

Quarterly Report for

# AmIncome Premium

30 June 2024



**AmInvest**

Growing Your Investments in a Changing World

## TRUST DIRECTORY

### **Manager**

AmFunds Management Berhad  
9<sup>th</sup> & 10<sup>th</sup> Floor, Bangunan AmBank Group  
55 Jalan Raja Chulan  
50200 Kuala Lumpur

### **Board of Directors**

Jeyaratnam A/L Tamotharam Pillai  
Ng Chih Kaye  
Jas Bir Kaur A/P Lol Singh  
Arnold Lim Boon Lay  
Goh Wee Peng

### **Investment Committee**

Arnold Lim Boon Lay  
Tracy Chen Wee Keng  
Goh Wee Peng

### **Trustee**

HSBC (Malaysia) Trustee Berhad

### **Auditors and Reporting Accountants**

Ernst & Young PLT

### **Taxation Adviser**

Deloitte Tax Services Sdn Bhd

## **CONTENTS**

- 1** Manager's Report
- 6** Statement of Financial Position
- 7** Statement of Comprehensive Income
- 8** Statement of Changes in Equity
- 9** Statement of Cash Flows
- 10** Notes to the Financial Statements
- 11** Directory

## MANAGER'S REPORT

Dear Unitholders,

We are pleased to present you the Manager's report and the unaudited quarterly accounts of AmlIncome Premium ("Fund") for the financial period from 1 April 2024 to 30 June 2024.

### Salient Information of the Fund

<b>Name</b>	AmlIncome Premium ("Fund")																																					
<b>Category/ Type</b>	Wholesale Fixed Income / Income																																					
<b>Objective</b>	<p>The Fund aims to obtain consistent and stable growth and to achieve better yield enhancement from the portfolio over the prevailing 12 months fixed deposit rate.</p> <p><i>Note: Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>																																					
<b>Duration</b>	<p>The Fund was established on 19 September 2006 and shall exist for as long as it appears to the Manager and the Trustee that it is in the interests of the unitholders for it to continue. In some circumstances, the unitholders can resolve at a meeting to terminate the Fund.</p>																																					
<b>Performance Benchmark</b>	<p>Quantshop Short Term MGS Index ("SMGS"). (Available at <a href="http://www.aminvest.com">www.aminvest.com</a>)</p> <p><i>Note: The performance benchmark is only a measurement of the Fund's performance and there is no guarantee that the Fund will achieve the performance benchmark in any particular year.</i></p>																																					
<b>Income Distribution Policy</b>	<p>Income distribution (if any) is incidental and at the discretion of the Manager.</p> <p><i>Note: The income could be in the form of units or cash.</i></p>																																					
<b>Breakdown of Unit Holdings by Size</b>	<p>For the financial period under review, the size of the Fund stood at 438,264,298 units.</p> <table border="1"> <thead> <tr> <th rowspan="2">Size of holding</th> <th colspan="2">As at 30 June 2024</th> <th colspan="2">As at 31 March 2024</th> </tr> <tr> <th>No of units held</th> <th>Number of unitholders</th> <th>No of units held</th> <th>Number of unitholders</th> </tr> </thead> <tbody> <tr> <td>5,000 and below</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>5,001-10,000</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>10,001-50,000</td> <td>41,179</td> <td>1</td> <td>41,142</td> <td>1</td> </tr> <tr> <td>50,001-500,000</td> <td>210,185</td> <td>1</td> <td>209,992</td> <td>1</td> </tr> <tr> <td>500,001 and above</td> <td>438,012,934</td> <td>11</td> <td>437,611,455</td> <td>11</td> </tr> </tbody> </table>				Size of holding	As at 30 June 2024		As at 31 March 2024		No of units held	Number of unitholders	No of units held	Number of unitholders	5,000 and below	-	-	-	-	5,001-10,000	-	-	-	-	10,001-50,000	41,179	1	41,142	1	50,001-500,000	210,185	1	209,992	1	500,001 and above	438,012,934	11	437,611,455	11
Size of holding	As at 30 June 2024		As at 31 March 2024																																			
	No of units held	Number of unitholders	No of units held	Number of unitholders																																		
5,000 and below	-	-	-	-																																		
5,001-10,000	-	-	-	-																																		
10,001-50,000	41,179	1	41,142	1																																		
50,001-500,000	210,185	1	209,992	1																																		
500,001 and above	438,012,934	11	437,611,455	11																																		

