FBM KLCI ETF

(FBM30 MK EQUITY, FBMT.KL) **03 September 2025**

Bursa ETF Watch: Resilient banks, sustained interest in AI-DC theme and gov-supported domestic demand

ETF Report

HOLD

(Maintained)

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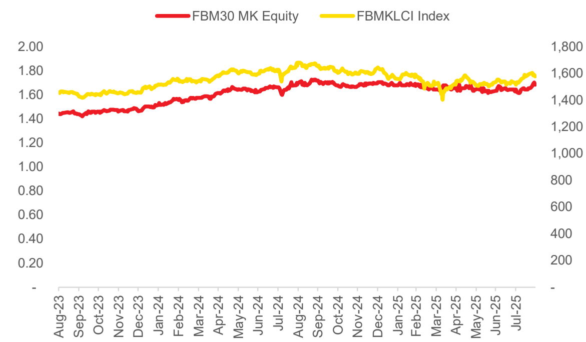
Rationale for report: ETF update

Price	**RM1.69**
Target Price	**RM1.80**
52-week High/Low	**RM1.78/RM1.63**

Key Changes

Fair value



Source: Bloomberg

Stock and Financial Data

Units in Circulation (million)	3.344
Market Cap (RM mil)	5.53
NAV (RM/share)	1.67
P/NAV (x)	1.01
Premium/Discount (%)	1.20
MER (%)	0.59
Major Shareholders	n.a.
Free Float (%)	100

What is an ETF?

Exchange Traded Funds (ETFs), are open-end index tracking funds or trusts that are listed and traded real time on a stock exchange. An ETF is a security that tracks an index, a commodity or a basket of assets like an open-end investment fund, but trades on an exchange like a stock. Since ETFs are bought and sold on an exchange like shares, ETFs are priced and traded throughout the day. Essentially, ETFs combine the characteristics of an open-end fund and a stock.

What are the advantages of ETFs?

ETFs combine the benefits of stocks, unit trusts and index funds because they share common characteristics:

1. Easy access to diversification - own a basket of securities e.g. an entire market, country or region with a single trade.
2. Flexibility - buy and sell during trading hours just like a stock.
3. Low cost - low management fee and no upfront fee.
4. Transparency - you know what you are buying as the underlying securities are disclosed. Prices are available real-time throughout the trading day.
5. Liquidity - Investor can redeem units easily and obtain cash by the 2nd market day after trade date (T+2).
6. Affordability - For a small sum of money, you can invest in your desired securities investment.

BURSA ETF RESEARCH
YOUR GUIDE TO INVESTING

Fund description and objective: FTSE Bursa Malaysia KLCI exchange-traded fund (FBM KLCI ETF) is a passively managed index fund aiming to achieve a price and yield performance, before fees, expenses and tax, that should be generally similar to that of the FTSE Bursa Malaysia Large 30 Index, balanced with the need to facilitate liquidity provision. The fund invests all of its assets in the constituents of the benchmark index of Malaysia.

Investment Highlights

- We maintain our HOLD call on FTSE Bursa Malaysia KLCI ETF with a lower TP of RM1.80 (previously RM1.82) based on Am's TPs (for stocks under coverage) and consensus TPs (for stocks not under coverage/restricted). Our slightly lower TP is mainly due to revisions for Hong Leong Bank and Kuala Lumpur Kepong.
- During the 1H25, the Fund reported a net investment loss of RM254k, and a net loss of RM281k (after expenses). FV loss was RM371k, while dividend income was RM115k, a sharp decline from the RM270k net profit from 2H24, reflecting broad-based weakness across financials, consumer staples, utilities and energy, amid heightened global trade tensions and cautious investor sentiment.
- Our TP still offers a 7.8% premium to the current ETF market price backed by resiliency of banks, upside potential from AI-DC beneficiaries and sustained domestic demand

  i) **Public Bank**. We remain positive on Public Bank with a TP of RM5.20, backed by robust asset quality and loan loss coverage, synergistic opportunities from its 44.15% LPI Capital acquisition and attractive dividend payouts.

  ii) **YTL Power**. We have raised our TP for YTL Power to RM4.88 (from RM4.37) underpinned by long-term earnings growth from its AI data centres. We expect upside potential from commencement of operation at its Johor AI data centre and stronger-than-expected earnings from its Singapore power unit (Seraya).

  iii) **99 Speed Mart.** We have also raised our TP on 99 Speed Mart to RM2.90 (from RM2.60). favouring its business moat in the mini-market segment, strong bargaining power, and robust SSSG growth. 99 Speed Mart is also the prime beneficiary of the cost-of-living relief measures which will provide at least RM2.8bil in direct disposal income support.

