Phillip *allocator*

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MONTHLY INVESTMENT ALLOCATOR

MARKET OUTLOOK

The MSCI Asia Pacific Ex-Japan Index (+6.0%) continued to trump the MSCI World Index (+0.6%) as chipmakers thrive while big tech takes a dive. South Korea (+19.5%) maintained its top performer streak for 3 months in-a-row as the large cap memory plays continue to be the center of investors' attention. Thailand (+15.3%) was a surprise winner for the month as the Bhumjaithai party's victory in the recent general elections restored faith to the equity markets. Taiwan (+10.5%) continues to trail South Korea as a prominent foundry in the ongoing booming memory supply chain. Meanwhile, Hong Kong (-2.8%) pulled back some of January's gains, facing its biggest drop since October last year. Malaysia (-1.4%) endured a slight decline on profit-taking activities after President Trump renewed tariff concerns amidst a jittery global backdrop. Indonesia (-1.1%) remains troubled with a looming MSCI downgrade despite reporting its fastest GDP growth rate in 3 years.

On the monetary policy front, the People's Bank of China (PBoC) held its 1-year and 5-year loan prime rates at 3.0% and 3.5%, respectively. The Reserve Bank of India (RBI) maintained its key repo rate at 5.25% during its February meeting, the first monetary policy decision of the year, after cutting it by 25 bps at the December meeting. Within ASEAN, The Bank of Thailand (BoT) unexpectedly cut its key interest rate by 25 basis points to 1.00% at its first review of the year in February. Bank Indonesia kept its benchmark interest rate unchanged at 4.75% for the fifth consecutive meeting in February 2026. The next FOMC meeting is scheduled for March 17–18, 2026.

Tensions between the United States, Israel and Iran have escalated significantly during Donald Trump's second presidency. The first major escalation happened in June 2025, when Israel launched large-scale strikes on Iran's nuclear and military facilities. Iran responded with waves of missiles and drones targeting Israel, leading to a brief 12-day conflict. The US later joined with strikes on Iranian nuclear sites, showing its willingness to directly intervene to curb Iran's nuclear ambitions. The confrontation flared up again in February 2026, when the US and Israel carried out another coordinated round of strikes on Iranian military and leadership targets. While markets usually react with short-term fear, we believe the most likely outcome is a prolonged period of ongoing conflict rather than a full-scale war. In this environment, a barbell strategy balancing high-quality growth exposures with income-oriented assets remains well suited to navigating bouts of volatility.

4Q2025 results were broadly in line overall. Outperformers were mainly seen in Healthcare, selected Consumer names, Utilities and Property. Underperformers were concentrated in Construction, Industrial, Telecommunications & Media, and parts of Technology, reflecting margin and demand pressures. On a separate note, we view the conflict between the United States, Israel and Iran presents second-order impacts to Malaysia - transmitted largely via oil prices and capital flows. Malaysia's direct trade exposure to Iran remains structurally minimal. We remain focused on domestically oriented sectors, as well as quality and dividend-paying stocks.

EQUITY

The FBMKLCI Index declined by 1.4% month-on-month (m-o-m) in February, closing at 1,716.61 points. Meanwhile, the FBM Hijrah Shariah Index declined by 0.7% in February, the Mid 70 Index rose by 0.2%, while the Small Cap Index declined by 1.5%. Sector-wise in February, the top-performing sectors were Transport, Property, and Healthcare, which rose by 2.2%, 2.0%, and 0.5% m-o-m, respectively. The worst-performing sectors were Telco, Industrial, and Utilities, which declined by 3.3%, 2.7%, and 2.4% m-o-m, respectively.

Foreign investors were net buyers, with a net inflow of RM171.3 million, bringing the year-to-date (YTD) inflows to RM1.2 billion. Separately, in February, there was one listing on the Main Market (Hock Soon Capital Bhd), three listings on the ACE Market (Ambest Grp Bhd, Kee Ming Grp Bhd, and Teamstar Bhd), and two listings on the LEAP Market (Bentley Music Grp Berhad and Whitman Holdings Bhd).

