Data Ended 31 March 2025

# BOSWM Core Growth Fund Class MYR-Hedged BOS

## Investment objective

The Fund aims to provide long-term capital growth and/or income return by investing into a collective investment scheme.

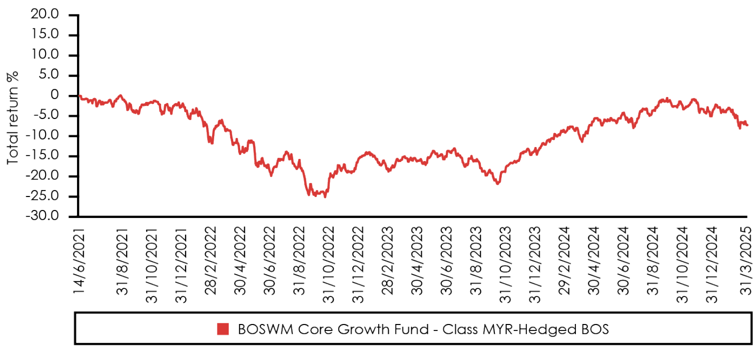
Notes:
- Income is in reference to the Fund's distribution, which could be in the form of cash or unit.
- Target Fund: BOS International Fund - Growth.

## Performance – Class MYR-Hedged BOS

| | 1 Mth | 6 Mths | 1 Yr | 3 Yrs | Since Launch▲ |
|---|---|---|---|---|---|
| **Fund*** | -2.75% | -6.05% | 0.48% | -1.13% | -7.37% |

* Source: Lipper for Investment Management, 31 March 2025. Fund sector: Mixed Asset USD Flex - Global.
▲ Since start investing date: 14 June 2021

## Performance since inception – Class MYR-Hedged BOS




## Asset allocation – Class MYR-Hedged BOS

| | | | |
|---|---|---|---|
| **CIS including hedging gain/loss** | 96.50% | **Cash** | 3.50% |

## Income distribution – Class MYR-Hedged BOS

Nil

## Fund details – Class MYR-Hedged BOS

| | |
|---|---|
| **Fund category/type** | Feeder fund (wholesale) / Growth and income |
| **Launch date** | 30 April 2020 |
| **Financial year end** | 31 December |
| **Fund size** | RM5.02 million |
| **NAV per unit** | RM0.9263 (as at 28 March 2025) |
| **Highest/Lowest NAV per unit (12-month rolling back)** | Highest 15 Oct 2024 RM0.9938<br>Lowest 22 Apr 2024 RM0.8847 |
| **Income distribution** | Incidental, subject to the Manager's discretion. |
| **Risk associated with the Fund** | Target fund risk, currency risk, country risk and liquidity risk |
| **Sales charge** | Up to 2.00% of the Fund's NAV per unit |
| **Annual management fee** | Up to 1.40% p.a. of the NAV of the Class of Unit |
| **Fund manager of Target Fund** | Bank of Singapore |
| **Sales office** | BOS Wealth Management Malaysia Berhad 199501006861 (336059-U)<br>ContactUs@boswm.com |

Please refer to the following pages for more information of the Target Fund – BOS International Fund - Growth. Information of the Target Fund is published here to assist readers to achieve a better understanding of the Feeder Fund's underlying investments.

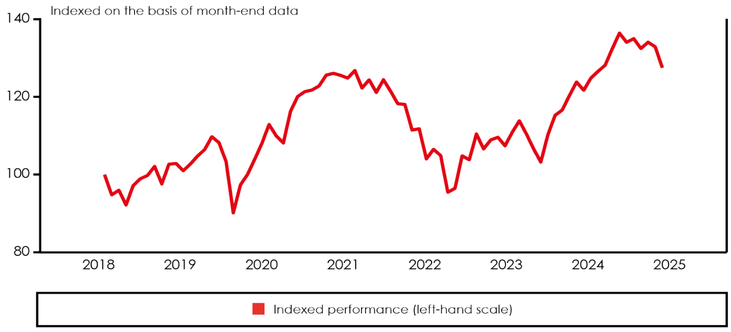
IMPORTANT NOTE: Information of the Target Fund – BOS International Fund - Growth – is published here to assist readers to achieve a better understanding of the Feeder Fund's underlying investments. Source of information of the Target Fund: Bank of Singapore.

