

BOSWM DYNAMIC ISLAMIC INCOME FUND

QUARTERLY REPORT
For the financial period from
1 July 2022 to 30 September 2022

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FUND INFORMATION
As At 30 September 2022

Name Of Fund	: BOSWM Dynamic Islamic Income Fund
Manager Of Fund	: BOS Wealth Management Malaysia Berhad 199501006861 (336059-U)
Launch Date	: Class BOS MYR – 1 June 2021 The Fund will continue its operations until terminated as provided under Clause 25 of the Deed.
Category Of Fund	: Islamic (wholesale)
Type Of Fund	: Growth and income
Investment Objective	: BOSWM Dynamic Islamic Income Fund aims to deliver total return. Note: <ul style="list-style-type: none">• Any material change to the investment objective of the Fund would require Unit Holders' approval.• 'total return' refers to a combination of income (in the form of income distribution) and potential capital growth.
Performance Benchmark	: Maybank Islamic Overnight Deposit rate
Distribution Policy	: Declaration of income distribution (if any) is at least once a year.
Fund Size	: 10.16 million units

FUND PERFORMANCE**For The Financial Period From 1 July 2022 To 30 September 2022****Market And Fund Review**Market Review

The heightened market volatility during the period under review continued as central banks battled with persistent inflation amid a slowing growth backdrop. The Federal Reserve's (Fed's) hawkish effort to stamp out inflation brought two more aggressive rate hikes of 75 basis points (bps) during the quarter, raising the effective Fed funds rate to 3.00%-3.25%, its highest level since 2008. Consequently, the yield curve sustained its inversion, marking a commonly cited indicator of impending recession. The US 10-year yield rose 95bps to 3.83% and the 2-year yield increased by 144bps to 4.28% in Q3 2022.

The local yield curve mirrored a bear flattening trend led by rising short-term yields as investors positioned for further tightening from the global central banks. As the period under review progressed, the yield curve repriced higher as Bank Negara Malaysia (BNM) embarked on its rate normalization. The Overnight Policy Rate (OPR) was lifted by another 25bps in July and September to 2.50% as the economy transits into endemicity. Despite the spike in US yields, MYR rates had proven resilience by moving only a tad weaker in comparison to US Treasuries. The Fed's leadership of a hawkish global policy wave sent the greenback higher, and the Ringgit weakened consequently. Despite weakness on the currency front, economic releases have been very resilient with the economy growing at its fastest annual pace in a year in the second quarter. The 2Q 2022 GDP surged 8.90% from a year earlier boosted by expansion in domestic demand and resilient exports. Over the period under review, the yield curve flattened with the 3-year rising 29bps to 3.76% while the 10-year rose 13bps to 4.35%.

Fund Review

Total NAV decreased from RM33,793,249 as at the beginning of the period under review to RM10,192,500 as at 30 September 2022. Meanwhile, NAV per unit decreased from RM1.055 to RM1.0028 during the period under review on weaker sukuk valuations.

As at 30 September 2022, the Fund was 93.20% invested in sukuk and 6.80% in cash and Islamic money market instruments. Throughout the period under review, investment decisions were focused on cash management due to liquidity requirements. The fundamentals of the underlying sukuk portfolio remained satisfactory with decent earnings expectations and rating stability.

Fund Returns

	Total Returns	
	Class BOS MYR	
	Fund	Benchmark
1.7.2022 To 30.9.2022	-0.27%	0.18%
1 Year's Period (1.10.2021 To 30.9.2022)	0.31%	0.40%
Financial Year-To-Date (1.7.2022 To 30.9.2022)	-0.27%	0.18%
Since Investing Date To 30.9.2022	0.48%	0.48%

Note:

- BOSWM Dynamic Islamic Income Fund Class BOS MYR – Launch date: 1.6.2021; Investing date: 10.6.2021

Source: Lipper, Bloomberg

Asset Allocation

Sukuk
Cash And Islamic Money Market Instruments

As At 30 September 2022

93.20%
6.80%
100.00%

Income Distribution

Nil

Net Asset Value (NAV) Per Unit

(as at 30 September 2022)