EXHIBIT 1: FUND INFO

Date of inception	19-Jul-07
Shariah compliance	No
ISIN	MYL0820EA000
Stock code	0820EA
Short name	FBMKLCI-EA
BB ticker	FBM30 MK Equity
Benchmark index	FTSE Bursa Malaysia KLCI
Min tradable lot	100
Min creation/redemption value (mil)	1.398
Website	https://www.aminvest.com/fbmklcietf

Source: AmInvestment Bank, FBMKLCI - EA (as at 03-September-2025)

EXHIBIT 2: MANAGEMENT

Fund manager	AmFunds Management Berhad
Investment manager	AmInvestment Management Sdn Bhd
Trustee	HSBC (Malaysia) Trustee Berhad
Shariah Adviser	n.a.
Participating dealer	"Maybank Investment Bank Berhad AmInvestment Bank Berhad CGS-CIMB Securities Sdn Bhd
Market Maker	AmInvestment Bank Berhad Malacca Securities Sdn Bhd

Source: AmInvestment Bank, FBMKLCI - EA (as at 03-September-2025)

EXHIBIT 3: DIVIDEND YIELD

Year	Dividend (sen)	Yield (%)
2025 - YTD	4.35	2.59
2024	2.80	1.60
2023	3.04	1.99
2022	3.70	2.39
2021	5.20	3.27
2020	2.30	1.35

Source: AmInvestment Bank, FBMKLCI - EA (as at 03-September-2025)

EXHIBIT 4: MANAGER PERFORMANCE

Year	Tracking error (%)
1M	0.27
1Y	1.67
3Y	0.29
5Y	0.31

Source: AmInvestment Bank, Bloomberg

EXHIBIT 5: TOTAL RETURN

Year	Fund total return (%)	Benchmark performance (%)
2025 - YTD	-3.72	-4.05
2024	15.94	12.79
2023	-0.05	-2.74
2022	-1.37	-0.66
2021	-0.97	0.33
2020	4.09	5.69

Source: AmInvestment Bank, FBMKLCI - EA (as at 03-September-2025)

EXHIBIT 6: TOTAL RETURN

(RM '000)	1H25	1H24	YoY (%)	2H24	HoH (%)
Dividend income	115	118	(3.2)	115	(0.1)
FV gain/l(loss)	-371	452	n.m.	184	(301.7)
Interest income	3	2	23.0	2	16.0
Investment income	**-254**	**572**	**n.m.**	**301**	**n.m.**
Expenses	-28	-30	(5.7)	-31	11.1
Pretax profit	**-281**	**543**	**n.a.**	**270**	**n.a.**
Taxation	-	-	n.a.	-	n.a.
Net profit	**-281**	**543**	**n.m.**	**270**	**n.m.**

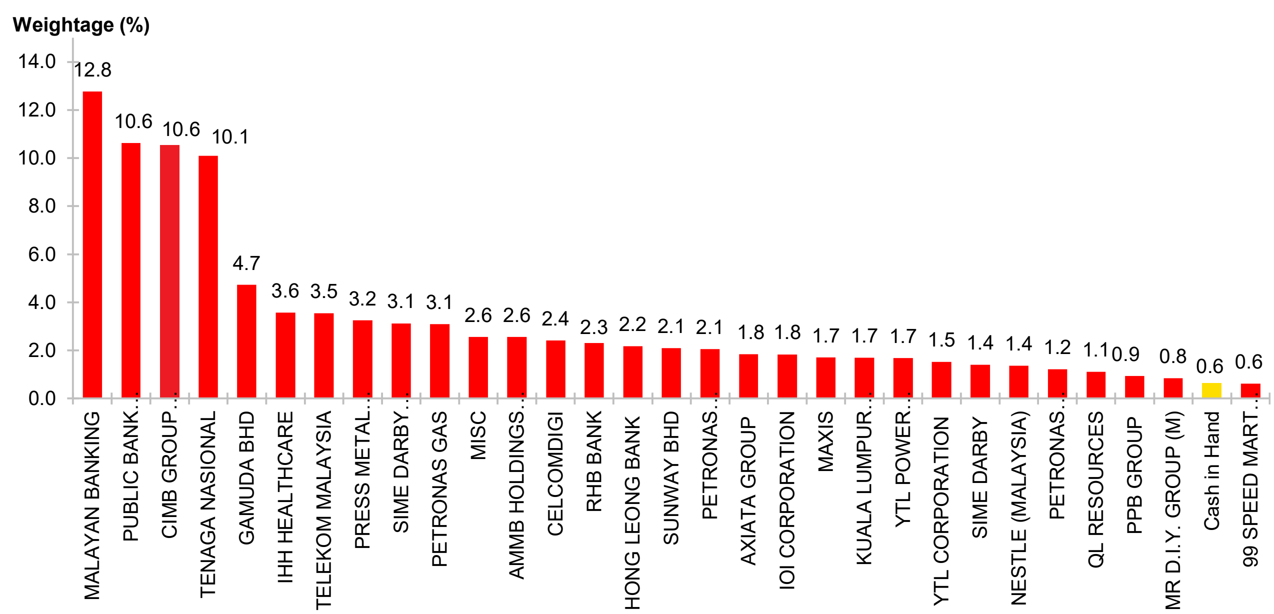
Source: AmInvestment Bank, FBMKLCI - EA (as at 03-September-2025)

