

# TAKAFULINK DANA BON

All information as at 30 April 2020 unless otherwise stated

Semua maklumat adalah seperti pada 30 April 2020 melainkan jika dinyatakan

## Objective / Objektif Dana

Takafulink Dana Bon aims to provide medium to long term accumulation of capital by investing in selected approved securities. Suitable for participants with low to moderate risk horizon and medium to long term investment horizon.

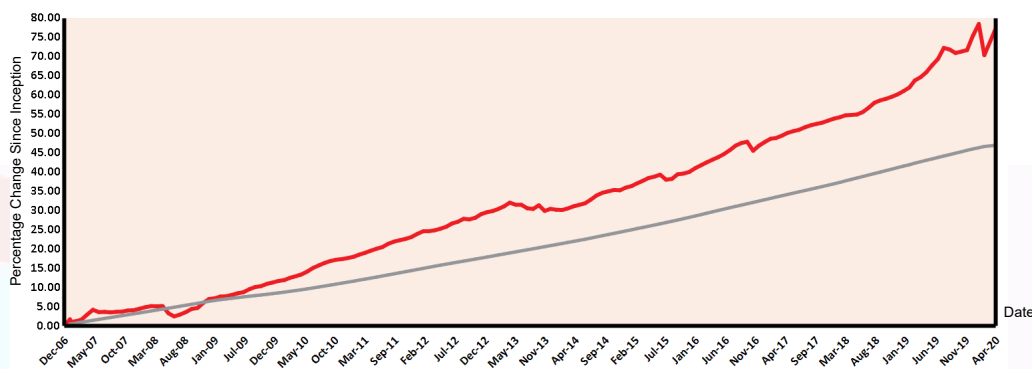
Takafulink Dana Bon bertujuan untuk memberi pengumpulan dana dalam jangka masa sederhana ke panjang melalui pelaburan di dalam sekuriti Shariah yang diluluskan. Untuk para peserta yang inginkan risiko rendah ke sederhana dan ingin melabur di dalam jangka masa sederhana ke panjang.

## Fund Details / Maklumat Terperinci Dana

|   |  |
|---|--|
| Investment Manager / Pengurus Pelaburan                     | Eastspring al-Wara' Investments Berhad |
| Inception Date / Tarikh Diterbitkan                         | 01/12/2006                             |
| Current Fund Size / Saiz Dana Terkini                       | RM149,224,655.17                       |
| Annual Fund Management Charge / Caj Pengurusan Dana Tahunan | 0.50% per annum                        |
| Current NAV / NAB Terkini                                   | RM1.77391                              |

## How the Fund has performed / Prestasi Dana

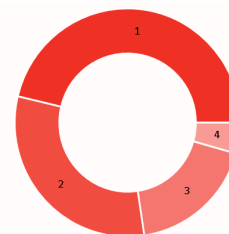
Performance Graph / Jaduan Prestasi Dana  
Takafulink Dana Bon Vs. 12 MTH MBB Islamic Term  
Deposit Rate



## Total Price Movement Over the Following Periods / Jumlah Pergerakan Harga Dalam Tempoh Tersebut

|                                     | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years | Since Inception |
|-------------------------------------|---------|----------|----------|--------|---------|---------|-----------------|
| Price Movement / Pergerakan Harga   | 4.08%   | 1.08%    | 3.74%    | 7.70%  | 18.66%  | 28.75%  | 77.34%          |
| Benchmark / Penanda Aras            | 0.21%   | 0.65%    | 1.42%    | 2.99%  | 9.80%   | 16.99%  | 46.97%          |
| Outperformance / Perbezaan Prestasi | 3.87%   | 0.43%    | 2.32%    | 4.71%  | 8.86%   | 11.76%  | 30.37%          |

## Where the Fund invests Komposisi Pelaburan Dana



### Asset Allocation Peruntukan Aset

|                           | % NAV |
|---------------------------|-------|
| 1 Corporate               | 46.29 |
| 2 Quasi-Government        | 31.08 |
| 3 Government              | 18.25 |
| 4 Cash, Deposits & Others | 4.38  |

