



Investment Objective

To achieve capital preservation over the medium term while providing a stable long term and secured income return by investing primarily in a portfolio of investment grade fixed income securities.

Investor Profile

The fund is suitable for investors who seek a stable income stream and have a medium to long term investment horizon.

Investment Strategy & Approach

The Managers employ a rigorous and structured investment approach in evaluating the various bond investments and their credit risks. The fund will be invested in the Malaysian government securities, money market instruments and private debt securities with a minimum rating of A3 by RAM or its equivalent.

Fund Manager

Affin Hwang Asset Management Bhd

Fund Details

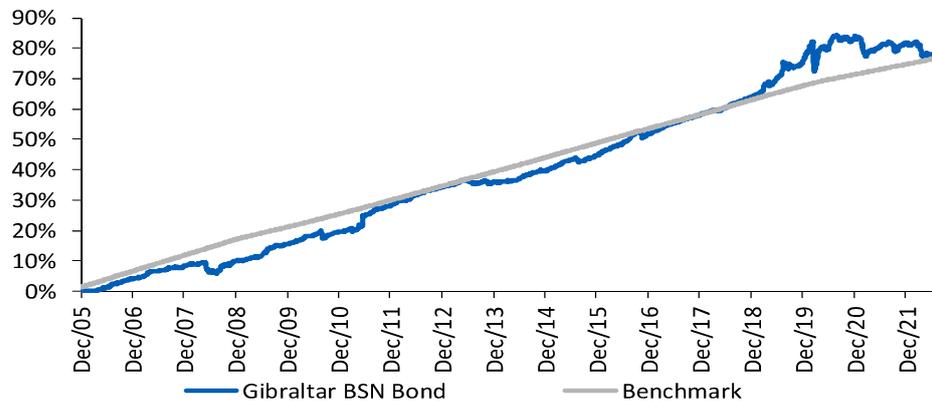
Unit NAV RM0.8462
Fund Size RM32.4 million
Inception Date 29 September 2005
Management Fee 1.00% per annum

Top 5 Holdings

IJM Land 5.65% 6.2%
LPPSA 5.1% 6.1%
Tan Chong Motor 5.0% 4.6%
Point Zone Malaysia 4.29% 4.6%
MMC Port 4.66% 4.5%

Data as at 30 June 2022

Cumulative Performance Since Inception as at 30 June 2022



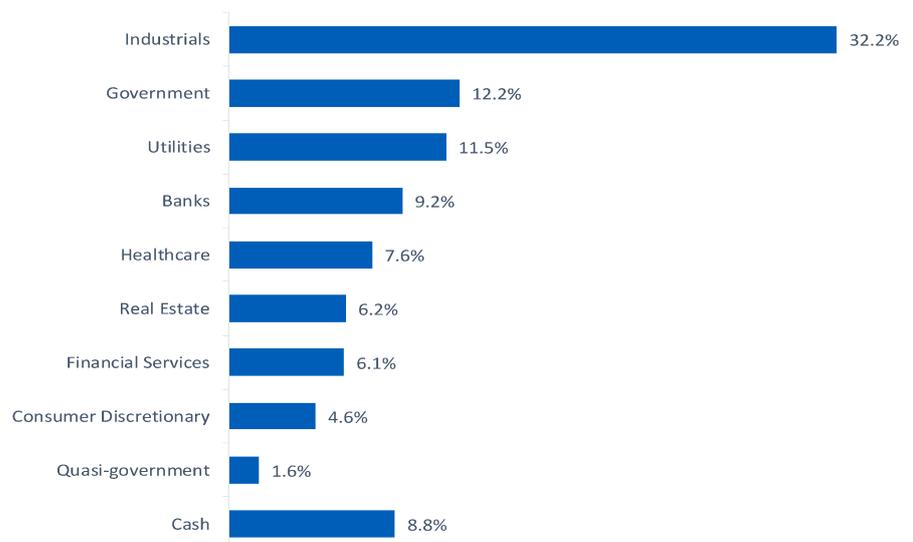
Performance Table as at 30 June 2022

	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since inception
Fund	0.1%	-1.5%	-1.9%	-1.9%	-1.2%	4.9%	14.6%	78.1%
Benchmark	0.3%	0.9%	1.7%	1.7%	3.4%	11.1%	20.6%	76.4%

- Benchmark: 1-year Maybank FD rates + 150 bps
- Source: Bloomberg & Gibraltar BSN Life Bhd

Past performance is not indicative of future performance and the performance of the fund is not guaranteed.

Portfolio Composition as at 30 June 2022



Source: Affin Hwang Asset Management



Gibraltar BSN

GIBRALTAR BSN BOND FUND

July 2022

Manager's Comment

The Fund has appreciated by 78.1% since inception on 29th Sept 2005 or by 3.5% compounded annual return.

Market Review

In June 2022, US Treasury yields rose due to the high May inflation print of 8.6% year-on-year and 75bps rate hike delivered by the Fed on 15 June 2022. During the month, the 2-year and 10-year US Treasury yields increased 40bps and 17bps to 2.95% and 3.01% respectively. Overall, we saw a flattening of yield curve movement.

Locally, in the absence of any domestic major news, Malaysia government bonds tracked the movement of developed market rates. We also saw a flattening of yield curve, with the belly of the curve (5-year and 7-year) yields rising more than the long end. Overall, yields were higher by about 10bps (10-year and above) to 20bps (5-year and 7-year).

Market Outlook

US Fed expects inflation to move higher, with price pressures intensifying and broadening out to stickier items such as wage growth and shelter costs. The Fed's Dot plot has shifted higher with median fed funds rate of 3.40% by end-2022 and 3.80% by end-2023 before falling to 2.5% in the long term.

Domestically, BNM could hike the OPR by 50bps to 2.50% in 2H2022, driven by inflationary pressure, improving labour market condition and normalization of interest rate by global and regional central banks. While valuations are attractive, we are mindful of volatile UST and higher government spending on subsidies amidst rising food and energy prices.

We maintain a trading stance for government bonds. On credit, we prefer shorter tenure and strong credit fundamental names and aim to participate in primary issuances. Overall, we maintain a defensive stance and target for neutral duration.

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