



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

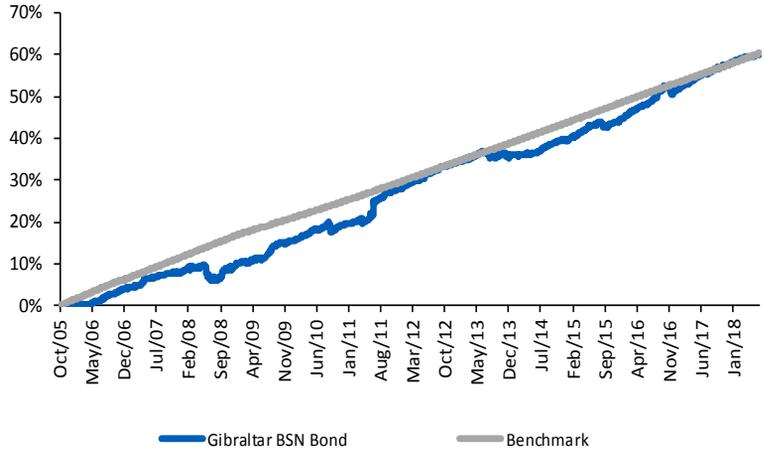
Unit NAV	RM0.7613
Fund Size	RM12.8 million
Inception Date	29 September 2005
Management Fee	1.00% per annum

Top 5 Holdings

Tanjung Bin Energy Issuer Bhd	9.3%
TF Varlik Kiralama	8.3%
Lebuhraya DUKE Fasa 3	7.0%
Sarawak Hidro	6.3%
KT Kira Sertifikalan Varlik	6.0%

Data as at 30 June 2018

Cumulative Performance Since Inception



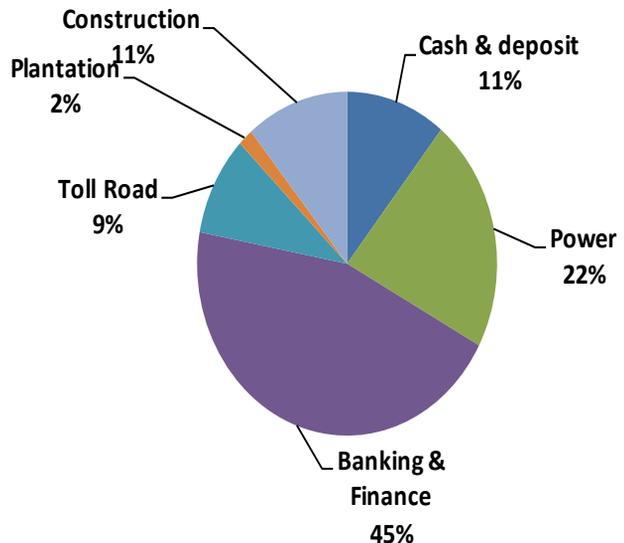
Performance Table

	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since inception
Fund	0.4%	0.5%	1.4%	1.4%	3.1%	12.0%	17.6%	60.3%
Benchmark	0.4%	1.2%	2.4%	2.4%	4.7%	14.1%	23.6%	60.3%

- 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 60.3% since inception on 29th Sept 2005 or by 3.8% compounded annual return.

Market Review

As part of their expenditure rationalization efforts, the Pakatan Harapan government has decided to postpone, restructure or outright cancel several large scale projects initiated by the previous Barisan Nasional administration. Two of the largest projects to be affected are the High Speed Railway (HSR) and East Coast Railway Line (ECRL). The Prime Minister Tun Dr. Mahathir bin Mohamad stated that the HSR will be postponed whilst Finance Minister Lim Guan Eng said that the ECRL project will only be implemented with a significant cost reduction. Datuk Nor Shamsiah Mohd Yunus, has been appointed as BNM Governor from 1 July 2018 to 30 Jun 2023, taking over from Tan Sri Muhammad Ibrahim who resigned on 15 Jun 2018. Her appointment ensures continuity in the direction and conduct of monetary policy going forward.

Market Outlook

We expect BNM to maintain the OPR at 3.25% for the rest of the year. The domestic economy continued to expand at a healthy rate of 5.4% YoY in 1Q2018 but there are downside risks to growth from here on with the potential escalation of a global trade war. Inflation continues to be benign and the removal of the GST will help suppress inflationary pressure. Global bond yields will be driven by two increasingly divergent factors, the hawkish monetary policy in the U.S. and increasing concerns over the long term growth outlook of the global economy. These developments have resulted in a significant flattening of the UST yield curve.

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