



#### 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 Manager

AmFunds Management Bhd.

#### Fund Details

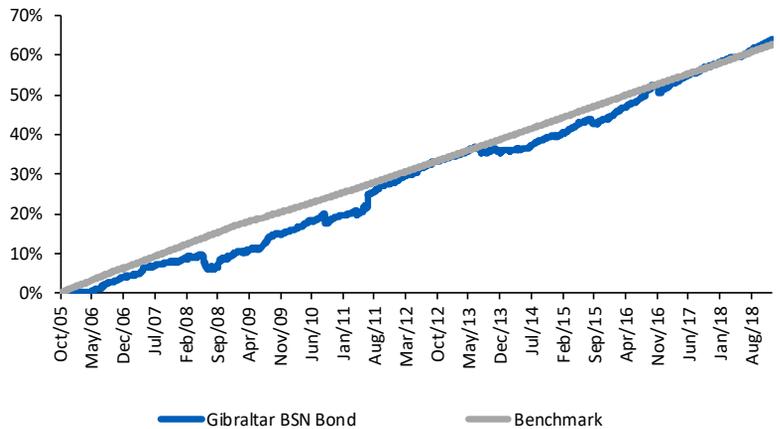
Unit NAV RM0.7792  
 Fund Size RM13.5 million  
 Inception Date 29 September 2005  
 Management Fee 1.00% per annum

#### Top 5 Holdings

RHB Bank 10.7%  
 Tanjung Bin Energy Issuer 8.9%  
 TF Varlik Kiralama 7.8%  
 Sarawak Hidro 6.0%  
 KT Kira Sertifikalari Varlik 5.7%

Data as at 31 December 2018

#### Cumulative Performance Since Inception



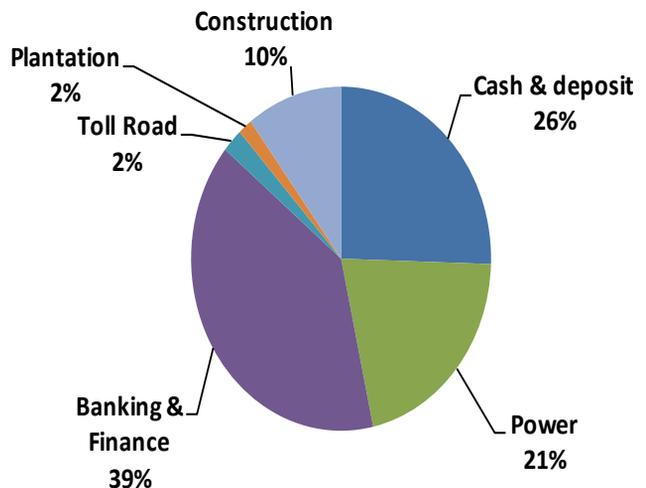
#### Performance Table

	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since inception
Fund	0.4%	1.1%	2.4%	3.8%	3.8%	13.3%	20.5%	64.0%
Benchmark	0.4%	1.2%	2.5%	4.9%	4.9%	14.1%	23.7%	62.8%

- 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 64.0% since inception on 29<sup>th</sup> Sept 2005 or by 3.8% compounded annual return.

#### **Market Review**

Foreign holdings of Malaysian government bonds (MGS and GII) dwindled slightly in the month of November 2018. Total holdings fell to RM187.06 billion from RM192.27 billion a month earlier. Outflows were mainly registered from the MGS segment.

Despite the ongoing global and local market volatility, we expect Bank Negara to hold the Overnight Policy Rate steady well into 2H2019. We opine that policy rate changes will likely be influenced by the outcome of several key events such as U.S.-China trade war and Brexit which will have an impact on Malaysia's domestic economic growth and inflation.

As we prepare our portfolios to address potential risk-off, slowing growth and asset deflation scenarios, portfolio duration has been upgraded to overweight relative to benchmark.

#### **Market Outlook**

We maintain focused on valuation play to take advantage of the volatile market to enhance portfolio return, favouring 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.

#### **For Internal Use Only**

##### **Disclaimer**

This report is for information only and is purely a product summary. Please refer to the product fact sheet available at [www.gibraltarbsn.com](http://www.gibraltarbsn.com) for further details. This report shall not be reproduced, copied, circulated or forwarded either in part or otherwise to any persons howsoever without the prior written consent of Gibraltar BSN Life Berhad. The opinions and information contained herein are based on the latest available data which is believed to be reliable. It is not to be construed as an offer, invitation or solicitation to buy or sell any securities or financial instruments covered by this report. Gibraltar BSN Life Berhad does not warrant the accuracy of anything stated herein in any manner whatsoever and no reliance upon such statement by anyone shall give rise to any claim whatsoever against Gibraltar BSN Life Berhad and/or its associated persons. Gibraltar BSN Life Berhad and/or its associated persons may from time to time have an interest in the securities or financial instruments mentioned by this report. Past Performance of the Funds mentioned in the Report is not an indication of its future performance. Investors/policy holders should rely on their own evaluation to assess the merits and risks of the investment. In considering to invest in an investment-linked fund, investors/policy holders who are in doubt on the action to be taken should consult a professional adviser. Investors/Policy holders have to take note that investments can fluctuate in value and values may fall as well as rise and an investor/policy holder may not get back the amount invested.