BOND

For the month of February, the yield for the Malaysian Government Securities (MGS) for the 3-year, 5-year, 7-year and 10-year changed by +3bps, +4bps, -3bps, and -2bps, closing at 3.03%, 3.31%, 3.40% and 3.48% respectively.

COMMODITIES & CURRENCIES

For the month of February, WTI crude oil rose by 2.8% m-o-m, closing at US$67.02 per barrel, while Brent crude oil rose by 2.5% m-o-m, closing at US$72.48 per barrel. Crude palm oil closed at RM3,989/MT, down 4.1% from the previous month, while spot gold rose by 11.3%, ending the month at US$5,247.9/oz. Currency-wise, the Malaysian ringgit appreciated by 1.3% m-o-m against the greenback to RM3.8925/USD. Meanwhile, the Dollar Index rose by 0.6%, ending at 97.6 points

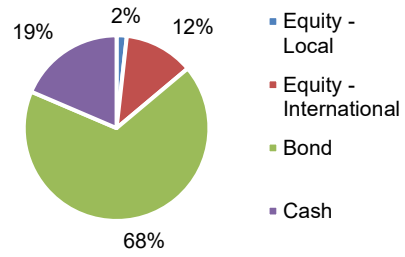
Commentary

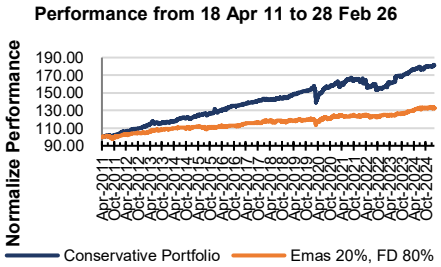
In Feb, all ports outperformed the benchmark. Manulife Investment Shariah Asia-Pacific ex Japan Fund (+10.6%) outperformed during the month, while RHB Islamic Global Developed Markets MYR Fund (-4.0%) and Manulife Investment U.S. Equity MYR Fund (-5.1%) underperformed.

CONVENTIONAL MODEL PORTFOLIO

Conservative Portfolio

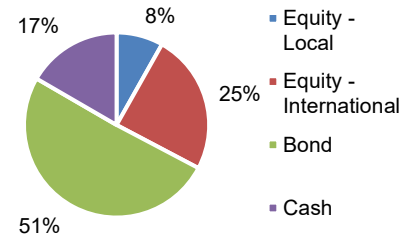
AmanahRaya Unit Trust	20.0%
United-i ESG Series-High Quality Sukuk MYR	20.0%
AmDynamic Bond	20.0%
Kenanga ASnitaBOND	20.0%
Principal Global Titans MYR	2.5%
Aberdeen Standard Islamic World Equity A MYR	2.5%
Maybank Asiapac Ex-Japan Equity-I	1.5%
Manulife Investment Shariah Asia-Pacific ex Japan	1.5%
Principal 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%**

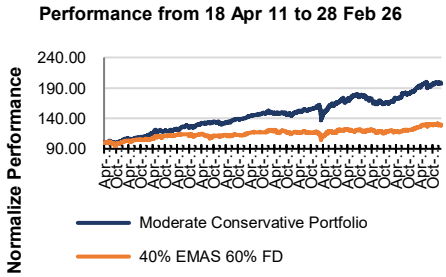




Moderate Conservative Portfolio

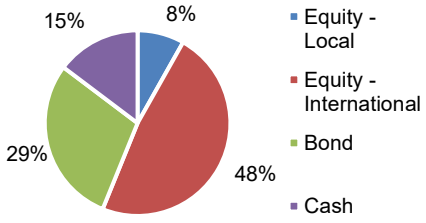
AmanahRaya Unit Trust	15.0%
United-i ESG Series-High Quality Sukuk MYR	15.0%
AmDynamic Bond	15.0%
Kenanga ASnitaBOND	15.0%
Principal Global Titans MYR	5.0%
Aberdeen Standard Islamic World Equity A MYR	5.0%
RHB Islamic Global Developed Markets MYR	5.0%
Maybank Asiapac Ex-Japan Equity-I	2.5%
Manulife Investment 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%**

