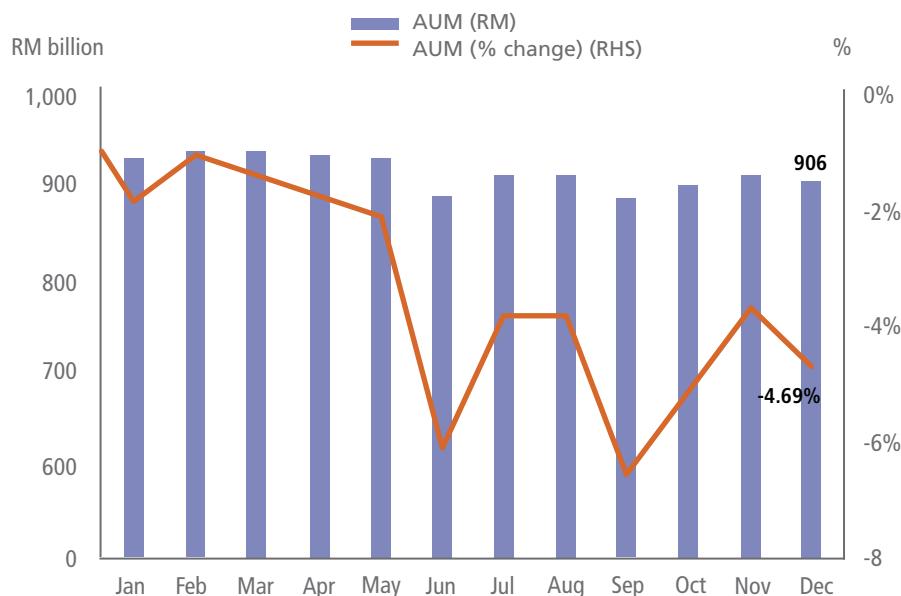


INVESTMENT MANAGEMENT

AUM for the fund management industry stood at RM906.46 billion as at end of December 2022 (Chart 1), recording a decrease of -RM44.59 billion, or -4.69% from 2021's AUM of RM951.05 billion. This was largely due to a reduction in the market value of assets in line with sluggish global markets as assets were mainly allocated in equities (47.59%, 2021: 49.20%), followed by fixed income securities (23.25%, 2021: 22.05%) and money market (14.81%, 2021: 15.40%).

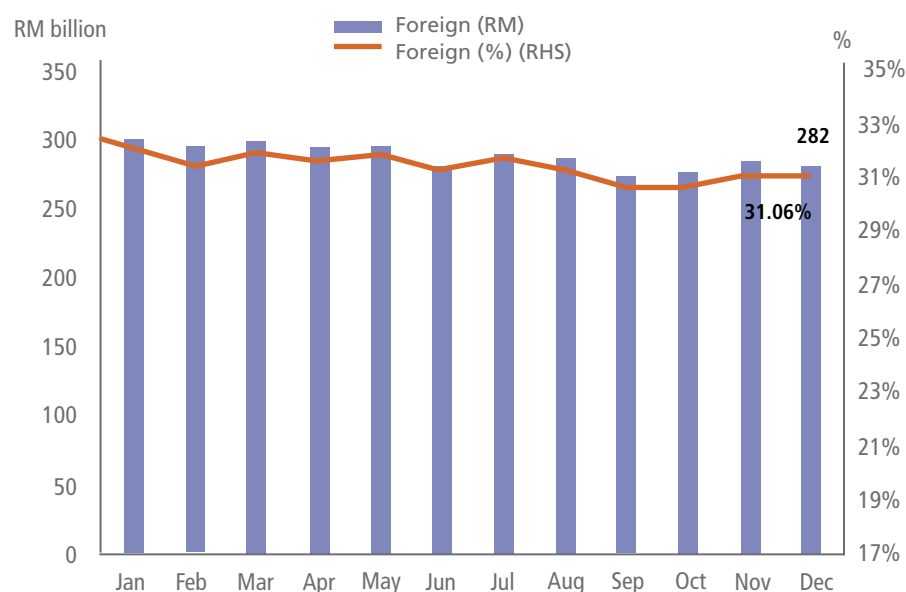
Allocation in foreign assets decreased by -RM30.05 billion to RM281.59 billion (Chart 2), while the allocation in local assets dropped by -RM14.54 billion to RM624.87 billion (Chart 3) mainly due to net redemptions in money market funds and weaker market valuations.

