

**Fund Manager's Commentary**

Yield curve flattened over the month, in line with global yield curves as the US Federal Reserve commenced its long anticipated quantitative easing ("QE") tapering. The very long-end of the curve bull-flattened with yields declining 14-17 bps MoM, while the short-end experienced a bear-flattening, leaving the belly of the curve broadly unchanged. We note that this reaction stemmed from rising expectations of tighter monetary policy as global inflationary pressure remains elevated. However, uncertainty on the growth outlook stemming from renewed waves of Covid-19 globally continues to be supportive of the longer-end of the yield curve. Strategy-wise, we see value in the present steepness of the belly of the credit curve, particularly as the 3-7Y portion remains very steep, making for an attractive rolldown play.

In its final Monetary Policy Meeting ("MPC") of the year, Bank Negara Malaysia ("BNM") kept the Overnight Policy Rate ("OPR") unchanged at 1.75% and maintained its neutral stance in its statement. While acknowledging the continued strength in global demand, BNM is cautious on the supply chain disruptions, elevated commodity prices, labour shortages, and rising inflation. Domestically, BNM indicated that economic activity has bottomed in July and is expected to continue its growth momentum going into 2022, given improving consumer spending and further policy support. As economic activity normalizes, BNM projects core inflation to remain muted for the rest of the year before edging upwards, albeit still benign. Though BNM considered the current monetary policy stance to be appropriate and accommodative, BNM reiterated that future monetary policy will continue to be data dependent given the uncertainties and downside risks to the growth outlook.

**Investment Objective**

The Fund seeks to generate regular income by investing in fixed income securities whilst carefully considering capital preservation on behalf of its investors.

**Investment Strategy**

The Fund invests in different sources of returns and liquidity profiles from an array of fixed income instruments denominated in Ringgit Malaysia.

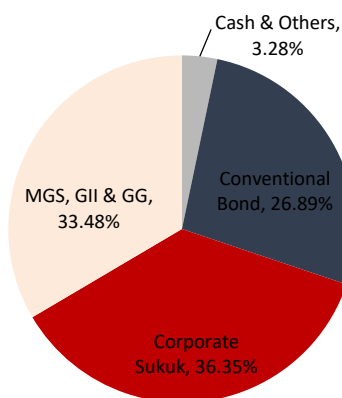
**Distribution Policy**

The Fund will distribute income on a monthly basis, subject to availability of income.

**Benchmark**

12-Month Malayan Banking Berhad Fixed Deposit Account Rate

**Asset Allocation\***



\*Presented as a % of NAV as at 30 Nov 2021

Included in 'Cash & Others' are cash on hand and other net current assets/liabilities

**Top Holdings\***

Government of Malaysia	24.36%
GENM Capital Berhad	13.55%
Malayan Banking Berhad	11.30%

**Rating Profile\***

NR (MGS, GII & GG)	33.48%
AAA	3.58%
AA1	44.33%
AA3	13.39%
A1	1.94%

**Key facts as at 30 November 21**

Launch Date	28-Jul-20
Fund Type	Wholesale – Fixed Income
Year End	31-Mar
Fund Size	MYR 265.21 million
Units in Circulation	272.01 million
NAV per Unit	MYR 0.975
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 3 business day

**Disclaimer**

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## Nomura Ringgit Bond Fund 2

30 November 2021

### Cumulative Fund Performance against Benchmark (%) - as at 30 Nov 2021

	YTD 31/12/2020 To 30/11/2021	1 Month 31/10/2021 To 30/11/2021	3 Months 31/8/2021 To 30/11/2021	6 Months 31/5/2021 To 30/11/2021
<b>Fund</b>	-1.39	0.64	-0.67	0.24
<b>Benchmark</b>	1.69	0.15	0.46	0.93

	Since Launch 28/7/2020 To 30/11/2021
<b>Fund</b>	-0.69
<b>Benchmark</b>	2.50

### Annual Fund Performance against Benchmark (%)

	2020
<b>Fund</b>	0.71
<b>Benchmark</b>	0.79

Source: Refinitiv Lipper

#### Notes:

Fund performances include reinvestment of income distributions into the Fund. Performance figures above 1 year are presented in cumulative basis, unless indicated otherwise.

\*Fund performance for 2020 starts from launch date of 28th July 2020

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