

Maybank Asset Management Launches New Decumulation Fund Offering Retiree Investors Peace Of Mind

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Maybank Asset Management Sdn Bhd today (Feb 14) announced the launch of a Shariah-compliant multi-asset Maybank Global Wealth Conservative-I Fund.

The new Fund joins the Maybank Global Wealth Moderate-I Fund and Maybank Global Wealth Growth-I Fund in the suite of Maybank Flexible Retirement Solution offerings launched last year.

The enhanced suite of Maybank Flexible Retirement Solution provides investors, across different life stages, distinct lifestyles and retirement needs, the flexibility and access to Shariah-compliant flexible retirement-focused solutions to supplement and diversify their retirement planning. The solution incorporates dynamic asset allocation and downside risk management, which is crucial in ensuring stability for investors when saving for retirement in the medium to long term.

Retirement planning has become more difficult in Malaysia as a consequence of the pandemic and EPF stimulus withdrawals. An estimated four to six years are now needed to rebuild lost savings for retirement. With longer life expectancy and

higher cost of living due to inflation, market volatility and recession risks looming, Malaysians require a flexible retirement solution to ensure financial stability in their later years.

The new decumulation fund aims to deliver higher income payouts while drawing down capital to convert assets to income systematically. This new approach supplements income post-retirement or even temporary time off from the workforce.

The Fund aims to achieve an income distribution of 7% per annum. Remaining assets continue to be invested in seeking returns, giving investors the opportunity to continue to build their retirement nest egg further. This provides investors with peace of mind, knowing that they have a regular source of income stream post retirement. In addition, investors have unparalleled access to a diversified portfolio of Shariah-compliant global assets.

To achieve its investment objective, the asset allocation for the Fund will comprise minimum of 70% in Sukuk with the remainder invested in Equities and Cash.

With close to two decades of supporting the Malaysian investment community, Schroder Investment Management (Singapore) Ltd (“Schroders”), is the solution’s Investment Adviser. Schroders manages over RM4 trillion of assets (as of 30 Jun 2022) globally and is one of Malaysia’s biggest offshore providers of Shariah solutions. Investors in the fund will benefit from the deep experience of Schroders’ multi-asset investment team, which comprises 90 dedicated investment professionals across the globe, with an established 30-year track record.

The Maybank Global Wealth Growth Conservative-I Fund and other funds in the Maybank Flexible Retirement Solution are available exclusively at Maybank branches nationwide.

Ahmed Muzni Mohamed, Chief Executive Officer, Maybank Asset Management Malaysia, said, “Retirement planning remains a problem in Malaysia. Most of us only think about retirement only when we get older. Given the continuous rise in cost of living and inflation, we need to inculcate the importance of supplementing

our existing retirement savings as early as possible to ensure a financially secure retirement.”

“The beauty of Maybank’s Flexible Retirement Solution is that we have reframed the traditional age-based approach to retirement planning and made it appealing to a wider audience segment by designing solutions based on understanding and targeting Malaysians various life stages, time horizons and financial goals. Our Funds certainly gives Malaysians more flexibility and choice to start planning.”

He reiterated “Investors of different segments will be able to choose what levels of risk to take, i.e. growth, moderate or conservative and have the flexibility to decide on how their retirement planning should fit their life goals and needs. Now with our decumulation fund, it supplements one’s income post-retirement, by providing higher income pay-outs. This helps in their income stability and longevity protection of their savings, giving them a peace of mind to continue with a quality life without worrying about finances.”

Lily Choh, CEO of Singapore, Schrodgers, said, “At the heart of retirement planning is financial security and peace of mind to enjoy our later years. We are delighted to partner with Maybank Asset Management to develop an innovative strategy that focuses on providing a reliable income stream to fund current and future needs. This solution is built on Schrodgers’ strong track record and extensive world-class institutional capabilities in managing pension schemes.

The addition of the fund to the current suite of Shariah retirement solution reflects our strong commitment to support the retirement planning journey of Malaysian investors.”

MAM Malaysia and Schrodgers have been co-developing a range of specialised investment solutions since 2018, including Shariah-compliant Environmental, Social and Governance (ESG) funds for the growing wealth market in Malaysia.

Maybank Global Wealth Conservative-I Fund is offered in MYR-Hedged Decumulation Class. Investors can purchase units in the Funds at a minimum initial investment of RM1,000 and make additional investments at a minimum of RM100.

To know more about the Fund, investors can visit www.maybank-am.com.my or invest through Maybank branches nationwide.

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