

PRESS RELEASE

For immediate release

TA Investment Declares Distribution for TA Dana Afif

Kuala Lumpur, 4th March 2020 – TA Investment Management Berhad (“TAIM”) has declared a gross income distribution of 1.3 sen per unit to the registered unit holders of TA Dana Afif (“TADA” or “the Fund”) as at 28th February 2020.

TA Dana Afif aims to provide regular income* while maintaining capital stability** over the Medium to Long Term by investing in sukuk portfolio. The Fund invests in a diversified portfolio of sukuk and Islamic liquid assets. Its sukuk investments vary from sovereign to quasi-sovereign and corporate (listed and unlisted). As at 31st January 2020, the Fund performed well and returned 7.81% over the past year.

In the fourth quarter of 2019, Malaysia recorded a softer-than-expected gross domestic product (“GDP”) growth of 3.6% (third quarter 2019 at 4.4%), the weakest since the global financial crisis in 2009. This reduces the full year 2019 growth to 4.3% (2018 at 4.7%) as the year revolved around uncertainty brought about by the United States (“US”) - China trade tensions which resulted in subdued business investments and exports. Malaysia’s long-term economic prospects are likely to be dimmed as the country was dealt with a political shock towards the end of February 2019 following the resignation of Tun Dr. Mahathir Mohamad as the Prime Minister. With political upheaval facing the country, the execution of the proposed fiscal stimulus aimed at mitigating the Covid-19 impact may be delayed. In light of the above, financial markets took a hit with the ringgit weakening sharply to 4.22 from below 4.10 against the US dollar a month ago while Malaysian Government Securities (“MGS”) yields were volatile given that the 10-year MGS yields oscillated between 2.84% and 3.13% within the month.

Following January 2020’s rate cut, Bank Negara Malaysia (“BNM”) has cut the overnight policy rate (“OPR”) again by 25 basis points (“bps”) to 2.50% given the ongoing COVID-19 outbreak. BNM noted that growth particularly in the first quarter of 2020, will be impacted by the coronavirus outbreak primarily in tourism-related and manufacturing sectors. While the recently announced fiscal stimulus will provide some support to economic activity and domestic growth is expected to gradually improve in the second half of the year, BNM continues to cite the evolving nature and prolonged impact of the COVID-19 outbreak as key downside risks. As such, BNM’s Monetary Policy Committee will continue to monitor and assess the balance of risks surrounding the outlook for domestic growth and inflation. Following BNM’s announcement, initial market reactions saw the short-end of Malaysian bond yields moving down by 2 to 3 bps.

Fund Managers do not discount the possibility of another cut by BNM, especially if COVID-19 spreads further and persists longer than expected. While interest rates are expected to continue to remain low for longer, Fund Managers are expecting greater volatility in view of geopolitical and domestic political uncertainties which may result in foreign outflows in the short term. However, in the longer term, the bond market is expected to reflect the economic fundamental of lower growth. Hence, the Fund can expect opportunities to buy if there is foreign selling. At this point, Fund Managers are maintaining our duration strategy of 5 years to 5.5 years and are prioritising liquidity that will give the Fund flexibility to change strategy quicker. As such, the Fund is biased toward government and government-guaranteed papers and high-grade corporate bonds.

(Source: TA Investment Management Berhad and Opus Asset Management, 4th March 2020)

* Income could be in the form of Units or cash.

** This is not a capital protected/guaranteed fund and the returns are not guaranteed

– END –

For media queries, please contact:

Janice Wong Pui Hua
Head of Corporate Communications & Investor Relations
DID: +(603) 2167 9667
Email: janicewong@ta.com.my

TA INVESTMENT MANAGEMENT BERHAD (340588-T)
A MEMBER OF THE TA GROUP

34th Floor | Menara TA One | 22 Jalan P. Ramlee | 50250 Kuala Lumpur | Malaysia | Tel 603 - 2072 1277 | Fax 603 - 2031 6608
www.tainvest.com.my



Profile of TA Investment Management Berhad

TA Investment Management Berhad (TAIM), a subsidiary of TA Securities Holdings Berhad (TASH), was incorporated on 17 April 1995 and commenced operations on 1 July 1996. As of 31st January 2020, TAIM has total assets of RM2.59 billion, being a combination of unit trust funds and direct mandate portfolios under its management.

TAIM has twenty-three (“23”) years of experience in managing unit trust funds with a total of thirty-five (“35”) funds currently under its management, of which nine (“9”) are Shariah-compliant funds and twenty-six (“26”) are conventional funds. Its investment portfolio comprises a wide spectrum of funds ranging from low to high risk and caters to the different financial needs and objectives of investors.

TAIM funds are invested in both the local and international markets by an experienced investment team. These unit trust funds are distributed directly to customers as well as through appointed Institutional Unit Trust Advisers (IUTAs) and authorised consultants.

For more information, please call 1-800-38-7147 or visit our website at www.tainvest.com.my.

For media queries, please contact:

Janice Wong Pui Hua
Head of Corporate Communications & Investor Relations
DID: +(603) 2167 9667
Email: janicewong@ta.com.my

TA INVESTMENT MANAGEMENT BERHAD (340588-T)
A MEMBER OF THE TA GROUP

34th Floor | Menara TA One | 22 Jalan P. Ramlee | 50250 Kuala Lumpur | Malaysia | Tel 603 - 2072 1277 | Fax 603 - 2031 6608
www.tainvest.com.my