## Fund Performance Data

**Portfolio Composition** Details of portfolio composition of the Fund as at 30 June 2024, 31 March 2024 and for the past three financial years are as follows:

	As at 30.06.2024 %	As at 31.03.2024 %	As at 30 September		
			2023 %	2022 %	2021 %
Cagamas bond	10.54	10.54	10.68	8.54	-
Government Investment Issues	2.36	2.37	2.41	1.95	-
Malaysian Government Securities	16.43	56.45	57.42	46.31	-
Money market deposits and cash equivalents	70.67	30.64	29.49	43.20	100.00
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

*Note: The abovementioned percentages are calculated based on total net asset value.*

**Performance Details** Performance details of the Fund for the financial periods ended 30 June 2024, 31 March 2024 and three financial years ended 30 September are as follows:

	FPE 30.06.2024	FPE 31.03.2024	FYE 2023	FYE 2022	FYE 2021
Net asset value (RM'000)	427,095	429,641	422,809	522,584	545,224
Units in circulation ('000)	438,264	437,863	435,403	528,737	546,895
Net asset value per unit (RM)	0.9745	0.9812	0.9711	0.9884	0.9969
Highest net asset value per unit (RM)	0.9893	0.9818	1.0019	1.0016	1.0021
Lowest net asset value per unit (RM)	0.9743	0.9745	0.9615	0.9873	0.9969
Benchmark performance (%)	0.84	0.87	3.95	0.45	1.79
Total return (%) <sup>(1)</sup>	0.86	0.83	-0.25	1.43	1.87
- Capital growth (%)	-0.68	0.74	-1.79	-0.84	-0.03
- Income distributions (%)	1.54	0.09	1.54	2.27	1.90
Gross distributions (sen per unit)	1.51	0.09	1.52	2.26	1.89
Net distributions (sen per unit)	1.51	0.09	1.52	2.26	1.89
Total expense ratio (%) <sup>(2)</sup>	0.04	0.04	0.17	0.15	0.17
Portfolio turnover ratio (times) <sup>(3)</sup>	0.36	-	-	0.28	0.01

*Note:*

*(1) Total return is the actual return of the Fund for the respective financial periods/years computed based on the net asset value per unit and net of all fees.*

- (2) Total expense ratio (“TER”) is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis.
- (3) Portfolio turnover ratio (“PTR”) is calculated based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis.

**Average Total Return (as at 30 June 2024)**

	<b>AmlIncome Premium<sup>(a)</sup></b> %	<b>SMGS<sup>(b)</sup></b> %
One year	3.45	3.43
Three years	1.40	2.51
Five years	1.85	3.09
Ten years	2.70	3.44

**Annual Total Return**

<b>Financial Years Ended (30 September)</b>	<b>AmlIncome Premium<sup>(a)</sup></b> %	<b>SMGS<sup>(b)</sup></b> %
2023	-0.25	3.95
2022	1.43	0.45
2021	1.87	1.79
2020	2.79	5.40
2019	3.68	4.58

(a) Source: Novagni Analytics and Advisory Sdn. Bhd.

(b) Quantshop Short Term MGS Index (“SMGS”).

(Available at [www.aminvest.com](http://www.aminvest.com)).

The Fund performance is calculated based on the net asset value per unit of the Fund. Average total return of the Fund and its benchmark for a period is computed based on the absolute return for that period annualised over one year.

**Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.**

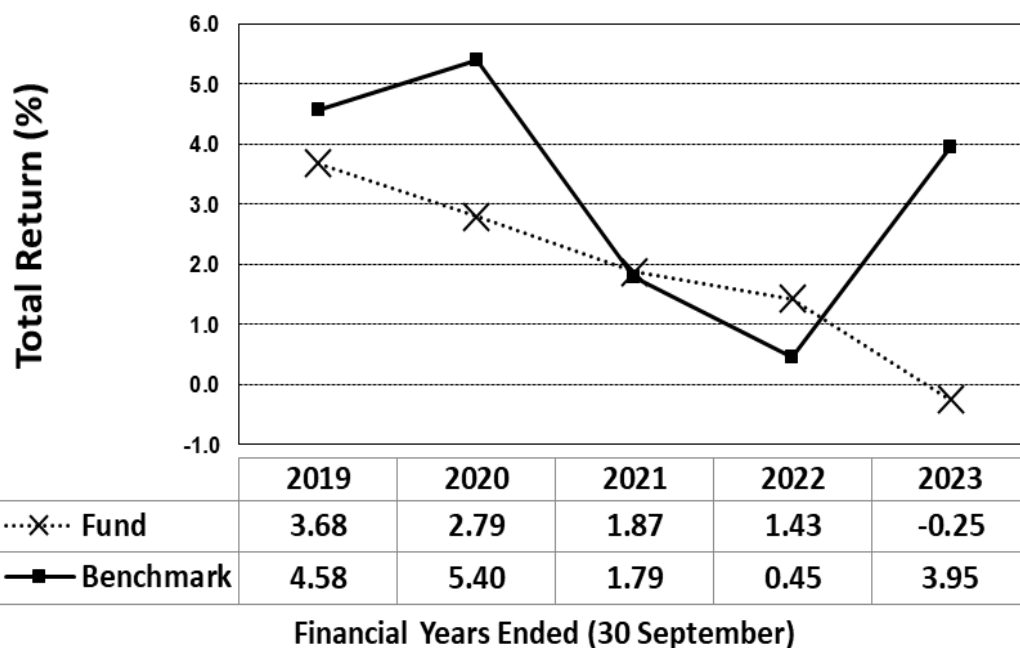
**Fund Performance**

For the financial period under review, the Fund registered a return of 0.86% comprising of negative 0.68% capital and 1.54% income distributions.

Thus, the Fund’s return of 0.86% has outperformed the benchmark’s return of 0.84% by 0.02%.

As compared with the financial period ended 31 March 2024, the net asset value (“NAV”) per unit of the Fund decreased by 0.68% from RM0.9812 to RM0.9745, while units in circulation increased by 0.09% from 437,862,589 units to 438,264,298 units.

The following line chart shows comparison between the annual performances of AmlIncome Premium and its benchmark, SMGS, for the financial years ended 30 September.



**Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.**

**Strategies and Policies Employed**

The Fund will invest up to 100% of its NAV in fixed income securities and money market instruments with no limit imposed for investment in any single issuer/ counterparty (i.e. 100% of the NAV may be invested in a single issuer/ counterparty). There is no minimum rating for a security purchased or held.

**Portfolio Structure**

The table below is the asset allocation of the Fund as at 30 June 2024 and 31 March 2024.

	As at 30.06.2024 %	As at 31.03.2024 %	Changes %
Cagamas bond	10.54	10.54	-
Government Investment Issues	2.36	2.37	-0.01
Malaysian Government Securities	16.43	56.45	-40.02
Money market deposits and cash equivalents	70.67	30.64	40.03
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	

As at end-June 2024, the Fund invested 18.79% in Malaysian Government Securities (MGS), 10.54% in Cagamas bond and remaining 70.67% in money market deposits and cash equivalent.

**Cross Trades**

There were no cross trades undertaken during the financial period under review.

**Distribution/ Unit splits**

During the financial period under review, the Fund declared income distribution, detailed as follows:

Date of distribution	Distribution per unit RM (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)
28-Jun-24	1.51	0.9894	0.9743

