

Nomura i-Income Fund 2 - Class S

February 2025

Fund Manager's Commentary

Domestic yields movements were rather muted over the month despite the strong rally in US Treasuries amid global risk-off sentiment stemming from uncertainties over global trade policies and geopolitical risks. All in all, GII yields ended the month between -2 to +1 bps MoM.

Malaysia's gross domestic product (GDP), though moderated, remained strong at +5.0% in 4Q24 (3Q24: +5.4%). This was supported by continued expansion of construction activities (+20.7%) and resilient services sector (+5.5%) alongside smaller contraction in mining & quarrying sector (-0.9%), amid moderation in manufacturing sector (4.4%) and decline in agriculture sector (-0.5%). On the demand side, private consumption (+4.9%) remained as the key driver of Malaysia's economic growth, driven by favourable domestic labour market condition and robust year-end seasonal spending. Overall, full-year GDP growth posted at +5.1% in 2024 (2023: +3.6%).

Strategy-wise, we have continued to maintain the holdings in the portfolio, especially in this period of high uncertainty. We would remain invested in cash and sukuk, awaiting a better yield in the govovies space to increase our sukuk holdings.

Investment Objective

The Fund seeks to provide investors with recurring income on its investments.

Benchmark

Maybank 3-month Islamic Fixed Deposit Rate

Distribution Policy

Subject to availability of income, distribution will be on quarterly basis.

Key Facts

Launch Date	30-Jun-21
Fund Category	Islamic Fixed Income
Year End	31 October
Fund Size	MYR 75.02 million
Class Size	MYR 40.83 million
Units in Circulation (Class S)	40.19 million
NAV per Unit (Class S)	MYR 1.0157
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 2 business days

Cumulative Fund Returns (%)

	YTD	1 Month	3 Month	6 Month
	31/12/2024	31/1/2025	30/11/2024	31/8/2024
	To	To	To	To
	28/2/2025	28/2/2025	28/2/2025	28/2/2025
Fund	0.56	0.28	0.82	1.59
Benchmark	0.40	0.19	0.60	1.23

Cumulative Fund Returns (%)

	1 Year	3 Year	Since Commencement
	29/2/2024	28/2/2022	21/7/2021
	To	To	To
	28/2/2025	28/2/2025	28/2/2025
Fund	3.72	10.27	10.30
Benchmark	2.55	7.93	9.06

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.

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

Sales charge

Nil

Management fee

Up to 0.15% 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 of RM12,000.00 per annum (excluding foreign custodian fees and charges).

Calendar Year Returns (%)

	2024	2023	2022	2021
Fund	3.77	4.25	1.41	-0.01
Benchmark	2.61	2.89	2.11	0.77

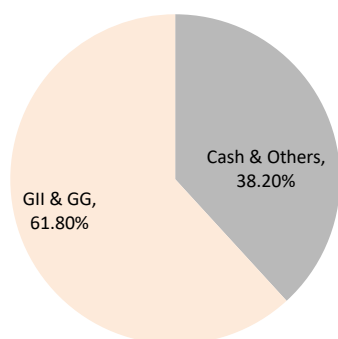
Source: Refinitiv Lipper

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. Calendar year returns for 2021 are measured from its commencement date of 21 July 2021.

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Asset Allocation*



Top Holdings*

Government of Malaysia	61.80%
Cash & Others	38.20%

Sector Breakdown*

Public Administration	61.80%
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*Presented as a % of NAV as at 28 Feb 2025

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.

Distribution By Financial Year

	2024	2023	2022
Distribution (RM)	0.0272	0.0328	0.0167
Distribution Yield (%)	2.70	3.30	1.70

Disclaimer:

Based on the Fund's portfolio returns as at 31 January 2025, the Volatility Factor (VF) for the Fund is 1.70 and is classified as "Very Low" (Source: Refinitiv Lipper). "Very Low" includes funds with VF that are above 0.00 but not more than 4.85. 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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