## Takafulink Dana Bon Top 10 Holdings 10 Pegangan Teratas

|                              | %    |
|------------------------------|------|
| 1 Malaysia Investmnt Issu    | 9.34 |
| 2 Prasarana Malaysia Berhad* | 8.12 |
| 3 YTL Power International    | 6.19 |
| 4 Prasarana Malaysia Berhad* | 5.20 |
| 5 Malaysia Investmnt Iss     | 3.80 |
| 6 Malaysia Investmnt         | 3.61 |
| 7 Danainfra Nasional*        | 3.37 |
| 8 Perbadanan Tabung Pendid   | 3.28 |
| 9 Danainfra Nasional*        | 3.16 |
| 10 Danainfra Nasional*       | 3.04 |

\* Different coupon rates & maturity dates for each.

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## Monthly Update / Laporan Bulanan Terkini

### Fixed Income

#### Market Review

In its 2019 Annual Report, Bank Negara Malaysia ("BNM") projected 2020 GDP growth to be between -2.0% and + 0.5% YoY. BNM expects growth to be dragged down by weak exports (forecast: -8.7% YoY) and private investment (forecast: -1.6% YoY) due to weak global demand, supply chain disruptions and Covid-19 containment measures both abroad and domestic. Inflation is forecasted to be between -1.5% and 0.5% YoY on the back of low energy prices and weak demand whilst core-inflation is forecasted to be between 0.8% and 1.3% YoY due to the weak labour market and the economy operating below capacity. CPI declined by 0.2% YoY in March 2020, lower than February 2020's reading of +1.3% YoY. Meanwhile, core inflation was unchanged at 1.3% YoY (Feb: 1.3% YoY).

Malaysia sovereign bond yields fell across the curve in April 2020, with 3-years, 5-years, 10-years and 15-years MGS yields decreasing by 35bps, 56bps, 46bps and 54bps to close at 2.40%, 2.51%, 2.89% and 3.08% respectively. The decline in yields reflected buying interest from both local and foreign investors due to the expected BNM policy easing in the May Monetary Policy Committee ("MPC"). Similarly, MGII yield curve shifted lower during the month, as 3-years, 5-years, 10-years and 15-years GII yields closed 43bps, 42bps, 61bps and 57bps lower at 2.47%, 2.58%, 2.84% and 3.15%, respectively.

#### Market Outlook

After imposing movement restrictions and economic shutdowns to gain control over the Covid-19 pandemic, governments across the world sought ways of easing the blanket lockdowns as the economic cost became unaffordable. Several states in the US, the country hardest hit by the pandemic, have started relaxing restrictions as unemployment has risen sharply, 33 million jobless claims have been made over the last 7 weeks up to first week of May. Oil prices recorded their first ever negative readings in the month of April, WTI was once traded at \$40/barrel, despite the US, Saudi and Russia-led pact for record cuts in oil production, as the lockdown severely reduced oil demand and storage capacity was exhausted.

Moving forward there is likely to be an increase in US-China geopolitical tensions as the US seeks to punish China for what it deems to be coverups of the Covid-19 pandemic. President Trump has threatened new tariffs against China and the US has tightened restrictions of US tech exports to China. Given that this is an election year in the US and both Republicans and Democrats parties wish to appear as being tough on China, there is likely to be no rapprochement between the two countries in the near term. Beyond the Covid-19 pandemic-related headlines, global market sentiment is expected to turn cautious again on this resurgence of US-China tension.

On the domestic front, the movement control order ("MCO") has now been extended until at least 12 May 2020. The government has relaxed some aspects of the MCO given the economic cost – each day of the MCO was estimated to cost MYR 2.4 billion in economic output – and reduction in Covid-19 new infection. Most economic activities will be allowed to operate from 4 May 2020 on the condition that social distancing guidelines and stricter health and safety SOP are adhered to. We believe that the government will continue to gradually ease the restrictions but mass movement of people, i.e. "balik kampung" and bazaars, will continue to be curtailed. After taking a backseat by the Covid-19 pandemic, Malaysian politics may move back into the limelight as the ex-Prime Minister Mahathir Mohammad seeks a no-confidence motion against the new government. There will be a special 1 day sitting of parliament on 18 May 2020, followed by a full sitting of parliament for 25 days starting on 13 July 2020.