## Performance – Target Fund

| | 1 Mth | 3 Mths | 1 Yr | Since Launch |
|---|---|---|---|---|
| **Fund*** | -4.1% | -3.8% | 3.0% | 28.2% |

* Source: Bank of Singapore; UBS Fund Management (Luxembourg) S.A.

## Performance since inception (NAV rebased to 100) – Target Fund




Source: Bank of Singapore; UBS Fund Management (Luxembourg) S.A.

## Details – Target Fund

| | |
|---|---|
| **Investment Fund Manager** | Bank of Singapore |
| **Fund Manager** | UBS Fund Management (Luxembourg) S.A. |
| **Launch date** | 31 August 2018 |
| **Fund size** | USD14.53 million |
| **Domicile** | Singapore |

## Asset allocation – Target Fund

| | |
|---|---|
| **Equities** | 68.2% |
| **High Yield Bonds** | 15.2% |
| **Investment Grade Bonds** | 11.7% |
| **Others** | 4.9% |

## Country allocation – Target Fund

| | | | |
|---|---|---|---|
| **United States** | 50.4% | **Hong Kong** | 3.4% |
| **Others** | 13.8% | **Mexico** | 3.2% |
| **Australia** | 6.2% | **Taiwan** | 2.9% |
| **Brazil** | 6.1% | **China** | 2.6% |
| **United Kingdom** | 6.1% | **Italy** | 1.8% |
| **India** | 3.5% | | |

IMPORTANT NOTE: Information of the Target Fund – BOS International Fund - Growth – is published here to assist readers to achieve a better understanding of the Feeder Fund's underlying investments. Source of information of the Target Fund: Bank of Singapore.

## Equities – Sector exposure and Top 10 holdings – Target Fund

| | |
|---|---|
| **INFORMATION TECHNOLOGY** | 29.8% |
| **INDUSTRIALS** | 17.7% |
| **HEALTH CARE** | 13.4% |
| **FINANCIALS** | 9.6% |
| **COMMUNICATION SERVICES** | 9.6% |
| **CONSUMER STAPLES** | 7.3% |
| **MATERIALS** | 5.4% |
| **CONSUMER DISCRETIONARY** | 4.6% |
| **UTILITIES** | 2.6% |

| | |
|---|---|
| **NVIDIA** | 4.15% |
| **ALPHABET-A** | 3.19% |
| **SERVICENOW** | 2.97% |
| **BOOKING** | 2.87% |
| **TAIWAN SEMICONDUCTOR MANUFACTURING** | 2.67% |
| **BRAMBLES** | 2.65% |
| **MICROSOFT** | 2.61% |
| **ECOLAB** | 2.58% |
| **ISHS CR MSCI JP USD** | 2.52% |
| **KIMBERLY-CLARK** | 2.43% |

## Target Fund commentary

The BOS International Fund - Growth returned -4.06% in March.

Further tariff risk and growth concerns led to market volatility again in March. More attractively valued equity markets of Europe, Japan and Asian outperformed the US market for the month. US Treasury (UST) yields were largely unchanged while spreads widened slightly, leaving flat returns across fixed income markets.

## Market commentary

**Equities**

Equity markets sold off in March on the back of ongoing trade uncertainty and slowing macroeconomic data. With fuller valuations and less room for error, the US market led the selling (-5.87%). Asia, Japan and Europe returned -2.20%, -0.52% and -3.90% respectively. (Source: Bloomberg; MSCI indices USD terms).

Macroeconomic data releases saw some incremental weakness, while tariff concerns from the Trump administration also weighed on global equity markets throughout the month of March.

The US market trades on forward price-to-earnings ratio of c20.4x. Japan trades at 14.5x, while Europe and Asia (Far-East ex-Japan) trade at 14.1x and 11.5x respectively.

