Kenanga Growth Series 2 MYR	5.0%
Phillip Master Money Market	5.0%
TOTAL	**100%**





	1 Mth	6Mths	YTD	1 Yr	Since Inception		1 Mth	6Mths	YTD	1 Yr	Since Inception
Conservative Portfolio	1.0%	2.6%	2.8%	3.6%	85.1%	Moderate Portfolio	2.2%	1.8%	1.7%	1.1%	114.3%
Benchmark	0.1%	0.2%	-0.7%	0.3%	33.1%	Benchmark	-0.2%	-1.8%	-5.1%	-4.3%	21.6%
Moderate Conservative Portfolio	1.4%	1.8%	1.6%	1.9%	101.0%	Aggressive Portfolio	2.6%	1.8%	1.8%	0.4%	129.8%
Benchmark	0.0%	-0.8%	-2.9%	-2.0%	27.6%	Benchmark	-0.4%	-4.1%	-9.4%	-8.9%	10.2%

Source: Lipper

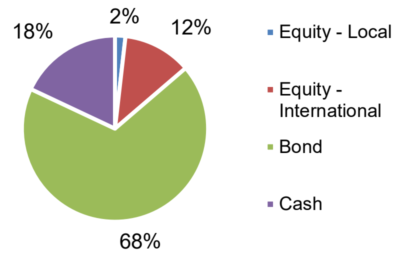
Commentary

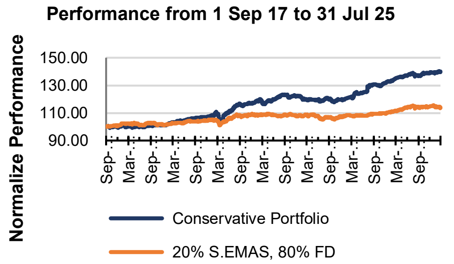
In July, all ports outperformed the benchmark. RHB Shariah China Focus MYR (+7.94%) and Eastspring Investments Dinasti Equity (+6.34%) were the top performers. None of the funds registered negative returns during the month.

SHARIAH MODEL PORTFOLIO

Conservative Portfolio

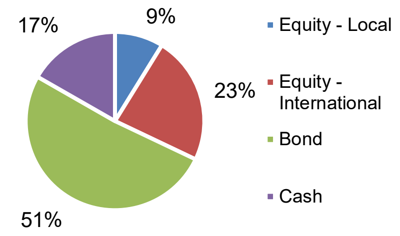
AmanahRaya Syariah Trust	20.0%
Principal Islamic Lifetime Sukuk	20.0%
United-i ESG Series-High Quality Sukuk MYR	20.0%
Kenanga ASnitaBOND	20.0%
Aberdeen Standard Islamic World Equity A MYR	2.5%
RHB Islamic Global Developed Markets MYR	2.5%
Maybank Asiapac Ex-Japan Equity-I	1.5%
Manulife Investment Shariah Asia-Pacific ex Japan	1.5%
Eastspring Investments Dinasti Equity	2.5%
RHB Shariah China Focus MYR	2.5%
KAF Dana Adib	2.0%
Phillip Master Islamic Money Market	5.0%
TOTAL	100%

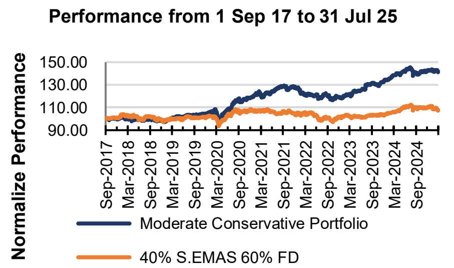




Moderate Conservative Portfolio

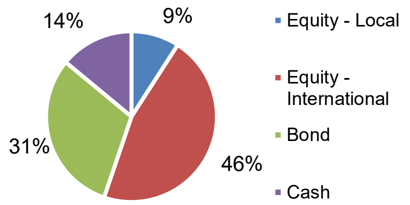
AmanahRaya Syariah Trust	15.0%
Principal Islamic Lifetime Sukuk	15.0%
United-i ESG Series-High Quality Sukuk MYR	15.0%
Kenanga ASnitaBOND	15.0%
Aberdeen Standard Islamic World Equity A MYR	5.0%
RHB Islamic Global Developed Markets MYR	5.0%
BIMB-Arabesque i Global Dividend 1 MYR	5.0%
Maybank Asiapac Ex-Japan Equity-I	2.5%
Manulife Investment Shariah Asia-Pacific ex Japan	2.5%
Eastspring Investments Dinasti Equity	2.5%
RHB Shariah China Focus MYR	2.5%
KAF Dana Adib	5.0%
PMB Dana Bestari	5.0%
Phillip Master Islamic Money Market	5.0%
TOTAL	100%

