

## **Fund: United Malaysia Fund Class A**

**As at 30 November 2022**

### **Performance Update**

For the month of November, the Fund registered a return of 2.31%.

Global equities had a strong month, with both Developed and Emerging Markets generating positive returns. The rally was triggered by signs of inflation rolling over and anticipation of easing COVID-19 lockdowns and restrictions in mainland China. The DXY index dropped from 111.53 in October to 105.95, while the US 10-year Treasury yield dropped from 4.05% in October to 3.61% as at end November.

The FBM KLCI index rose from the beginning of the month to a high of 1,468 points on 11 November in line with the positive trend in global equities. The index then dropped to a low of 1,441 points on 22 November, following the General Elections which resulted in a hung parliament. The political impasse was eventually resolved and Dato' Seri Anwar Ibrahim was appointed as the 10th Prime Minister of Malaysia to form a unity government. Following the political resolution, the index rallied to close at 1,488 points. Overall, the KLCI gained 1.9% for the month. The best performing sectors were energy, property and technology while the worst performing sectors were transport, plantation and healthcare.

During the month, the key equity contributors to the Fund performance were Frontken, Berjaya Food and Yinson. Yinson's share price increased as they managed to secure FSPO contract extension<sup>^</sup>.

In contrast, the key equity detractors to performance during the month were DuFu, Malaysia Smelting Corp and Genting Malaysia. Malaysia Smelting Corp become one of top detractors due to fluctuation in tin prices.

<sup>^</sup>Source: <https://www.thestar.com.my/business/Yinson-wins-contract>

### **Strategy Moving Forward**

The market is expected continue to be influenced by tightening monetary policy, elevated inflation, and slowing economic growth. In the near term, we see a bear market rally with several indicators pointing to an oversold market. We have increased the equity exposure as we see some opportunities and the overhang from politics has been removed.

## Stock Commentary

Stocks	Country	Sector	Remarks
Berjaya Food	Malaysia	Consumer Products & Services	<ul style="list-style-type: none"> <li>Benefit from reopening and cost cutting measures.</li> </ul>
Frontken	Malaysia	Technology	<ul style="list-style-type: none"> <li>We like its unique exposure to leading-edge semiconductor frontend supply chain.</li> </ul>
TM	Malaysia	Telecommunications & Media	<ul style="list-style-type: none"> <li>Expect new subscriber growth, pent-up demand for data centres and cloud services for industry demands (public and enterprise), and development of 4G and 5G network infrastructure.</li> </ul>
CIMB	Malaysia	Financials	<ul style="list-style-type: none"> <li>Beneficiary of reopening and rising interest rates.</li> </ul>
Hong Leong	Malaysia	Financials	<ul style="list-style-type: none"> <li>Beneficiary of reopening and rising interest rates.</li> </ul>

## Income Distribution

Date	Yield
21 January 2022	2.15%

## Fund Classes

Fund Classes
MYR Class

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