

MAYBANK INSTITUTIONAL INCOME MANAGEMENT-I FUND

Quarter report

For the financial period from 1 November 2022 to 30 April 2023

CORPORATE INFORMATION

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MAYBANK INSTITUTIONAL INCOME MANAGEMENT-I FUND

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MAYBANK INSTITUTIONAL INCOME MANAGEMENT-I FUND

Manager's report

For the financial period from 1 November 2022 to 30 April 2023

A. Fund Information

1. Name of Fund

Maybank Institutional Income Management-I Fund (the "Fund")

2. Type of Fund

Wholesale

3. Category of Fund

Mixed Assets

4. Duration of Fund

The Fund is an open-ended fund.

5. Fund launch date/ Commencement date

9 March 2020/ 1 April 2020

6. Fund's investment objective

The Fund aims to provide unitholders with consistent income stream through investments in a diversified portfolio of Sukuk.

7. Fund distribution policy

Distribution, if any, will be incidental for the first financial year. Thereafter, distribution, if any, shall be made on a quarterly basis (subject to the availability of income).

8. Fund's performance benchmark

Maybank 1 month Islamic deposit rate.

9. The Fund's investment policy and principal investment strategy

The Fund invests a minimum of 60% of the Fund's NAV in MYR-denominated Sukuk and/ or similar securities. Up to 40% of the Fund's NAV may be invested in Islamic liquid assets such as Islamic money market instruments and Islamic deposits. The Fund will invest in MYR-denominated sukuk with a minimum rating of "AA3" by RAM or its equivalent rating by MARC at the point of purchase.

MAYBANK INSTITUTIONAL INCOME MANAGEMENT-I FUND

Manager's report

For the financial period from 1 November 2022 to 30 April 2023 (cont'd)

B. Performance Review

Returns of the Fund and its benchmark for the financial period from 1 November 2022 to 30 April 2023 is as follows:

Financial period	The Fund (%)	Benchmark (%)
1 November 2022 to 30 April 2023	(3.41)	1.21

Performance of the Fund for the financial period from 1 November 2022 to 30 April 2023



Source: Lipper, as at 30 April 2023

Investors are reminded that past performance of the Fund is not necessarily indicative of its future performance and that unit prices and investment returns may fluctuate.

C. Market Review

After the four consecutive 25 basis points (“bps”) Overnight Policy Rate (“OPR”) hikes to 2.75% by Bank Negara Malaysia (“BNM”), the central bank surprised the market with its decision to maintain its OPR at 2.75% in its January meeting citing the need to assess the impact of previous hikes to the economy before deciding if a further adjustment is needed. It went on the pause again in March 2023 before hiking another 25 bps in the latest May meeting to bring the OPR back to pre-Coronavirus Disease (“pre-COVID-19”) level of 3.00%. Malaysian government bond yields decreased by 45-81 bps over the period under review on moderating global growth and inflation outlook, as market started to price in a peaking interest rate environment. Sentiment turned risk off due to the United States (“US”) banking and Credit Suisse crisis and contagion concerns that resulted in a change in monetary outlook, as recession risk increased and central banks became more dovish in order to manage the economy and liquidity issues. Market is not only pricing in a lower terminal rate for the US Federal Reserve (“Fed”) Fund rate (previously at 5.6%, now down to 5.1%), but also pricing in a rate cut of more than 100 bps in financial period 2023.

MAYBANK INSTITUTIONAL INCOME MANAGEMENT-I FUND

Manager's report

For the financial period from 1 November 2022 to 30 April 2023 (cont'd)

D. Market Outlook & Strategy

We maintain our positive outlook for Malaysia fixed income market on the back of peaking interest rates and recession risk, as central banks globally shift towards more accommodative monetary policy. We expect the OPR to be maintained at current 3.00% level for the remaining of the year. The Monetary Policy Committee ("MPC") describes the current monetary policy stance as "slightly accommodative and remains supportive of the economy", removing the usual "remains accommodative" from previous statements. The latest statement also saw the removal of "further normalization", which we think implies that BNM is almost done with normalization, but reserving its bullet to hike if need be. This peaking interest rate outlook, as well as anticipation of slower global growth and high probability of US recession, would be ideal for bond yields to fall, and potentially even see rate cut for US Fed Fund Rate. This would bode well for the valuations of the fixed income funds.