	There is no unit split declared for the financial period under review.
<b>State of Affairs</b>	There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial period under review.
<b>Rebates and Soft Commission</b>	During the period, the management company did not receive soft commissions by virtue of transactions conducted for the Fund.
<b>Market Review</b>	<p>In April, Malaysian bond market weaken following a sell-off in United States Treasuries (UST) as sticky inflation and a resilient labor market have given more reasons for the United States (US) Federal Reserve (Fed) to stand pat on key rates. Apart from that, thin market liquidity and rising geopolitical risk in the Middle East also dented local bond market sentiment. Premised on all the developments above, Malaysian Government Securities (MGS) curve was repriced higher by 6 to 16 basis points (bps) on a month-on-month (MoM) basis.</p> <p>Moving towards May, Malaysian bond market strengthened driven primarily by lower-than-expected US Job data released at the beginning of the month and dovish tone from the US Fed in its post - Federal Open Market Committee (FOMC) meeting speech. While Bank Negara Malaysia (BNM) maintained the Overnight Policy Rate (OPR) at 3.00% during policy meeting with a neutral monetary stance, positive sentiment in local bond market was reflected in the three sovereign bond auctions which garnered strong demand and recorded bid-to-cover (BTC) ratio between 1.965x to 3.085x. As investors were adjusting their view that the US Fed is not in a rush to cut rates, local bonds weakened slightly towards the end of the month, reflecting the trend in the UST market. Overall, the MGS curve bull-flattened in May with yields declined by 2-12bps on a MoM basis.</p> <p>In the last month of the second quarter, Malaysian bond market further strengthened driven by similar movement in the UST as the US economic data showed some signs of moderating inflation. Both US headline and core Personal Consumption Expenditure (PCE) cooled to 2.6% on a year-on-year basis, the lowest level in more than three years. The MGS curve experienced a bull steepening in June, with yields declining by 1 to 6bps on a MoM basis, led by the 3-year and 7-year.</p>
<b>Market Outlook</b>	Strong demand in long-end government bond auctions and corporate bond primary issuances suggest that domestic liquidity remains ample. Market participants continue to ignore the record low credit spreads, with continued strong demand in bonds yielding 4% and above. As domestic liquidity is expected to remain healthy and Bank Negara Malaysia (BNM) is likely to stay pat on Overnight Policy Rate (OPR), we expect the local bond market to continue to trade in range bound. Current cheap funding cost should attract bond issuers to tap the market in coming months that will provide more investment opportunities.

Kuala Lumpur, Malaysia  
AmFunds Management Berhad

20 August 2024



## AmlIncome Premium

### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	<b>30.06.2024</b> <b>(unaudited)</b> RM	<b>30.09.2023</b> <b>(audited)</b> RM
<b>ASSETS</b>		
Investments	125,276,941	298,135,328
Deposits with licensed financial institutions	324,792,318	141,032,283
Cash at banks	11,334	11,541
<b>TOTAL ASSETS</b>	<u>450,080,593</u>	<u>439,179,152</u>
<b>LIABILITIES</b>		
Amount due to Manager	52,963	53,445
Amount due to Trustee	12,280	12,057
Distribution payable	6,617,791	-
Tax payable	16,295,096	16,295,096
Sundry payables and accruals	7,331	9,669
<b>TOTAL LIABILITIES</b>	<u>22,985,461</u>	<u>16,370,267</u>
<b>NET ASSET VALUE (“NAV”) OF THE FUND</b>	<u>427,095,132</u>	<u>422,808,885</u>
<b>EQUITY</b>		
Unit holders’ capital	433,721,383	430,932,588
Accumulated losses	(6,626,251)	(8,123,703)
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>	<u>427,095,132</u>	<u>422,808,885</u>
<b>UNITS IN CIRCULATION</b>	<u>438,264,298</u>	<u>435,403,440</u>
<b>NAV PER UNIT (RM)</b>	<u>0.9745</u>	<u>0.9711</u>

## AmlIncome Premium

### STATEMENT OF COMPREHENSIVE INCOME (Unaudited) FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

		01.04.2024 to 30.06.2024	01.04.2023 to 30.06.2023
	Note	RM	RM
<b>INVESTMENT INCOME</b>			
Interest income		3,383,306	3,296,332
Net gain/(loss) from investments:			
– Financial assets at fair value through profit or loss (“FVTPL”)	1	<u>485,200</u>	<u>(420,299)</u>
		<u>3,868,506</u>	<u>2,876,033</u>
<b>EXPENDITURE</b>			
Manager’s fee		(150,297)	(150,867)
Trustee’s fee		(37,179)	(37,315)
Audit fee		(1,492)	(1,496)
Tax agent’s fee		(820)	(823)
Other expenses		<u>(555)</u>	<u>(1,671)</u>
		<u>(190,343)</u>	<u>(192,172)</u>
<b>Net income before taxation</b>		3,678,163	2,683,861
<b>Taxation</b>		-	(16,295,096)
<b>Net income/(loss) after taxation, representing total comprehensive income/(loss) for the financial period</b>		<u>3,678,163</u>	<u>(13,611,235)</u>
Total comprehensive income/(loss) comprises the following:			
Realised income/(loss)		3,192,963	(13,190,936)
Unrealised gain/(loss)		<u>485,200</u>	<u>(420,299)</u>
		<u>3,678,163</u>	<u>(13,611,235)</u>
<b>Distribution for the financial period</b>			
Net distribution	2	<u>6,617,791</u>	-
Gross distribution per unit (sen)	2	<u>1.51</u>	-
Net distribution per unit (sen)	2	<u>1.51</u>	-

The accompanying notes form an integral part of the unaudited financial statements.

