GIBRALTAR BSN BOND FUND
March 2020

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

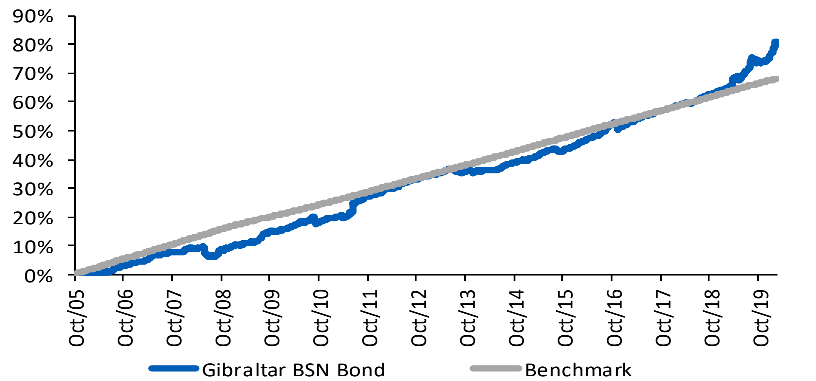
Unit NAV	RM0.8601
Fund Size	RM31.5 million
Inception Date	29 September 2005
Management Fee	1.00% per annum

Top 5 Holdings

LPPSA 5.1%	7.8%
YTL Power International 4.99%	6.9%
IJM Land 5.65%	6.7%
Prasarana Malaysia 5.23%	5.9%
MGS 4.921%	5.9%

Data as at 29 February 2020

Cumulative Performance Since Inception as at 29 February 2020



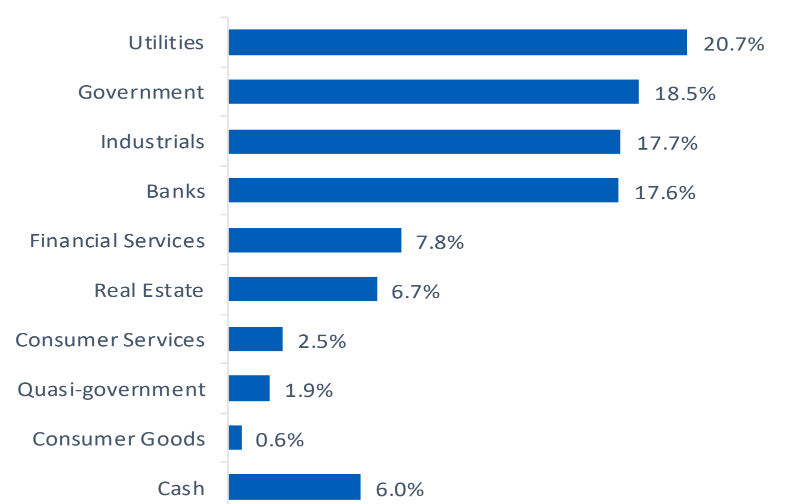
Performance Table as at 29 February 2020

	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since inception
Fund	1.3%	3.9%	3.5%	3.3%	9.6%	18.1%	28.7%	81.1%
Benchmark	0.3%	1.1%	2.3%	0.7%	4.6%	14.1%	23.6%	68.2%

- *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 29 February 2020



Source: Affin Hwang Asset Management

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Manager's Comment

The Fund has appreciated by 81.1% since inception on 29th Sept 2005 or by 4.2% compounded annual return.

Market Review

Local bond markets extended its bull run in the month of February on the back of strong buying momentum. As concerns mount over the potential negative impact to the economy from the Covid-19 virus outbreak, local investors speculated on the potential for further easing, including another possible Overnight Policy Rate (OPR) cut by Bank Negara Malaysia (BNM).

Meanwhile, the much-awaited government stimulus package worth RM 20 billion or 1.3% of GDP was unveiled. The stimulus injection will widen the fiscal deficit target to -3.4% of GDP in 2020 while the government now projects Malaysia's 2020 GDP growth at 3.2% – 4.2%.

Elsewhere, foreigners continued to buy local debt securities for the fourth consecutive month. In January, net foreign inflow amounted RM3.6 billion which resulted in foreign share of MGS and MGS+GII inching up to 41.7% (December: 41.6%) and 25.3% (December: 25.2%) respectively.

Market Outlook

Amidst the ongoing Covid-19 pandemic, the case for global central banks to remain dovish has grown stronger. Markets see an increased chance of further cuts to the FFR this year. Against this backdrop, we expect global bond yields, including Malaysia's, to remain low. In addition, the expected decline in deposit rates may lead to more inflows into the bond market. FTSE Russel is expected to announce its decision on the potential exclusion of Malaysia in its global index which could result in bouts of volatility. However, we expect Malaysia to remain in the index due to BNM's active engagement. Due to recent developments, the timing of new primary issuances could be impacted which is positive for demand/supply dynamics. Based on the above, we still favour a long duration positioning.