

Fund Objective

A fund which invests in fixed income securities, for example government and corporate bonds as well as cash and cash equivalents. This fund seeks to provide consistent return at low levels of volatility. Although the fund invests mainly in Malaysia (40% to 100%), it may also partially invest in foreign fixed income securities (up to 50%), to enhance the fund's returns.

Investment Strategy

The fund shall be actively managed to generate additional return to consistently outperform the benchmark in the long-term using top-down approach. The fund will focus on capital preservation and steady income by investing in fixed income securities with good credit fundamentals.

Asset Allocation

Fixed Income Securities: 40%-100%

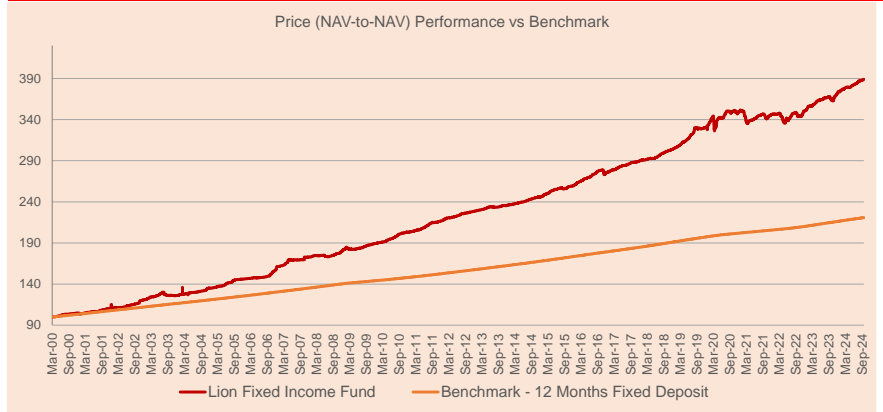
Foreign Fixed Income Securities: up to 50%

Remaining : Cash / Cash Equivalent

Top 5 Holdings (as at 30-Sep-2024)

Name	% of NAV
Sarawak Energy Bhd	5.2%
Malaysia Government Bond	5.1%
Government Investment Issue	5.1%
GENM Capital Bhd	4.3%
Tenaga Nasional Bhd	4.2%

Performance from 08 March 2000 - 30 September 2024



Notice:

Actual return is based on net basis (net of tax and charges). Past Performance of the fund is not an indication of its future performance. This is strictly the performance of the unit fund, and not the returns earned on the actual premiums paid of the Investment-Linked insurance product.

Percentage Return (NAV to NAV)

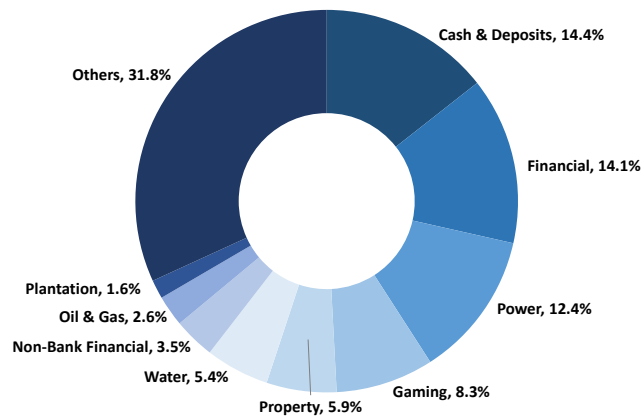
	YTD	1-Mth	6-Mth	1Y	3Y	5Y	Since Inception
Lion Fixed Income Fund	4.0%	0.4%	2.4%	6.2%	12.7%	18.1%	289.0%
Benchmark - 12 Months Fixed Deposit	2.0%	0.2%	1.3%	2.7%	7.8%	12.7%	120.6%

Source: 12mth Conventional FD - Maybank

Fund Info (as at 30-Sep-2024)

Inception Date	08 March 2000	For Single Pricing Product	
Fund Size (RM mil)	3,475.8	NAV per unit (RM)	3.890
Management Fee	0.50% p.a. on NAV	For Dual Pricing Product	
Other Charges	Nil	Bid Unit Price (RM)	3.890
Fund Manager	GELM Investment	Offer Unit Price (RM)	4.095
Valuation	Daily based on market prices	Risk Profile	Low

Sector Allocation (as at 30-Sep-2024)



The fund performance updates presented by Great Eastern Life Assurance (Malaysia) Berhad ("the Company") are to be used as an information source only.

