

**MAYBANK PHILIPPINES INCORPORATED – TRUST  
MAYBANK TIGER USD ASIAN INCOME FEEDER FUND  
A Unit Investment Trust Fund  
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**



Quarter Endec **March 31, 2023**

**FUND FACTS**

<b>Classification:</b>	Medium Term Bond Fund	<b>Net Asset Value / Unit (NAVpu):</b>	0.960100
<b>Structure:</b>	Feeder Fund, Cash-Income Paying	<b>Total Fund Nav:</b>	USD 6,782.89
		<b>Launch Date:</b>	May 16, 2022
<b>Currency:</b>	USD	<b>Dealing Day and Cut-off:</b>	Any Banking Day–11:30 AM
<b>Minimum Investment:</b>	USD 1,000.00		
<b>Minimum Additional Investment:</b>	USD 100.00	<b>Minimum Redemption Amount:</b>	USD 100.00
<b>Minimum Holding Period:</b>	None	<b>Redemption Settlement*:</b>	T+7
<b>Subscription Settlement:</b>	T+5	<b>Target Fund:</b>	Maybank Asian Income Fund
<b>Early Redemption Charge:</b>	None		

\*The Trustee reserves the right to settle the redemptions before the 7<sup>th</sup> business day after the Trade Date.

**FEES<sup>1,2</sup>**

<b>Trustee Fee:</b>	<b>Custodianship Fee:</b>	<b>External Auditor Fee:</b>	<b>Other Fees:</b>
-	-	0.0531%	-

- As a percentage of average daily NAV for the quarter valued at USD 6,866.46
- As the Target Fund is administered by its related party/ company, the trust/ management fee shall be charged only once at the Level of the Target Fund. Please refer to the General Information on the Target Fund for the fees with respect to the Target Fund.

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund seeks to provide capital growth and income over the medium term, by investing all or substantially all its assets in a collective investment scheme that invests primarily in Asian fixed income securities and US government

**CLIENT SUITABILITY**

A client profiling process should be performed prior to participating in the Fund to guide the prospective investor if the Fund is suited to his/her investment objectives and risk tolerance. Clients are advised to read the Declaration of Trust/Plan Rules of the Fund, which may be obtained from the Trustee, before deciding to invest.

The Fund is suitable for investors with a medium to long-term investment horizon seeking to invest in Asian debt securities and have a moderate risk appetite.

**GENERAL RISKS AND RISK MANAGEMENT**

You should not invest in this Fund if you do not understand or are not comfortable with the accompanying risks.

<b>Interest Rate Risk:</b>	The possibility of an investor to experience losses due to changes in interest rates.
<b>Market Risk:</b>	This is the possibility for an investor to experience losses due to changes in the market prices of securities.
<b>Liquidity Risk:</b>	This is the possibility for an investor to experience losses due to the inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but at a
<b>Inflation Risk:</b>	This is the risk that arises from the changes in purchasing power due to inflation.
<b>Credit / Default Risk:</b>	This is the possibility for an investor to experience losses due to a borrower's failure to pay principal and/or interest in a timely manner on instruments such as bonds, loans, or other forms of security which the borrower issued.
<b>Reinvestment Risks:</b>	This is the possibility that an investor may experience losses due to probable lower returns or earnings when maturing funds or the interest earnings of the Fund are reinvested.
<b>Foreign Exchange Risk:</b>	This is the possibility for an investor to experience losses due to fluctuations in foreign exchange rates.
<b>Country Risk:</b>	This is the possibility for an investor to experience losses arising from investments in securities issued by/in foreign countries due to the political, economic and social structures of such countries.

## **RISKS SPECIFIC TO THE TARGET FUND**

Further to the general risks above, the following risks are specific to the Target Fund:

