



**BOS WEALTH
MANAGEMENT**

A subsidiary of Bank of Singapore

BOSWM DYNAMIC ISLAMIC INCOME FUND

QUARTERLY REPORT
For the financial period from
1 July 2022 to 31 March 2023

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FUND INFORMATION**As At 31 March 2023**

Name Of Fund	: BOSWM Dynamic Islamic Income Fund
Manager Of Fund	: BOS Wealth Management Malaysia Berhad 199501006861 (336059-U)
Launch Date	: Class BOS MYR – 1 June 2021 The Fund will continue its operations until terminated as provided under Clause 25 of the Deed.
Category Of Fund	: Islamic (wholesale)
Type Of Fund	: Growth and income
Investment Objective	: BOSWM Dynamic Islamic Income Fund aims to deliver total return. Note: <ul style="list-style-type: none">• Any material change to the investment objective of the Fund would require Unit Holders' approval.• 'total return' refers to a combination of income (in the form of income distribution) and potential capital growth.
Performance Benchmark	: Maybank Islamic Overnight Deposit rate
Distribution Policy	: Declaration of income distribution (if any) is at least once a year.
Fund Size	: 10.17 million units

FUND PERFORMANCE**For The Financial Period From 1 July 2022 To 31 March 2023****Market And Fund Review**Market Review

US Treasuries were off to a strong start in January with yields declining across the curve over concerns about the path of the Fed's tightening policy. The backdrop of the Fed trying to tame inflationary pressures coupled with liquidity concerns in the commercial banking sector have created a challenging environment for rates market. The bond rally showed no signs of waning when sentiment took a major turn in mid-March which saw historic declines as yields plummeted following deterioration in sentiment in light of the SVB Financial and Signature Bank bankruptcies and the collapse of Credit Suisse. Yields fell across the spectrum as the first quarter head into its final days amidst fears of a banking sector contagion which prompted investors to begin inferring that the Federal Reserve and other major global banks could soften their monetary stance. Meanwhile, the Federal Reserve delivered a quarter percentage point interest rate increase at the March FOMC meeting while expressing caution about the recent banking crisis. Additionally, the rate-setting Federal Open Market Committee noted that future increases are not assured and will depend largely on incoming data. The 2-year and the 10-year Treasury saw a parallel decline of 40bps to 4.02% and 3.47% maintaining the yield curve inversion which persisted since July 2022.

The local yield curve mirrored a bull flattening trend as yields declined from 2022 highs. Local sovereign mostly rallied, steered by resurgent global demand for bonds and falling Treasury yields as peak Fed rate narrative gained traction. With yields already on a downtrend in line with falling global bond yields, yields plunged significantly following BNM's decision to maintain OPR at 2.75% at the first two meetings of the year. The central bank stated that the decision was made to assess the cumulative impact of prior rate hikes while noting downside risks posed by external factors amid headwinds in global growth outlook. Demand for government bonds improved as markets continue to stay nervous amid ongoing development in the US and European banking space towards end 1Q2023. Nonetheless, domestic bonds remained relatively stable compared to the extreme volatility among developed market bonds. BNM released the 2022 Annual Report with growth and CPI projections remained unchanged at 4%-5% and 2.80%-3.80% respectively. The 3-year yield declined 27bps to 3.36% while the 10-year declined by a lesser quantum of 14bps to 3.91%. Meanwhile, deposit rates were seen trading steadily in range given the unchanged OPR level at 2.75% but some downward adjustments in long-term rates were noted.

Fund Review

Total NAV amounted RM 10,591,084 while NAV per unit increased to RM1.0414 on higher sukuk valuations.

As at 31 March 2023, the Fund was 92.15% invested in sukuk and 7.85% in cash and Islamic money market instruments. Throughout the quarter, portfolio rebalancing activities were muted on stable fund flows. The fundamentals of the underlying sukuk portfolio remained satisfactory with decent earnings expectations and rating stability.