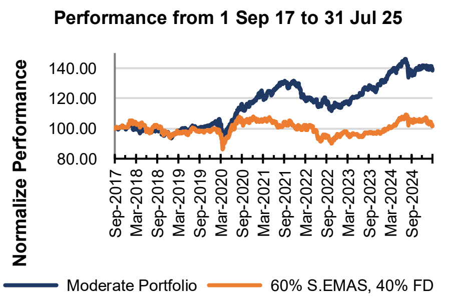




Moderate Portfolio

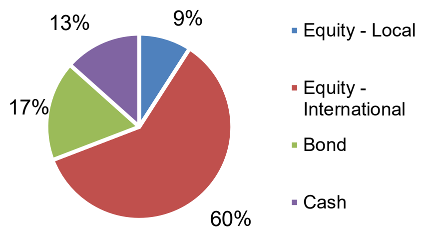
AmanahRaya Syariah Trust	10.0%
Principal Islamic Lifetime Sukuk	10.0%
United-i ESG Series-High Quality Sukuk MYR	7.5%
Kenanga ASnitaBOND	7.5%
Aberdeen Standard Islamic World Equity A MYR	7.5%
RHB Islamic Global Developed Markets MYR	7.5%
BIMB-Arabesque i Global Dividend 1 MYR	7.5%
Maybank Global Sustainable Equity-I - MYR	7.5%
Maybank Asiapac Ex-Japan Equity-I	5.0%
Manulife Investment Shariah Asia-Pacific ex Japan	5.0%
Eastspring Investments Dinasti Equity	5.0%
RHB Shariah China Focus MYR	5.0%
KAF Dana Adib	5.0%
PMB Dana Bestari	5.0%
Phillip Master Islamic Money Market	5.0%
TOTAL	100%

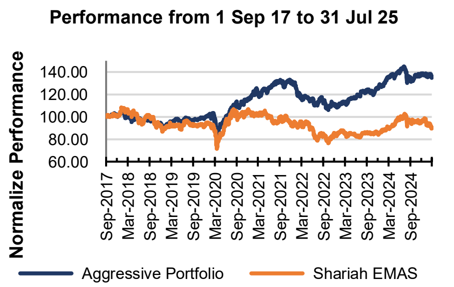




Aggressive Portfolio

AmanahRaya Syariah Trust	5.0%
Principal Islamic Lifetime Sukuk	5.0%
United-i ESG Series-High Quality Sukuk MYR	5.0%
Kenanga ASnitaBOND	5.0%
Aberdeen Standard Islamic World Equity A MYR	10.0%
RHB Islamic Global Developed Markets MYR	10.0%
BIMB-Arabesque i Global Dividend 1 MYR	10.0%
Maybank Global Sustainable Equity-I - MYR	10.0%
Maybank Asiapac Ex-Japan Equity-I	7.5%
Manulife Investment Shariah Asia-Pacific ex Japan	7.5%
Eastspring Investments Dinasti Equity	5.0%
RHB Shariah China Focus MYR	5.0%
KAF Dana Adib	5.0%
PMB Dana Bestari	5.0%
Phillip Master Islamic Money Market	5.0%
TOTAL	100%





	1 Mth	6Mths	YTD	1 Yr	Since Inception		1 Mth	6Mths	YTD	1 Yr	Since Inception
Conservative Portfolio	1.1%	2.4%	2.6%	3.4%	42.7%	Moderate Portfolio	2.4%	1.3%	1.1%	-0.1%	41.9%
Benchmark	0.2%	0.6%	-0.6%	0.0%	14.8%	Benchmark	0.2%	-0.8%	-4.8%	-5.1%	2.3%
Moderate Conservative Portfolio	1.5%	1.6%	1.3%	0.9%	44.4%	Aggressive Portfolio	2.8%	1.2%	1.1%	-0.9%	38.5%
Benchmark	0.2%	-0.1%	-2.7%	-2.5%	8.5%	Benchmark	0.2%	-2.3%	-9.0%	-10.2%	-10.1%

Source: Lipper

PhillipMutual
It's a Matter of Trust