



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

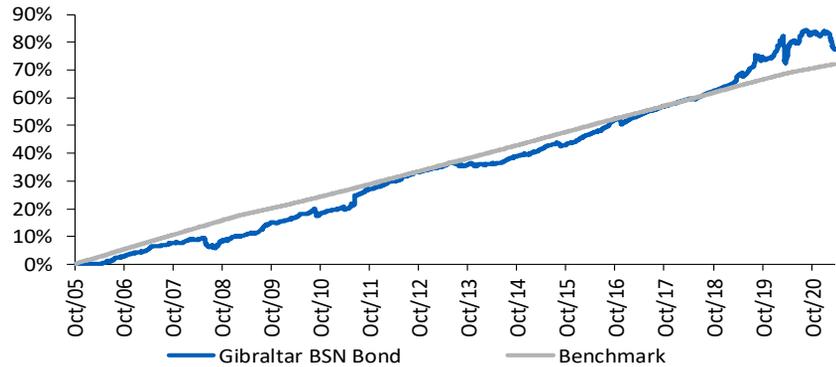
Unit NAV RMO.8435
 Fund Size RM32.0 million
 Inception Date 29 September 2005
 Management Fee 1.00% per annum

Top 5 Holdings

IJM Land 5.65% 6.5%
 GII 3.422% 6.4%
 LPPSA 5.1% 6.4%
 GII 4.467% 6.3%
 PTP 3.95% 4.7%

Data as at 31 March 2021

Cumulative Performance Since Inception as at 31 March 2021



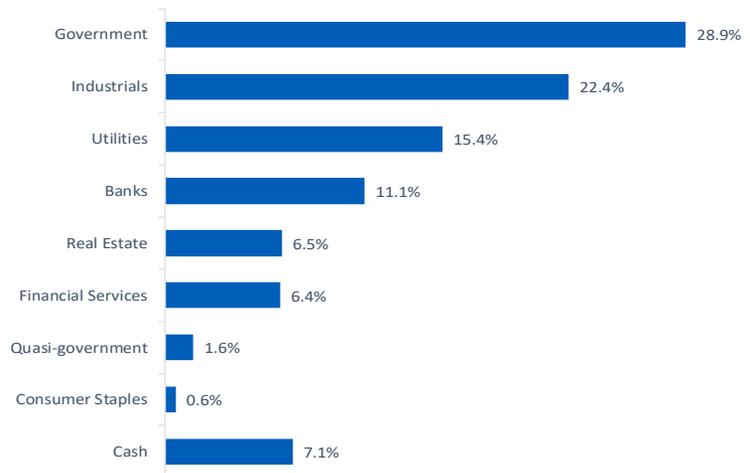
Performance Table as at 31 March 2021

	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since inception
Fund	-1.6%	-3.2%	-2.9%	-3.2%	2.1%	11.4%	20.9%	77.6%
Benchmark	0.3%	0.8%	1.7%	0.8%	3.5%	12.9%	22.2%	72.2%

- 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 31 March 2021



Source: Affin Hwang Asset Management



Manager's Comment

The Fund has appreciated by 77.6% since inception on 29th Sept 2005 or by 3.8% compounded annual return.

Market Review

In the month of March 2021, bond yields around the world surged on inflation concerns, which were driven by vaccine roll-outs and large US fiscal stimulus. Investors were concerned that faster growth will lead to quicker inflation and force the Fed to tighten monetary policy sooner. However, the Fed said it is committed to keep a loose monetary policy. Meanwhile, Covid-19 infections remained high although vaccinations are progressing, with some countries announcing fresh lockdowns.

In the domestic market, the volatility in the US Treasuries space and lack of domestic support led to significant correction in the domestic bonds space. On a YTD basis, the 10Y and 30Y MGS yields closed 60 bps and 52 bps higher respectively.

Market Outlook

We do not expect key central banks to raise interest rates anytime soon. In 2021, economic recovery is expected to be uneven as vaccinations will take time with the bulk of the vaccine supply arriving mid-year.

The recent rise in government bond yields have presented opportunities to buy bonds at attractive valuations. In addition, due to the positive conclusion on FTSE Russell review, we expect stronger support from local money in 2Q21.

In the corporate bond space, we continue to favour short to medium tenure for yield pick up. After a strong primary market in 1Q21, we expect supply pressure to lessen and hence more support in this space. On duration, we are mildly cautious and look to stay neutral.

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