- Emerging Markets Risk:** The Target Fund may invest in developing countries and emerging markets may involve increased risks including without limitation (i) investments and repatriation restrictions, (ii) currency fluctuations, (iii) the potential for unusual market volatility as compared to more industrialized nations, and (iv) certain local tax law considerations.
- Distribution Risk:** Dividend/interest income of the Target Fund may be adversely affected by investee entities suffering unexpected losses and/or paying lower than expected dividends, and adverse currency exchange rate fluctuations.
- Derivatives Risk:** The Target Fund may use Financial Derivatives Instruments including options, swaps, forwards and futures. Risks include default by the counterparty or the inability to close out a position because the trading market becomes illiquid.
- Currency Risk:** Fluctuation in foreign currency exchange rates will affect the value of the Fund's investments when converted into the currency of denomination of the Fund and subsequently the value of Holders' investments. The Target Fund may use foreign currency forwards to hedge the foreign currency exposure in full or partially, and may actively manage such exposure. The fund can buy USD or non-USD denominated bonds.
- Inflation Risk:** Inflation is a long term risk as it creates uncertainty over the future value of the investments. In an inflationary environment, a return on investment which is lower than the inflation rate will lead to a loss of purchasing power of the currency of the Units held by a Holder. For example, in fixed coupon that investors receive will be worth lesser in high inflation environment.
- Early Redemption Risk:** This Fund is not meant for short term investment. Early redemptions by investors may reduce the probability that the investment objectives of the Fund will be met.
- Large Redemption Risk:** The fund is an open ended fund. There can be periods when the Fund may receive large redemption notices from investors. The large size of redemption may lead to the possibility of selling the Fund's investments below the respective last marked to market prices especially during period of low market liquidity. Therefore, such events would be detrimental to the investors.
- Company Specific Risk:** Specific risks to securities issued by a company apply as there are adverse conditions or negative sentiments which a company can be uniquely exposed to, be it from the view of management issues, deteriorating business fundamentals or losing competitiveness. As a consequence, the price of securities issued by such company might fall and subsequently affect the Fund's performance.
- Counterparty Risk:** This fund invests into Asian bonds which are normally traded over-the-counter. It will expose the Fund to the risk that a counterparty may default on its obligations to perform under the relevant contract. If a counterparty becomes bankrupt or insolvent, the Fund could experience delays in liquidating an investment and may therefore incur significant losses, including losses resulting from a decline in the value of the investment during the period in which the Fund seeks to enforce its rights. The Fund may also be unable to realize any gains on the investment during such period and may incur fees and expenses to enforce its rights.
- Country Risk:** The investments of the Fund may be affected by risks specific to the country in which it invests. Such risks include changes in a country's economic, social and political environment. The value of the assets of the Fund may also be affected by uncertainties such as currency repatriation restrictions or other developments in the law or regulations of the country in which the Fund invests into.

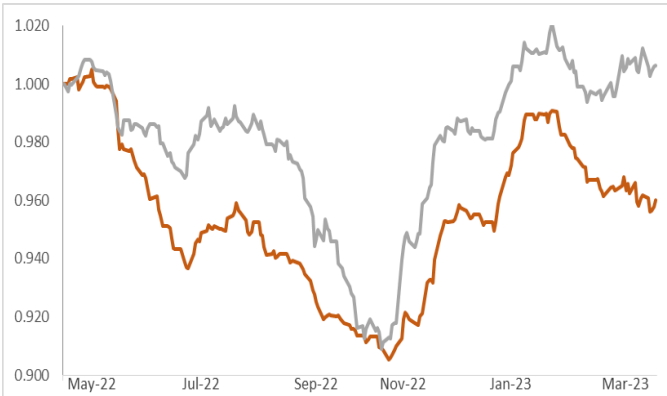
- **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).**
- **RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS/ FLUCTUATIONS ONLY.**
- **WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES WILL BE SOLELY FOR THE ACCOUNT OF THE CLIENT.**
- **THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.**

## FUND PERFORMANCE AND STATISTICS

As of March 31, 2023

(Purely for reference purposes and is not a guarantee of future results)

### NAVPU GRAPH

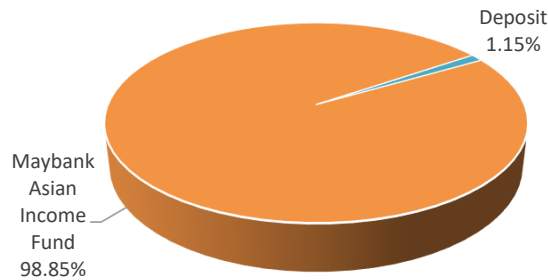


- Maybank Tiger USD Asian Income Feeder Fund
- Benchmark: JP Morgan Asian Credit Index

### CUMULATIVE PERFORMANCE (%)

	1 mo.	3 mos.	6 mos.	1 yr.	S.I.
Fund	-0.74%	0.81%	3.96%	-	-3.99%
Benchmark	0.90%	2.53%	5.92%	-2.65%	1.17%

### PORTFOLIO COMPOSITION



### NAVPU over the past 12 months

HIGHEST	1.005000
LOWEST	0.905400

### STATISTICS

Weighted Ave. Duration	7.80 yrs
Volatility, Past 1 Year*	2.7798%
Sharpe Ratio**	(0.36)
Information Ratio***	1.76

\*Volatility measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

\*\*Sharpe Ratio is used to characterize how well the return of the Fund compensates the investor for the level of risk taken. The higher the number, the better.

\*\*\*Information Ratio measures the risk-to-reward efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

### TARGET FUND TOP HOLDINGS

Name	% of Target Fund
US TREASURY N/B 3.625% 15/02/2053	7.32%
SMALL BUSN CORP 2.125% 30/08/2026	4.18%
AIRPORT AUTH HK 4.875% 12/01/2033	3.16%
INDIKA ENERGY IV 8.25% 22/10/2025	2.54%
GREENKO WIND 5.5% 06/04/2025	2.51%

### CASH INCOME DISTRIBUTION INFORMATION

Cash Income Payment Date	Cash Income Rate	Annualized Distribution Yield
Jul-22	0.38%	4.59%
Dec-22	0.37%	4.44%
April-22	0.38%	4.56%

### GENERAL INFORMATION ON THE TARGET FUND as of March 31, 2023

<b>Fund Name:</b>	Maybank Asian Income Fund	<b>Share Price:</b>	0.8379
<b>Fund Manager:</b>	Maybank Asset Management Singapore Pte Ltd.	<b>Management Fee:</b>	1.00% p.a.
<b>Fund Size:</b>	SGD 182.1 Million	<b>Early Redemption Fee:</b>	None
<b>Inception Date:</b>	November 24, 2014	<b>Custodian:</b>	BNP Paribas Securities Services, Singapore Branch
<b>Benchmark:</b>	JP Morgan Asian Credit Index	<b>Total Expense Ratio:</b>	1.14%
<b>Base Currency:</b>	USD	<b>ISIN:</b>	SG9999015713

The Prospectus, Fund Factsheet and other information about the Target Fund may be accessed at [www.maybank-am.com.sg](http://www.maybank-am.com.sg).

