

# FWD BOND FUND

(formerly known as Gibraltar BSN Bond Fund)

October 2023

## 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 as stable income stream and have a medium to long term investment horizon.

## Investment Strategy & Approach

The Manager employ a rigorous and structured investment approach in evaluating the various bond investment 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

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

## Fund Details

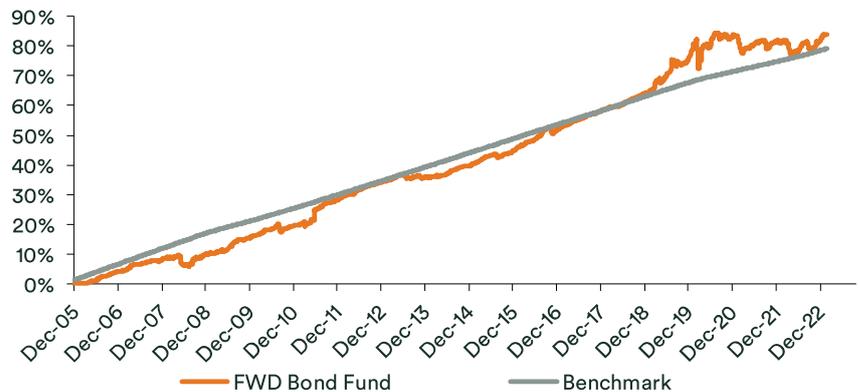
Unit NAV	RM0.8973
Fund Size	RM32.9 million
Inception Date	29 September 2005
Management Fee	1.00% per annum

## Top 5 Holdings

LPPSA	5.1%	6.6%
IJM Land	5.65%	6.2%
MMC Port	4.66%	4.6%
Pengurusan Air	4.51%	4.6%
Point Zone	4.29%	4.6%

Data as at 30 September 2023

## Cumulative Performance Since Inception as at 30 September 2023

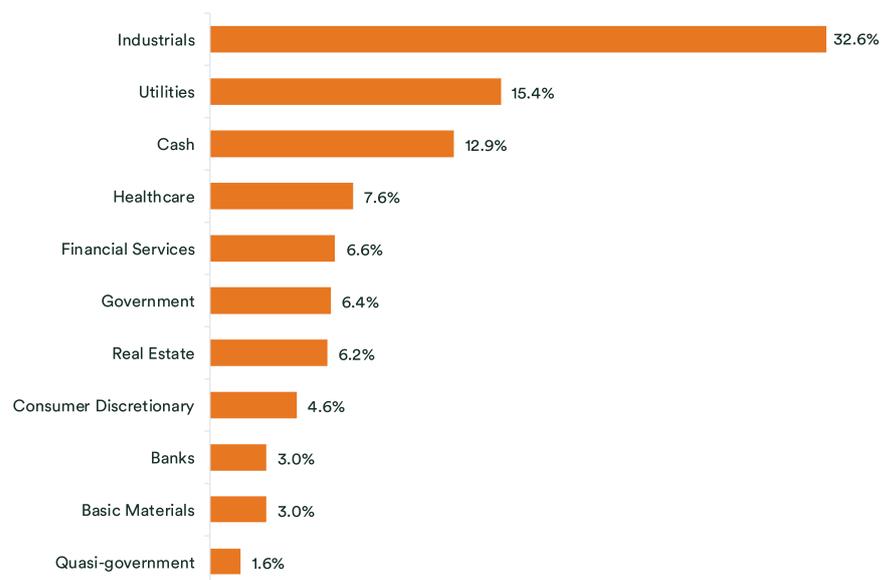


## Performance Table as at 30 September 2023

	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since inception
Fund	-0.1%	0.8%	2.2%	4.1%	5.4%	3.3%	16.4%	88.9%
Benchmark	0.4%	1.1%	2.2%	3.3%	4.3%	11.2%	20.0%	81.7%

- **Benchmark:** 1-year Maybank FD rates + 150 bps
  - **Source:** Bloomberg & FWD Insurance Berhad
- Past performance is not indicative of future performance and the performance of the fund is not guaranteed.

## Portfolio Composition as at 30 September 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 loss of 0.06%, underperforming the benchmark's return of +0.35%. Since inception, the Fund recorded a return of 88.91% with an annualized return of 3.59%.

### Market Review

10-year US Treasury (UST) yields saw further sell off in September, touching its highest level of the year at 4.62%. Strong US growth, higher coupon supply and renewed inflation concerns following higher oil prices weighed heavily on USTs. As of end-September 2023, the 2-year and 10-year UST yields were at 5.04% (+62 bps YTD) and 4.57% (+70bps YTD) respectively.

Meanwhile, Malaysia's fixed income market saw the Malaysian Government Securities (MGS) curve steepened on a month-on-month basis. The yields for 3-year, 5-year, and 10-year papers ended the month at 3.58% (+12 bps MTD), 3.72% (+14 bps MTD) and 3.98% (+14 bps MTD), respectively.

### Market Outlook

During the month, we took profit on TNB Power Generation 3/33 and exited MGII 9/30. Some of the proceeds raised was used for the new issuance of Press Metal 9/28 at 4.22%. Looking forward, we turn to be more defensive and tactically neutral duration. We are looking to take more profit on corporate bonds/sukuku with tight spreads and raise cash to participate in primary issuances.

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