

Nomura i-Income Fund - Class I

March 2024

Fund Manager's Commentary

In line with global yield movements, GII yield curve shifted downwards marginally over the month with yields falling 1 to 6 bps MoM across the curve. Meanwhile, corporate sukuk outperformed, leading to narrower credit spreads as domestic real money investors reached for yield.

In its March Monetary Policy Committee meeting, Bank Negara Malaysia (BNM) kept its Overnight Policy Rate (OPR) unchanged at 3.00% as widely expected. In its statement, BNM maintained its neutral tone with risks assessed to be balanced. Global growth outlook remains subject to downside risks while BNM expects domestic growth to improve in 2024 with moderate inflationary environment. Nevertheless, domestic inflation outlook continues to be susceptible to the implementation of subsidy rationalisation measures. Separately, BNM reiterated that the ringgit is currently undervalued and that the Government and BNM are taking actions to provide support to a firmer ringgit. All in all, BNM restated that the current OPR level remains conducive to the economy and is consistent with the current assessment of the inflation and growth prospects.

Strategy-wise, we have increased our holdings in govies and corporates which have rallied on the back of narrower credit spread. We still remain cautious on the volatility in the bond market, and look to invest further into the market, when we see value return once more to the market.

Cumulative Fund Returns (%)

	YTD 31/12/2023 To 31/3/2024	1 Month 29/2/2024 To 31/3/2024	3 Months 31/12/2023 To 31/3/2024	6 Months 30/9/2023 To 31/3/2024
Fund	1.00	0.35	1.00	-3.23
Benchmark	0.61	0.21	0.61	1.23

Cumulative Fund Returns (%)

	1 Year 31/3/2023 To 31/3/2024	3 Years 31/3/2021 To 31/3/2024	5 Years 31/3/2019 To 31/3/2024	Since Commencement 5/1/2017 To 31/3/2024
Fund	-1.02	5.30	17.87	35.51
Benchmark	2.45	6.90	12.90	21.85

Calendar Year Returns (%)

	2023	2022*	2021	2020	2019
Fund	0.05	0.65	0.83	7.01	10.35
Benchmark	2.45	2.22	1.95	2.50	3.45

Source: Refinitiv Lipper

Notes:

Performance data is calculated based on the changes in the Fund's NAV price per unit for the specified length of time and on the assumption that any dividends declared are reinvested into the Fund. Performance figures are presented in cumulative basis, unless indicated otherwise.

The Fund was launched on 7 November 2012. However, there were no units in circulation for the period between 21 March 2016 and 4 January 2017. As such, the Fund's performance figures are only available from 5 January 2017 onwards.

* The Fund was launched as a single class wholesale fund on 7 November 2012. Following the approval obtained from the unit holders at a unit holders' meeting, the Fund was subsequently converted to a unit trust fund and split to Class I and Class R on 1 October 2022. Hence, performance data prior to 1 October 2022 as shown in this material reflects the performance of the Fund as a single class wholesale fund.

FUND'S PAST PERFORMANCE IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE

Investment Objective

The Fund seeks to provide investors with regular income distributions through investments in Islamic deposits, Islamic money market instruments and sukuk.

Benchmark

12-month Malayan Banking Berhad General Investment Account Rate.

Distribution Policy

Distribution of income, if any, is on quarterly basis and may be made from realised gains, realised income and/or out of capital.

Key Facts

Launch Date	07-Nov-12*
Fund Category	Islamic Fixed Income
Year End	31 December
Fund Size	MYR 138.43 million
Class Size	MYR 113.37 million
Units in Circulation (Class I)	110.06 million
NAV per Unit (Class I)	MYR 1.0301
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 3 business days

Sales charge

Nil

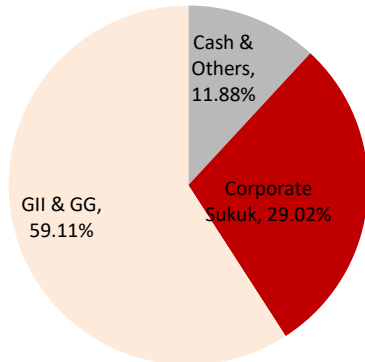
Management fee

Up to 0.25% per annum of the NAV of the Class.

Trustee fee

Up to 0.03% per annum of the NAV of the Fund, subject to a minimum fee of RM12,000 per annum.

Asset Allocation*



*Presented as a % of NAV as at 31 Mar 2024

Percentages may not add up to 100% due to rounding.

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

Top Holdings*

Government of Malaysia	59.11%
Hong Leong Islamic Bank Berhad	11.12%
Danga Capital Berhad	4.68%

Rating Profile*

NR (GII & GG)	59.11%
AAA	19.48%
AA3	7.71%
B1	1.74%
B3	0.09%

Sector Breakdown*

Public Administration	59.11%
Financial	23.10%
Consumer Staples	3.66%
Energy and Utilities	2.18%
Real Estate	0.09%

Distribution By Financial Year

	2023	2022*	2021	2020
Distribution (RM)	0.0543	0.0140	0.0427	0.0486
Distribution Yield (%)	5.25	1.29	3.90	4.31

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Disclaimer:

Based on the Fund's portfolio returns as at 29 February 2024, the Volatility Factor (VF) for the Fund is 4.04 and is classified as "Very Low" (Source: Refinitiv Lipper). "Very Low" includes funds with VF that are above 0.00 but not more than 4.075. The VF means there is a possibility for the Fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Refinitiv Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The Fund's portfolio may have changed since this date and there is no guarantee that the Fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

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