

## Nomura i-Income Fund 2 - Class H (Hedged)

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, GII yield curve shifted downwards. In particular, yields declined by 3-6 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 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 govies space to increase our sukuk holdings.

### Cumulative Fund Returns (%)

	YTD	1 Month	3 Month	6 Month
	31/12/2024	28/2/2025	31/12/2024	30/9/2024
	To	To	To	To
	31/3/2025	31/3/2025	31/3/2025	31/3/2025
<b>Fund</b>	1.25	0.45	1.25	2.24
<b>Benchmark</b>	1.37	0.77	1.37	-5.94

### Cumulative Fund Returns (%)

	1 Year	3 Year	Since Commencement
	31/3/2024	31/3/2022	21/7/2021
	To	To	To
	31/3/2025	31/3/2025	31/3/2025
<b>Fund</b>	5.53	14.87	15.51
<b>Benchmark</b>	9.35	2.33	4.03

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**

### 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 74.78 million
Class Size	USD 0.20 million
Units in Circulation (Class H)	0.18 million
NAV per Unit (Class H)	USD 1.1333
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 3 business days

### Sales charge

Nil

### Management fee

Up to 0.40% 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 of RM12,000.00 per annum (excluding foreign custodian fees and charges).

### Calendar Year Returns (%)

	2024	2023	2022	2021
<b>Fund</b>	5.47	6.22	0.42	1.41
<b>Benchmark</b>	5.44	-1.37	-3.43	2.18

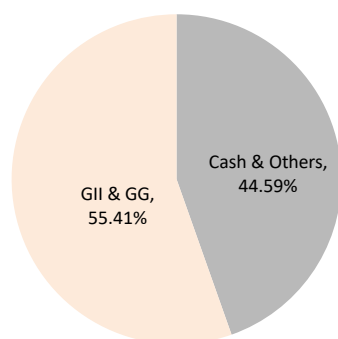
Source: Refinitiv Lipper

#### 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.

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

### Asset Allocation\*



### Top Holdings\*

Government of Malaysia	55.41%
Cash & Others	44.59%

### Sector Breakdown\*

Public Administration	55.41%
-----------------------	--------

\*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 Islamic deposits and other net current assets/liabilities.

### Distribution By Financial Year

	2024	2023	2022
<b>Distribution (RM)</b>	0.0060	0.0070	0.00364
<b>Distribution Yield (%)</b>	0.54	0.67	0.37

#### Disclaimer:

Based on the Fund's portfolio returns as at 28 February 2025, the Volatility Factor (VF) for the Fund is 8.73 and is classified as "Low" (Source: Refinitiv Lipper). "Low" includes funds with VF that are between 4.915 and 9.075. 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.

This marketing material was prepared by Nomura Asset Management Malaysia Sdn. Bhd. (Registration No. 200601028939 (748695-A)) ("NAMM") based on data available to NAMM as of 31 March 2025 for information purposes only and is not intended as an offer, solicitation or recommendation with respect to the purchase or sale of any particular investment. This marketing material has not been reviewed by the Securities Commission Malaysia ("SC"). Before investing in Nomura i-Income Fund 2 ("Fund"), investors are advised to read and understand the contents of the Fund's Prospectus dated 1 December 2022, the First Supplementary Prospectus dated 1 May 2023 and the Second Supplementary Prospectus dated 25 March 2024 ("Prospectuses") and Product Highlights Sheet ("PHS") which highlights the key features and risks of the Fund. Both the Prospectuses and PHS have been registered/ lodged with the SC. The authorisation of the Fund and the registration/ lodgement of the Prospectuses and the PHS should not be taken to indicate that SC recommends the Fund. SC takes no responsibility for the contents of the Prospectuses, the PHS and this marketing material; makes no representations as to their accuracy or completeness; and expressly disclaims all liability arising from, or in reliance upon the whole or any part of their contents. Though the information contained herein has been obtained from sources believed in good faith to be reliable upon the issuance date, NAMM reserves the right to make changes or corrections to the information herein at any time without notice. Copies of the Prospectuses and PHS can be obtained from our office and application for units can only be made on receipt of an application form referred to and accompanying a copy of the Prospectuses. Among others, investors should be aware: i) of the risks and costs involved in investing in the Fund; ii) that the price of units (in the Fund) and distributions payable (if any) may go down as well as up; and iii) that past performance of the Fund and target fund (if any) should not be taken as an indication of its future performance. Investors should make their own risk assessment and seek professional advice, where necessary.