BNM cut its Overnight Policy Rate ("OPR") by 50 basis points to 2.0% on 5 May 2020, the third consecutive cut for the year, bringing the OPR to its lowest level since 2009. The cut was in line with consensus expectations and the local bond market had largely priced in the cut due to the sharp slowdown in both the global and domestic economies. BNM also announced that financial institutions may use MGS and GII to meet statutory reserve requirements ("SRR") from 16 May 2020 until 31 May 2021 which is expected to release around MYR 16 billion of liquidity into the banking system. BNM's monetary policy direction for 2H2020 is broadly expected to be data-dependent given the uncertainties surrounding the Covid-19's impact on the domestic economic activities.

In May, there will be re-openings of 15-year GII and 10-year MGS, which we expect to be well supported from the additional liquidity in the financial system. On the corporate bond front, we expect demand for corporate bonds to be mixed, with a preference for higher quality names. Corporate issuances have stalled in recent months as corporates assessed the need for additional funding in a low demand environment.

### Fund Review & Strategy

The Fund returned 4.08% for the month, outperforming the benchmark return of 0.21% by 3.87%. Year-to-date, the fund returned 3.29%, outperforming the benchmark return of 0.90% by 2.39%. The outperformance in the month was attributed to the decline in yields reflected buying interest from both local and foreign investors due to the expected BNM policy easing in the early May Monetary Policy Committee meeting.

The Fund's strategy is to accumulate quality bonds at attractive levels, we are very selective on corporate bonds as the economic slowdown may put pressure on corporate's credit metrics. Market remains volatile, albeit at a lesser degree, we continue to look for trading opportunities in these volatile times. Domestic bond yields would be supported by expectations of weaker economic growth, lower inflation outlook and loosening global and domestic monetary policies, exacerbated by the COVID-19 pandemic.

### Pendapatan Tetap

#### Tinjauan Bulanan

Dalam Laporan Tahunan 2019, Bank Negara Malaysia ("BNM") mengunjurkan pertumbuhan KDNK 2020 antara -2.0% hingga + 0.5% tahun ke tahun (YoY). BNM menjangkakan pertumbuhan akan diseret oleh eksport yang lemah (ramalan: -8.7% YoY) dan pelaburan swasta (ramalan: -1.6% YoY) kerana permintaan global yang lemah, gangguan rantaian bekalan dan langkah-langkah pengurangan Covid-19. Inflasi diramalkan antara -1.5% hingga 0.5% YoY berikutan harga tenaga yang rendah dan permintaan yang merosot sementara inflasi teras kemungkinan akan berada antara 0.8% hingga 1.3% YoY disebabkan oleh pasaran buruh yang lemah dan ekonomi yang beroperasi di bawah kapasiti. CPI susut 0.2% YoY pada bulan Mac 2020 berbanding +1.3% YoY bacaan bulan Februari 2020. Sementara itu, inflasi teras tidak berubah pada 1.3% YoY (Feb: 1.3% YoY).

Hasil bon kerajaan Malaysia jatuh di sepanjang keluk pada bulan April, dengan hasil MGS 3 tahun, 5 tahun, 10 tahun dan 15 tahun masing-masing susut 35 mata asas (bps), 56 bps, 46 bps dan 54 bps lalu ditutup pada 2.40%, 2.51%, 2.89% dan 3.08%. Penyusutan hasil mencerminkan minat belian pelabur tempatan dan asing susulan jangkaan pelonggaran dasar BNM semasa persidangan Jawatankuasa Dasar Monetari ("MPC") bulan Mei. Begitu juga, keluk hasil MGII berubah lebih rendah pada bulan tersebut, apabila hasil GII 3 tahun, 5 tahun, 10 tahun dan 15 tahun masing-masing ditutup 43 bps, 42 bps, 61 bps dan 57 bps lebih rendah pada 2.47%, 2.58%, 2.84% dan 3.15%.

