RM Class
3-year Fund Volatility
14.5
High
Lipper Analytics
10 Mar 25

Manulife Investments

April 2025
Factsheet

Manulife Investment Shariah Asia-Pacific ex Japan Fund

Fund category
Equity (Islamic)

Fund objective
To provide long-term capital appreciation through investment in Shariah-compliant equities and equity-related securities of companies in the Asia-Pacific ex Japan region.

Investor profile
The Fund is suitable for investors who wish to invest in a diversified portfolio of stocks listed in the APxJ region, seek Shariah-Compliant investments, are willing to accept amoderate to high level of risk and have a long-term investment horizon.

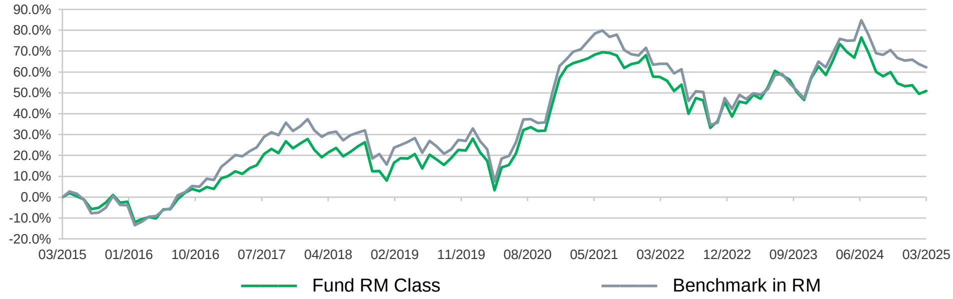
Fund manager
Manulife Investment Management (M) Berhad
200801033087 (834424-U)

Trustee
HSBC (Malaysia) Trustee Berhad
193701000084 (1281-T)

Fund information (as at 31 Mar 2025)

NAV/unit	RM 0.3848
Fund size	RM 191.50 mil
Units in circulation	497.71 mil
Fund launch date	16 Jan 2008
Fund inception date	06 Feb 2008
Financial year	30 Sep
Currency	RM
Management fee	Up to 1.75% of NAV p.a.
Trustee fee	Up to 0.06% of NAV p.a. excluding foreign custodian fees and charges
Sales charge	Up to 6.50% of NAV per unit
Redemption charge	Nil
Distribution frequency	Incidental, if any
Benchmark	FTSE Shariah Asia Pacific Ex-Japan Index

Fund performance
10-year performance as at 31 March 2025*



Total return over the following periods ended 31 March 2025*

	1 month	6 month	YTD	1 year	3 year	5 year	10 year
Fund RM Class (%)	0.95	-4.48	-1.45	-12.98	-3.11	46.05	50.92
Benchmark in RM (%)	-0.90	-3.59	-1.98	-7.76	-1.00	51.02	62.23

Calendar year returns*

	2020	2021	2022	2023	2024
Fund RM Class (%)	22.67	7.05	-17.54	17.43	-5.91
Benchmark in RM (%)	22.57	5.39	-17.07	15.90	0.31

*Source: Lipper; Past performance is not necessarily indicative of future performance. The performance is calculated on NAV-to-NAV basis.

Top 5 holdings

No.	Security name	% NAV
1	Samsung Electronics Co., Ltd.	6.9
2	SK hynix Inc.	4.3
3	CSL Limited	4.2
4	BHP Group Ltd	4.2
5	ASE Technology Holding Co., Ltd.	2.9

Highest & lowest NAV

	2022	2023	2024
High	0.4809	0.4626	0.5140
Low	0.3744	0.3917	0.4001

Distribution by financial year

	2022	2023	2024
Distribution (Sen)	-	-	3.26
Distribution Yield (%)	-	-	7.1

Asset/sector allocation

No.	Asset/sector name	% NAV
1	Information Technology	30.4
2	Consumer Discretionary	14.1
3	Materials	12.5
4	Healthcare	10.8
5	Industrials	10.3
6	Energy	5.7
7	Communication Services	5.0
8	Consumer Staples	3.3
9	Real Estate	2.6
10	Cash & Cash Equivalents	5.3