In the US, Value outperformed Growth in again March with the MSCI US Value Index (-2.49%) leading the MSCI US Growth Index (-9.04%) for the month. The Dow Jones Industrial Average Index (-4.06%) outperformed the S&P 500 Index (-5.63%) for March, while the tech heavy NASDAQ Composite Index (-8.14%) underperformed for the month (Source: Bloomberg; in USD terms). The best performing sectors for March were Energy, Utilities and Health Care while Communication Services, Consumer Discretionary and Information Technology were the laggards. The annual inflation rate in the US eased to 2.8% in February 2025 from 3% in January, below forecasts of 2.9%. Energy costs declined 0.2% year-on-year, following a 1% rise in January which was the first increase in six months. Gasoline (-3.1% vs -0.2%) and fuel oil (-5.1% vs -5.3%) were lower while natural gas prices soared (6% vs 4.9%). Inflation also slowed for shelter (4.2% vs 4.4%), used cars and trucks (0.8% vs 1%), transportation (6% vs 8%) while prices continued to fall for new vehicles (-0.3% vs -0.3%).

In Europe, the Hamburg Commercial Bank (HCOB) Eurozone Manufacturing Purchasing Manager's Index (PMI) climbed to 48.7 in March 2025, the highest in 26 months, up from 47.6 in February and exceeding forecasts of 48.2, preliminary data showed. Manufacturing output expanded for the first time in two years and at the fastest pace since May 2022. Despite this improvement, new orders continued to decline, though job cuts in the sector slowed. Input costs rose at a subdued rate but marked their sharpest increase since last August, while output prices climbed for the first time in seven months. The inflation rate In the euro area decreased to 2.30 percent in February from 2.50 percent in January of 2025. Inflation Rate in Euro Area averaged 2.23 percent from 1991 until 2025, reaching an all-time high of 10.60 percent in October of 2022 and a record low of -0.60 percent in July of 2009. The best performing sectors for March were Utilities, Energy and Financials, while Health Care, Information Technology and Consumer Discretionary were the laggards.

Chinese equities were boosted in the month by a moderately positive outcome from the country's 'two-sessions' early in the month, where the Chinese government revealed a Gross Domestic Product (GDP) growth target of around 5% and fiscal deficit of about 4%, an increase of one percentage point year-over-year. In general, the government revealed measures aimed at boosting consumption, and measures to attract foreign investment, stimulate the green transition and mitigate financial risks. Indonesian stocks managed a positive return in March, as they rebounded from oversold levels after the passage of a controversial 'military law' that, among other provisions, allow active military officers to take up key civilian positions without first leaving the military. The movement of the law through Parliament had caused civil unrests, while rumours that the well-regarded finance minister Sri Mulyani had resigned also contributed to sentiment that caused the Jakarta Composite Index to drop more than 7% at one point on March 18 after trading resumed after a 30-minute halt.

There were no new purchases or outright sales for March. Key contributors for the month included Tencent, Enel, Samsung and Kimberly Clark Corp, while detractors included ServiceNow Inc, Teradyne Inc, Nvidia Corp, and Alphabet.

**Fixed income**

In a month dominated by headlines surrounding tariffs and geopolitical concerns, the curve steepened as the long-end underperformed on the back of expected inflationary pressures. The steepening move came despite strong 10-year and 20-year Treasury auctions. Short-end yields were anchored by Fed funds rate expectations as US Consumer Price Index (CPI) came in lower after the uptick in January's numbers. Elsewhere, the European Central Bank (ECB) and Bank of Canada cut rates by 25bps as expected. 10y yields were unchanged at 4.21% while 30y yields rose 8bps to 4.57%.

Spreads widened over the month as risk assets sold off. Global High Yield (HY) widened by 50bps, with US HY CCC and B segments widening by 110bps and 65bps respectively. Major bond indices were mixed for the month with US High Yield (USHY) -1%, Emerging Market High Yield (EMHY) 0.01%, Emerging Market Investment Grade (EMIG) 0.16% and Developed Market Investment Grade (DMIG) -0.24%.

