

# TA Rainbow Income Fund 10 (TARAI10)



Information as at 31 January 2023 (based on NAV to NAV with distributions reinvested)

## Fund Objective

The Fund aims to provide income\* whilst preserving capital\*\* on Maturity Date.

\*The Fund will invest in options and/or structured warrants to provide potential annual returns. Income distribution will be paid to you by way of cash deposit to a bank account held in your own name.

\*\*Investors are advised that this Fund is neither a capital guaranteed nor a capital protected fund. The capital will be preserved by investments in Fixed Income Instruments. Consequently, the return of capital is SUBJECT TO the credit and default risk of the issuers of the Fixed Income Instruments.

## Investor Profile

The Fund is suitable for investors who:

- seek Medium Term investment horizon;
- have low to moderate risk profile; and
- seek capital preservation<sup>1</sup>.

<sup>1</sup>This Fund is neither a capital guaranteed nor a capital protected fund.

## Investment Strategy

The Fund seeks to achieve its investment objective by investing at least 85% of its NAV in Fixed Income Instruments to repay the initial investment of investors at Maturity Date (including sales charge). Up to 15% of the Fund's NAV will be invested in options / structured warrants linked to the performance of the Rainbow Basket to generate return.

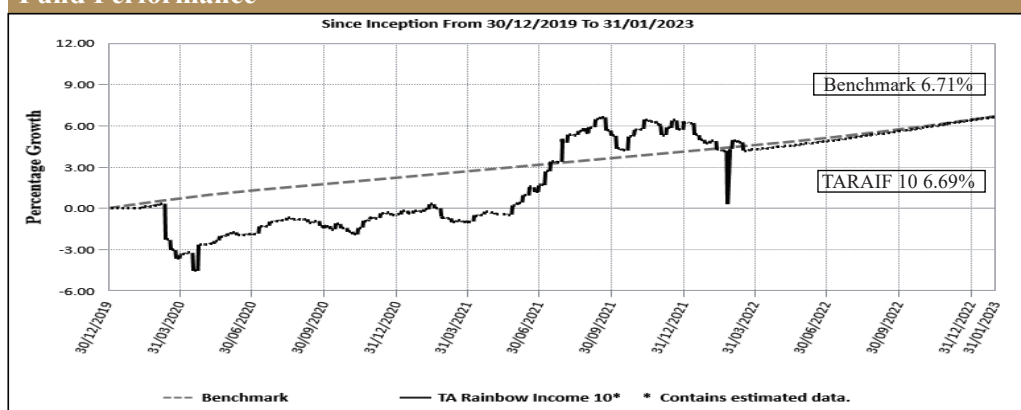
For the Fixed Income Instruments, the Fund intends to invest in deposits and/or money market instruments issued by Malaysian financial institutions rated at least "A" by RAM or equivalent rating by other domestic rating agencies. Whereas for investment in Bonds, the Bonds will be rated at least "A" by RAM or its equivalent rating by other domestic rating agencies and/or any global rating agencies. The Fund may invest up to 30% of its NAV in foreign Bonds should the Manager finds it appropriate to do so. The tenures of the Bonds will match (i.e: 3 years) or will be similar (i.e: shorter than 3 years) to the Tenure of the Fund.

The Fund may enter into derivative contracts which include, but are not limited to foreign exchange forward contracts and swap for the purposes of hedging and not for speculative purposes. Foreign exchange forward contracts and other currency derivatives may be used to hedge the returns and principal of all foreign denominated Bonds back to the Base Currency i.e: RM.

As this is a close-ended fixed income fund, the Fund will be managed on a semi-active basis by the Manager. At the Maturity Date, issuers of the Fixed Income Instruments held by the Fund will be obligated to pay the notional amount provided there is no occurrence of credit default by the issuers. In order to mitigate credit and default risk, the selection will be based on stringent credit research and analysis. Semi-active management of the portfolio refers to the possibility that securities in the portfolio may be traded and rebalanced if needed to address default risk and/or uptrend interest rate concerns.