## AmlIncome Premium

### STATEMENT OF CHANGES IN EQUITY *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

	Note	Unit holders' capital RM	(Accumulated losses)/ Retained earnings RM	Total equity RM
At 1 April 2024		433,327,307	(3,686,623)	429,640,684
Total comprehensive income for the financial period		-	3,678,163	3,678,163
Reinvestment of distribution		394,076	-	394,076
Distribution	2	-	(6,617,791)	(6,617,791)
Balance at 30 June 2024		<u>433,721,383</u>	<u>(6,626,251)</u>	<u>427,095,132</u>
At 1 April 2023		454,911,709	1,829,166	456,740,875
Total comprehensive loss for the financial period		-	(13,611,235)	(13,611,235)
Reinvestment of distribution		3,676,161	-	3,676,161
Cancellation of units		(27,655,282)	-	(27,655,282)
Balance at 30 June 2023		<u>430,932,588</u>	<u>(11,782,069)</u>	<u>419,150,519</u>

*The accompanying notes form an integral part of the unaudited financial statements.*

## AmlIncome Premium

### STATEMENT OF CASH FLOWS *(Unaudited)*

FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

	01.04.2024 to 30.06.2024 RM	01.04.2023 to 30.06.2023 RM
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Proceeds from sale of investment	240,000,000	-
Purchases of investments	(69,926,900)	-
Interest received	6,524,289	5,998,251
Manager's fee paid	(151,543)	(160,449)
Trustee's fee paid	(37,506)	(38,582)
Tax agent's fee paid	(3,300)	(3,300)
Payments for other expenses	(556)	(7,671)
Net cash generated from operating and investing activities	<u>176,404,484</u>	<u>5,788,249</u>
<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
Payments for cancellation of units	-	(27,655,282)
Net cash used in financing activity	<u>-</u>	<u>(27,655,282)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	176,404,484	(21,867,033)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>		
	<u>148,399,168</u>	<u>131,123,762</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>		
	<u>324,803,652</u>	<u>109,256,729</u>
Cash and cash equivalents comprise:		
Short-term deposits with licensed financial institutions	324,792,318	109,245,173
Cash at banks	11,334	11,556
	<u>324,803,652</u>	<u>109,256,729</u>

## AmlIncome Premium

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

#### 1. NET GAIN/(LOSS) FROM INVESTMENTS

	01.04.2024 to 30.06.2024 RM	01.04.2023 to 30.06.2023 RM
Net gain/(loss) on financial assets at FVTPL comprised:		
– Net unrealised gain/(loss) on changes in fair value of investments	<u>485,200</u>	<u>(420,299)</u>

#### 2. DISTRIBUTION

Details of distribution to unit holders for the financial period are as follows:

	01.04.2024 to 30.06.2024 RM	01.04.2023 to 30.06.2023 RM
Gross distribution per unit (sen)	<u>1.51</u>	<u>-</u>
Net distribution per unit (sen)	<u>1.51</u>	<u>-</u>

#### Financial period ended 30 June 2024

Distribution Ex-date	Gross distribution per unit RM (sen)	Net distribution per unit RM (sen)	Total distribution RM
28 June 2024	<u>1.51</u>	<u>1.51</u>	<u>6,617,791</u>

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

## DIRECTORY

Head Office 9<sup>th</sup> & 10<sup>th</sup> Floor, Bangunan AmBank Group  
55, Jalan Raja Chulan, 50200 Kuala Lumpur  
Tel: (03) 2032 2888 Facsimile: (03) 2031 5210  
Email: enquiries@aminvest.com

Postal Address AmFunds Management Berhad  
P.O Box 13611, 50816 Kuala Lumpur

*For enquiries about this or any of the other Funds offered by AmFunds Management Berhad  
Please call 2032 2888 between 8.45 a.m. to 5.45 p.m. (Monday to Thursday),  
Friday (8.45 a.m. to 5.00 p.m.)*