#### Gambaran Bulanan

Setelah melaksanakan kawalan pergerakan dan penutupan ekonomi bagi membendung pandemik Covid-19, kerajaan di seluruh dunia mencari kaedah untuk meredakan kesan kawalan pergerakan yang menyeluruh apabila kos ekonomi menjadi tidak terjangkau. Sebilangan negeri di AS, negara yang paling terkesan teruk oleh pandemik, mula melonggarkan kawalan apabila pengangguran meningkat tajam, 33 juta tuntutan pengangguran telah dibuat sejak 7 minggu yang lalu hingga minggu pertama bulan Mei. Harga minyak mencatatkan pembacaan negatif yang pertama pada bulan April walaupun

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pakatan antara AS, Arab Saudi yang dipimpin Russia untuk mengurangkan pengeluaran minyak, susulan kawalan pergerakan telah menjejaskan permintaan minyak sehingga kapasiti penyimpanan habis digunakan.

Melangkah ke hadapan, ketegangan geopolitik AS-China berkemungkinan besar akan meningkat apabila AS mahu menghukum China atas tanggapan bahawa negara tersebut menutup pandemik Covid-19. Presiden Trump telah mengancam tarif baru ke atas China dan AS telah mengetatkan sekatan eksport teknologi AS ke China. Memandangkan pilihanraya akan diadakan di AS pada tahun ini manakala kedua-dua parti Republikan dan Demokrat ingin menunjukkan ketegasan sikap terhadap China, kemungkinan tidak akan ada hubungan antara kedua-dua negara dalam waktu yang dekat. Di luar tajuk utama yang berkaitan pandemik Covid-19, sentimen pasaran global dijangka akan berbalik kepada berwaspada berikutan ketegangan AS-China ini berbangkit semula.

Meninjau perkembangan domestik, Perintah Kawalan Pergerakan ("PKP") telah pun dilanjutkan sehingga 12 Mei 2020. Kerajaan telah melonggarkan sebahagian aspek PKP berikutan kos ekonomi - setiap hari PKP dianggarkan menelan kos MYR2.4 bilion daripada output ekonomi - dan pengurangan jangkitan baru Covid-19. Sebilangan besar aktiviti ekonomi akan dibenarkan beroperasi mulai 4 Mei 2020 dengan syarat bahawa garis panduan jarak sosial dan Prosedur Operasi Standard (SOP) kesihatan dan keselamatan yang lebih ketat dipatuhi. Kami percaya bahawa kerajaan akan terus mengurangkan sekatan sedikit demi sedikit tetapi pergerakan besar-besaran, seperti "balik kampung" dan bazar, akan terus dikekang. Setelah mengundur ekoran pandemi kCovid-19, politik Malaysia mungkin akan kembali mengambil perhatian apabila mantan Perdana Menteri Mahathir Mohammad mengusulkan gerakan tidak percaya terhadap kerajaan baharu. Persidangan parlimen khas sehari akan bersidang pada 18 Mei 2020, diikuti dengan persidangan penuh selama 25 hari mulai 13 Julai 2020.

BNM mengurangkan Kadar Dasar Semalaman ("OPR") sebanyak 50 bps menjadi 2.0% pada 5 Mei 2020, penurunan yang ketiga berturut-turut untuk tahun ini, lalu menjadikan OPR berada di tahap terendah sejak 2009. Pengurangan ini sejajar dengan jangkaan konsensus dan pasaran bon tempatan telah memfaktorkan sebahagian besar pengurangan kadar tersebut berikutan kelembapan ekonomi global mahupun domestik yang ketara. BNM juga mengumumkan bahawa institusi kewangan boleh menggunakan MGS dan GII untuk memenuhi syarat keperluan rizab berkanun ("SRR") dari 16 Mei 2020 hingga 31 Mei 2021, yang diharapkan dapat mengalirkan sekitar MYR16 bilion ke dalam sistem perbankan. Hala tuju dasar monetari BNM untuk 2H2020 secara amnya bergantung kepada data ekonomi memandangkan ketidakpastian yang melingkari impak Covid-19 terhadap aktiviti ekonomi domestik.

