

# TARGET INCOME FUND 4 MAY 2018

ALL DATA AS AT 30 APRIL 2018 UNLESS OTHERWISE STATED

## FUND INFORMATION

Launch Date: 23 August 2015  
Fund Category/Fund Type: Bond (close-ended)/Income  
Fund Size: RM95,947,356.51  
Initial Offer Price: RM1.000  
NAV per Unit: RM1.0757  
EPF Investment Scheme: Nil

## FEES, CHARGES AND EXPENSES

Annual Management Fee:  
Up to 0.20% of the NAV of the Fund per annum

Annual Trustee Fee:  
Up to 0.06% of the NAV of the Fund per annum subject to a minimum of RM15,000 per annum (excluding foreign custodian fees and charges)

Sales Charge:  
Up to 3.00% of the Offer Price (during the offer period)

Redemption charge:  
3.00% of NAV per Unit of the Fund

Redemption Payment Period: Ten (10) calendar days

## TRANSACTION DETAILS

Minimum Initial Investment  
Lump Sum: RM1000\*  
Regular Investment: n.a.

Minimum Additional Investment  
Lump Sum: RM100 (during the offer period)\*  
Regular: n.a.

\* The Manager reserves the right to change the minimum amounts stipulated above from time to time

## DISTRIBUTIONS

Income Distribution Policy:  
The Fund's income distribution is non-guaranteed and subject to the availability of income. Distribution of income, if any, will be on annual basis, after deduction of taxation and expenses

Fund NAV:	NAV	Date
52-Week High	1.1254	19-10-2017
52-Week Low	1.0640	15-11-2017

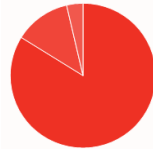
## FUND MANAGER

Fund Manager: Manager's Delegate (External Fund Manager) - Eastspring Investments (Singapore) Limited

## FUND OBJECTIVE

The Fund endeavours to provide regular income during the tenure of the Fund.

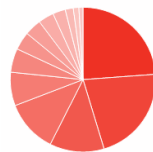
## ASSET ALLOCATION



1. Unquoted Fixed Income Securities	83.85%
2. Derivatives	12.51%
3. Cash & cash equivalents	3.64%

\* as percentage of NAV.

## COUNTRY ALLOCATION



1. Hong Kong	19.97%	8. Denmark	3.14%
2. China	18.05%	9. Philippines	2.91%
3. Singapore	10.14%	10. Netherlands	2.36%
4. United Kingdom	9.84%	11. New Zealand	1.50%
5. Indonesia	6.27%	12. Malaysia	1.04%
6. Sri Lanka	4.47%	13. Pakistan	0.77%
7. Virgin Islands (British)	3.39%		

\* as percentage of NAV.

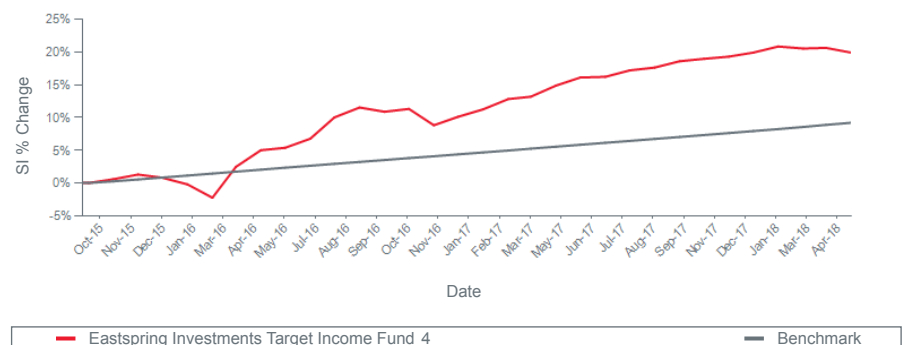
## TOP HOLDINGS

1. HSBC Holdings Plc	16.14%	4. Yuexiu REIT MTN Co Ltd	3.64%
2. New World Development Co Ltd	5.58%	5. Nan Fung Treasury (II) Limited	3.39%
3. China Life Insurance Company Ltd	4.02%		

\* as percentage of NAV.

## FUND PERFORMANCE

Eastspring Investments Target Income Fund 4 - Since Inception (SI) Return Vs Benchmark



The performance is calculated on NAV-to-NAV basis with gross income or dividend reinvested

Source: Lipper for Investment Management. Past performance is not necessarily indicative of future performance.

### PERFORMANCE TABLE

	1 month	6 months	1 year	3 years	5 years	Since Inception
Fund	-0.59%	0.80%	4.39%	n.a.	n.a.	19.92%
Benchmark *	0.30%	1.74%	3.46%	n.a.	n.a.	9.20%
Lipper Ranking	36 of 38	16 of 37	10 of 34	n.a.	n.a.	n.a.

Lipper Fund Category: Target Maturity Other

\* 5-year Maybank fixed deposit rate as at Commencement Date.

