



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

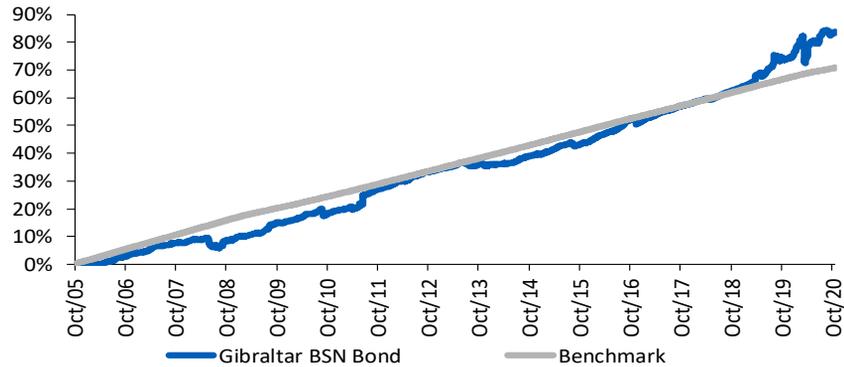
Unit NAV RM0.8716
Fund Size RM32.3 million
Inception Date 29 September 2005
Management Fee 1.00% per annum

Top 5 Holdings

LPPSA 5.1% 7.1%
GII 4.13% 6.9%
GII 3.422% 6.6%
IJM Land 5.65% 6.4%
Prasarana Malaysia 5.23% 5.5%

Data as at 30 October 2020

Cumulative Performance Since Inception as at 30 October 2020



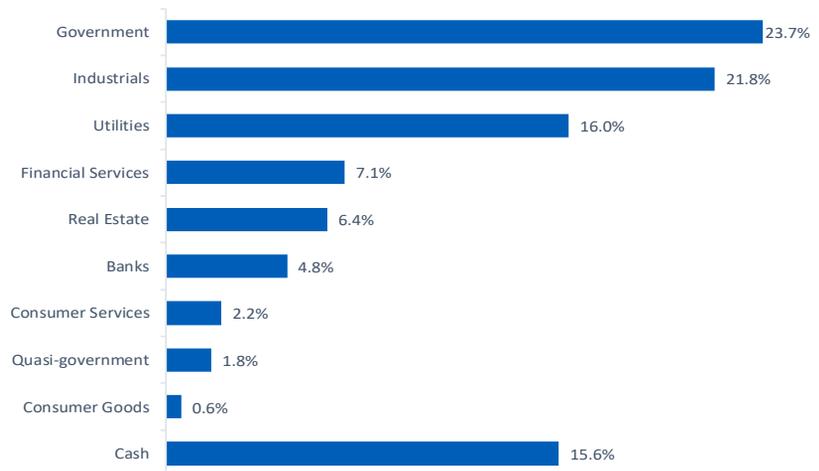
Performance Table as at 30 October 2020

	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since inception
Fund	0.3%	0.0%	2.1%	4.7%	5.6%	16.7%	27.7%	83.5%
Benchmark	0.3%	0.8%	1.7%	3.2%	3.9%	13.4%	22.8%	70.8%

- 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 October 2020



Source: Affin Hwang Asset Management



Manager's Comment

The Fund has appreciated by 83.5% since inception on 29th Sept 2005 or by 4.1% compounded annual return.

Market Review

Local markets sentiment in the month of October has been clouded by rising Covid-19 cases and political uncertainty. As Malaysia reported daily cases of between 500 – 1,000 in October, government efforts to contain the outbreak and repair the economy have been threatened by the prospect of a disruptive change of government. Meanwhile, the imposition of Conditional MCO in Klang Valley will likely slow the pace of economic recovery.

The local government bonds market traded sideways in October with bear steepening bias. The 10Y MGS benchmark closed the month 4bps lower at 2.62% and the 20Y MGS benchmark closed 7bps higher at 3.88%. The 3Y MGS however declined 23bps to 1.76%, reflecting foreign participations and bets of another OPR cut.

Meanwhile, foreign inflows into Ringgit debt securities tapered off to just MYR0.5b net inflow in September, bringing the cumulative inflows for 9M2020 to MYR4.8b. Foreign holdings of MGS stood at MYR169.2b, or 38.8%.

Market Outlook

In the domestic front, focus in the month of November 2020 will be BNM MPC meeting and tabling of 2021 Budget. As the majority expects BNM to keep the OPR unchanged, a surprise cut may lead to a strong bond buying interest. In addition, portfolio rebuilding for FY2021 may also see incremental buying interest in the market. However, we expect the strength to be capped given the outlook of a still large fiscal gap in 2021. expected large supply from corporate space will also keep interest in the secondary markets limited.

Overall, we maintain our neutral duration stance and prefer primary offerings to deploy cash.

For Internal Use Only

Disclaimer

This report is for information only and is purely a product summary. Please refer to the product fact sheet available at www.gibraltarsbn.com for further details. This report shall not be reproduced, copied, circulated or forwarded either in part or otherwise to any persons howsoever without the prior written consent of Gibraltar BSN Life Berhad. The opinions and information contained herein are based on the latest available data which is believed to be reliable. It is not to be construed as an offer, invitation or solicitation to buy or sell any securities or financial instruments covered by this report. Gibraltar BSN Life Berhad does not warrant the accuracy of anything stated herein in any manner whatsoever and no reliance upon such statement by anyone shall give rise to any claim whatsoever against Gibraltar BSN Life Berhad and/or its associated persons. Gibraltar BSN Life Berhad and/or its associated persons may from time to time have an interest in the securities or financial instruments mentioned by this report. Past Performance of the Funds mentioned in the Report is not an indication of its future performance. Investors/policy holders should rely on their own evaluation to assess the merits and risks of the investment. In considering to invest in an investment-linked fund, investors/policy holders who are in doubt on the action to be taken should consult a professional adviser. Investors/Policy holders have to take note that investments can fluctuate in value and values may fall as well as rise and an investor/policy holder may not get back the amount invested.