Geographical allocation

No.	Geographical name	% NAV
1	China	20.4
2	Australia	20.1
3	India	18.3
4	Others	35.9
5	Cash & Cash Equivalents	5.3

Manulife Investments

April 2025
Factsheet

Manulife Investment Shariah Asia-Pacific ex Japan Fund

Market review

Asia Pacific ex Japan equities posted slight losses for the month on the back of heightened global trade policy uncertainty. With the US Fed on pause in its March meeting, markets focused on growth concerns in the US, new 25% tariffs imposed by the US on autos and component imports, and reciprocal tariffs on US bilateral trading partners to be released in early April. This cocktail of uncertainty, coupled with concerns over the growth prospect of AI supply chain with the release of more efficient AI models, catalyzed a global sell-off in tech, which adversely impacted Taiwan and Korea equities. The specter of reciprocal tariffs also negatively affected Asian markets boasting bilateral trade surpluses with the US. As a result, India emerged as an outperformer amid volatility due to the potentially lower impacts from US tariffs, while China equities rose on stimulus policies.

China equities posted gains. The government laid out key economic targets across various areas, with domestic demand as the key economic driver in 2025. It includes setting the GDP growth target at “around 5%” and budget deficit ratio at “around 4% of GDP”, announcing special local government bond and special sovereign bond for supporting banking sector liquidity. Meanwhile, it released a 30-point consumption stimulus plan. On the economic front, most macroeconomic data for February came in better-than-expected.

Taiwan equities pulled back along with market concerns over US tariff and AI supply chain. In the meantime, a leading semiconductor company announced large-scale investments into US to mitigate potential tariff impacts.

Korea equities moved lower. Equities were weighed by the US’s 25% tariffs on automobiles and components, as well as concerns over further reciprocal tariffs. As a result, semiconductors, chemicals, metals, auto, and electrical stocks posted losses.

India equities moved higher. Upgrades to projected earnings across most sectors, coupled with a dovish Reserve Bank of India amid lower-than-expected February inflation, buoyed markets. Additionally, net foreign buying by foreign institutional investors supported markets.

ASEAN equities posted mixed performance. Indonesia equities moved higher. Equities have been weighed by concerns over weaker consumption amid central government’s efficiency program. However, markets subsequently reversed the losses as regulators eased share buyback rules to support the stock market. Philippines equities posted gains, supported by favorable earnings and lower-than-expected February inflation. Singapore equities extended the gains, fueled by optimism over favorable government policies in boosting the domestic equities market. Malaysia equities moved lower, weighed by net foreign outflows given weaker sentiment. Thai equities retreated on the back of tariff and growth concerns, as well as stock market suspension amid earthquake impact towards the end of month.

Australian equities posted losses. The Reserve Bank of Australia kept rates paused at 4.10% as expected.

Market outlook

On 2 April 2025, US President Trump announced sweeping tariff increases across the world. The move signifies the most significant unilateral shift in American trade policy since the Smoot-Hawley Tariff Act of 1930 and casts doubt on the long-standing U.S. commitment to open markets. The move potentially marks the end of the rules-based trading system that has underpinned global commerce since World War II.

The fate of the open world trading system now rests with responses from officials in these major economies, whether they choose the path of managed recalibration of global trade through negotiations with the US or retaliate and prepare to decouple from the US.

The resulting uncertainty – around retaliation, recalculation, and redirection of trade flows – complicates decision-making and planning by international business. Elevated levels of policy uncertainty will weigh on corporate confidence and consequently capex and trade.

Over in Asia, we expect economists to lower growth forecasts for many Asian economies in response to the sharp tariff increases. This will be followed by cuts in earnings growth estimates for FY2025e[1] and FY2026e[1] as trade and investment activities slow. In the months ahead management of companies will be occupied with recalibrating, recalculating and repositioning their strategies to mitigate the impact and risk of significant disruption in global trades.

