



**BOS WEALTH
MANAGEMENT**

A subsidiary of Bank of Singapore

BOSWM GLOBAL OPTIMAL INCOME FUND

QUARTERLY REPORT
For the financial period from
15 July 2024 (date of launch)
to **30 September 2024**

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FUND INFORMATION**As At 30 September 2024**

Name Of Fund (Feeder)	: BOSWM Global Optimal Income Fund
Manager Of Fund	: BOS Wealth Management Malaysia Berhad 199501006861 (336059-U)
Name of Target Fund	: M&G (Lux) Optimal Income Fund
Investment Manager Of Target Fund	: M&G Investment Management Limited
Manager Of Target Fund	: M&G Luxembourg S.A.
Launch Date	: 15 July 2024
Category Of Fund	: Feeder fund (wholesale)
Type Of Fund	: Growth and income*
Investment Objective	: The Fund aims to provide long-term capital growth and/or income* return by investing into a collective investment scheme. <i>* Income is in reference to the Fund's distribution, which could be in the form of cash or unit.</i>
Performance Benchmark:	: Nil – The Fund does not have a performance benchmark assigned.
Distribution Policy	: Subject to the Manager's discretion, the Fund aims to distribute on a semi-annual basis.
Fund Size	: Class MYR – 45.85 million units Class MYR-Hedged – 49.21 million units Class INS MYR – Nil Class INS MYR-Hedged – Nil Class USD – 1.99 million units Class SGD – 2.07 million units Class AUD – 6.92 million units

FUND PERFORMANCE**For The Financial Period From 15 July 2024 (date of launch) To 30 September 2024****Market And Fund Review***Review Of M&G (Lux) Optimal Income Fund (Target Fund Of BOSWM Global Optimal Income Fund)***July 2024**

The target fund aims to provide a combination of capital growth and income to deliver a return based on exposure to optimal income streams in investment markets, while applying environmental, social and governance (ESG) criteria. It seeks to make these investments using an exclusionary approach, as described in the prospectus. Typically, at least 50% of the portfolio is invested in a broad range of fixed income securities of any credit quality and from any country, including emerging markets, and denominated in any currency. The investment manager of target fund selects investments wherever they sees the greatest opportunities, based on their assessment of a combination of macroeconomic, asset, sector and stock-level factors. The investment manager of target fund may also hold up to 20% of the portfolio in company shares when they believes they offer better value than bonds. The target fund's recommended holding period is five years. In normal market conditions, the target fund's expected average leverage – how much it can increase its investment position by borrowing money or using derivatives – is 200% of its net asset value.

July was a strong month for fixed income markets, fuelled by lower-than-expected inflation, and a more dovish US Federal reserve. Against this backdrop the target fund generated positive returns outperforming its benchmark.

Performance was largely driven by duration as government bonds experienced a strong rally. Within corporate credit their holdings in financials and high-yield credit default swap indices were particularly beneficial and they have now sold some financial names on recent strong performance. Furthermore, their exposure to French government bonds, which they had built up in the run-up to the elections, had a positive impact as fears around political risks began to ease. Their small equity holding was also positive but they continue to keep their exposure low as they believe that corporate debt remains more optimal to hold than equity.

They reduced their position in long-dated Mexican bonds as these have performed well over recent months and added some Irish government bonds as they believe these are relatively cheap.

August 2024

The target fund aims to provide a combination of capital growth and income to deliver a return based on exposure to optimal income streams in investment markets, while applying environmental, social and governance (ESG) criteria. It seeks to make these investments using an exclusionary approach, as described in the prospectus. Typically, at least 50% of the portfolio is invested in a broad range of fixed income securities of any credit quality and from any country, including emerging markets, and denominated in any currency. The investment manager of target fund selects investments wherever they sees the greatest opportunities, based on their assessment of a combination of macroeconomic, asset, sector and stock-level factors. The investment manager of target fund may also hold up to 20% of the portfolio in company shares when they believes they offer better value than bonds. The target fund's recommended holding period is five years. In normal market conditions, the target fund's expected average leverage – how much it can increase its investment position by borrowing money or using derivatives – is 200% of its net asset value.

It was a positive month for fixed income markets as lower inflation, coupled with a higher unemployment rate, pushed central banks to adopt a more dovish stance.

Target fund performance was driven by their overweight duration positioning, as bond yields moved slightly lower. On the other hand, the contribution of credit exposure was generally flat, highlighting their current cautious stance on risk because of tighter spreads and a weakening economic environment. While still overweight, duration was trimmed this month, mainly through the sale of US Treasuries (UST).

In investment grade credit they maintain a tilt towards reducing risk as spreads remain tight, while the economic environment is weak. They are still adding select names eg, Scottish Hydro Electric Transmission. They remain cautious on risk and maintain a relatively high exposure to government bonds and cash. Trades this month included selling Poland bonds and adding French government bonds. They further reduced our exposure to high yield credit as spreads approached tight levels once more after a brief period of volatility. Their exposure to stocks remains low as they continue to favour the valuation signal offered by a company's debt rather than its equity.

September 2024

The target fund aims to provide a combination of capital growth and income to deliver a return based on exposure to optimal income streams in investment markets, while applying environmental, social and governance (ESG) criteria. It seeks to make these investments using an exclusionary approach, as described in the prospectus. Typically, at least 50% of the portfolio is invested in a broad range of fixed income securities of any credit quality and from any country, including emerging markets, and denominated in any currency. The investment manager of target fund selects investments wherever they sees the greatest opportunities, based on their assessment of a combination of macroeconomic, asset, sector and stock-level factors. The investment manager of target fund may also hold up to 20% of the portfolio in company shares when they believes they offer better value than bonds. The target fund's recommended holding period is five years. In normal market conditions, the target fund's expected average leverage – how much it can increase its investment position by borrowing money or using derivatives – is 200% of its net asset value.