Fund Returns

	Total Return	
	Class BOS MYR	
	Fund	Benchmark
1.7.2022 To 30.9.2022	0.27%	0.18%
1.10.2022 To 31.12.2022	2.00%	0.26%
1.1.2023 To 31.3.2023	1.81%	0.27%
1 Year's Period (1.4.2022 To 31.3.2023)	3.70%	0.81%
Financial Year-To-Date (1.7.2022 To 31.3.2023)	3.57%	0.71%
Since Investing Date To 31.3.2023	4.35%	1.01%

Note:

- BOSWM Dynamic Islamic Income Fund Class BOS MYR – Launch date: 1.6.2021; Investing date: 10.6.2021

Source: Lipper, Bloomberg

Asset Allocation

Sukuk
Cash And Islamic Money Market Instruments

As At 31 March 2023

92.15%
<u>7.85%</u>
<u>100.00%</u>

Income Distribution

Nil

Net Asset Value (NAV) Per Unit

(as at 31 March 2023)

Class BOS MYR

RM1.0414

SHARIAH ADVISER'S REPORT

To the Unitholders of **BOSWM DYNAMIC ISLAMIC INCOME FUND** ("FUND"),

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, **BOS WEALTH MANAGEMENT MALAYSIA BERHAD** has operated and managed the Fund for the period covered by these financial statements namely, the period ended 31 March 2023, in accordance with Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprise instruments that have been classified as Shariah compliant.

For and on behalf of the Shariah Adviser,
BIMB SECURITIES SDN BHD

NURUSSA'ADAH NASARUDIN
Designated Shariah Officer

Kuala Lumpur, Malaysia
10 May 2023

UNAUDITED STATEMENT OF FINANCIAL POSITION
As At 31 March 2023

	31.03.2023
	RM
Assets	
Investments	9,759,350
Profit receivable	27,446
Cash and cash equivalents	824,907
Total Assets	<u>10,611,703</u>
Liabilities	
Amount due to Manager	4,488
Other payables	16,131
Total Liabilities	<u>20,619</u>
Net Asset Value Of The Fund	<u>10,591,084</u>
Equity	
Unitholders' capital	9,899,820
Retained earnings	691,264
Net Asset Value Attributable To Unitholders	<u>10,591,084</u>
Total Equity And Liabilities	<u>10,611,703</u>
Number Of Units In Circulation (Units)	<u>10,170,603</u>
Net Asset Value Per Unit	<u>RM1.0414</u>

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
For The Financial Period From 1 July 2022 To 31 March 2023

	1.07.2022 to 31.03.2023 RM
Investment Income	
Profit income	345,179
Net unrealised gain on changes in value of financial assets at fair value through profit or loss	247,250
	<u>592,429</u>
Expenses	
Audit fee	5,498
Tax agent's fee	2,832
Manager's fee	58,958
Trustee's fee	2,358
Administration expenses	12,430
	<u>82,076</u>
Net Income Before Taxation	510,353
Taxation	-
Net Income After Taxation, Representing Total Comprehensive Income for the Period	<u>510,353</u>
Total Comprehensive Income	<u>510,353</u>
Total Comprehensive Income Is Made Up As Follows:	
Realised Income	263,103
Unrealised Income	247,250
	<u>510,353</u>

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BOS WEALTH MANAGEMENT MALAYSIA BERHAD 199501006861 (336059-U)

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INSTITUTIONAL UNIT TRUST ADVISERS (IUTA)

For more details on the list of appointed IUTA (if any), please contact the Manager. Our IUTA may not carry the complete set of our funds. Investments made via our IUTA may be subject to different terms and conditions.

IMPORTANT NOTICES

Beware of phishing scams

Kindly be alert of any email or SMS that requires you to provide your personal information and/or to login to your account via an unsolicited link. Do not click on email links or URLs without verifying the sender of the email. Please ensure the actual internet address is displayed i.e. www.boswealthmanagement.com.my

If you suspect your account may be compromised and/or would like to seek clarification, please contact us as above.

Update of particulars

Investors are advised to furnish us with updated personal details on a timely basis. You may do so by downloading and completing the Update of Particulars Form available at www.boswealthmanagement.com.my, and e-mail to ContactUs@boswm.com. Alternatively, you may call us as above.