

Fund Focus: Maybank Global Mixed Assets-I Fund

Maybank Asset Management has already raised RM100 million (US\$24.3 million) for its Maybank Global Mixed Assets-I fund designed to provide a 6% return despite the current volatile market conditions. MARC ROUSSOT writes.

Amid global volatility, characterized by the ongoing US-China trade war and rising tensions in the Gulf, Maybank Asset Management has launched a new Shariah compliant fund invested globally through an array of asset classes.

“Recently, investors in both equities and fixed income markets have been faced with high levels of volatility due to the uncertainties surrounding the trade war, geopolitical tensions and weaker economic growth. Therefore, by investing in a global mixed asset fund with a flexible and dynamic asset allocation, investors are able to target a more diversified approach, seeking attractive opportunities across global markets and asset classes despite the challenging market environment,” shares

Ahmad Najib Nazlan, CEO of Maybank Asset Management.

The Global Mixed Assets-I Fund adopts an asset allocation approach tapping sovereign and corporate Sukuk, equities, REITs and exchange-traded funds based on gold, to name a few.

As for equities, the asset manager is mainly looking at a handful of sectors including technology for long-term secular growth, healthcare for non-cyclical growth in a recovering sector and industrials for attractive bottom-up opportunities.

On the fixed income side, the fund will be diversified to risk factors such as duration strategy, interest rate movements, region/country and sector. Currently, the bulk of its Sukuk investments are in the UAE, Malaysia and Saudi Arabia, mainly in the sovereign and banking sector.

“The extreme low rates in US treasuries recently have supported rising demand

for high-yielding and high-quality investments. Therefore, this conducive environment for the fixed income markets provides an opportunity for us to trade and enhance the overall returns, while cushioning the portfolio with good running yields. Furthermore, our structured and diligent process in screening the Sukuk enables us to weather any potential market weaknesses in the long term,” Ahmad Najib says, adding that Maybank Asset Management is planning to launch more Islamic and conventional global and regional fixed income and equity funds.

Launched on the 17th June 2019, the Global Mixed Assets-I Fund is targeting a 6% yield per year and expects to grow its assets under management to RM1 billion (US\$241.72 million) in the next five years. ☺

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Table 1: Key features of the fund

Name of the fund	Global Mixed Assets-I Fund
Fund manager	Maybank Asset Management
Launch date	17 th June 2019
Fund category	Mixed assets
Investment objective	The fund seeks to achieve a target net return of 6% per annum in US dollar terms over the medium to long term.
Asset allocation	About 30–80% of the fund’s net asset value (NAV) in Shariah compliant equities and Shariah-compliant equity-related securities About 20–60% of the fund’s NAV in Sukuk Up to 20% of the fund’s NAV in Islamic collective investment schemes Up to 20% of the fund’s NAV in Islamic liquid assets
Geographical exposure	Global
Investor profile	The fund is designed for investors who seek potential long-term growth and opportunities to invest in a diversified global portfolio of Shariah compliant assets and are willing to tolerate the risks associated with investing in global Shariah compliant assets with a long-term investment horizon.
Benchmark	Absolute return of 6% per year (in US dollar terms) of the fund’s NAV, net of fees, over the medium to long term.

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