

Nomura Global Dynamic Bond Fund

Quarterly Report and Financial Statements
for the Period Ended 31 October 2024

MANAGER:

NOMURA ASSET MANAGEMENT MALAYSIA SDN. BHD.
Business Registration No.: 200601028939 (748695-A)

TRUSTEE:

DEUTSCHE TRUSTEES MALAYSIA BERHAD
Business Registration No.: 200701005591 (763590-H)

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MANAGER'S REPORT

Category, Objective and Distribution Policy

Nomura Global Dynamic Bond Fund (the “**Fund**”) is a wholesale feeder fund which aims to achieve long term capital growth by investing in a collective investment scheme (namely, Nomura Funds Ireland – Global Dynamic Bond Fund (“**Target Fund**”)) which invests in foreign fixed income securities.

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

Fund Type

Growth

Benchmark

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

Performance as at 31 October 2024 (%)

	3 Months (01/Aug/24 – 31/Oct/24)	6 Months (01/May/24 – 31/Oct/24)	1 Year (01/Sep/23– 31/Oct/24)	Since Commencement (09/Feb/21 – 31/Oct/24)*
Fund – Class MYR	-3.15	-4.61	2.57	0.70
Fund – Class USD*	1.65	4.00	11.65	-4.70

Source of Fund and Benchmark Returns: Refinitiv Lipper

*There were no units in circulation for Class USD during the period from 09 February 2021 to 05 March 2021. Hence, the since commencement performance calculation commenced from 08 March 2021 for the Class USD as shown above.

Volatility as at 31 October 2024 (%)

	3-Year
Fund – Class USD	7.56
Fund – Class MYR	7.54

Volatility is measured by calculating the annualised standard deviation on the Fund's month-end returns for the immediate preceding 36 months.

This information is prepared by Nomura Asset Management Malaysia Sdn. Bhd. (NAMM) for information purposes only. Past earnings or the Fund's distribution record is not a guarantee or reflection of the Fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up.

Strategies Employed (1 August 2024 to 31 October 2024)

There were no significant changes to the strategies employed during the period under review.

Performance Review of the Target Fund (1 August 2024 to 31 October 2024)

In total, the call option strategies in place on the Fund contributed 26bps to performance in the early part of August. CDS index protection contributed a net 10bps – the contribution was initially larger than this but some of the initial gain was given back whilst the position was being exited. EM allocations were generally strong, with single digit positive contributions from Mexico, South Africa, Egypt and Bahrain. Convertible bonds also contributed 12bps. Financials holdings were strong across the board, contributing 57bps in total, with more than half of this total from the most subordinated AT1 Or “co co” holdings.

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.

In October, relatively strong employment data from the US pushed Fed rate cut expectations back and US Treasury yields higher, before a swing in the polls suggesting greater likelihood of a Trump win in the US Presidential election pushed them higher still. Meanwhile, higher taxes and spending plans from the UK government pushed UK gilt yields higher. As a result the duration exposure of the Fund proved negative of for the month, and returns were merely in line with global bond indices. Emerging markets also suffered over the month, giving back some recent returns.

Source: Nomura Asset Management U.K. Limited

Summary of Asset Allocation

	<u>31 October 2024</u>	<u>31 July 2024</u>
Target Fund	99.57	99.25
Cash and Others [#]	0.43	0.75
Total	100.00%	100.00%

[#] Included in Cash and Others are cash on hand and net current assets/ liabilities

Review of Market (1 August 2024 to 31 October 2024)

There was significant volatility in early August that faded quickly. Risk assets sold off and core sovereign bond yields moved lower following weaker US jobs data. Investors positioned for a faster pace of rate cuts by the Federal Reserve, whilst the Bank of Japan kept its relatively hawkish stance. The move was exacerbated by low trading volume, which is typical of the time of year. The scale of the move led to the unwinding of a number of speculative positions financed by borrowing the Japanese Yen. Credit spreads moved sharply wider, before recovering through the rest of the month to finish it largely unchanged. US Treasury yields retraced some of their move lower through the month, but still finished the month down.

A 50bp rate cut by the Federal Reserve in September set the tone for markets; US Treasury yields moved lower and steeper, dragging global government yields with them. The dollar was generally weaker against most peers. Spreads suffered as economic data cooled in the US and was very weak in Europe. Equity markets were initially weak, but rebounded into strongly positive territory, buoyed by the prospect of lower rates and, towards month end, a broad slew of supportive policy measures by the Chinese government and the PBoC.

In October, Equity markets sold off, dragging other risk markets with them, whilst US Treasury yields were extremely volatile; generally trending higher but with a significant move down. European government bond curves were similarly volatile but ultimately moved much less.

Source: Nomura Asset Management U.K. Limited

SOFT COMMISSIONS RECEIVED FROM BROKERS

Soft commissions received from brokers/dealers are retained by the Manager only if the goods and services provided are of demonstrable benefit to unit holders of the Fund.

During the financial period under review, the Manager did not receive any soft commission.

INCOME DISTRIBUTION

The Fund did not declare any income over the period under review.

