NOMURA ASSET MANAGEMENT

3-year Fund Volatility
0.7
Very Low
Lipper Analytics
30-Jun-2026

Nomura i-Income Fund 2 - Class S

July 2026

Fund Manager's Commentary

Global yields continued their weakening trend in July, on the back of renewed geopolitical tensions in the Middle East and inflation fears. In tandem with global yield movements, though on a smaller quantum, GII yield curve bear-flattened over the month. Notably, front-end to belly of the curve led the selloff with yields surging 7-12 bps MoM while the long-end of the curve was better supported.

In its July Monetary Policy Committee meeting, Bank Negara Malaysia (BNM) kept its Overnight Policy Rate (OPR) unchanged at 2.75%. While maintaining its neutral tone, BNM struck a more constructive note on the external backdrop, pointing to broadly resilient global growth underpinned by strong tech expansion and improving supply conditions and commodity prices, with a deescalation of the Middle East conflict seen as a catalyst for further easing of supply chain frictions – though it continued to flag downside risks from lingering geopolitical uncertainty, tighter global financial conditions, and elevated asset valuation concerns. Domestically, growth momentum in 2Q26 remained resilient, driven by sustained domestic demand and a stronger-than-expected export performance, with household spending supported by employment and wage growth, and investment activity underpinned by multi-year private and public projects and continued high realisation of approved investments. Meantime, while elevated global commodity prices pose upside price risks, BNM expects the impact on both headline and core inflation to remain contained in 2026, reflecting domestic policy measures and stable demand conditions. All in all, BNM assesses the current monetary policy stance as appropriate and consistent with the outlook for continued price stability and sustainable growth.

Recent subscriptions have enhanced our capacity to reposition the portfolio strategically in response to pronounced volatility across global fixed income markets. We are maintaining tactical liquidity to exploit value opportunities in intermediate and long-dated maturities as market conditions evolve. Cash holdings are currently allocated to competitive money market placements. We anticipate the ongoing repricing of the yield curve will present superior risk-adjusted entry points within the next several months.

Cumulative Fund Returns (%)

	YTD	1 Month	3 Month	6 Month
	31/12/2025 To 31/07/2026	30/06/2026 To 31/07/2026	30/04/2026 To 31/07/2026	31/01/2026 To 31/07/2026
Fund	1.55	0.06	0.53	1.33
Benchmark	1.09	0.15	0.45	0.92

Cumulative Fund Returns (%)

	1 Year	3 Year	Since Commencement
	31/07/2025 To 31/07/2026	31/07/2023 To 31/07/2026	21/7/2021 To 31/07/2026
Fund	2.86	11.46	16.06
Benchmark	1.94	7.35	12.25

Source: LSEG 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 285.92 million
Class Size	MYR 253.18 million
Units in Circulation (Class S)	247.12 million
NAV per Unit (Class S)	MYR 1.0245
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 2 business days

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).

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Calendar Year Returns (%)

	2025	2024	2023	2022	2021
Fund	4.20	3.77	4.25	1.41	-0.01
Benchmark	2.23	2.61	2.89	2.11	0.77

Source: LSEG 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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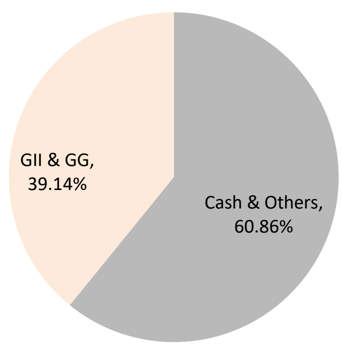
Asset Allocation*



**Presented as a % of NAV as at 31 Jul 2026*

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.

Top Holdings*

Cash & Others	60.86%
Government of Malaysia	39.14%

Sector Breakdown*

Public Administration	39.14%

Distribution By Financial Year

	2025	2024	2023	2022
Distribution (RM)	0.0267	0.0272	0.0328	0.0167
Distribution Yield (%)	2.61	2.70	3.30	1.70