The US tariffs hit China the hardest. The US government has effectively raised the average US tariff rate on Chinese products to c. 65%. China retaliated by imposing 34% tariffs on all imports from the US. The level of tariffs imposed against each other by China and the US is prohibitive to US-China trade, raising the prospect of decoupling between the two nations. Externally, we see heightened earnings risks among companies who adopted the “China+1” strategy in the past few years as tariffs imposed in South East Asia and Mexico would make it less economically attractive and competitive to produce and export under the current tariff regime. This may add to challenges of these companies recovering the returns on invested capital. Amid a challenged outlook for export and trade, we expect growth policies to turn inward. Import substitution trend is expected to accelerate and government policies aiming at driving domestic consumptions are imperative to sustaining China’s economic growth.

Southeast Asian nations are hit disproportionately under the new tariff regime, with Vietnam facing a staggering 46% additional tariff increase, Cambodia 49% and Thailand 36%. Tariff increases on this scale effectively upends “China+1” strategies and make Asian exports less attractive compared to production in Canada and Mexico. The shift in relative competitiveness may deter further FDIs in Southeast Asia. Recalibration and redirection of production can potentially post threat to employment and domestic consumption. Negotiations to lower import tariffs or reduce trade deficits with the US may reduce flexibility of governments to invest in growth projects domestically. In the near term we expect a more challenged outlook in Southeast Asia. In the longer term, we expect trade in the region will shift towards a more friendly bloc with free trade agreements, such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and Regional Comprehensive Economic Partnership (RCEP).

While India appears better placed relative to its Asian peers, we stay cautious and remain vigilant as impact of tariff on global trade and outcome of bilateral trade negotiations evolve over time.

[1]The above information may contain projections or other forward-looking statements regarding future events, targets, management discipline or other expectations. There is no assurance that such events will occur, and the future course may be significantly different from that shown here.

April 2025
Factsheet

Manulife Investment Shariah Asia-Pacific ex Japan Fund

Fund review and strategy

The Fund outperformed the benchmark in March on the back of stock selection at the sector level. Stock selection in Australia, Korea and Indonesia and the underweight to Taiwan were the primary contributors. Stock selection in China, Taiwan and India and the underweight to India were the primary detractors.

Contributing to performance was an Australia gold miner. The stock was supported by favorable gold price, as well as better-than-expected 1H FY2025 results and interim dividends. Another contributor was an Indian consumer staples company. The stock rebounded on expectation over turnaround in the domestic home care segment as well as continuous steady growth in the international business thanks to marketing efforts and improving operational efficiency.

Detracting from performance was a Taiwanese semiconductor manufacturer, which pulled back on profit-taking post favorable earnings results. Another detractor was a Taiwanese electronic component manufacturer, which was weighed by softer-than-expected Q4 2024 results mainly attributable to one-off factors. The management remains positive on demand drivers from AI server power and rising liquid cooling adoption.

The portfolio continues to favor structural growth names such as those involved in the EV supply chain within China, renewables and Chinese domestic tech that benefit from its ongoing need to develop greater technological self-sufficiency. We have balanced this approach with an emphasis on relative earnings certainty in sectors such as telecommunications and consumer staples. We will look to take advantage of any volatility that leads to indiscriminate selling in companies whose earnings fundamentals remain solid despite changes in trade policy. While ASEAN looks inexpensive at present, we remain underweight given political uncertainties and the recent tariff uncertainty might dampen foreign direct investment (a key growth driver) until this is clarified.

Based on the Fund's portfolio returns as at 28 Feb 2025 the Volatility Factor (VF) for the Fund is as indicated in the table above and are classified as in the table (source: Lipper). "Very High" includes Funds with VF that are above 16.355, "High" includes Funds with VF that are above 11.955 but not more than 16.355, "Moderate" includes Funds with VF that are above 9.075 but not more than 11.955, "Low" includes Funds with VF that are above 4.915 but not more than 9.075 and "Very Low" includes Funds with VF that are above 0.000 but not more than 4.915 (source:FiMM). The VF means there is a possibility for the Funds in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified Funds. VF and VC are subject to monthly revision or at any interval which may be prescribed by FIMM from time to time. The Fund's portfolio may have changed since this date and there is no guarantee that the Funds will continue to have the same VF or VC in the future. Presently, only Funds launched in the market for at least 36 months will display the VF and its VC.