

Nomura Global Dynamic Bond Fund - Class USD

September 2024

Fund Commentary and Strategy

During the month, the Fund was mainly invested in the Target Fund.

Commentary from the Target Fund Manager

The Class USD returned 1.49% in September.

Financials exposures contributed approximately half of the Fund's overall performance in September.

Mexico was the largest of the EM sovereign contributors, adding approximately 20bps. South Africa, Egypt, Bahrain and our Eastern European exposures were also in firmly positive territory.

Convertibles also contributed an outsized 35bps. Amongst the biggest contributors were a number of Chinese domestically-focused names – the related equity prices took off from depressed valuations as the government announced stimulus measures. Call option structures on German Bunds also contributed a few basis points, whilst CDS-based hedging detracted just over 10bps.

Our main physical portfolio allocations are broadly unchanged from where they have been in recent months, other than for some profit-taking in Financials and rotation within our Convertibles allocations. These allocations will benefit as rates are steadily cut and the economy cools.

If anything, there are areas in the Emerging Markets where we would like to increase exposure – South Africa and Eastern Europe amongst them. The former has experienced remarkable stability through a period of political volatility and offers close to 1% of carry per month to offset any volatility in yields. The latter offers yield pick-up versus some Peripheral Eurozone members with similar credit ratings. Debt loads are lower, however, and a path to EU membership lies ahead, offering the potential for capital returns.

Cumulative Fund Returns (%)

	YTD	1 Month	3 Month	6 Month
	31/12/2023	31/7/2023	31/5/2024	29/2/2024
	To	To	To	To
	30/9/2024	30/9/2024	30/9/2024	30/9/2024
Fund	5.06	1.49	4.15	4.25

Cumulative Fund Returns (%)

	1 Year	3 Year	Since Commencement
	31/8/2023	31/8/2021	8/3/2021
	To	To	To
	30/9/2024	30/9/2024	30/9/2024
Fund	12.81	-4.22	-3.34

Calendar Year Returns (%)

	2023	2022	2021
Fund	8.00	-15.82	1.20

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.

There were no units in circulation for the period from 2 February 2021 to 5 March 2021. As such, the Fund's performance figures are only available from 8 March 2021 onwards. Calendar year returns for 2021 are measured from 8 March 2021.

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

Fund Objectives

The Fund aims to achieve long term capital growth by investing in Nomura Funds Ireland – Global Dynamic Bond Fund ("Target Fund") which invests primarily in foreign fixed income securities.

Target Fund

Nomura Funds Ireland – Global Dynamic Bond Fund

Benchmark

The Fund adheres to the benchmark of the Target Fund for performance comparison. Currently, the Fund has no benchmark.

Distribution Policy

Distribution of income, if any, is subject to the availability of income and shall be in line with the dividend policy of the Target Fund.

Key facts

Launch Date	2-Feb-2021
Fund Category	Bond Feeder (Wholesale)
Year End	31 January
Fund Size	USD 3.12 million
Class Size	USD 0.39 million
Units in Circulation (Class USD)	0.41 million
NAV per Unit (Class USD)	USD 0.9646
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	Within 10 business days

Application fee

Up to 3.00% of the NAV per Unit.

Management fee

Up to 1.40% 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 yearly fee of RM12,000.00.

Asset Allocation (%)

Target Fund	99.46
Cash and Others*	0.54

* Included in 'Cash and Others' are cash on hand and net current assets / liabilities. Net current liabilities include amounts which are accrued (but not due and payable)

Rating Profile (%)

AAA	4.36
AA	2.89
A	9.53
BBB	31.49
BB	33.04
B	6.50
CCC	0.17

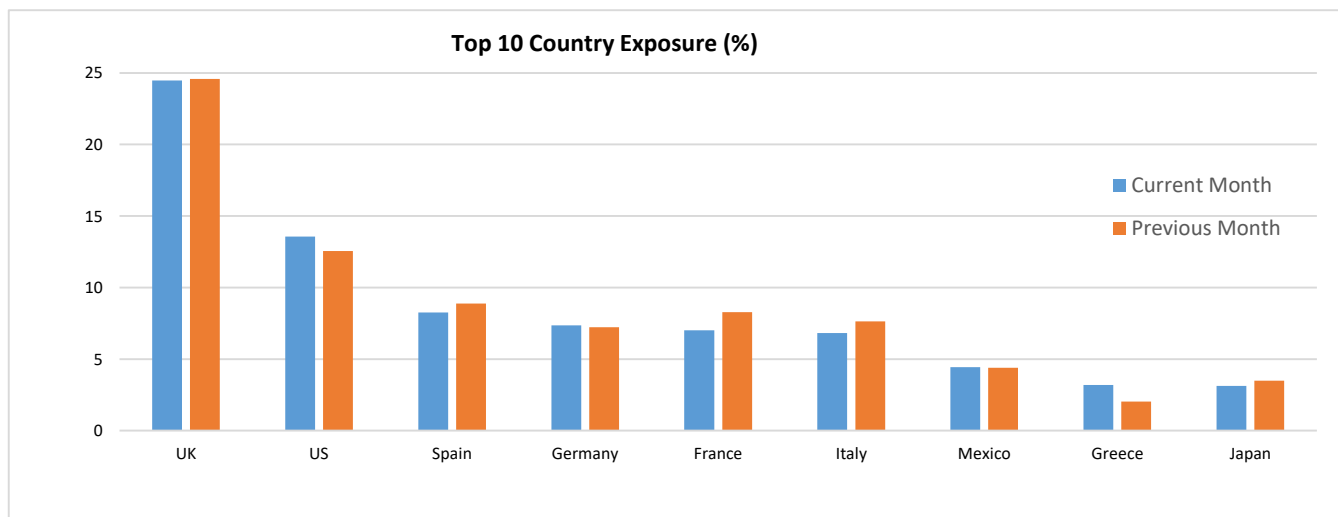
Top 5 Holdings of Target Fund (%)

MEXICAN BONOS 8 07/53	3.15
UK TSY GILT 4 10/63	2.89
US TREASURY N/B 5 08/25	2.19
US TREASURY N 4.125 01/25	2.17
REP SOUTH AFRI 8.75 01/44	1.90

Maturity Profile in years (%)

0-1	5.81
1-3	8.21
3-5	11.72
5-7	8.69
7-10	9.93
10-15	5.53
+15	46.86

Top 10 Country Exposure of Target Fund (%)



All data presented are as of 30 September 2024 unless otherwise specified.

Data in relation to the Target Fund is sourced from Nomura Asset Management U.K. Ltd.

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

Disclaimer:

Based on the Fund's portfolio returns as at 31 August 2024, the Volatility Factor (VF) for the Fund is 6.81 and is classified as "Low" (Source: Refinitiv Lipper). "Low" includes funds with VF that are between 4.91 and 8.975. 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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