DMIG strategy was down -0.2% in March, in line with benchmark performance at -0.2%. Spreads widened over the month as risk assets sold off on tariff fears. The strategy's lower exposure to longer papers accounted for the bulk of the outperformance. By selling higher yielding long papers in February's rally, that contributed to performance as US Investment Grade (USIG) spreads widened by 7bps following US HY's 50bps move. With the broad widening move, the Target Fund Manager added a couple of corporate hybrids with strong structures and some recent new issues from quality corporates over the month.

EMIG strategy was flat in March, underperforming benchmark performance at 0.2%. In terms of asset allocation, the Target Fund Manager overweights in Indonesia and India detracted from performance while underweight in Hong Kong and overweight in United Arab Emirates (UAE) contributed to performance. In terms of security selection, overweights in Hysan, Cheung Kong Infrastructure and Abu Dhabi Government detracted from performance while overweights in Mexico City Airport and Mexico Generadora de Energia contributed to performance. They continue to favour exposures to EM sovereigns, quasi-sovereigns and supranational entities. They are neutral in EMIG as risk-rewards appear balanced with tighter spreads but higher overall yields. Increasing risk-off tone caused by uncertainty in US tariff policies can drive a flight-to-safety bid and they are keeping with a duration overweight in the near-term.

EMHY strategy outperformed the benchmark (10bps) in March. Healthy carry more than offset the 17bps of spread widening EMHY in March. Positive selection effect and allocation were the key driver of performance. They Target Fund Manager Overweight position in Brazil and Mexico as well as Underweight allocation to Turkey contributed positively to relative performance. Their lower beta positioning in Hong Kong and China detracted from relative performance in March. Their positioning in the long end of the yield curve detracted from the performance as 30yr yields underperformed. They continued to reduce Overweight position in India owing to valuation levels. They also reduced their out-of-benchmark Overweight in Dominican Republic. They continued to increase allocation to Hong Kong and Macau gaming sector. Tariff announcements and geopolitical uncertainties may increase macro related risks in EM countries. They aim to manage the increased level of volatility via quality bias in credit selection and in country allocation. They are Neutral on EMHY on valuation grounds. Policy uncertainities on tariffs and their potential economic implications have heightened the volatility in UST yields. Rising concerns over potential growth deceleration has pushed yields lower in 1Q25. Their base case scenario of Reciprocal tariffs could lead to deceleration in growth; however, they see US economy avoiding a recession. They also expect inflation to stay elevated, limiting further easing by Fed. Such an outcome should lead to 10yr yields moving towards 5% levels. Consistent with their cautious stance on UST yields, they are Underweight DMIG while remaining Neutral on EMIG and EMHY.

This material has not been prepared by research analysts, and the information in this material is not intended, by itself, to constitute independent, impartial or objective research or a recommendation from BOSWM MY and should not be treated as such. Unless otherwise indicated, any reference to a research report or recommendation is not intended to represent the whole report and is not in itself considered a research report or recommendation.

**Fund specific disclaimers**

Investors are advised that the funds offered are solely on the basis of the information contained in the prospectuses, information memorandums and product highlight sheet ('PHS") and no other information outside the prospectuses, information memorandums and PHS. Investments in the funds are subject to investment risks and the description of those risks is published in the funds' prospectuses, information memorandums and PHS.

The funds and the funds' prospectuses, information memorandums and PHS have been approve, authorized, registered, lodged or submitted with the Securities Commission Malaysia (as the case may be), who takes no responsibility for their contents. The approval, authorisation, registration, lodgement or submission do not amount to nor indicate that the Securities Commission Malaysia has recommended or endorsed the funds. Investors have the right to request for a copy of the Replacement Master Information Memorandum dated 26 December 2023, Product Highlights Sheets ("PHS") and the application forms, which are available at our website and office.

Investors should read and understand the prospectuses, supplementary prospectuses, information memorandums, supplementary information memorandums PHS and application forms, as well as consider the fees and charges involved before investing. Investors should also note that distributions and net asset value per unit do go up and down and past performance is not indicative of future performance.  Investors are advised to make own risk assessment. If in doubt, please consult a professional advisor.

Where a distribution is declared, you are advised that following the distribution, the NAV per unit will be reduced from cum-distribution NAV to ex-distribution NAV.