

PNB looks at long-term, sustainable returns for unitholders

FROM P1

The government-linked investment institution announced an income distribution of 4.25 sen per unit, plus an "Ehsan" payment of 0.75 sen for the first 30,000 units of ASB for the financial year ending Dec 31, 2020 (FY20).

The ASB income distribution comprises 3.5 sen distribution and 0.75 sen of base bonus, totalling 4.25 sen, which is the lowest return since its launch in 1990.

The 4.25% income distribution outperformed Malayan Banking Bhd's fixed deposit rate by 2.4%, which stood at 1.85% as of Dec 20 that ASB was benchmarked against.

The 0.75 sen Ehsan payment for the first 30,000 units is made in conjunction with the 30th anniversary of ASB, PNB's flagship fixed-price unit trust fund.

Zeti said the effect of the special payment will be most pronounced for those with 30,000 units and below as they will enjoy an effective distribution rate of 5% on their unit holdings.

The PNB, via its wholly owned unit trust company, Amanah



By Razak Ghazali

ASNB also declares an income distribution of 2.02 sen per unit for ASN fund for FY20 with a total income distribution payout of RM36.6m

Saham Nasional Bhd (ASNB), said the total payout for the ASB income distribution will amount to RM7.6 billion and benefit 10.2 million unitholders who own 173.2 billion units.

ASNB also declared an income distribution of 2.02 sen per unit for Amanah Saham Nasional

(ASN) fund for FY20 with a total income distribution payout of RM36.6 million.

It reflected a dividend yield of 3.18% based on the net asset value of the fund as of Dec 31, 2020.

The total payout of RM36.6 million will benefit 1.21 million unitholders with total investments

amounting to more than 1.8 billion units.

In comparison, PNB declared income distributions of 5.5 sen per unit for ASB and 2.75 sen per unit for ASN for FY19.

Despite the lower income distribution, PNB grew its overall assets under management by 2.7% to RM320.5 billion as of Nov 2020.

The units in circulation have surpassed 170 billion units.

The total units in circulation for its 15 funds grew by 3.4% to 263.2 billion units, with more than 200,000 new accounts registered for the year, bringing the total number of accounts to 14.5 million, with 12.2 million unique account holders.

Following the diversification strategy, Zeti said ASB's investment in international public equity increased to 5.9% as of November 2020 compared to 3.6% in 2019.

Overall, ASB's international exposure and investments into other asset classes, such as fixed income, real estate and private equity, increased to 16% from 10% in 2019.

The portfolio rebalancing is now bearing fruit with the proportion of gross income contribution from international public equity for the first 11 months of ASB's financial year increasing from 6.3% in 2019 to 24.2% in 2020.

"The higher return from international equities for the year has cushioned the lower returns from other asset classes," Zeti added.

Meanwhile, PNB president and group CEO Ahmad Zulqarnain Onn said financial markets are expected to continue to be volatile next year as the risks surrounding the path of recovery remain prevalent, particularly on trade talks, challenges in global supply and deployment of Covid-19 vaccine.

"PNB will continue to remain focused on the execution of its long-term strategy. The positive results which we have seen from diversification will propel PNB to continue building a resilient investment portfolio, which would enable us to generate long-term sustainable returns to our unitholders," he said.