



## MARKET OUTLOOK

The MSCI Asia Pacific Ex-Japan Index (-1.2%) slightly outperformed the MSCI World Index (-2.7%) mom in December, albeit both were red on the month as regional markets pulled back after the Federal Reserve postulated a hawkish tone in December's FOMC and reduced rate cut forecasts for 2025. Taiwan (+3.5%) led Asia Pacific thanks to TSMC gaining 10% on the month as its key customers, such as Nvidia and Apple, cited a better outlook on AI growth. Hong Kong (+3.3%) also rallied as the market retraced its gains after an extended decline since October. Malaysia (+3.0%) staged a surprise comeback in the last week of December, after a somewhat subdued 4th quarter where foreign funds left Malaysia to the tune of RM8bn in 4Q. On the flipside, South Korea (-2.3%) continued its decline and was Asia Pacific's worst performer with a 9.6% loss in 2024, likely exacerbated by the seasonal cyclicity of its semiconductor-heavy index. India (-2.0%) declined moderately on weak economic data and persistently high inflation, coupled with heavy foreign fund outflows (~US\$14bn in the first 2 months of 4Q). Lastly, Thailand (-1.9%) saw investors growing weary as central bankers flagged uncertainty on the impact of Trump 2.0 and looming US policy changes.

Global equities rebounded strongly in 2023 and 2024 following the 2022 correction due to the Ukraine-Russia war. With Trump back in office, his policies, including tax cuts, deregulation, and protectionism, are expected to benefit U.S. equities. While China may face challenges from increased tariffs, the overall impact on the market will depend on how swiftly regulators adapt their policies to ensure economic stability. Additionally, with the U.S. dollar expected to remain firm, fund flows are likely to favor the U.S., which may pressure regional currencies and impact market performance. Domestic-oriented economies such as India may fare better in this environment. Separately, Malaysia stands to gain from trade diversification, leveraging its strategic location, supply chain ecosystem, and skilled labor. While we remain cautiously optimistic about global equities, we believe that geopolitical tensions and protectionist trade policies could present risks to this outlook. As global markets grapple with heightened uncertainty, we emphasize the importance of diversification and a focus on quality amid volatility.

Locally, the Malaysian market has seen strong performance in 2024, driven by political stability, effective policy execution, and reflationary impacts from a stronger ringgit. Thematic plays, such as data centers, excitement around Johor, and tourism, have also contributed. Given the expected volatility with Trump taking office in January 2025, we will take a more strategic and cautious approach to stock and sector selection. We maintain strong investments in the technology and industrial sectors, as the US's plans to raise tariffs on a wide range of Chinese imports, including semiconductors, batteries, solar cells and critical minerals, are expected to benefit Malaysia as multinational companies seek alternative investment destinations. Furthermore, the strengthening of USD is anticipated to positively impact sector earnings. Simultaneously, we are adopting a more agile investment approach, gradually increasing exposure to defensive sectors such as consumer goods and healthcare.

## EQUITY

The FBMKLCI gained 3.0% mom in December and closed at 1,642.33, bringing the YTD return to 12.9%. Meanwhile, the Small Cap Index gained 3.9%, with a YTD return of 9.9%, and the Mid 70 Index increased by 5.5%, bringing the YTD return to 28.9%.

Sector-wise in December, the top performers were Technology, Healthcare, and Utilities, with gains of 11.1%, 10.5%, and 8.7% mom, respectively. Finance was the only laggard, declining by 0.1%. On a YTD basis, the top performers were Construction, Utilities, and Property, with gains of 60.7%, 38.3%, and 31.5%, respectively. The laggards were Telco and Consumer, declining by 4.4% and 0.8%, respectively. In terms of fund flow, foreign investors continued to be net sellers for the third consecutive month in December, recording net sell flows of RM2.9bn, bringing cumulative foreign flows to a net outflow position of RM4.2bn for 2024.

Separately, in December, there was one listing on the Main Market (TMK Chemical Bhd), five listings on the ACE Market (Cropmate Bhd, Topvision Eye Specialist Bhd, Vanzo Holdings Bhd, Carlo Rino Group Bhd, and Winstar Capital Bhd), and two listings on the LEAP Market (Tp Tec Holding Bhd and Hydropipes Bhd). This contributed to a total of 55 listings in 2024 (Main: 11, ACE: 40, LEAP: 4), compared to 32 listings in 2023 (Main: 7, ACE: 24, LEAP: 1), reflecting strong growth across all IPO markets.

## BOND

For the month of December 2024, the yield for the Malaysian Government Securities (MGS) for the 3-year, 5-year, 7-year and 10-year increased by 2bps, 4bps, 2bps, and 1bps, closing at 3.48%, 3.62%, 3.77% and 3.82% respectively.

