

ABF MALAYSIA BOND INDEX FUND

MONTHLY REVIEW

**For the month of
April 2025**



AmFunds Management Berhad (154432-A)
(A member of AMMB Holdings Berhad)

- Investment Banking
- Treasury Solutions

- Funds Management
- Stock & Futures Broking

- Private Banking
- Islamic Markets

A. BOND MARKET OVERVIEW

Market Review & Outlook

MGS Benchmark Tenors	30-Mar-25 (%)	Net Change MoM (bps)	Net Change YTD (bps)
3Y	3.24	-21	-29
5Y	3.40	-21	-26
7Y	3.55	-17	-23
10Y	3.68	-12	-16
15Y	3.83	-9	-15
20Y	3.92	-9	-16
30Y	4.10	-7	-9

Source: Bond Pricing Agency Malaysia, 30 April 2025

For the month of April, Malaysian Government Securities (“MGS”) rallied across all tenure, with the short-end curve yields fell between 17 – 21bps while the long & ultra long-end curve yields slid between 7 – 12bps shaping the bull-steepening curve. The rally in the domestic bond market was a reflection of market pricing in a potential 25bps rate in 2025, following the lower-than consensus Malaysia first quarter GDP reading.

There were three sovereign bond /sukuk auctions with a total size of RM14.0 billion in April, namely the re-opening of the 15Y Malaysia Government Investment Issuance (“MGII”) with the size of RM4.0 billion, followed by re-openings of 3Y Malaysia Government Securities (“MGS”) with the size of RM5.0 billion, and ultimately new issue of 10Y MGII with the issue size of RM5.0 billion. During the first half of April, auction demand remained strong with bid-to-cover (“BTC”) recorded at 3.36x and 3.18x, respectively for both 15Y MGII and 3Y MGS re-openings. However, the 10Y MGII new issue only garnered moderated BTC of 1.995x, as the bidding demand turned weaker towards end-April primarily due to rich valuation.

The local bond market saw trading volume of corporate bonds (including quasi-sovereign) increase 3.8% MoM to RM18.5 billion in April (March: RM17.9 billion). Meanwhile, March saw an inflow of foreign flows totalling RM3.2 billion, after an outflow of RM1.1 billion in the previous month. The inflow predominantly came from MGS and Government Investment Issuance (“GII”) which recorded a net inflow of RM1.7 billion and RM1.4 billion, respectively in March.

B. PORTFOLIO ACTIVITY REVIEW

For the end of the month of April 2025, there are two inclusions and five exclusions in the ABF Malaysia Index.

The details of the inclusions:

Maturity Date	Issuer	ISIN Code	Outstanding Amount
30/4/2032	Pengurusan Air SPV Berhad	MYBVK2501651	800,000,000
29/4/2039	Pengurusan Air SPV Berhad	MYBVR2501664	1,300,000,000

The details of the exclusions:

Maturity Date	Issuer	ISIN Code	Outstanding Amount
15/4/2026	Malaysia Government Bond	MYBMS1100036	8,434,330,000
5/10/2026	Cagamas Berhad	MYBVG2304146	540,000,000
1/4/2026	DanaInfra Nasional Bhd	MYBVK1900698	700,000,000
10/4/2026	Lembaga Pembiayaan Perumahan Sektor Awam	MYBVK1900805	500,000,000
23/1/2035	Danga Capital Bhd	MYBVN2500111	2,500,000,000

The portfolio had 88.96% of sovereign bonds, 10.00% of quasi-sovereign bonds and 1.04% in cash. As of 30 April 2025, the portfolio held 83 bonds versus the benchmark universe of 294 bonds.

C. PERFORMANCE EVALUATION REVIEW

As of 30 April, 2025	Modified Duration (years)	Weighted Market Yield (%)	Total Return (Net) for the Month of April 2025
Benchmark	7.51	3.62	1.30%
Actual Portfolio	7.48	3.62	1.28%

The top 10 holdings of the portfolio as of 30 April 2025 are as shown below:

Maturity Date	Issuer	ISIN Code	Nominal Value	Market Value
15/10/2042	Malaysia Government Bond	MYBMY2200023	40,000,000	44,183,549.45
07/04/2037	Malaysia Government Bond	MYBMX1700033	40,000,000	44,000,512.92
15/9/2039	Malaysia Government Investment Issue	MYBGY1900021	40,000,000	43,139,754.23
05/07/2034	Malaysia Government Investment Issue	MYBMS1900047	41,500,000	42,500,160.76
27/05/2039	1MDB	MYBVZ0902446	35,000,000	42,432,337.02
14/08/2043	Malaysia Government Investment Issue	MYBGY2300023	40,000,000	42,421,873.97
15/08/2029	Malaysia Government Bond	MYBMO1900020	40,000,000	41,168,863.73
15/06/2028	Malaysia Government Bond	MYBMS1300057	40,000,000	41,085,015.50
31/05/2027	Malaysia Government Bond	MYBMX0700034	40,000,000	40,806,723.05
15/06/2050	Malaysia Government Bond	MYBMZ2000016	40,000,000	40,655,360.72

The tracking error based on gross return for the last 3 years (31 April 2022 – 30 April 2025) of the Fund was 10.28 basis points while the tracking error based on net return was 10.24 basis points.

Net asset value of the portfolio stood at RM 1,804,715,81.21 at end of April 2025.