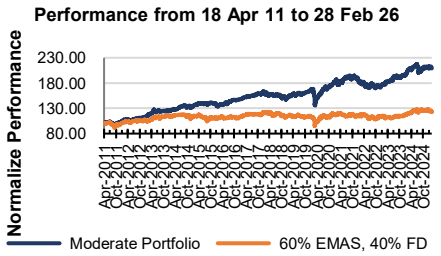




Moderate Portfolio

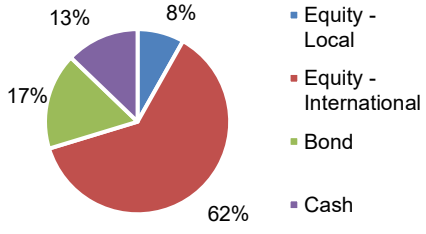
AmanahRaya Unit Trust	10.0%
United-i ESG Series-High Quality Sukuk MYR	10.0%
AmDynamic Bond	7.5%
Kenanga ASnitaBOND	7.5%
Principal Global Titans MYR	7.5%
Aberdeen Standard Islamic World Equity A MYR	7.5%
RHB Islamic Global Developed Markets MYR	7.5%
BIMB-Arabesque i Global Dividend 1 MYR	7.5%
Maybank 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%**

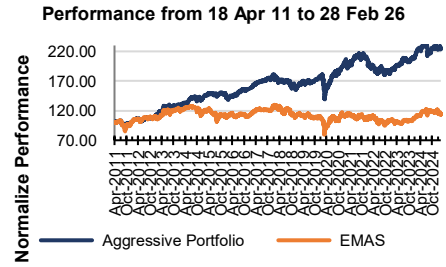




Aggressive Portfolio

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	0.6%	2.7%	1.3%	6.1%	91.9%	Moderate Portfolio	1.0%	5.1%	2.4%	9.7%	129.1%
Benchmark	-0.1%	2.5%	0.8%	3.6%	37.4%	Benchmark	-0.6%	5.1%	1.7%	5.6%	29.9%
Moderate Conservative Portfolio	0.4%	2.9%	1.3%	6.5%	109.1%	Aggressive Portfolio	1.5%	6.5%	3.3%	11.9%	149.4%
Benchmark	-0.3%	3.8%	1.2%	4.6%	34.1%	Benchmark	-1.1%	7.8%	2.5%	7.5%	21.9%

Source: Lipper

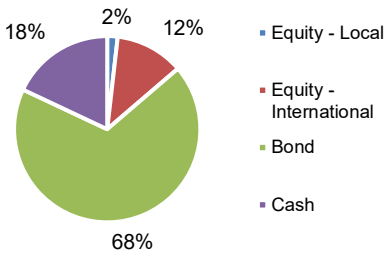
Commentary

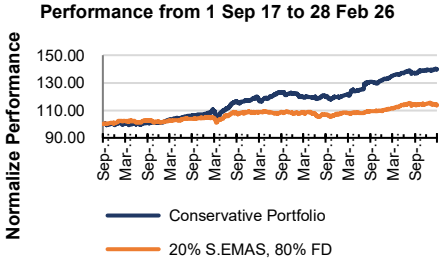
In Feb, all ports outperformed the benchmark. Manulife Investment Shariah Asia-Pacific ex Japan Fund (+10.6%) outperformed during the month, while RHB Islamic Global Developed Markets MYR Fund (-4.0%) underperformed.

SHARIAH MODEL PORTFOLIO

Conservative Portfolio

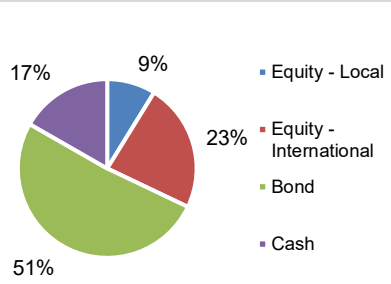
AmanahRaya Syariah Trust	20.0%
Principal Islamic Lifetime Sukuk	20.0%
United-i ESG Series-High Quality Sukuk MYR	20.0%
Kenanga ASnitaBOND	20.0%
Aberdeen Standard Islamic World Equity A MYR	2.5%
RHB Islamic Global Developed Markets MYR	2.5%
Maybank Asiapac Ex-Japan Equity-I	1.5%
Manulife Investment Shariah 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%