## COMMODITIES & CURRENCIES

For the month of December 2024, WTI crude oil gained 5.5%, closing at US\$71.7/barrel, while Brent oil gained 2.3%, finishing at US\$74.6/barrel. Crude palm oil closed at RM4,861/MT, registering a decline of 7.2%; while spot gold lost 0.6%, ending the month at US\$2,641/oz. Currency-wise, the Malaysian ringgit depreciated by 0.6% against the greenback to RM4.4722/USD. Meanwhile, the Dollar Index gained 2.6% to 108.5.

## Commentary

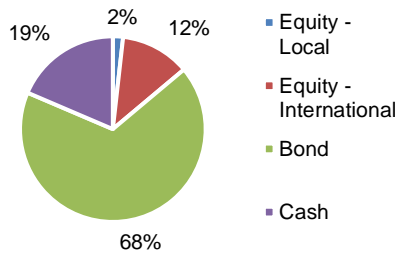
In December, all ports underperformed the benchmark. Kenanga Growth Series 2 MYR (+5.55%) and KAF Core Income (+4.85%) were the top performers, while abrdn Islamic World Equity A MYR (-3.95%) and BIMB-Arabesque i Global Dividend 1 MYR (-1.87%) lagged.

## CONVENTIONAL MODEL PORTFOLIO

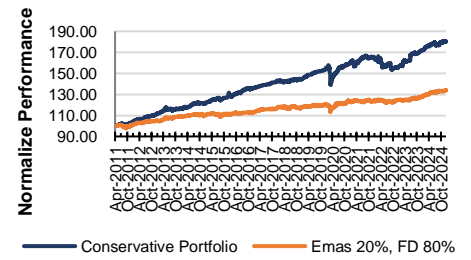
### Conservative Portfolio

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%**



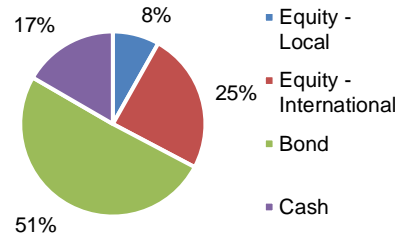
Performance from 18 Apr 11 to 31 Dec 24



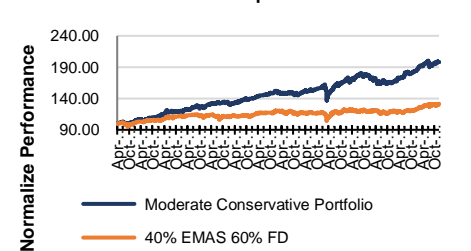
### Moderate Conservative Portfolio

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%**



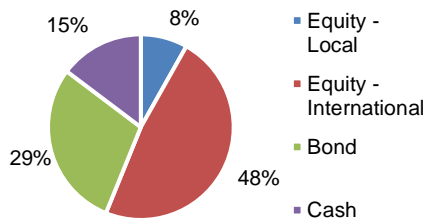
Performance from 18 Apr 11 to 31 Dec 24



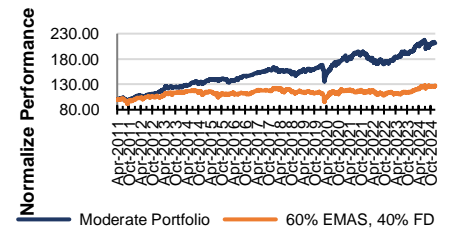
### Moderate Portfolio

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%**



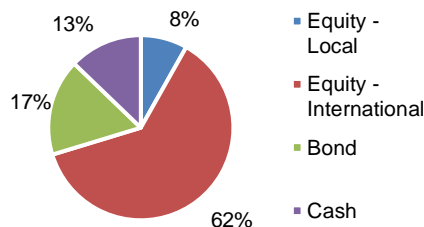
Performance from 18 Apr 11 to 31 Dec 24



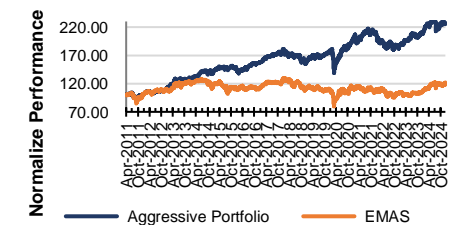
### Aggressive Portfolio

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%**



Performance from 18 Apr 11 to 31 Dec 24



	1 Mth	6Mths	YTD	1 Yr	Since Inception		1 Mth	6Mths	YTD	1 Yr	Since Inception
Conservative Portfolio	0.2%	0.9%	4.6%	4.6%	80.1%	Moderate Portfolio	0.2%	-1.8%	7.5%	7.5%	110.8%
Benchmark	0.9%	1.7%	5.2%	5.2%	34.1%	Benchmark	2.3%	2.4%	10.7%	10.7%	28.1%
Moderate Conservative Portfolio	0.5%	0.1%	7.5%	7.5%	97.9%	Aggressive Portfolio	0.0%	-3.1%	7.6%	7.6%	125.6%
Benchmark	1.6%	2.1%	7.9%	7.9%	31.4%	Benchmark	3.7%	3.0%	16.3%	16.3%	21.6%

