

# TARGET INCOME FUND 10

## APRIL 2021

ALL DATA AS AT 31 MARCH 2021 UNLESS OTHERWISE STATED

### FUND INFORMATION

Launch Date: 4 May 2020

Fund Category/Fund Type: Bond (close-ended)/Income

Fund Size: RM147,407,898.61

Initial Offer Price: RM1.0000

NAV per Unit: RM1.0258

EPF Investment Scheme: Nil

ISIN No: MYU940000CN0

### FEES, CHARGES AND EXPENSES

Annual Management Fee:  
Up to 0.40% of the Fund's NAV per annum

Annual Trustee Fee:  
Up to 0.06% of the Fund's NAV per annum subject to a minimum of RM15,000 per annum (excluding foreign custodian fees and charges)

Sales Charge:  
Up to 2.00% of the Offer Price (during the offer period)

Redemption charge:  
3.00% of the Offer Price (during the offer period)

Redemption Payment Period: Ten (10) Calendar Days

### TRANSACTION DETAILS

Minimum Initial Investment (during offer period):  
Lump Sum: RM1000\*  
Regular Investment: n.a.

Minimum Additional Investment (during offer period):  
Lump Sum: RM100 \*  
Regular Investments: n.a.

\* The Manager reserves the right to change the minimum amounts stipulated above from time to time

### DISTRIBUTIONS

Income Distribution Policy:  
Subject to the availability of income, distribution of income, if any, will be on annual basis, after deduction of taxation and expenses

Fund NAV:

	NAV	Date
52-Week High	n.a.	n.a.
52-Week Low	n.a.	n.a.

### FUND MANAGER

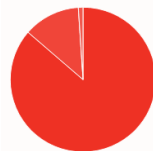
Fund Manager: Manager's Delegate (External Fund Manager) - Eastspring Investments (Singapore) Limited

### FUND OBJECTIVE

The Fund endeavours to provide regular income\* during the tenure of the Fund.

\* Income declared will be paid out by way of e-payment (i.e. telegraphic, online transfer or other forms of electronic payment) according to unit holders' instructions in the account opening form .

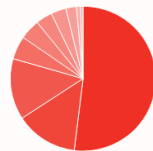
### ASSET ALLOCATION



1. Unquoted Fixed Income Securities	86.36%
2. Cash & cash equivalents	12.59%
3. Derivatives	1.05%

\* as percentage of NAV.

### COUNTRY ALLOCATION



1. China	51.95%	6. India	3.67%
2. Malaysia	13.86%	7. Germany	3.37%
3. Cash	13.64%	8. Singapore	2.35%
4. Indonesia	5.19%	9. Thailand	0.86%
5. Hong Kong	4.52%	10. Philippines	0.59%

\* as percentage of NAV.

### TOP HOLDINGS

1. Government Of Malaysia	10.44%	4. Mercedes-Benz Services Malaysia Sdn. Berhad.	3.37%
2. Country Garden Holdings Co Ltd	4.17%	5. Shimao Group Holdings Limited	2.96%
3. GENM Capital Berhad	3.42%		

\* as percentage of NAV.

### FUND PERFORMANCE

"Not available as the fund performance is less than one year"



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### PERFORMANCE TABLE

	1 month	6 months	1 year	3 years	5 years	Since Inception
Fund						
Benchmark *	"Not available as the fund performance is less than one year"					
Lipper Ranking						

\* 5-year Maybank fixed deposit rate as at Commencement Date.

### FUND MANAGER'S COMMENTARY

It was a different month but the same broad narratives in fixed income markets prevailed in March, with optimism around reflation and global growth recovery spurring fears of economic overheating and inflation and interest rates surging. Driven by moves of US Treasuries (UST), Asian and emerging-markets USD bonds registered another month of losses, albeit more modest declines of 0.39% and 0.96%, as proxied by the JP Morgan Asia Credit Index and JPMorgan EMBI Global Diversified Index respectively. Over the first quarter, Asian and EM USD bonds were down by 1.17% and 4.54% respectively.

