

ABF MALAYSIA BOND INDEX FUND

MONTHLY REVIEW

**For the month of
November 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 | 28-November 2025 (%) | Net Change MoM (bps) | Net Change |
|----------------------|----------------------|----------------------|------------|
| | | | YTD (bps) |
| 3Y | 3.10 | -7 | -43 |
| 5Y | 3.30 | 0 | -36 |
| 7Y | 3.47 | 0 | -31 |
| 10Y | 3.49 | -3 | -35 |
| 15Y | 3.77 | -3 | -22 |
| 20Y | 3.87 | -7 | -20 |
| 30Y | 3.98 | -2 | -21 |

Source: Bond Pricing Agency Malaysia, 1 December 2025.

In November, Malaysia's bond market performed better, supported by a combination of favourable domestic fundamentals and improving external conditions. BNM's decision to keep the OPR at 2.75% continued to provide a growth-supportive monetary backdrop. This aligned with Malaysia's solid 3Q2025 GDP performance, which remained on track to meet the full-year growth target, reinforcing investor confidence in the country's economic resilience. At the same time, inflation stayed contained, helping preserve real returns on fixed-income instruments and sustaining demand from both domestic and international investors.

Separately, the Malaysian bond market also benefited from renewed foreign inflows, driven partly by a narrowing interest-rate differential as the U.S. Federal Reserve began its rate-easing cycle. With the weakening US Dollar, foreign investors are looking to increase their exposures in Asia local currency bonds including Malaysia.

There were three sovereign bond/ sukuk auctions with a total size of RM12.0b in November 2025, namely the reopening of 10Y MGII with issue size of RM5.0b on 11 November 2025, followed by reopening of 7Y MGS with the issue size of RM4.0b on 18 November 2025 and the reopening of the 20Y MGII with issue size of RM3.0b on 25 November 2025. The 10Y and 20Y MGII auctions had better bid-to-cover ("BTC") of 2.57x and 2.34x respectively. Meanwhile, the 7Y MGS auction was weaker with a BTC of 1.91x.

B. PORTFOLIO ACTIVITY REVIEW

For the end of the month of November 2025, there is no inclusion and one exclusion in the ABF Malaysia Index.

The details of the exclusion:

| Maturity Date | Issuer | ISIN Code | Outstanding Amount |
|---------------|--------------------------|--------------|--------------------|
| 30/11/2026 | Malaysia Government Bond | MYBMO1600034 | 22,980,000,000 |

The portfolio had 89.03% of sovereign bonds, 10.36% of quasi-sovereign bonds and 0.61% in cash. As of 31 November 2025, the portfolio held 84 bonds versus the benchmark universe of 283 bonds.

C. PERFORMANCE EVALUATION REVIEW

| As of 31 November, 2025 | Modified Duration (years) | Weighted Market Yield (%) | Total Return (Net) for the Month of November 2025 |
|--------------------------------|----------------------------------|----------------------------------|----------------------------------------------------------|
| Benchmark | 7.63 | 3.53 | 0.42% |
| Actual Portfolio | 7.73 | 3.54 | 0.41% |

The top 10 holdings of the portfolio as of 28 November 2025 are as shown below:

| Maturity Date | Issuer | ISIN Code | Nominal Value | Market Value |
|----------------------|--------------------------------------|------------------|----------------------|---------------------|
| 15/10/2042 | Malaysia Government Bond | MYBMY2200023 | 40,000,000 | 44,369,599.86 |
| 15/09/2039 | Malaysia Government Investment Issue | MYBGY1900021 | 40,000,000 | 43,513,947.19 |
| 05/07/2034 | Malaysia Government Bond | MYBMS1900047 | 41,500,000 | 43,004,902.43 |
| 14/08/2043 | Malaysia Government Investment Issue | MYBGY2300023 | 40,000,000 | 42,572,260.62 |
| 27/5/2039 | 1MDB | MYBVZ0902446 | 35,000,000 | 41,521,818.78 |
| 15/08/2029 | Malaysia Government Bond | MYBMO1900020 | 40,000,000 | 41,450,408.42 |
| 15/06/2028 | Malaysia Government Bond | MYBMS1300057 | 40,000,000 | 41,327,241.86 |
| 15/06/2050 | Malaysia Government Investment Issue | MYBMZ2000016 | 40,000,000 | 41,200,727.28 |
| 15/10/2030 | Malaysia Government Investment Issue | MYBGO2000020 | 40,000,000 | 40,544,206.74 |
| 30/9/2027 | Malaysia Government Investment Issue | MYBGL2000018 | 40,000,000 | 40,532,187.65 |

The tracking error based on gross return for the last 3 years (30 November 2022 – 28 November 2025) of the Fund was 9.35 basis points while the tracking error based on net return was 9.31 basis points.

Net asset value of the portfolio stood at RM 1,783,839,320.61 at end of November 2025.