Source: Lipper

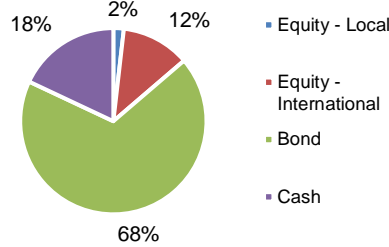
## Commentary

In December, all ports underperformed the benchmark. PMB Dana Bestari (+5.74%) and KAF Dana Adib (+4.82%) were the top performers, while abrdn Islamic World Equity A MYR (-3.95%) and BIMB-Arabesque i Global Dividend 1 MYR (-1.87%) lagged.

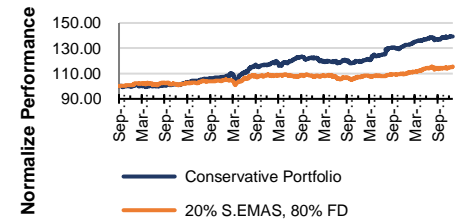
## SHARIAH MODEL PORTFOLIO

### 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%
<b>TOTAL</b>	<b>100%</b>

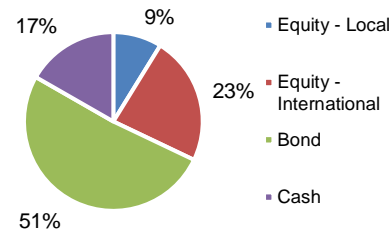


### Performance from 1 Sep 17 to 31 Dec 24

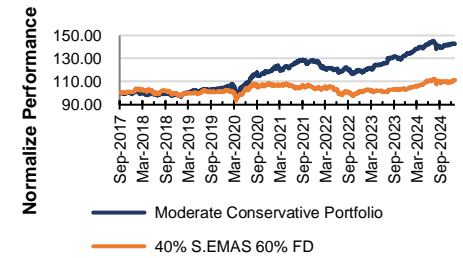


### Moderate Conservative Portfolio

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%
<b>TOTAL</b>	<b>100%</b>

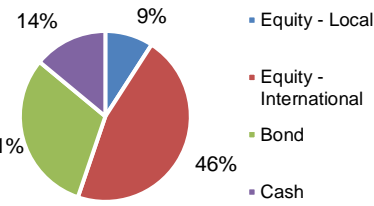


### Performance from 1 Sep 17 to 31 Dec 24

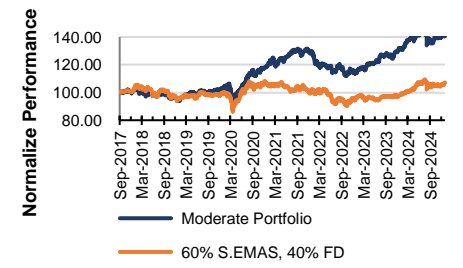


### Moderate Portfolio

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%
<b>TOTAL</b>	<b>100%</b>

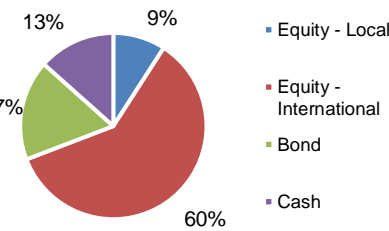


### Performance from 1 Sep 17 to 31 Dec 24

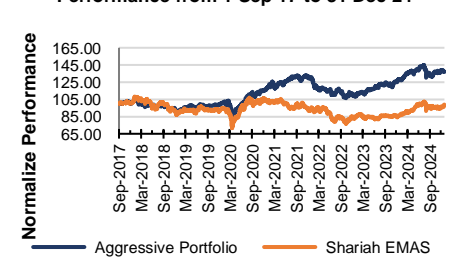


### Aggressive Portfolio

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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%
<b>TOTAL</b>	<b>100%</b>



### Performance from 1 Sep 17 to 31 Dec 24



	1 Mth	6Mths	YTD	1 Yr	Since Inception		1 Mth	6Mths	YTD	1 Yr	Since Inception
Conservative Portfolio	0.3%	0.7%	4.7%	4.7%	39.1%	Moderate Portfolio	0.3%	-2.7%	6.6%	6.6%	40.3%
Benchmark	1.1%	1.2%	4.9%	4.9%	15.6%	Benchmark	2.8%	0.8%	9.7%	9.7%	7.4%
Moderate Conservative Portfolio	0.5%	-0.9%	5.9%	5.9%	42.6%	Aggressive Portfolio	0.1%	-4.0%	6.7%	6.7%	36.9%
Benchmark	2.0%	1.0%	7.3%	7.3%	11.6%	Benchmark	4.6%	0.3%	14.6%	14.6%	-1.2%

Source: Lipper

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