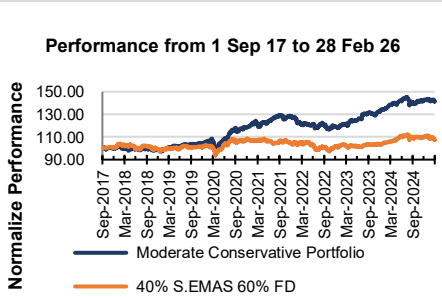




Moderate Conservative Portfolio

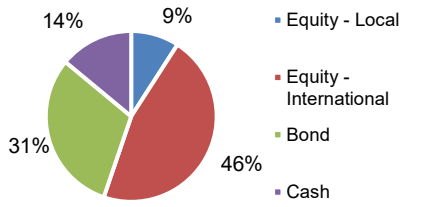
AmanahRaya Syariah Trust	15.0%
Principal Islamic Lifetime Sukuk	15.0%
United-i ESG Series-High Quality Sukuk MYR	15.0%
Kenanga ASnitaBOND	15.0%
Aberdeen Standard Islamic World Equity A MYR	5.0%
RHB Islamic Global Developed Markets MYR	5.0%
BIMB-Arabesque i Global Dividend 1 MYR	5.0%
Maybank Asiapac Ex-Japan 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%

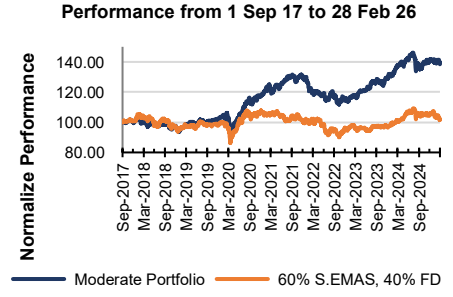




Moderate Portfolio

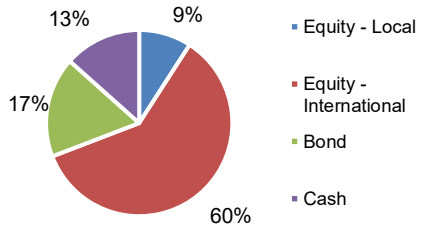
AmanahRaya Syariah Trust	10.0%
Principal Islamic Lifetime Sukuk	10.0%
United-i ESG Series-High Quality Sukuk MYR	7.5%
Kenanga ASnitaBOND	7.5%
Aberdeen Standard Islamic World Equity A MYR	7.5%
RHB Islamic Global Developed Markets MYR	7.5%
BIMB-Arabesque i Global Dividend 1 MYR	7.5%
Maybank Global Sustainable 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%

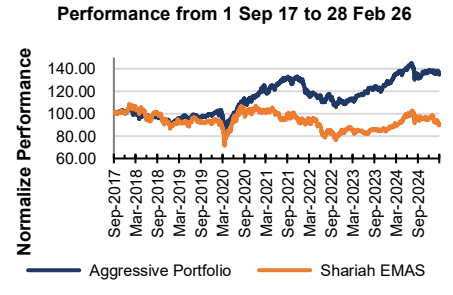




Aggressive Portfolio

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	0.6%	2.3%	1.1%	5.6%	47.4%	Moderate Portfolio	1.2%	4.9%	2.4%	9.3%	51.5%
Benchmark	0.0%	2.0%	0.5%	3.5%	17.7%	Benchmark	-0.2%	3.4%	0.8%	5.4%	6.9%
Moderate Conservative Portfolio	0.6%	2.5%	1.2%	6.2%	50.0%	Aggressive Portfolio	1.7%	6.4%	3.2%	11.3%	50.0%
Benchmark	-0.1%	2.7%	0.6%	4.5%	12.3%	Benchmark	-0.5%	4.9%	1.0%	7.1%	-4.2%

Source: Lipper

PhillipMutual
It's a Matter of Trust