CHART 1
AUM



Source: The SC.

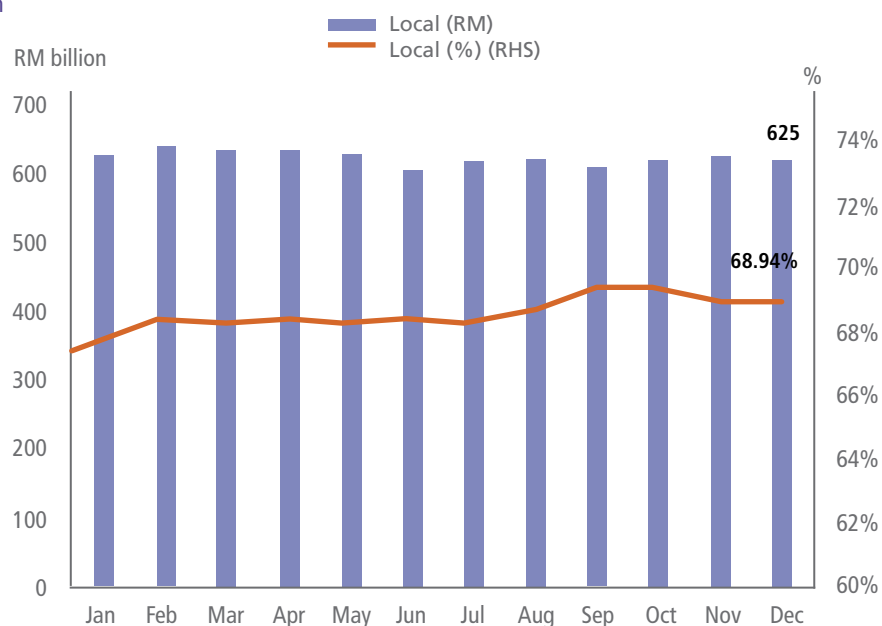
CHART 2
Foreign AUM allocation



Source: The SC.

CHART 3

Local AUM allocation

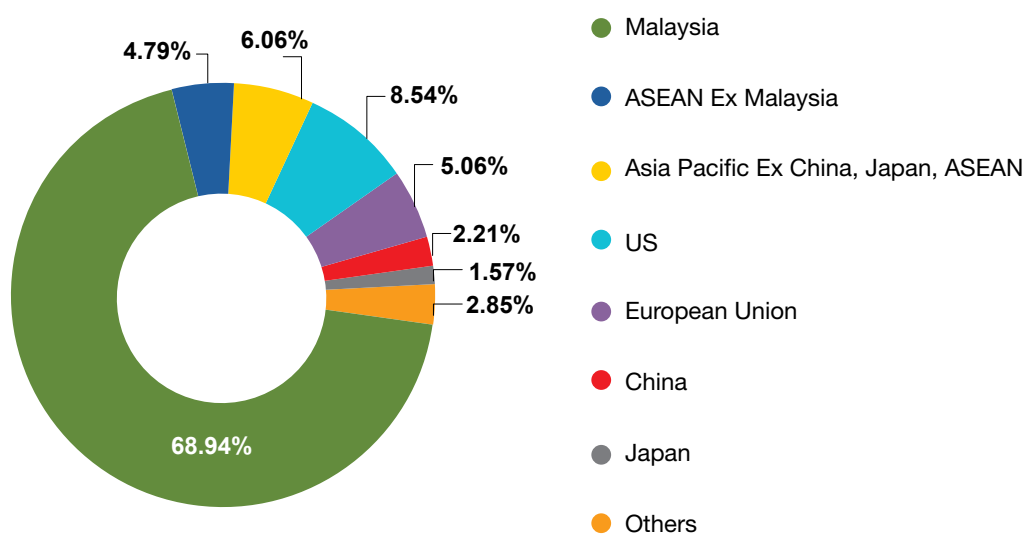


Source: The SC.

Foreign AUM allocation was primarily concentrated in the US, Asia Pacific Ex China, Japan and ASEAN and European Union (Chart 4).

