

FWD INVEST BOND FUND

January 2024

Investment Objective

To achieve a steady capital growth above the average deposit rates over a long-term period by investing in a wide portfolio of investment grade fixed income securities.

Investor Profile

The Fund is suitable for investors seeking a moderate to low risk investment and steady capital growth, as well as have a medium to long term investment horizon.

Investment Strategy & Approach

The manager employs a rigorous and structured investment approach in evaluating the various bond investment and their credit risks. The Fund will be invested in government and corporate bonds, money market instruments and/or fixed deposits.

Fund Details

Unit NAV	RM0.5914
Fund Size	RM0.4 million
Inception Date	2 October 2023
Management Fee	1.00% per annum

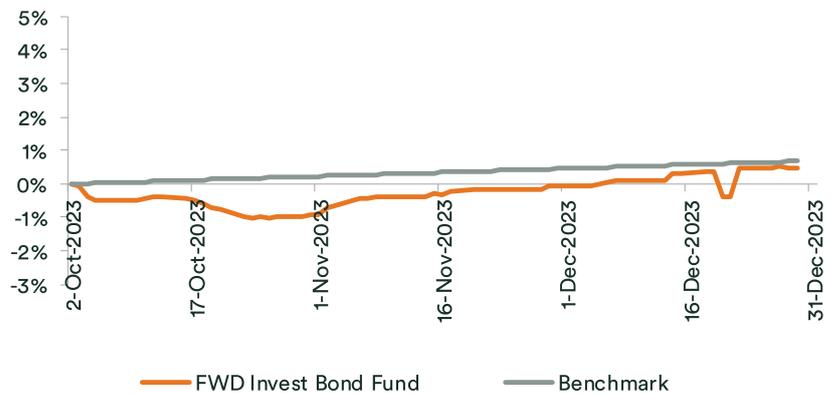
Top 5 Holdings *

Danum Capital 3.42%	2.7%
GII 5.36%	2.6%
MGS 4.89%	2.6%
YTL Corp 5.15%	2.3%
ALR 5.24%	2.0%

*Holdings in AHAM Bond Fund

Data as at 31 December 2023

Cumulative Performance Since Inception as at 31 December 2023



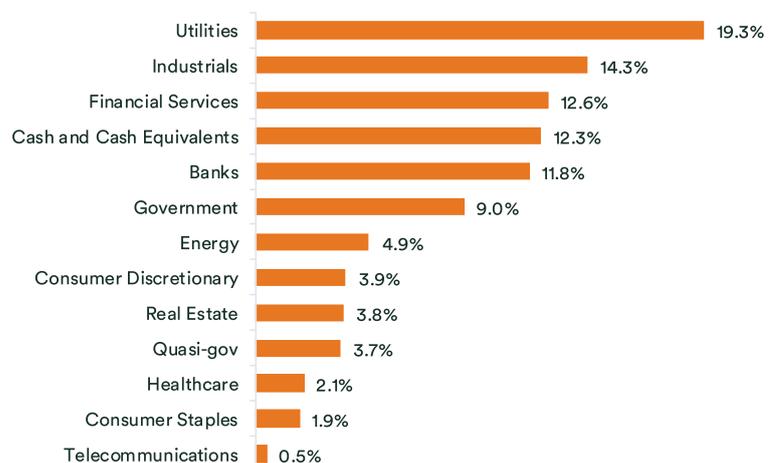
Performance Table as at 31 December 2023

	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since inception
Fund	0.5%	-	-	0.5%	-	-	-	0.5%
Benchmark	0.2%	-	-	0.7%	-	-	-	0.7%

- *Benchmark: Maybank 12-month fixed deposit rate*
- *Source: Bloomberg & FWD Insurance Berhad*
- *Past performance is not indicative of future performance and the performance of the fund is not guaranteed.*
- *This is strictly the performance of the investment fund, and not the returns earned on the actual premiums/contributions paid of the investment-linked product.*
- *The above returns are calculated using NAV to NAV prices, with any income or dividends reinvested, according to this formula:*

$$\frac{\text{Net Asset Value Per Unit At Current Period}}{\text{Net Asset Value Per Unit At Previous Period}} - 1$$

Portfolio Composition of AHAM Bond Fund as at 31 December 2023



Source: AHAM Asset Management Berhad
(formerly known as Affin Hwang Asset Management Berhad)

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Manager's Comment

On a month-to-date basis, the Fund recorded a gain of 0.54%, outperforming the benchmark's return of +0.23%.

Market Review

US Treasury yields rallied further in December following the Fed's revised Dot Plot (which pushed away from its earlier, hawkish and "higher for longer" stance). Key highlights from the statement and press conference include strongest signal that rates have peaked, and the dot plot pointed to 3 rate cuts (25bps each) in 2024 and 4 rate cuts in 2025. As of end-December 2023, the 2-year and 10-year UST yields were at 4.25% (-41 bps MTD) and 3.88% (-43bps MTD) respectively.

In line with lower UST yields and improved sentiment, Malaysian Government Securities (MGS) yields declined during the month. In particular, demand for local bonds were seen for the longer tenure bonds. The yields for 3-year, 10-year, and 30-year papers ended the month at 3.47% (-1 bps MTD), and 3.73% (-10 bps MTD) and 4.25% (-6 bps MTD) respectively. Domestically, moderating growth and subdued inflation continued to support the fixed income market, while external pressure in the form of widening interest differential and ensuing Ringgit weakness kept short-end rates elevated.

Market Outlook

During the month, the manager took profit from some of the positions to position for the new year. Looking forward, the manager aims to have a 6-6.5 years duration stance and will be looking to purchase corporate bonds mainly through primary issuances as well as to trade government bonds.

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