FUND DATA

As at 31 October 2024*	Class USD	Class MYR
Total NAV (USD)	386,336	1,468,822
NAV per Unit	0.9510	1.0070
Unit in Circulation	406,235	6,381,566
Highest NAV	0.9681	1.0392
Lowest NAV	0.9376	0.9612

* All information is in its respective class currency unless otherwise stated.

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

NOMURA GLOBAL DYNAMIC BOND FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

NOMURA GLOBAL DYNAMIC BOND FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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NOMURA GLOBAL DYNAMIC BOND FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

	<u>01.08.2024</u> to <u>31.10.2024</u> USD	<u>01.08.2023</u> to <u>31.10.2023</u> USD
INVESTMENT INCOME/(LOSS)		
Net gain/(loss) on financial assets at fair value through profit or loss ("FVTPL")	68,164	(77,911)
Net gain/(loss) on foreign currency exchange	275	(6,329)
	<u>68,439</u>	<u>(84,240)</u>
EXPENSES		
Management fee	(10,128)	(13,284)
Trustee's fee	(640)	(713)
Audit fee	(564)	(628)
Tax agent's fee	(260)	(290)
Other expenses	(106)	(67)
	<u>(11,698)</u>	<u>(14,982)</u>
PROFIT/(LOSS) BEFORE TAXATION	56,741	(99,222)
TAXATION	-	-
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>56,741</u>	<u>(99,222)</u>
Increase/(decrease) in net assets attributable to unitholders is made up of the following:		
Realised amount	33,845	(27,957)
Unrealised amount	22,896	(71,265)
	<u>56,741</u>	<u>(99,222)</u>

NOMURA GLOBAL DYNAMIC BOND FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2024

	<u>31.10.2024</u>	<u>31.10.2023</u>
	USD	USD
ASSETS		
Cash and cash equivalents	21,081	14,243
Financial assets at fair value through profit or loss ("FVTPL")	1,847,167	4,076,738
Amount due from Manager of Target Fund		
- management fee rebate receivable	2,500	4,078
TOTAL ASSETS	<u>1,870,748</u>	<u>4,095,059</u>
LIABILITIES		
Amount due to Manager of Target Fund	9,046	-
Accrued management fee	2,874	4,842
Amount due to Trustee	216	240
Other payables and accruals	3,454	3,738
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)	<u>15,590</u>	<u>8,820</u>
NET ASSET VALUE OF THE FUND	<u>1,855,158</u>	<u>4,086,239</u>
NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS	<u>1,855,158</u>	<u>4,086,239</u>
REPRESENTED BY:		
FAIR VALUE OF OUTSTANDING UNITS (USD)		
- Class MYR	1,468,822	3,791,049
- Class USD	386,336	295,190
NUMBER OF UNIT IN CIRCULATION (UNITS)		
- Class MYR	6,381,566	18,388,463
- Class USD	406,235	346,542
NET ASSET VALUE PER UNIT (USD)		
- Class MYR	0.2302	0.2062
- Class USD	0.9510	0.8518
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- Class MYR	1.0070	0.9818
- Class USD	0.9510	0.8518

NOMURA GLOBAL DYNAMIC BOND FUND

STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

	<u>01.08.2024</u>	<u>01.08.2023</u>
	to	to
	<u>31.10.2024</u>	<u>31.10.2023</u>
	USD	USD
Net assets attributable to unitholders at the beginning of the financial period	3,085,260	3,683,576
Movement due to units created and cancelled during the financial period:		
Creation of units arising from applications Class MYR	<u>7,409</u>	<u>714,583</u>
Cancellation of units Class MYR	<u>(1,294,252)</u>	<u>(212,698)</u>
Increase/(decrease) in net assets attributable to unitholders during the financial period	<u>56,741</u>	<u>(99,222)</u>
Net assets attributable to unitholders at the end of financial period	<u><u>1,855,158</u></u>	<u><u>4,086,239</u></u>

NOMURA GLOBAL DYNAMIC BOND FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

	<u>01.08.2024</u>	<u>01.08.2023</u>
	to	to
	<u>31.10.2024</u>	<u>31.10.2023</u>
	USD	USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments	1,457,557	152,173
Net realised foreign exchange gain/(loss)	297	(6,269)
Purchase of investments	(61,960)	(690,654)
Management fee paid	(1,635)	(1,971)
Trustee's fee paid	(639)	(713)
Payment for other fees and expenses	(105)	(67)
Net cash generated from/(used in) operating activities	<u>1,393,515</u>	<u>(547,501)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Cash proceeds from creation of units	9,687	752,746
Payments for cancellation of units	(1,406,474)	(215,118)
Net cash (used in)/generated from financing activities	<u>(1,396,787)</u>	<u>537,628</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		
	(3,272)	(9,873)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		
	(22)	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL PERIOD		
	<u>24,375</u>	<u>24,116</u>
CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD		
	<u>21,081</u>	<u>14,243</u>
Cash and cash equivalents comprise:		
Cash at banks	<u>21,081</u>	<u>14,243</u>