Pada bulan Mei, terdapat pembukaan semula GII 15 tahun dan MGS 10 tahun, yang diharapkan akan disokong dengan baik oleh tambahan kecairan dalam sistem kewangan. Meninjau bon korporat, kami menjangkakan bahawa permintaan kepada bon korporat akan bercampur-campur, dengan keutamaan kepada saham yang berkualiti lebih tinggi. Penerbitan korporat terhenti dalam beberapa bulan terakhir apabila korporat menilai keperluan kepada dana tambahan dalam persekitaran permintaan yang rendah.

## Tinjauan dan Strategi Dana

Dana mencatat pulangan 4.08% untuk bulan ini, mengatasi pulangan penanda aras 0.21% sebanyak 3.87%. Sejak awal tahun hingga kini, Dana memulangkan 3.29%, mengatasi pulangan penanda aras 0.90% sebanyak 2.39%. Pencapaian yang baik pada bulan ini disumbangkan oleh penyusutan hasil yang dicerminkan oleh minat belian sama ada pelabur tempatan mahupun asing berikutan jangkaan pelonggaran dasar BNM dalam mesyuarat Jawatankuasa Dasar Monetari pada awal Mei.

Strategi Dana ialah mengumpulkan bon berkualiti pada tahap yang menarik, kami sangat cermat dalam memilih bon korporat kerana kelembapan ekonomi boleh memberi tekanan kepada metrik kredit korporat. Pasaran masih belum stabil, walaupun pada tahap yang lebih rendah, kami terus mencari peluang berdagang pada masa yang tidak menentu ini. Hasil bon domestik akan disokong oleh jangkaan pertumbuhan ekonomi yang lebih lemah, prospek inflasi yang lebih rendah serta pelonggaran dasar monetari global dan domestik, yang diburukkan lagi oleh pandemik COVID-19.

Source / Sumber: Fund Commentary, April 2020, Eastspring Investments Berhad

## Disclaimer

Investments are subject to investment risks including the possible loss of the principal amount invested. The value of the units may fall as well as rise. Past performances of the funds and that of the fund managers are not necessarily indicative of future performance. The price movements indicated are not reflective of the actual return on your investments (which are subject to your premium allocation rate and deduction charges). The actual return on your invested premiums may fluctuate based on the underlying performance of the investment-linked funds. All Takafulink Dana are invested in Shariah-approved securities and/or Islamic private debt securities. This leaflet is for illustrative purposes only. For further details on the terms and conditions, please refer to the policy document. For further details on how you can invest in these funds, please refer to the respective product brochures. In the event of discrepancy between the information in this fact sheet and the policy document, the information in the policy document shall prevail.

Pelaburan adalah tertakluk kepada risiko-risiko pelaburan termasuk kemungkinan kehilangan jumlah wang pokok yang dilabur. Nilai unit mungkin naik ataupun jatuh. Prestasi masa dulu dana-dana atau pengurus-pengurus dana tidak semestinya mencerminkan prestasi masa depan. Pergerakan harga yang ditunjukkan tidak menggambarkan pulangan sebenar pelaburan anda (yang tertakluk kepada kadar peruntukan premium dan caj potongan). Pulangan sebenar ke atas premium yang anda labur mungkin berbeza, bergantung kepada prestasi dana-dana). Semua Takafulink Dana dilaburkan dalam sekuriti yang diluluskan oleh Syariah dan/atau sekuriti hutang swasta Islam. Risalah ini disediakan hanya untuk gambaran semata-mata. Sila rujuk kepada dokumen polisi untuk keterangan lanjut mengenai terma-terma dan syarat-syarat. Untuk keterangan lanjut mengenai bagaimana anda boleh melabur dalam dana-dana ini, sila rujuk kepada risalah-risalah produk yang berkenaan. Jika terdapat perbezaan di antara helaian fakta dan dokumen polisi, maklumat dalam dokumen polisi dianggap muktamad.

PRUDENTIAL BSN

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