



### 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

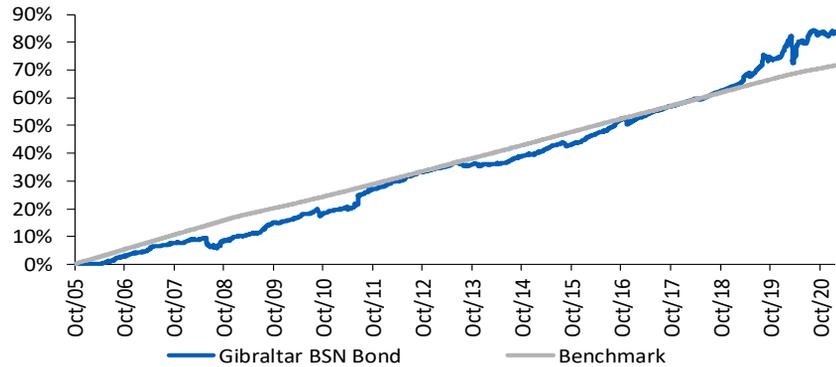
Unit NAV RM0.8715  
Fund Size RM32.9 million  
Inception Date 29 September 2005  
Management Fee 1.00% per annum

### Top 5 Holdings

LPPSA 5.1% 6.9%  
GII 4.467% 6.8%  
GII 3.422% 6.4%  
IJM Land 5.65% 6.3%  
Prasarana Malaysia 5.23% 5.3%

Data as at 31 January 2021

### Cumulative Performance Since Inception as at 31 January 2021



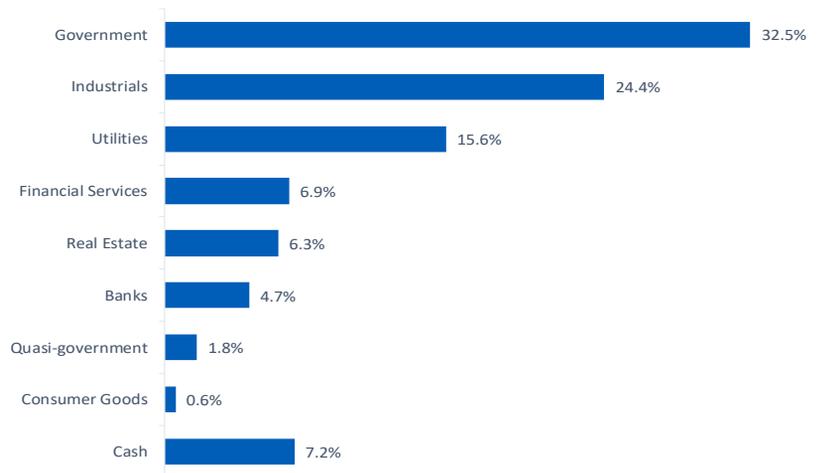
### Performance Table as at 31 January 2021

	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since inception
<b>Fund</b>	0.0%	0.0%	0.0%	0.0%	2.6%	15.7%	26.0%	83.5%
<b>Benchmark</b>	0.3%	0.8%	1.7%	0.3%	3.6%	13.1%	22.5%	71.6%

- 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 31 January 2021



Source: Affin Hwang Asset Management



### Manager's Comment

The Fund has appreciated by 83.5% since inception on 29<sup>th</sup> Sept 2005 or by 4.0% compounded annual return.

#### Market Review

In January, domestic market sentiment was clouded by rising Covid-19 cases, with daily new cases around the 3000-5000 bracket. As a result, the Government has re-implemented the Movement Control Order (MCO 2.0). Meanwhile, BNM maintained the Overnight Policy Rate (OPR) at a record low of 1.75% for the third consecutive meeting during its first policy meet for 2021. Further, BNM expects the impact of the reintroduction of stricter containment measures on 2021 growth to be less severe than 2020.

Moody's Investors Service affirmed Malaysian government's local and foreign currency debt ratings at A3 and kept its outlook at stable, premised on its expectation that Malaysia's medium-term growth prospects will remain strong. On a month-on-month basis, government bond yield curve bear steepened as the 2-7 years yields declined by 1-2 bps while the 10-years and above increased by 5-18 bps.

#### Market Outlook

Domestic economic activity continues despite implementation of MCO 2.0 as the current movement control measures are less restrictive. At this juncture, BNM views the current monetary stance to be accommodative and continues to leave the door open for further monetary easing. We do not discount the possibility of a rate cut as the recovery of the domestic economy will be highly dependent on the opening of businesses and the pace of vaccine rollout.

Govies are expected to trade range bound unless further stimulus is announced by the Government which may see yields steepen. We also expect higher PDS issuances in the coming months as issuers are expected to tap the market post BNM's decision to maintain the OPR. We target a neutral duration with preference for primary issuances to deploy cash. Nonetheless, any further significant correction may present good buying opportunities as we expect global and domestic interest rates to stay low to support economic recovery.

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