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Maybank AM debuts flexible shariah retirement solution in Malaysia

By Ysrael Dumasig February 16, 2022

Maybank Asset Management is debuting its first shariah-compliant flexible retirement solution in Malaysia that can provide local investors with the option to choose and switch between two funds and share classes.

The new retirement solution comprises the Maybank Global Wealth Moderate-I Fund and Maybank Global Wealth Growth-I Fund, and will invest in a diversified portfolio of shariah-compliant global assets.

The two funds aim to generate capital growth over the medium to long term, targeting a return of 6% to 8% annually, the fund firm says in a statement. The moderate fund is available in Malaysian ringgit-hedged accumulation and Malaysian ringgit-hedged distribution classes, while the wealth option is offered in a Malaysian ringgit-hedged accumulation class.

According to the firm, with its new retirement solution, Malaysian investors for the first time can choose and switch between the moderate and wealth schemes and share classes to better match their risk appetite throughout various life stages and plan their retirement better.

“Planning for retirement starts whenever you are ready, regardless of your life stage. And because life can be unpredictable, it is important that your retirement plan is geared towards attaining your goals, while still being flexible enough for changes along the way,” says Najib Nazlan, Maybank AM Group and Malaysia CEO.

Schroder Investment Management Singapore is tapped as the investment advisor for the new solution. The U.K.-headquartered fund firm has been partnering with Maybank AM to develop specialised investment solutions since 2018, including the shariah-compliant environmental, social and governance funds in the country.

Lily Choh, Schrodgers Singapore CEO, cites the impact of the pandemic as the reason to take retirement planning into careful consideration.

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pandemic, and half of the respondents have not changed their expected retirement age,” Choh says.

Maybank AM’s new shariah-compliant retirement funds come almost three years after it rolled out its first global shariah-compliant multi-asset fund, which is also advised by Schroders.

Just recently, Maybank AM joined hands with T. Rowe Price to roll out a dedicated China

equities strategy in Malaysia that bets on Chinese firms poised for growth.

The new retirement solution also comes after the Malaysian regulator released a series of new regulations in 2020 to encourage greater participation in funds investing, including new measures in February 2020 to allow certain private pension funds to invest in foreign markets, as well as in alternative asset classes.

Then in December last year, the financial watchdog put out an updated version of its unit trust fund framework that will enable asset managers to create more innovative retail funds.

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