EXHIBIT 7: FBM KLCI ETF– NAV AND FV

Stock	No. of shares	Share Price (RM)	Market Value (RM)	TP (RM)	Source	Target Value (RM)
PRESS METAL ALUMINIUM HOLDINGS	32,646	5.56	181,512	6.37	Consensus	207,955
PPB GROUP	5,643	9.35	52,758	16.65	AmBank	93,948
RHB BANK	19,749	6.54	129,157	7.58	AmBank	149,696
CIMB GROUP HOLDINGS	79,398	7.43	589,930	8.11	AmBank	643,921
HONG LEONG BANK	6,046	20.08	121,395	23.75	AmBank	143,582
MALAYAN BANKING	72,144	9.90	714,223	9.30	AmBank	670,936
PUBLIC BANK	139,048	4.27	593,735	5.20	AmBank	723,049
PETRONAS CHEMICALS GROUP	26,600	4.33	115,180	4.70	AmBank	125,022
PETRONAS GAS	9,270	18.64	172,790	18.60	AmBank	172,419
CELCOMDIGI	36,676	3.68	134,969	3.85	AmBank	141,204
IOI CORPORATION	26,600	3.86	102,678	4.05	AmBank	107,732
KUALA LUMPUR KEPONG	4,836	19.68	95,181	20.70	AmBank	100,114
AXIATA GROUP	42,722	2.42	103,387	1.95	AmBank	83,308
IHH HEALTHCARE	29,422	6.79	199,774	8.60	AmBank	253,027
MAXIS	27,407	3.50	95,923	4.20	AmBank	115,107
MISC	19,346	7.42	143,546	8.52	AmBank	164,826
PETRONAS DAGANGAN	3,224	21.18	68,291	21.44	Consensus	69,129
SIME DARBY	37,886	2.07	78,423	2.05	Consensus	77,665
TELEKOM MALAYSIA	28,213	7.02	198,053	6.60	AmBank	186,203
TENAGA NASIONAL	42,722	13.20	563,930	14.18	AmBank	605,797
SD GUTHRIE	34,661	5.05	175,039	4.89	AmBank	169,493
NESTLE (M)	806	95.02	76,593	73.00	AmBank	58,843
MR D.I.Y. GROUP (M)	31,437	1.50	46,998	1.90	AmBank	59,730
QL RESOURCES	15,315	4.10	62,793	4.55	Consensus	69,685
YTL CORPORATION	33,452	2.56	85,637	2.88	Consensus	96,342
YTL POWER INTERNATIONAL	23,376	4.03	94,206	4.88	AmBank	114,076
SUNWAY	23,779	4.92	116,994	5.39	Consensus	128,170
GAMUDA	47,558	5.56	264,425	5.50	Ambank	261,571
99 SPEED MART RETAIL HOLDINGS	13,703	2.52	34,532	2.90	AmBank	39,739
AMMB HOLDINGS	26,600	5.39	143,377	6.02	Consensus	160,135
Cash In Hand			35,406			35,406
NAV			**5,590,834**			**6,027,835**
NAV/unit			**1.67**			**1.80**