Class BOS MYR

RM1.0028

Significant Changes In The State Of Affairs Of The Fund

Amendments were made: (a) the update of Manager's corporate information and Shariah Adviser's registered office; (b) the removal of the Fund's performance benchmark, (c) the Fund's price for subscription in different scenarios, (d) the replacement of Shariah status reclassification risk, (e) the disclosure pertaining to potential US Person subscribers of the Fund, (f) the update on Roles and Responsibilities of BSSB as the Shariah Adviser and (g) the update of Manager's Head Office. These amendments were reflected in the Fund's First Supplementary Information Memorandum dated 15 August 2022.

SHARIAH ADVISER'S REPORT

TO THE UNITHOLDERS OF BOSWM DYNAMIC ISLAMIC INCOME FUND ("FUND"),

We hereby confirm:

1. To the best of our knowledge, after having made all reasonable enquiries, **BOS Wealth Management Malaysia Berhad** has operated and managed the Fund for the period covered by these financial statements namely, the period ended 30 September 2022, in accordance with Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprise instruments that have been classified as Shariah compliant.

For and on behalf of the Shariah Adviser,
BIMB SECURITIES SDN BHD

NURUSSA'ADAH NASARUDIN

Designated Shariah Officer

Kuala Lumpur, Malaysia
17 November 2022

UNAUDITED STATEMENT OF FINANCIAL POSITION
As At 30 September 2022

	30.9.2022
	RM
Assets	
Investments	9,499,650
Profit receivable	26,740
Cash and cash equivalents	688,994
Total Assets	<u>10,215,384</u>
Liabilities	
Amount due to Manager	8,006
Other payables	14,878
Total Liabilities	<u>22,884</u>
Net Asset Value Of The Fund	<u>10,192,500</u>
Equity	
Unitholders' capital	9,854,240
Retained earnings	338,260
Net Asset Value Attributable To Unitholders	<u>10,192,500</u>
Total Equity And Liabilities	<u>10,215,384</u>
Number Of Units In Circulation (Units)	<u>10,164,092</u>
Net Asset Value Per Unit	<u>RM1.0028</u>

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
For The Financial Period From 1 July 2022 To 30 September 2022

	1.7.2022 to 30.9.2022 RM
Investment Income	
Profit income	171,184
Net unrealised loss on changes in value of financial assets at fair value through profit or loss	(12,450)
	<u>158,734</u>
Expenses	
Audit fee	495
Tax agent's fee	255
Manager's fee	33,036
Trustee's fee	1,321
Administration expenses	5,217
	<u>40,324</u>
Net Income Before Taxation	118,410
Taxation	-
Net Income After Taxation, Representing Total Comprehensive Income For The Period	<u>118,410</u>
Total Comprehensive Income	<u>118,410</u>
Total Comprehensive Income Is Made Up As Follows:	
Realised income	130,860
Unrealised loss	(12,450)
	<u>118,410</u>

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BOS WEALTH MANAGEMENT MALAYSIA BERHAD 199501006861 (336059-U)

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INSTITUTIONAL UNIT TRUST ADVISERS (IUTA)

For more details on the list of appointed IUTA (if any), please contact the Manager. Our IUTA may not carry the complete set of our funds. Investments made via our IUTA may be subject to different terms and conditions.

IMPORTANT NOTICES

Beware of phishing scams

Kindly be alert of any email or SMS that requires you to provide your personal information and/or to login to your account via an unsolicited link. Do not click on email links or URLs without verifying the sender of the email. Please ensure the actual internet address is displayed i.e. www.boswealthmanagement.com.my

If you suspect your account may be compromised and/or would like to seek clarification, please contact us as above.

Update of particulars

Investors are advised to furnish us with updated personal details on a timely basis. You may do so by downloading and completing the Update of Particulars Form available at www.boswealthmanagement.com.my, and e-mail to customercare@boswm.com. Alternatively, you may call us as above.