

Maybank, JP Morgan Asset Management Launch “All-Weather” MAMG Global Dividend Fund (Updated)

By Chong SM - July 12, 2023



Maybank Asset Management Sdn Bhd (“MAM”), fully owned by Maybank Asset Management Group (“MAMG”), in collaboration with J.P. Morgan Asset Management, one of the world’s leading investment managers with US\$2.67trillion in assets under management, today launched the MAMG Global Dividend Fund (“the Fund”).

The Fund is a feeder fund that aims to achieve capital and income growth by investing in the JPMorgan Investment Funds – Global Dividend Fund (“the Target Fund”), managed by JPMorgan Asset Management (Europe).

The Target Fund invests in quality global equities across the yield spectrum, from high dividend yield stocks, dividend growth stocks to steady compounders, which generates high and rising income while it also diversifies portfolio returns. According to a report by JP Morgan, this exposes the fund to risks related to equity, emerging markets, concentration, currency, liquidity, derivative, hedging and currency hedged share classes.

Supreet Bhan, Head of Southeast Asia Funds, J.P. Morgan Asset Management, said, “We are pleased to partner with MAM to bring our global investment

capabilities to investors in Malaysia. Having defensive and quality characteristics in portfolios is becoming important as we face looming recession risks and persistent high inflation. A strategy like this is positioned to navigate market volatility with classic dividend-paying sectors being able to weather downturns better. It is also worth noting that currently the valuations of high-dividend-paying equities are relatively attractive compared to lower yielding equities and active management is key in identifying such opportunities.”

The Fund seeks to deliver consistent income and potential capital growth from a portfolio of high quality global dividend stocks across the yield spectrum.

The Fund will invest a minimum of 90 per cent of its net asset value in the Target Fund, suitable for investors who plan to invest for the medium to long term; and are willing to tolerate the risks associated with investing in the Target Fund.

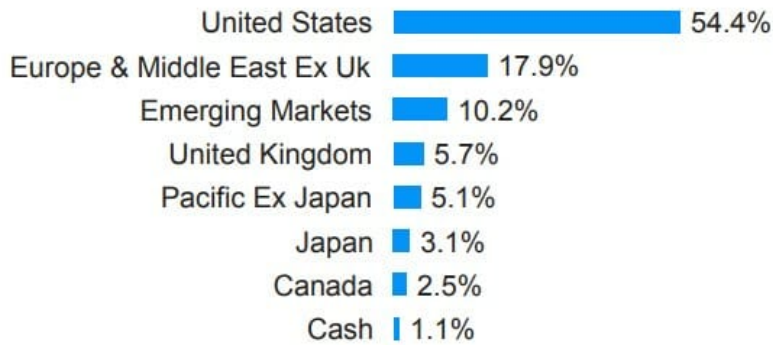
Supreet said the JPMorgan Investment Funds – Global Dividend Fund focuses on companies within three categories—high dividend growth, compounders, and high dividend yield. High dividend growth companies exhibit features such as a proven business model, low current payout ratio and long runway for material earnings growth. AI and big data companies make up some of them.

On the other hand, the compounders have a long track record of dividend growth, with the capacity and willingness to grow future dividends as well as present attractive opportunities for underlying earnings growth. Companies in this list include e-commerce, logistics, electric vehicles and self driving cars.

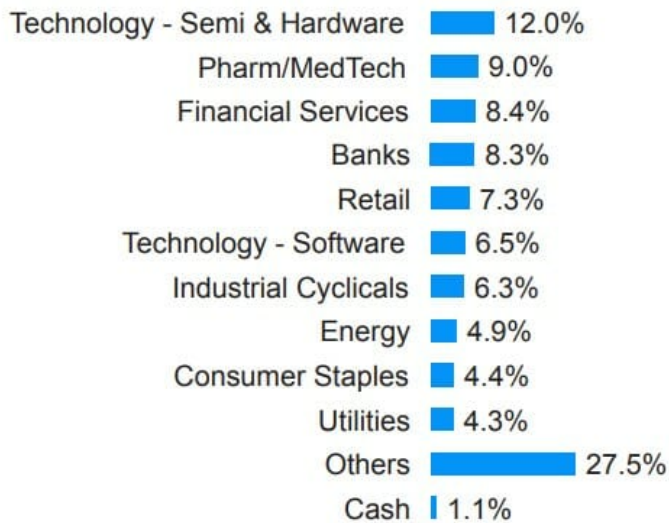
Companies with high dividend yield provide high payouts continuously, strong free cash flow generation, and a resilient business and financial model. Among them are those in the healthcare, innovation and financial technology leaders.

Portfolio Breakdown

Market



Sector



Portfolio breakdown as at May 31, 2023

“The fund is able to participate when the market goes up, and is able to preserve some part of the capital when the market falls down,” Supreet said, adding that the 5 year up market capture ratio is at 96.7% while the 5 year down market capture was at 78.8%.

The base currency of the Fund is in USD and is offered in five (5) currency classes, namely USD Class, MYR Class, MYR-Hedged Class, AUD-Hedged Class and SGD-Hedged Class.

The minimum investment amount is USD 1,000 for USD Class, RM 1,000 for MYR and MYR-Hedged Class, AUD 1,000 for AUD-Hedged Class and SGD 1,000 for SGD-Hedged Class.