As US President Joe Biden signed the USD 1.9 trillion COVID-19 relief bill, with trillions of dollars more likely to come in the form of infrastructure and climate change initiatives, investors were betting that inflation would run hot soon. A market gauge of inflation expectations over the next five years jumped to the highest since 2008. Meanwhile, ten-year Treasury yields capped their remarkable turnaround from the historic low of 0.31% in March 2020 with a 34-bps ascent last month (83 bps over the first quarter) to 1.74%, the highest since January 2020.

The rapid rise in inflation expectations and UST yields happened even as prominent US policymakers insisted that inflation risks remained subdued. Both Treasury Secretary Janet Yellen and Federal Reserve Chairman Jerome Powell remarked last month that prices would rise this year as the US recovers from the pandemic-induced recession, but the effect would be temporary and manageable.

Central banks continued to stress their dovish stance. After its March 16-17 meeting, the Fed held its policy rates near zero and signalled they would stay that way through 2023. Powell reiterated that the central bank would need to see "actual progress, not forecast progress" on its employment and inflation goals before tightening monetary policy. We believe the low-for-long guidance from developed-market policymakers and persistently negative output gaps should allow most Asian and EM central banks to maintain modest policy adjustments in the near to medium term.

Asian economies have held up their solid recovery in early 2021, led by China's strong performance. China's key indicators such as industrial production and retail sales showed unprecedented growth rates of more than 30% year-on-year in the first two months of 2021. Manufacturing activity continued to expand in most parts of Asia, with Japan notably swinging back to expansion since February, as indicated by purchasing managers' indexes.

Most Asian and EM USD bond markets were in the red last month, with a few countries such as Sri Lanka (+9.73%) bucking the trend. Sri Lanka's sovereign bonds surged following the announcement that China had approved a RMB 10 billion currency swap line with the country, alleviating its near-term external liquidity constraints. After the rally in March, Sri Lankan bonds emerged as one of the best-performing segments over the first quarter (+10.0%). Meanwhile, Chinese USD-denominated bonds (-0.54%) were among the underperformers last month, as the segment had to contend with some idiosyncratic issues that hurt risk sentiment, including the default of a major Chinese real estate developer.

### OTHER INFORMATION ABOUT THE FUND

Year	-	-	-	-	-	-
Annual Fund Performance (%)	-	-	-	-	-	-
Annual Benchmark Performance (%)	"Not available as the fund performance is less than one year"					
Date/Distribution (RM)	-	-	-	-	-	-
Distribution Yield (%)	-	-	-	-	-	-

Source: n.a.

### IMPORTANT INFORMATION

This is a close-ended fund. Units are no longer available for sale on the basis of the Eastspring Investments Target Income Fund 10 Prospectus dated 4 May 2020 ("Prospectus"). Investors are advised to read and understand the contents of the Prospectus and the Fund's Product Highlights Sheet ("PHS") before investing. The Prospectus and PHS are available at offices of Eastspring Investments Berhad or its authorised distributors and investors have the right to request for a copy of the Prospectus and PHS.

The Prospectus has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Units will only be issued upon receipt of the application form accompanying the Prospectus. Past performance of the Fund is not an indication of the Fund's future performance. Unit prices and distribution payable, if any, may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the Net Asset Value ("NAV") per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV. Where a unit split is declared, investors are advised that the value of their investment in Malaysian Ringgit will remain unchanged after the issue of the additional units. Investments in the Fund are exposed to credit or default risk, counterparty risk, interest rate risk, country risk, currency risk, taxation risk, income distribution risk, asset mismatch risk, concentration risk, reinvestment risk, ratings downgrade risk and derivatives risk. Investors are advised to consider these risks and other general risks as elaborated in the Prospectus as well as fees, charges and expenses involved before investing.

Eastspring Investments companies (excluding JV companies) are ultimately wholly-owned/indirect subsidiaries/associate of Prudential plc of the United Kingdom. Eastspring Investments companies (including JV companies) and Prudential plc are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America or with the Prudential Assurance Company, a subsidiary of M&G plc (a company incorporated in the United Kingdom).