

Nomura Ringgit Bond Fund 1

March 2025

Fund Manager's Commentary

In March, despite volatile yield movements on the global front amid softer US CPI print for Feb-25 and uncertainties surrounding global trade policies and geopolitical developments, MGS yield curve shifted downwards. In particular, yields declined by 1-7 bps MoM across the curve.

In its March Monetary Policy Committee meeting, Bank Negara Malaysia (BNM) maintained its Overnight Policy Rate (OPR) unchanged at 3%. BNM retained its neutral tone with a balanced outlook for both global and domestic economies. Global growth is expected to be sustained by resilient labour market conditions, moderating inflation, and less restrictive monetary policy amid elevated uncertainties surrounding global trade and geopolitical developments. On the domestic front, while economic growth is expected to be sustained, supported by positive domestic demand and continued expansion in investment activity, BNM indicated that domestic growth outlook is subject to downside risks from evolving global trade policies and lower-than-expected commodity production. Meanwhile, domestic inflation for the year is forecasted to remain manageable with the overall impact of the several announced domestic policies expected to be contained. All in all, BNM reiterated that the current monetary policy stance remains supportive of the economy and is consistent with the current assessment of the inflation and growth prospects.

Strategy-wise, we have increased exposure to cash for the portfolio. This in towards a period of uncertainty ahead of the April global risk of volatility. We continue to see more value in the rolldown in the belly to the short-end of the curve. We endeavour to increase exposure of the portfolio especially to the govies space when value reveals itself in the yield curve.

Cumulative Fund Returns (%)

	YTD	1 Month	3 Months	6 Months
	31/12/2024	28/02/2025	31/12/2024	30/09/2024
	To	To	To	To
	31/03/2025	31/03/2025	31/03/2025	31/03/2025
Fund	1.99	1.16	1.99	2.57
Benchmark	1.09	0.45	1.09	1.73

Cumulative Fund Returns (%)

	1 Year	3 Year	5 Year	Since Commencement
	31/03/2024	31/03/2022	31/03/2020	2/7/2019
	To	To	To	To
	31/03/2025	31/03/2025	31/03/2025	31/03/2025
Fund	5.03	15.34	23.19	26.79
Benchmark	3.06	8.84	13.08	15.35

Source: Refinitiv Lipper, NAMM

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.

With effect from 31 January 2025, the performance benchmark has been changed from 12-month Malayan Banking Berhad Fixed Deposit Account Rate to 40% FTSE BPAM Corporate 3Y – 7Y All Bond Index + 20% FTSE BPAM Corporate 1Y – 3Y All Bond Index + 20% FTSE BPAM Government 3Y – 7Y All Bond Index + 20% FTSE BPAM Government 1Y – 3Y All Bond Index.

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

Investment Objective

The Fund seeks to optimise returns to its investors by mainly investing in fixed income securities denominated in Ringgit Malaysia.

Benchmark

40% FTSE BPAM Corporate 3Y – 7Y All Bond Index + 20% FTSE BPAM Corporate 1Y – 3Y All Bond Index + 20% FTSE BPAM Government 3Y – 7Y All Bond Index + 20% FTSE BPAM Government 1Y – 3Y All Bond Index

Distribution Policy

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

Key Facts

Launch Date	01-Jul-19
Fund Type	Wholesale – Fixed Income
Year End	31 December
Fund Size	MYR 713 million
Units in Circulation	670.71 million
NAV per Unit	MYR 1.0630
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 3 business days

Sales charge

Nil

Management fee

Up to 0.20% per annum of the NAV of the Fund.

Trustee fee

Up to 0.03% per annum of the NAV of the Fund with a minimum of RM9,000.00 per annum.

Calendar Year Returns (%)

	2024	2023	2022	2021
Fund	4.45	6.33	1.97	0.25
Benchmark	2.67	3.01	2.24	1.85

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 2019 are measured from its commencement date of 2 July 2019.

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Top Holdings*

Government of Malaysia	15.62%
Malayan Cement Berhad (fka Lafarge Malaysia Berhad)	4.29%
AEON Credit Service (M) Berhad	4.27%

Sector Breakdown*

Financial	21.12%
Energy and Utilities	18.06%
Public Administration	15.62%
Cash & Others	7.96%
Real Estate	7.83%
Transportation and Storage	7.13%
Industrials	6.41%
Consumer Staples	5.00%
Health Care and Social Work	4.31%
Consumer Discretionary	2.92%
Basic Materials	2.92%
Communications Services	0.71%

Distribution By Financial Year

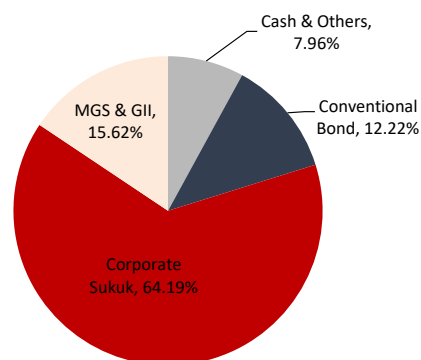
	2024	2023	2022	2021
Distribution (RM)	0.0367	0.0418	0.0355	0.0296
Distribution Yield (%)	3.49	4.01	3.48	2.86

Disclaimer:

Based on the Fund's portfolio returns as at 28 February 2025, the Volatility Factor (VF) for the Fund is 1.98 and is classified as "Very Low" (Source: Refinitiv Lipper). "Very Low" includes funds with VF that are above 0.00 but not more than 4.915. 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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Asset Allocation*



*Presented as a % of NAV as at 31 Mar 2025

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

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

Rating Profile*

MGS & GII	15.62%
AAA	9.32%
AA1	19.69%
AA2	13.14%
AA3	33.56%
A2	0.71%