

# **ABF MALAYSIA BOND INDEX FUND**

## **MONTHLY REVIEW**

**For the month of  
April 2026**



**Group Wealth Management**

**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-April 2026 (%)	Net Change MoM (bps)	Net Change
			YTD (bps)
3Y	3.21	-5.6	12.0
5Y	3.35	-7.7	4.7
7Y	3.47	-8.2	7.8
10Y	3.61	-5.0	8.0
15Y	3.85	-7.7	5.6
20Y	3.97	-3.5	11.4
30Y	4.07	-6.0	9.1

Source: Bond Pricing Agency Malaysia, 30 April 2025.

In April, the Malaysian bond market traded firmer with MGS yields declining by 4–8 bps across the curve compared with the previous month. The rally was underpinned by supportive fundamentals, including Bank Negara Malaysia (“BNM”) guidance to maintain the policy rate at 2.75%, subdued core inflation and a stronger than expected GDP outturn in 1Q2026.

Three sovereign bond and sukuk auctions were held in April 2026, comprising the re opening of the 30 year MGS and the new issuances of the 3.5 year and 20 year MGII, each with an issuance size of RM5.0 billion. The first auction of the month attracted healthy demand, with a bid to cover (“BTC”) ratio of 2.029x despite the ultra long tenure. As April progressed, market sentiment strengthened with the new 3.5 year MGII and 20 year MGII auctions recording higher BTC ratios of 2.921x and 2.881x respectively. Improved investor appetite was supported by easing geopolitical concerns amid ceasefire discussions between US and Iran.

Meantime, Malaysian government bonds recorded their strongest demand in nine months, registering a net foreign inflow of RM3.8 billion in March 2026 (February 2026: RM0.8 billion net outflow). As a result, foreign ownership of outstanding MGS and MGII edged up to 21.6% from 21.2% in the previous month. This trend reflects a renewed investor shift toward lower risk emerging markets amid heightened Middle East volatility underpinned by Malaysia’s resilient macroeconomic fundamentals, firmer currency performance and sustained policy stability.

Following the UAE’s announcement to withdraw from Organization of the Petroleum Exporting Countries (“OPEC”), oil prices reacted in a relatively muted manner. As long as the Strait of Hormuz remains close, oil prices may stay elevated and provide a temporary fiscal cushion for Malaysia. Over the long term, once the geopolitical premium fades, a “price war” scenario would likely drive oil prices lower. That said, Malaysia’s efforts to diversify its economy years ago are finally paying off. If Putrajaya is holding firm on its 3.5% deficit target and BNM maintains the Overnight Policy Rate (“OPR”), we think the local bond market will continue to stay resilient given the ample liquidity in the market.

## B. PORTFOLIO ACTIVITY REVIEW

For April 2025, there is 3 inclusions and no exclusion in the ABF Malaysia Index.

The details of the inclusion:

<b>Maturity Date</b>	<b>Issuer</b>	<b>ISIN Code</b>
15/10/2029	Malaysia Government Investment Issue	MYBGH2600039
31/03/2033	Malaysia Government Investment Issue	MYBGK2600025
23/04/2046	Malaysia Government Bond	MYBMX2600034

The portfolio had 87.71% of sovereign bonds, 9.95% of quasi-sovereign bonds and 2.34% in cash. As of 30 April 2026, the portfolio held 85 bonds versus the benchmark universe of 293 bonds.

## C. PERFORMANCE EVALUATION REVIEW

<b>As of 30 April, 2026</b>	<b>Modified Duration (years)</b>	<b>Weighted Market Yield (%)</b>	<b>Total Return (Net) for the Month of April 2026</b>
Benchmark	7.42	3.60	0.72%
Actual Portfolio	7.40	3.60	0.72%

The top 10 holdings of the portfolio as of 30 April 2026 are as shown below:

<b>Maturity Date</b>	<b>Issuer</b>	<b>ISIN Code</b>	<b>Nominal Value</b>	<b>Market Value</b>
15/10/2042	Malaysia Government Bond	MYBMY2200023	40,000,000	43,719,597.45
05/07/2034	Malaysia Government Bond	MYBMS1900047	41,500,000	42,725,724.05
15/09/2039	Malaysia Government Investment Issue	MYBGY1900021	40,000,000	42,706,068.63
14/08/2043	Malaysia Government Investment Issue	MYBGY2300023	40,000,000	42,042,787.57
27/5/2039	1MDB	MYBVZ0902446	35,000,000	41,878,287.02
15/08/2029	Malaysia Government Bond	MYBMO1900020	40,000,000	41,119,436.53
15/06/2028	Malaysia Government Bond	MYBMS1300057	40,000,000	41,018,480.70
15/06/2050	Malaysia Government Investment Issue	MYBMZ2000016	40,000,000	40,710,515.52
15/10/2030	Malaysia Government Investment Issue	MYBGO2000020	40,000,000	40,287,466.56
22/5/2040	Malaysia Government Bond	MYBMY1900052	40,000,000	40,139,888.99

The tracking error based on gross return for the last 3 years (30 April 2023 – 30 April 2026) of the Fund was 9.05 basis points while the tracking error based on net return was 9.03 basis points.

Net asset value of the portfolio stood at RM 1,797,479,128.49 at end of April 2026.