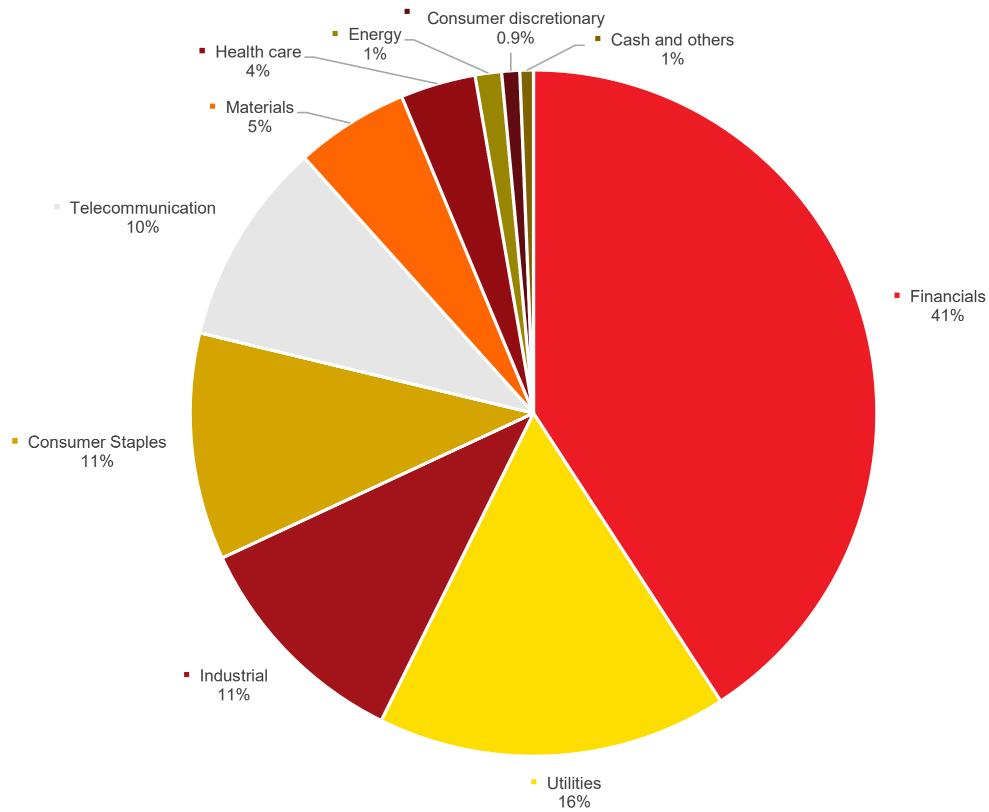
Source: Bloomberg, AmInvestment Bank, FBMKLCI- EA *(as at 03-September-2025)*

EXHIBIT 8: FBM KLCI ETF– NAV AND FV



Source: Bloomberg, AmInvestment Bank, FBMKLCI- EA *(as at 03-September-2025)*

EXHIBIT 9: FBMKLCI-EA - SECTORAL WEIGHTING (%)



Source: FBMKLCI-EA, AmInvestment Bank (as at 03-September-2025)

EXHIBIT 10: PERFORMANCE

Total return (%)	1M	3M	6M	1Y	3Y	5Y
Price	1.20	0.00	-2.33	-2.61	9.09	3.70
NAV	1.58	1.38	1.00	-3.13	8.81	-0.06
Benchmark	2.84	2.35	1.30	-2.98	5.67	-1.68

Source: Bloomberg (as at 03-September-2025)

EXHIBIT 11: GLOSSARY

Creation Application	An application to create new Units
Redemption Application	An application to redeem existing Units
Creation Unit Block	The quantity of Units which will be issued upon a successful Creation Application in respect of one whole In-Kind Creation Basket This quantity of Units may change from time to time as determined by the Manager, approved by the Trustee and notified to the Participating Dealers
Redemption Unit Block	The quantity of Units which are required to be delivered to the Trustee in exchange for one whole In-Kind Redemption Basket in a Redemption Application. This quantity of Units may change from time to time as determined by the Manager, approved by the Trustee and notified to the Participating Dealers
Creation Securities	The Permitted Investments which, together with the Cash Component (if any), comprise an In-Kind Creation Basket or multiples thereof, are required to be deposited with the Trustee (but which shall not form part of the Fund Assets until such time as the Creation Application is successfully completed) by or for the account of a Participating Dealer pursuant to an approved and successful Creation Application submitted by that Participating Dealer.
Redemption Securities	The Permitted Investments which, together with the Cash Component (if any), comprise an In-Kind Redemption Basket or multiples thereof, are to be distributed from the Fund to or for the account of a Participating Dealer pursuant to an approved and successful Redemption Application submitted by that Participating Dealer in accordance with the provisions of the Deed.
Tracking error	The volatility from the average of excess returns versus the benchmark of defined granularity over the timeframe specified. Tracking error is used as a measure of quality of benchmark tracking.

For more info on the definition of ETF and benefits of investing in it, kindly refer to http://www.bursamarketplace.com/mkt/themarket/etf.
For more info about the ETF, kindly refer to the fund's website, Bursa's website or its prospectus.

EXHIBIT 12: PERFORMANCE

BUY	Minimum expected total return (capital gains + dividend yield) of 15% over a period of 12 months.
HOLD	Expected total return (capital gains + dividend yield) of between <+15% and >-15% over a period of 12 months).
UNDERWEIGHT	Minimum expected negative total return (capital gains + dividend yield) of 15%–20% over a period of 12 months.
SELL	Minimum expected negative total return (capital gains + dividend yield) of >20% over a period of 12 months.
UNRATED	Stock not within AmBank Research regular coverage; AmBank Research does not have a view on its fair value and valuation.
ACCEPT OFFER	Shareholders are recommended to accept the offer of share acquisition after an evaluation by the analyst that shows the offer is "fair and reasonable", providing an exit opportunity to the shareholders to realise their investment in cash at the offer price.

Source: AmInvestment Bank

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