



**BOS WEALTH
MANAGEMENT**

A subsidiary of Bank of Singapore

BOSWM DYNAMIC ISLAMIC INCOME FUND

QUARTERLY REPORT

For the financial period from

1 June 2021 (date of launch) to 31 December 2021

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FUND INFORMATION**As At 31 December 2021**

Name Of Fund	: BOSWM Dynamic Islamic Income Fund
Manager Of Fund	: BOS Wealth Management Malaysia Berhad 199501006861 (336059-U)
Launch Date	: Class BOS MYR – 1 June 2021 The Fund will continue its operations until terminated as provided under Clause 25 of the Deed.
Category Of Fund	: Islamic (wholesale)
Type Of Fund	: Growth and income
Investment Objective	: BOSWM Dynamic Islamic Income Fund aims to deliver total return. Note: <ul style="list-style-type: none">• Any material change to the investment objective of the Fund would require Unit Holders' approval.• 'total return' refers to a combination of income (in the form of income distribution) and potential capital growth.
Performance Benchmark	: Maybank Islamic Overnight Deposit rate
Distribution Policy	: Declaration of income distribution (if any) is at least once a year.
Fund Size	: 50.03 million units

FUND PERFORMANCE**For The Financial Period From 1 June 2021 (Date Of Launch) To 31 December 2021****Market And Fund Review**Market Review

Market sentiment continued to weaken over the quarter led by persistent elevated inflation, hawkish central bank policy shifts and the emergence of the Omicron Covid-19 variant. Yields followed a downward trajectory for most of the quarter before reversing towards mid-quarter as markets started to price in faster pace of tightening from the Federal Reserve (Fed). The final FOMC meeting of 2021 took a more hawkish turn than expected with the Fed now expecting three interest rate increases next year in the context of stronger growth and lower unemployment and plans to accelerate tapering and to end its asset purchases by March 2022. The 2-year Treasury yield which typically moves in step with interest rate expectations was up 47 basis points (bps) to 0.73% while the 10-year yield rose from 1.46% to 1.51% after hitting a high of 1.70% over the quarter.

Malaysian government bonds weakened alongside higher IRS rates with selling seen in the 3Y-5Y segment on the back of surging short-term US yields. Additionally, market pricing has turned hawkish as the rising vaccination rate continues to propel the domestic growth outlook. There was a brief recovery in November after a neutral MPC and a disappointing 3Q 2021 GDP data release. Bank Negara Malaysia (BNM) has kept overnight policy rate (OPR) unchanged at 1.75% at its last MPC meeting of the year with no clear guidance on rate hike timeline. The tone of the statement suggested that it will be data dependent with inflation among key considerations. The yield curve eventually settled higher with the 3-year rising by 34bps to 2.79% while the 10-year rose by 20bps to 3.58% as market adjusted for supply expectations in addition to the Fed's tapering decisions. Meanwhile, BNM has also revealed its auction calendar for 2022, where there will be 36 new auctions, an auction less compared to 2021. Additionally, a sustainability linked GII will also make its debut next year.

Fund Review

Total NAV decreased to RM50,157,481 from RM65,084,624 in the previous quarter while NAV per unit increased to RM1.0025 from RM1.0017 due to market movements on price recovery.

As at 31 December 2021, the Fund was 19.55% invested in sukuk and 80.45% in cash and Islamic money market instruments. During the quarter, the Fund took the opportunity to exit position in one of its sovereign holdings in view of further curve flattening heading into 2022. Investment decisions will continue to focus on a combination of yield accumulation and duration management.

Fund Returns

	Total Returns	
	Class BOS MYR	
	Fund	Benchmark
1.7.2021 To 30.9.2021	0.06%	0.06%
1.10.2021 To 31.12.2021	0.18%	0.06%
Since Investing Date To 31.12.2021	0.35%	0.15%

Note:

- BOSWM Dynamic Islamic Income Fund Class BOS MYR – Launch date: 1.6.2021; Investing date: 10.6.2021

Source: Lipper, Bloomberg

Asset Allocation

	<u>As At 31 December 2021</u>
Sukuk	19.55%
Cash And Islamic Money Market Instruments	<u>80.45%</u>
	<u>100.00%</u>

Income Distribution

	<u>Class BOS MYR</u>
Gross distribution per unit	0.10 sen
Net distribution per unit	0.10 sen

NAV per unit before declaration

(as at 31 December 2021)

Class BOS MYR RM1.0035

NAV per unit after declaration

(as at 31 December 2021)

Class BOS MYR RM1.0025

SHARIAH ADVISER'S REPORT

To the Unit Holders of **BOSWM DYNAMIC ISLAMIC INCOME FUND ("FUND")**

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, **BOS WEALTH MANAGEMENT MALAYSIA BERHAD** has operated and managed the Fund for the period covered by these financial statements namely, the period ended 31 December 2021, in accordance with Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises instruments that have been classified as Shariah compliant.

For and on behalf of the Shariah Adviser,
BIMB SECURITIES SDN BHD

NURUSSA'ADAH NASARUDIN
Designated Shariah Officer

Kuala Lumpur, Malaysia
15 February 2022

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	31.12.2021
	RM
Assets	
Investments	9,805,150
Profit receivable	240,598
Cash and cash equivalents	<u>40,195,083</u>
Total Assets	<u>50,240,831</u>
Liabilities	
Amount due to Manager	24,597
Other payables	8,719
Distribution payable	<u>50,034</u>
Total Liabilities	<u>83,350</u>
Net Asset Value Of The Fund	<u>50,157,481</u>
Equity	
Unitholders' capital	50,048,205
Retained earnings	<u>109,276</u>
Net Asset Value Attributable To Unitholders	<u>50,157,481</u>
Total Equity And Liabilities	<u>50,240,831</u>
Number Of Units In Circulation (Units)	<u>50,033,700</u>
Net Asset Value Per Unit	<u>RM1.0025</u>

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**For The Financial Period From 1 June 2021 (Date Of Launch) To 31 December 2021**

	1.6.2021 to 31.12.2021 RM
Investment Income	
Profit income	709,262
Net loss on investments	
- Financial assets at fair value through profit or loss	(152,143)
Net unrealised loss on changes in value of financial assets at fair value through profit or loss	<u>(194,850)</u>
	<u>362,269</u>
Expenses	
Audit fee	4,052
Tax agent's fee	2,169
Manager's fee	166,851
Trustee's fee	6,702
Administration expenses	<u>8,758</u>
	<u>188,532</u>
Net Income Before Taxation	173,737
Taxation	-
Net Income After Taxation	<u>173,737</u>
Total Comprehensive Income	<u>173,737</u>
Total Comprehensive Income Is Made Up As Follows:	
Realised income	368,587
Unrealised loss	<u>(194,850)</u>
	<u>173,737</u>

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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 customercare@boswm.com. Alternatively, you may call us as above.