CHART 4

AUM allocation by region



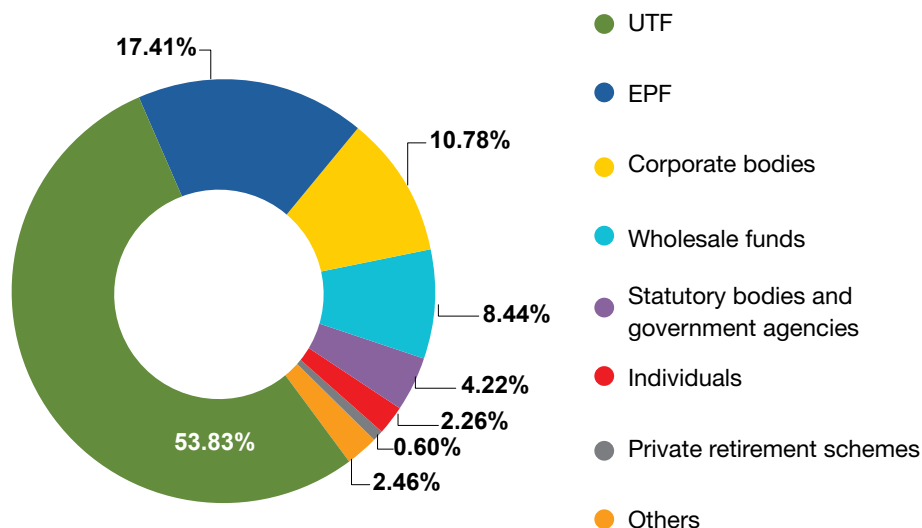
Source: The SC.

Note:

* The numbers may not add up due to rounding.

UTF remained the largest source of AUM at 53.83% (2021: 55.40%), followed by the Employees Provident Fund (EPF) at 17.41% (2021: 17.34%) and corporate bodies at 10.78% (2021: 9.97%) (Chart 5).

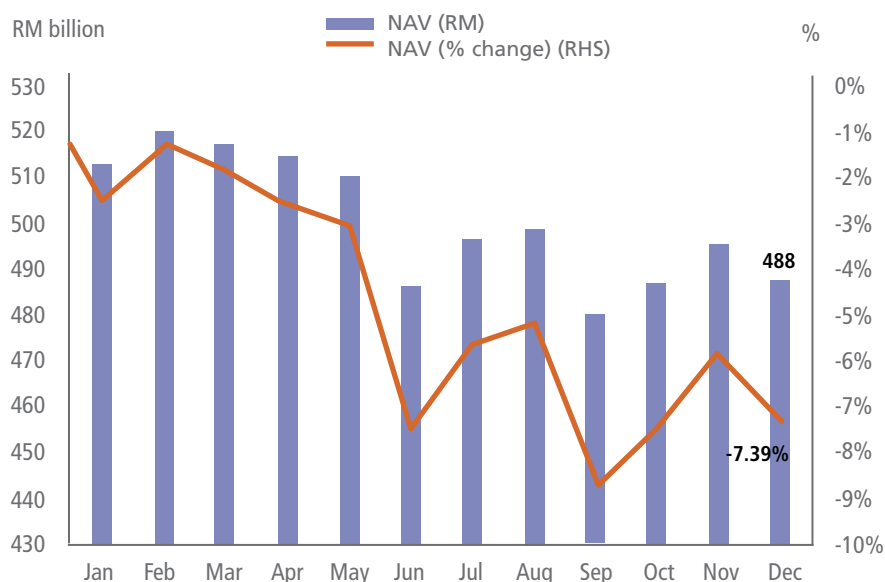
CHART 5
Sources of AUM



Source: The SC.

UTF's NAV stood at RM487.94 billion as at December 2022 (Chart 6), a decrease from RM526.90 billion in December 2021. This was driven by a drop in asset values, consistent with equity market weakness and the overall movement of AUM.

CHART 6
UTF NAV



Source: The SC.

Fund managers have in place adequate liquidity risk management processes to ensure sufficient liquidity in the funds to manage redemptions in an orderly manner. UTFs recorded a net redemption of -RM9.60 billion³ as at December 2022, comprising gross sales of RM239.56 billion³ and gross redemptions of -RM249.16 billion (2021: net sales of RM15.92 billion)³, mainly driven by net redemptions in money market funds.

³ Include reinvestment of distribution.