TOP COUNTRY ALLOCATION	% of Target Fund
China	8.10%
India	6.90%
Indonesia	5.50%
Australia	4.10%
Thailand	3.40%

TOP SECTOR ALLOCATION	% of Target Fund
Financial	19.70%
Real Estate	5.50%
Metals & Mining	4.40%
Utilities	2.20%
Industrial	1.70%

Maybank Philippines, Inc. - Trust Department is regulated by the Bangko Sentral ng Pilipinas (BSP). For inquiries or complaints, you may send an email to [customerservice@maybank.com.ph](mailto:customerservice@maybank.com.ph). Alternatively, you may also contact Maybank Customer Service hotline at (02) 8588-3888 or our toll-free number 1-800-10-588-3888.You

## OUTLOOK

The collapse of SVB and Credit Suisse was a wake-up call for risk assets. In the beginning of the year, the market was generally optimistic with the US Fed's hike cycle coming to an end, China reopening, and reducing market volatility given that risk-reward looked fair after the selloff in FY2022. However, the market has now shifted to greater concern over the prolonged impact of the aggressive rate hike cycle on banking systems and businesses and the Fed's policy conundrum between inflation and market stability. In addition, we are also facing multiple credit rating downgrades again in the China property sector due to the delay in the property sales recovery and still tight liquidity.

Given the many headline risks and geopolitical uncertainties we have seen in just one quarter, the markets are also repricing risks and volatility. While overall bond yields look attractive, current credit spreads are only a tad above the 5-year average and look tight if we are to price in increasing recession risks. Hence, we prefer to remain more defensive in 2Q2023 until we see bond markets on a more stable footing.

We remain positive on Asian USD bonds on a longer term outlook. The US Fed should pause their hikes in 2H2023 and may have to cut rates if US inflation drops and growth weakens. Rising liquidity stress in the financial system has serious domino implications and, if not handled decisively, can cripple an economy swiftly, increasing the odds of the Fed pivoting in the near future. The latest FOMC Dot Plot shows the Fed Funds target rate at 5.1% as of the end of FY2023, suggesting Fed expects no rate cuts for the year. However, the market is more dovish, indicating about 75bps rate cut using Fed Funds futures. Under this scenario, we would overweight and extend the duration of investment grade bonds and sovereign bonds while underweighting high yield bonds. We may hold some short-end quality high yield bonds for carry.

Asian FX gave up some gains in February as January US inflation and labour data came in stronger than expected. That prompted the market to reprice the US rate trajectory upward, with participants expecting the Fed Funds terminal rate to reach as high as 6%. However, things took a dramatic turn in March following the US and Swiss banking turmoil. US Treasury yields whipsawed as investors flocked to the safety of US Treasuries following the collapse of Silicon Valley Bank and Signature Bank, as well as the Credit Suisse saga.

That said, major Asian currencies remained relatively stable despite safe-haven flows to the USD and US Treasuries. The Asia Dollar Index returned +1.15% in March on a MTD basis (as of the time of writing). Broad Asian FX's appeal will be enhanced as the market signals a likely rate pause in the coming FOMC meetings. This Fed pivot complements the "dovish" narrative from various Asian central banks, some of which have started pausing after earlier hikes.

The banking turmoil spurred a repricing of bets on how much further the Fed and ECB will raise rates, as aggressive rate hikes are now transmitting through the economy. Furthermore, Fed signalled in the March FOMC meeting that it is nearly done with the rate hike cycle but the door remained open for more hikes if warranted. Hence, this could pave the way for a moderate USD path in 2023. We view that the recent banking sector stress may present downside risks for growth, employment, and inflation given that credit conditions may now tighten in view of banking stress. This may ultimately feed through the system and slow the economy down. Evidently, market participants are now expecting potential cuts by the Fed later this year, which will generally bode well with broad EM/Asia FX strength.

Our conviction for EM/Asia assets is further strengthened given that the recent selloff was not caused by stress emanating from EM but was triggered by risks coming from elsewhere, i.e., out of Asia. While a pronounced slowdown in the US and Europe is bound to impact the global economy, less tightening by major central banks and a sluggish dollar may help to support valuations in EM assets in the near to mid-term. Downside risks to Asian currencies would be continued strength in the US inflation and labour market as well as weaker Chinese growth.

For more information, you may also contact us at (02) 7739-1627/ 7739-1671/ 7739-1698 or email us at [ph.trust@maybank.com](mailto:ph.trust@maybank.com).