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PNB



INDUSTRIAL TRAINING REPORT

PERMODALAN NASIONAL BERHAD (PNB)



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EXECUTIVE SUMMARY

Embarking on my transformative 6-month industrial training journey at Permodalan Nasional Berhad (PNB) was an unforgettable experience. As a student, I had the opportunity to immerse myself in the dynamic world of finance. I am a curious and ambitious student, joined PNB with a hunger for knowledge and a desire to apply classroom theories to real-world scenarios. Armed with a background in finance, I was ready to dive headfirst into the complexities of the financial industry. From managing assets to fostering economic development, PNB's influence extended far beyond its headquarters. In this report, my research centered on unravelling the enigma of crude palm oil (CPO) prices. The lush palm oil plantations of Malaysia held secrets that I aimed to uncover. The heart of my investigation lay in the relationship between CPO prices and macroeconomic variables. I analysed gross domestic product (GDP), inflation, exchange rate and money supply dynamics. A robust GDP signalled economic vigour, driving demand for CPO. When nations thrived, their appetite for this versatile commodity surged. Furthermore, high inflation eroded consumer wallets, impacting CPO consumption. Conversely, low inflation encouraged investment and consumption. In addition, exchange rate movements influenced CPO exports and competitiveness. A weaker ringgit boosted exports, while a stronger one tightened margin. Lastly, an expansionary money supply fueled economic activity, spurring CPO demand. Conversely, tightening the tap cooled the markets. My analysis revealed some insights. For instance, an insignificant relationship between GDP growth and CPO prices emerged, while inflation exhibited a significant negative relationship. Exchange rates and money supply both have insignificant relationship with CPO prices. Armed with these findings, I crafted recommendations for inflation and future research. As my industrial training ended, I reflected on the wealth of knowledge gained. PNB had not only nurtured my intellect but also ignited my passion for financial research. The palm oil groves whispered their stories such as their resilience, vulnerability, and role in shaping economies. In the corridors of PNB, I found mentors who fuelled my curiosity and peers who challenged my assumptions. My journey was more than a mere internship.

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3.0 COMPANY'S PROFILE



Name	: Permodalan Nasional Berhad (PNB)
Location	: Level 84, Menara Merdeka 118, Presint Merdeka 118, 50118 Kuala Lumpur.
Vision	: To enhance the economic wealth of the Bumiputera community and all Malaysians, for the prosperity of the nation.
Mission	: To uplift the financial lives of Malaysians across generations.

i. Background

Permodalan Nasional Berhad (PNB) was founded on March 17, 1978, as part of the Government's New Economic Policy (NEP). Over the past forty years, PNB has emerged as one of Malaysia's largest fund management companies. Committed to its mandate, PNB aims to enhance the well-being of Bumiputeras and all Malaysians, contributing to the nation's prosperity.

ii. Manifesto

- To uplift the financial lives of Malaysians across generations.
- We are the bridge between where they are today and their hopes and dreams for tomorrow.
- We are the connective thread that ties every Malaysian together, guiding us all in our collective journey towards greater financial health, wealth, and wisdom.

iii. Values

- **Bold**

We strive to push the boundaries of what is possible.

- **Responsible**

We take ownership and we do what we say we are going to do

- **Agile**

In a fast-changing world, we never stop moving.

- **Visionary**

Our foresight and expertise inspire a better future.

- **Empowering**

We work together, supporting each other to deliver on our shared goals.

iv. Products and services

Permodalan Nasional Berhad (PNB) is one of Malaysia's largest fund management companies, established in 1978. Through its subsidiary, Amanah Saham Nasional Berhad (ASNB), PNB offers a variety of unit trust funds that invest in public equity, fixed income, private investments, and real estate. These unit trust funds are designed to provide Malaysians with opportunities to grow their wealth through diversified investment portfolios. PNB's public equity investments focus on leading corporations both locally and globally, while its fixed income investments include government and corporate bonds, providing a stable income stream and reducing overall portfolio risk.

In addition to public and fixed income investments, PNB engages in private equity investments, targeting high-growth potential companies and sectors. The company also has a significant portfolio of real estate assets, including commercial properties and development projects. Furthermore, PNB holds strategic stakes in various key sectors of the Malaysian economy, contributing to national economic growth and stability. Through its diverse investment portfolio and strategic approach, PNB aims to provide consistent returns and contribute to the financial prosperity of its unit holders and the nation.