Fund performance and Lipper ranking are sourced from Lipper for Investment Management, 30 April 2018 and the benchmark is obtainable from Eastspring Investments Berhad upon request. Performance is calculated on a Net Asset Value ("NAV") to NAV basis with gross income or dividend reinvested. Past performance is not necessarily indicative of future performance.

### FUND MANAGER'S COMMENTARY

Over the month of April, Asian USD-denominated bonds turned in a negative performance, with the representative JPMorgan Asia Credit Index posting a -0.66% return over the month. Asian non-investment grade underperformed as high yield credit spreads widened, while Asian investment-grade credit spreads were largely unchanged. The longer-duration Asian investment-grade sovereign segment also underperformed on the sector's higher sensitivity to the rise in UST yields over the month.

Economic data took a back seat in April as investors focused on geopolitical developments. Korean leaders Moon Jae-in and Kim Jong Un held a historic meeting at the border between the two countries, and agreed to work towards ending hostilities between the two nations, a significant step towards a de-escalation of tensions on the Korean Peninsula. In the Middle East, American, British and French military forces launched missile strikes on Syria in retaliation for a chemical weapons attack on a civilian neighbourhood in Damascus; this was followed by US sanctions on several Russian oligarchs connected to the Russian government, a supporter of the Assad government. Sino-US trade tensions continued in the month, with the US slapping a 7-year ban on sales by American companies to China telecommunications equipment maker ZTE Corp for a breach of Iranian trade sanctions; the situation remains fluid with trade talks between the two countries scheduled for early-May.

After declining in March, UST yields jumped in April, as investors attempted to price in more of the Federal Reserve's rate hike guidance. The 10-year UST yield breached the psychological 3% mark during the month (to 3.03%), before closing the month at 2.95% for a 21 bps rise for the month of April. The UST curve shifted upwards in a nearparallel fashion, with the 2-year and 5-year UST yields rising by 22 bps and 24 bps respectively.

Accompanying the rise in risk free rates was a widening of spreads observed in the Asian non-investment grade segment, which led to the underperformance of Asian high yield bonds versus their investment-grade counterparts. Within the investment-grade segment, Asian investment-grade sovereigns were weaker on their higher sensitivity to rising US Treasury yields, while high yield sovereigns outperformed, aided by a rebound in Pakistan, which bucked the overall negative performance trend to deliver a positive return in April.

### ANNUAL PERFORMANCE FOR THE CALENDAR YEAR ENDED

Year	2016	2017
Fund (%)	9.23	8.91
Benchmark (%)	3.51	3.40
Date/Distribution (RM)	31 Oct, 0.0592	27 Oct, 0.0592
Distribution Yield (%)	5.75%	5.75%

Source: Distribution and Distribution Yield are sourced from the fund's Annual Report. Fund and Benchmark for current year are based on Year to Date (YTD) figures which is sourced from Lipper for Investment Management. Past performance is not necessarily indicative of future performance.

### IMPORTANT INFORMATION

This is a close-ended fund. Units are no longer available for sale on the basis of the Eastspring Investments Target Income Fund 4 ("Fund") Prospectus, the Fund's First Supplementary Prospectus and the Fund's Second Supplementary Prospectus each respectively dated 23 August 2015 (collectively referred to as "Prospectuses"). Investors are advised to read and understand the contents of the Prospectuses and the Fund's Product Highlights Sheet ("PHS") before investing. The Prospectuses and PHS are available at offices of Eastspring Investments Berhad or its authorised distributors and investors have the right to request for a copy of the Prospectuses and PHS.

The Prospectuses have been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Units will only be issued upon receipt of the application form accompanying the Prospectuses. Past performance of the Fund is not an indication of the Fund's future performance. Unit prices and distribution payable, if any, may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the Net Asset Value ("NAV") per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV.

Where a unit split is declared, investors are advised that the value of their investment in Malaysian Ringgit will remain unchanged after the issue of the additional units. Investments in the Fund are exposed to credit or default risk, counterparty risk, interest rate risk, country risk, currency risk, taxation risk, income distribution risk, asset mismatch risk, concentration risk, reinvestment risk, ratings downgrade risk and derivatives risk. Investors are advised to consider these risks and other general risks as elaborated in the Prospectuses as well as fees, charges and expenses involved before investing.

All fees, charges and expenses payable by the unit holder are subject to Goods and Services Tax ("GST") at a rate of 6% or such other prescribed rate as may be imposed from time to time, and incurred by the unit holder directly when purchasing or redeeming units of the Fund and indirectly when investing in the Fund. The fees, charges and expenses disclosed are exclusive of GST or any other taxes or duties that may be imposed by the government or other authorities from time to time.

Eastspring Investments companies (excluding JV companies) are ultimately wholly-owned/indirect subsidiaries of Prudential plc of the United Kingdom. Eastspring Investments companies (including JV companies) and Prudential plc are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America.