



Investment Objective

To achieve capital preservation over the medium term while providing a stable long term and secured income return by investing primarily in a portfolio of investment grade fixed income securities.

Investor Profile

The fund is suitable for investors who seek a stable income stream and have a medium to long term investment horizon.

Investment Strategy & Approach

The Managers employ a rigorous and structured investment approach in evaluating the various bond investments and their credit risks. The fund will be invested in the Malaysian government securities, money market instruments and private debt securities with a minimum rating of A3 by RAM or its equivalent.

Fund Details

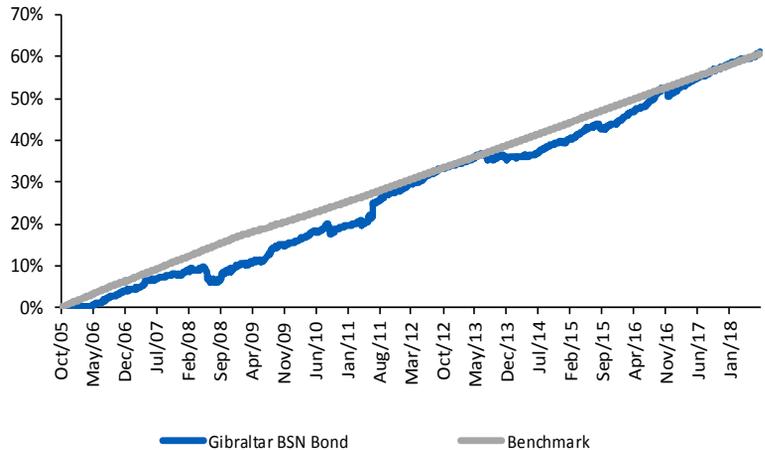
Unit NAV	RM0.7653
Fund Size	RM12.9 million
Inception Date	29 September 2005
Management Fee	1.00% per annum

Top 5 Holdings

RHB Bank	11.3%
Tanjung Bin Energy Issuer	9.4%
TF Varlik Kiralama	8.3%
Sarawak Hidro	6.3%
KT Kira Sertifikalan Varlik	6.0%

Data as at 31 July 2018

Cumulative Performance Since Inception



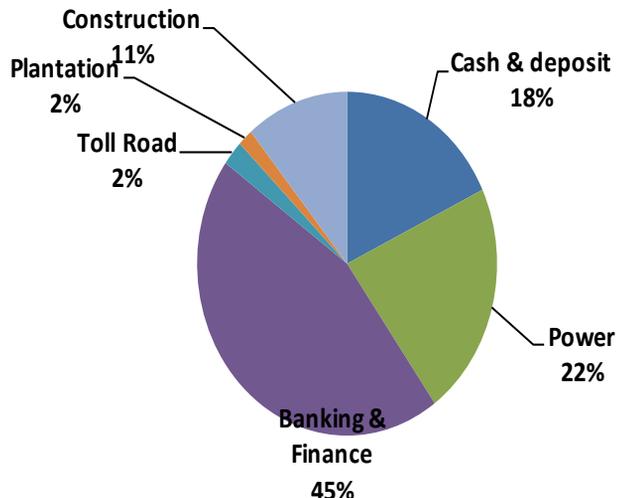
Performance Table

	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since inception
Fund	0.5%	1.0%	1.6%	1.9%	3.5%	12.1%	18.8%	61.1%
Benchmark	0.4%	1.2%	2.4%	2.8%	4.7%	14.1%	23.6%	60.7%

- *Benchmark: 1-year Maybank FD rates + 150 bps*
- *Source: Bloomberg & Gibraltar BSN Life Bhd*

Past performance is not indicative of future performance and the performance of the fund is not guaranteed.

Portfolio Composition





Manager's Comment

The Fund has appreciated by 61.1% since inception on 29th Sept 2005 or by 3.8% compounded annual return.

Market Review

The month of July kicked off with a bang as President Trump carried out his threat on correcting the trade imbalance between the U.S. and her largest partner, China. While the subsequent retaliatory reaction by the Chinese triggered fears of an escalation of a global trade war, investors have mostly imputed this move and hence there were no panic reactions as far as the global bond markets was concerned. The same can be seen in Malaysia where most investors had shrugged off the relatively benign impact expected from the first wave of tariff measures.

While we expect more volatilities across all asset classes and increasing downside risks due to ongoing global developments, we opine that Bank Negara Malaysia (BNM) will likely keep its OPR unchanged at 3.25% for the rest of the year as BNM takes a wait-and-see mode.

We believe the perceived undervalued nature of the Ringgit will continue to anchor the attractiveness of Malaysian govvnies and hence foreign fund flows will return once there is greater clarity on the ongoing U.S.-China trade war, as well as certainty on where domestic policy is heading to especially on the country's fiscal and debt position.

Market Outlook

We focus on valuation play to take advantage of the volatile market to enhance portfolio return, which currently favours corporate bonds over government bonds in view of the wide corporate credit spreads. We will participate in high quality lower rated corporate bonds in the primary market which offer better yield pick-up relative to the secondary market as and when price discovery takes place for the new issuances.

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