Please read and understand the contents of the fund fact sheet before investing. The fund performance updates should be read in conjunction with the fund fact sheet, product brochure, Product Disclosure Sheet, sales illustration, and policy contract.

There can be no assurances that the fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Customers should consider the fees and charges involved.

Fixed Income

Market review

U.S. Federal Reserve (Fed) kicked-off its easing cycle by cutting 50 basis points (bps) of the Fed funds rate to 4.75%-5.00% on 18 September 2024 Federal Open Market Committee (FOMC) meeting. It was the first rate cut since March 2020. U.S. Treasury yield curve bull-steepened in the run-up to the decision, driven by weak economic data releases, which increased bets of Fed cutting more aggressively.

Despite FED cutting its policy rate, domestic markets reaction was relatively muted. Malaysian Government Securities (MGS) yield curve flattened MTD, with 1-2y yields increased by 1-2bps while 3-30y yields dropped by 1-6bps. 10y yields moved the most, declining by 6 bps. In the month of August, foreign holdings of MGS increased from 34.2% to 34.6%, while GII holdings increased from 9.3% to 9.5% of total outstanding. August YTD, Malaysia saw a net foreign inflow of RM16.0bn for MGS and GII combined.

After strong auction results during the first 8 months of the year, Malaysian government bond and sukuk drew relatively weaker demand in September. There were three auctions in the month of September, namely 20-year Malaysian Government Investment Issue (MGII), 7-year MGS, and, 30-year MGII, with average bid-to-cover ratio of less than 2x. Notable primary issuances include Alliance Bank, Johor Plantations Group, Mercedes-Benz Services Malaysia, RHB Bank, and Prasarana.

The Malaysian Ringgit (MYR) strengthened further against the US Dollar. MYR strengthened by 4.56% to 4.1235. Meanwhile, oil price dropped, Brent price decreased 8.9% m-o-m to USD 71.77 per barrel end of September.

Market outlook

FED cut its rate in view of the softening inflationary data and weakening labour market conditions, reiterating future adjustments will depend on incoming data, the evolving outlook, and balance of risks. In conjunction with the rate cut, the central bank revealed its latest economic forecasts. Core inflation projections were lowered to 2.6% for 2024 (from 2.8%) and 2.2% for 2025 (from 2.3%), signalling its confidence that inflation is moving towards the 2% target. Despite the eventual pivot by the FED to ease monetary policy, escalating geopolitical tensions may keep volatility in the global bond market elevated, on top of the U.S. Presidential Election in November. Intensified wars in the Middle East could drive oil prices higher, causing supply chain disruptions, renewing upward pressure on inflation, after much effort by central banks around the globe to tame it.

On domestic front, Bank Negara Malaysia (BNM) kept its benchmark interest rate at 3% at the latest Monetary Policy Meeting on 05 September 2024. It cited sustained strength in economic activity was mainly driven by resilient domestic expenditure and higher export activity. The spillovers from the diesel price adjustment to inflation have been muted, as evidenced by the Malaysia's inflation numbers. Headline inflation eased from 2.0% to 1.9% in August 2024.

Looking ahead, all eyes will be at the 2025 Budget which is expected to be presented in Parliament on 18 October 2024. Hopefully more clarity would be provided on RON95 subsidy rationalisation implementation, coupled with other fiscal disciplines in order to fulfil its pledge on fiscal consolidation effort.