E. Asset Allocation

Asset allocation	30.04.2023		31.10.2022	
	RM	%	RM	%
Financial assets at FVTPL	-	-	-	-
Cash and cash equivalents, and other net assets	1,114	100.00	1,372	100.00
Total NAV	1,114	100.00	1,372	100.00

F. Soft Commissions and Rebates

The Manager and its delegates will not retain any form of soft commissions and rebates from or otherwise share in any commission with any broker in consideration for directing dealings in the investments of the Fund unless the commission received is retained in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Fund. All dealings with brokers are executed on best available terms.

During the financial period from 1 November 2022 to 30 April 2023, the Manager and its delegates did not receive any rebates from the brokers or dealers but have retained soft commissions in the form of goods and services such as research materials and advisory services that assist in decision making process relating to the investment of the Fund (i.e. research materials, data and quotation services, computer hardware and software incidental to the investment management of the Fund and investment advisory services) which were of demonstrable benefits to the unitholders.

REPORT OF THE SHARIAH ADVISER

TO THE UNITHOLDERS OF MAYBANK INSTITUTIONAL INCOME MANAGEMENT-I FUND FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2022 TO 30 APRIL 2023

We hereby confirm the following: .

1. To the best of our knowledge, after having made all reasonable enquiries, Maybank Asset Management Sdn Bhd (the "Manager") has operated and managed Maybank Institutional Income Management-I Fund ("the Fund") during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

For and on behalf of
Amanie Advisors Sdn Bhd

Tan Sri Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur, Malaysia
25 May 2023

MAYBANK INSTITUTIONAL INCOME MANAGEMENT-I FUND

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2022 TO 30 APRIL 2023**

	01.11.2022 to 30.04.2023 RM	01.11.2021 to 30.04.2022 RM
EXPENSES		
Manager's fee	2	2
Trustee's fee	66	33
Auditors' remuneration	44	22
Tax agent's fee	19	10
Shariah advisory fee	82	41
Administrative expenses	45	-
	<u>258</u>	<u>108</u>
Net loss after taxation and total comprehensive loss for the financial period	<u>(258)</u>	<u>(108)</u>
Net loss after taxation is made up of the following:		
Net realised loss	(258)	(108)
	<u>(258)</u>	<u>(108)</u>

MAYBANK INSTITUTIONAL INCOME MANAGEMENT-I FUND**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2023**

	30.04.2023	31.10.2022
	RM	RM
ASSETS		
Amount due from Manager	85,108	66,220
Cash at bank	9,496	9,541
TOTAL ASSETS	94,604	75,761
LIABILITIES		
Amount due to Manager	8	6
Amount due to Trustee	24,989	19,038
Other payables and accruals	68,493	55,345
TOTAL LIABILITIES	93,490	74,389
NET ASSETS VALUE ("NAV") OF THE FUND	1,114	1,372
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:		
Unitholders' capital	26,205	26,205
Accumulated loss	(25,091)	(24,833)
	1,114	1,372
NUMBER OF UNITS IN CIRCULATION (UNIT)	1,000	1,000
NAV PER UNIT (RM)	1.1140	1.3720

MAYBANK INSTITUTIONAL INCOME MANAGEMENT-I FUND

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2022 TO 30 APRIL 2023**

	Unitholders' capital RM	Accumulated losses RM	Net assets attributable to unitholders RM
At 1 November 2022	26,205	(24,833)	1,372
Total comprehensive loss for the financial period	-	(258)	(258)
At 30 April 2023	<u>26,205</u>	<u>(25,091)</u>	<u>1,114</u>
At 1 November 2021	26,205	(24,829)	1,376
Total comprehensive loss for the financial period	-	(108)	(108)
At 30 April 2022	<u>26,205</u>	<u>(24,937)</u>	<u>1,268</u>

MAYBANK INSTITUTIONAL INCOME MANAGEMENT-I FUND

**UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2022 TO 30 APRIL 2023**

	01.11.2022 to 30.04.2023 RM	01.11.2021 to 30.04.2022 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Payment of other fees and expenses	(45)	-
Net cash used in operating and investing activities	<u>(45)</u>	<u>-</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL PERIOD	(45)	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>9,541</u>	<u>9,541</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>9,496</u>	<u>9,541</u>
Cash and cash equivalents comprise:		
Cash at bank	<u>9,496</u>	<u>9,541</u>