Fears of a recession and high volatility at the beginning of September drove corporate credit spreads wider and interest rates lower in the first half of the month. Fears subsided later in the month, pushing spreads tighter, while rates rose.

As the yield curve steepened, investment manager of target fund above-benchmark exposure to longer dated government bonds dragged on relative performance. Their underweight exposure to high-yield corporate bonds also detracted, as the asset class did well in the month. However, their duration positioning aided fund returns, whilst their positions in corporate credit also added marginally to performance, driven by their allocation to financials.

During the month investment manager of target fund sold some US Treasuries (UST) and added to UK gilts. In credit, they maintain a tilt towards reducing risk as the economic environment weakens. That said, they participated in new deals from German plane engine maker MTU Aero Engines and Dutch energy network firm Alliander.

Fund Returns

	Total Returns
	Since Launch*
Class MYR	-5.41%
Class MYR-Hedged	-0.09%
Class INS MYR	-
Class INS MYR-Hedged	-
Class USD	4.87%
Class SGD	0.13%
Class AUD	1.91%

* Since last business day of initial offer period: 2 August 2024

Notes:

- BOSWM Global Optimal Income Fund Class MYR
Launch date: 15.7.2024;
Investing date: 5.8.2024
- BOSWM Global Optimal Income Fund Class MYR-Hedged
Launch date: 15.7.2024;
Investing date: 5.8.2024
- BOSWM Global Optimal Income Fund Class INS MYR
Launch date: 15.7.2024;
Investing date: -
- BOSWM Global Optimal Income Fund Class INS MYR-Hedged
Launch date: 15.7.2024;
Investing date: -
- BOSWM Global Optimal Income Fund Class USD
Launch date: 15.7.2024;
Investing date: 5.8.2024
- BOSWM Global Optimal Income Fund Class SGD
Launch date: 15.7.2024;
Investing date: 5.8.2024
- BOSWM Global Optimal Income Fund Class AUD
Launch date: 15.7.2024;
Investing date: 5.8.2024

Source: Lipper, Bloomberg

Asset Allocation

Collective Investment Scheme: M&G (Lux) Optimal Income Fund (EUR Class A - Accumulation shares)	87.55%
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Cash And Liquid Assets	12.45%
	<u>100.00%</u>

Income Distribution

Nil

Net Asset Value (NAV) Per Unit

(as at 30 September 2024)

Class MYR	RM0.9459
Class MYR-Hedged	RM0.9991
Class INS MYR	-
Class INS MYR-Hedged	-
Class USD	USD1.0487
Class SGD	SGD1.0013
Class AUD	AUD1.0191

Significant Changes In The State Of Affairs Of The Fund

Nil

UNAUDITED STATEMENT OF FINANCIAL POSITION
As At 30 September 2024

	30.9.2024
	EUR
Assets	
Investments	23,892,643
Interest receivable	189
Amount due from Manager	2,165,490
Financial derivatives	392,156
Cash and cash equivalents	2,790,585
Total Assets	<u>29,241,063</u>
Liabilities	
Amount due to Manager	27,614
Amount due to foreign Fund Manager	1,475,000
Other payables	1,301
Total Liabilities	<u>1,503,915</u>
Net Asset Value Of The Fund	<u>27,737,148</u>
Equity	
Unitholders' capital	26,864,564
Retained earnings	872,584
Net Asset Value Attributable To Unitholders	<u>27,737,148</u>
Total Equity And Liabilities	<u>29,241,063</u>
Net Asset Value Attributable To Unitholders	
- Class MYR Hedged	10,662,546
- Class MYR	9,404,648
- Class AUD	4,362,392
- Class SGD	1,444,740
- Class USD	1,862,822
	<u>27,737,148</u>
Number Of Units In Circulation (Units)	
- Class MYR Hedged	49,211,262
- Class MYR	45,848,924
- Class AUD	6,919,798
- Class SGD	2,067,932
- Class USD	1,987,669
	<u>106,035,585</u>

UNAUDITED STATEMENT OF FINANCIAL POSITION (CONT'D.)**As At 30 September 2024**

	30.9.2024
	EUR
Net Asset Value Per Unit (EUR)	
- Class MYR Hedged	0.2167
- Class MYR	0.2052
- Class AUD	0.6305
- Class SGD	0.6987
- Class USD	0.9372
Net Asset Value Per Unit In Respective Currency	
- Class MYR Hedged	RM0.9991
- Class MYR	RM0.9459
- Class AUD	AUD1.0191
- Class SGD	SGD1.0013
- Class USD	USD1.0487

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**For The Financial Period From 15 July 2024 (Date Of Launch) To 30 September 2024**

	(Date of launch) 15.7.2024 to 30.9.2024 EUR
Investment Income	
Interest income	9,129
Net gain on investments	
- Foreign exchange	66,334
Net unrealised gain on changes in value of financial assets at fair value through profit or loss	851,398
	<u>926,861</u>
Expenses	
Manager's fee	51,928
Trustee's fee	1,390
Administration expenses	959
	<u>54,277</u>
Net Income Before Taxation	872,584
Taxation	-
Net Income After Taxation, Representing Total Comprehensive Income for the Period	<u>872,584</u>
Total Comprehensive Income	<u>872,584</u>
Total Comprehensive Income Is Made Up As Follows:	
Realised Income	21,186
Unrealised income	851,398
	<u>872,584</u>

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.