The Fund will invest in markets where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions (IOSCO).

## Fund Performance



## Cumulative Performance (%)

	1 month	6 months	1 year	3 years	5 years	Year To Date	Since Inception
Fund	0.25	1.50	1.87	6.69	-	0.25	6.69
Benchmark*	0.24	1.34	2.33	6.43	-	0.24	6.71

\*Benchmark: 12 months fixed deposit rate by Malayan Banking Berhad

Source: Lipper for Investment Management

## Annual Performance (%)

	2022	2021	2020	2019	2018	2017	2016
Fund	0.16	6.73	-0.45	-	-	-	-
Benchmark*	2.24	1.85	2.21	-	-	-	-

## Top Holdings

	% NAV
1 AFFIN BANK BERHAD 3-YEAR ZNID 21 FEBRUARY 2023	18.11

## Fund Details

NAV per unit	RM 1.0263
Fund Size	RM 17.17 million
No of Units In Circulation	16.73 million units
Fund Inception Date	30 December 2019
Financial Year End	28 February <sup>1</sup>
Sales Charge	Up to 3.0% of the Offer Price
Redemption Charge	3.00% of the NAV per Unit
Annual Management Fee	There will be no annual management fee charged for this Fund
Annual Trustee Fee	0.04% p.a. of the NAV of the Fund
Trustee	CIMB Commerce Trustee Berhad
Min. Initial Investment	RM1,000
Min. Subsequent Investment	RM1,000

<sup>1</sup>The financial year end for leap year will fall on 29th February

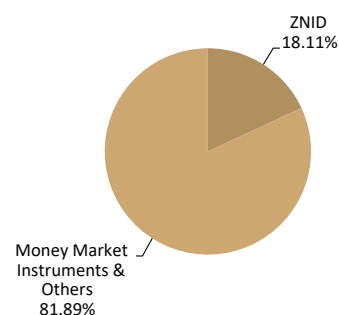
## Distribution History

Distribution Date	Distribution Rate
10/03/22	3.99 sen per unit

## Fund Price History

High	Low
Since Inception	Since Inception
17/09/21 1.0664	16/04/20 0.9547
YTD	YTD
31/01/23 1.0263	05/01/23 1.0242

## Asset & Sector Allocation



Based on the fund's portfolio returns as at January 2023, the Volatility Factor (VF) for this fund is 3.3 and is classified as "Very Low" (source: Lipper). "Very Low" includes funds with VF that are not more than 4.9. The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

Neither the information nor any opinion expressed constitutes an offer, or an invitation to make an offer to buy or sell any securities or unit trusts. A copy of the Prospectus of TA Rainbow Income Fund 10 dated 30 December 2019 has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. This material has not been reviewed by the Securities Commission Malaysia. Investors are advised to read and understand the contents of the Prospectus, copy of which is available from our offices, authorised consultants and distributors before investing. Investors should rely on their own evaluation to assess the merits and risks of the investment. If investors are unable to make their own evaluation, they are advised to consult professional advisers where necessary. Product Highlights Sheet ("PHS") is available and that Investors have the right to request for a PHS; and the PHS and any other product disclosure document should be read and understood before making any investment decision. The price of units and distributions payable, if any, may go down as well as up. Investors should also compare and consider the fees, charges and costs involved and the risks when investing in the Fund such as market risk, currency risk and country risk before investing. Where past performance is quoted, past performance of the Fund is no indication of its future performance. Units are issued upon receipt of a duly completed application form referred to in and accompanying the Prospectus. Investors are advised that following the issue of additional distribution, the NAV per unit will be reduced from cum-distribution NAV to ex-distribution NAV. Investors are also advised that, where a unit split is declared, the value of their investment in Malaysian ringgit will remain unchanged after the distribution of the additional units.