

Capturing Income Opportunities in Asia

FINANCIAL PLANNING INVESTMENT UNIT TRUST

Maybank AM rolls out Asian USD bond fund

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New feeder fund provides investors access to Asian fixed income securities and US government debt.

By Lee Min Keong

Maybank Asset Management Sdn Bhd (MAM Malaysia) has rolled out its flagship Singapore-based Asian USD bond fund in Malaysia via a fixed income feeder fund called the Maybank Asian Credit Income Fund (the Fund).

The Fund aims to maximise investment returns by investing in the Maybank Asian Income Fund (Target Fund), a Singapore-authorized open-ended unit trust constituted in the island state and is a sub-fund of Maybank Focus Funds.

The Target Fund's investment objective is to provide investors with capital growth and income primarily through investing in a portfolio of Asian fixed income securities and US government debt.

In seeking to achieve its investment objective, the Fund invests a minimum of 90% of its NAV in Class A - SGD of the Target Fund and up to 10% of the Fund's NAV will be invested in liquid assets (which include but are not limited to deposits and money market instruments).

The Fund will use derivatives such as currency forwards for hedging purposes to manage the currency risk of the Fund's investments.

Targeted at investors seeking an income stream

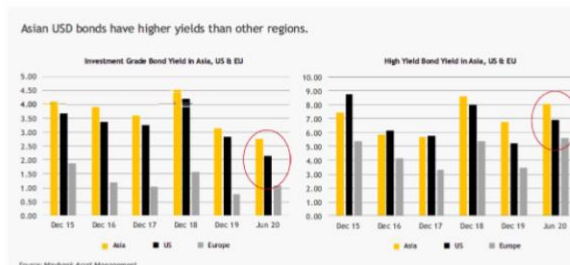
For investors who are looking for a continuous income stream, this Fund aims to distribute income on a bi-monthly basis, i.e. every two months (subject to availability of income), targeting 4% - 4.5% per annum in MYR.

The Fund is designed for investors who seek an income stream; are comfortable with the volatility and risks of a fixed income portfolio which invests primarily in Asian fixed income securities and US government debt; and have a medium to long term investment horizon.

The Target Fund recently won the Lipper Fund Awards 2020 for the Best Bond Global (USD) Fund in the 3-year and 5-year categories with annualised returns of 7.20% p.a. and 6.00% p.a. as at 31 December 2020 respectively.

Citywire Asia Awards 2020 also awarded the Target Fund's fixed income team for the Singapore Best Fund Manager and the Singapore Best Fund Groups in Singapore Bonds for Asia Pacific Hard Currency Category.

Asian Bonds Offer Higher Interest Income than US or European Bonds



Offering a consistent and frequent income pay-out

Maybank Asset Management CEO Ahmad Najib Nazlan said, "We believe the Fund will provide investors consistent and frequent income pay-out despite the current volatile market and low interest rate environment.

"Investors may also potentially reap the benefits of Asian bonds with higher yields as compared to developed markets as Asia is still the fastest growing region with increasing spending power, and it continues to deliver strong economic growth compared to the rest of the world."

As at 31 May 2020, the Target Fund has achieved 4.78% per annum in USD since its inception.



Why Invest in the Fund?

Target Income Distribution Every 2 Months or 6 Times a Year



The Target Fund was established on 24 November 2014 and is managed by Maybank Asset Management Singapore Pte Ltd (MAM Singapore), a fully owned subsidiary of Maybank Asset Management Group Bhd, and licensed and regulated by the Monetary Authority of Singapore.

MAM Singapore has managed collective investment schemes or discretionary funds since April 2009.

To achieve its investment objective, the Target Fund will invest primarily in a portfolio of debt securities.

The bulk of its returns are expected to be generated from the underlying market risk while the expected incremental returns are expected to be generated from various actively managed fixed income investment activities, which encompass but are not limited to security selection, duration risk and yield curve management.

The Target Fund will invest primarily in, but not limited to, Asian debt securities including money market instruments denominated in both local currencies as well as in USD. It may employ currency hedging strategies to partially hedge the foreign currency exposure to manage currency risk.

Furthermore, the Target Fund may also employ interest rate futures to fully or partially hedge the interest rate risk inherent in the fixed income exposure and will be actively managed.

Investors can purchase units in the Fund at a minimum initial investment of RM1,000 or SGD1,000 and make additional investments at a minimum amount of RM100 or SGD100 respectively at any Maybank branches nationwide.

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Visit www.maybank-am.com.my for more information on the Fund.

Maybank Asset Management is a subsidiary of Maybank Asset Management Group Bhd (MAMG) and is owned by Malayan Banking Bhd (Maybank) and Permodalan Nasional Bhd (PNB) as its asset management arm.

MAMG is one of the pioneers in the local asset management industry with a presence across three Asean key markets namely, Malaysia, Singapore and Indonesia offering Asian based investment solutions encompassing both conventional and Islamic assets. MAMG's AUM stands at MYR 27.7 bil as at 30 June 2020.

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