

TARGET INCOME FUND 5 SEPTEMBER 2018

ALL DATA AS AT 31 AUGUST 2018 UNLESS OTHERWISE STATED

FUND INFORMATION

Launch Date: 22 February 2016
Fund Category/Fund Type: Bond (close-ended)/Income
Fund Size: RM172,285,530.45
Initial Offer Price: RM1.0000
NAV per Unit: RM1.0447
EPF Investment Scheme: Nil

FEES, CHARGES AND EXPENSES

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

Annual Trustee Fee:
Up to 0.06% of the Fund's NAV 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:
Distribution of income, if any, will be on annual basis, after deduction of taxation and expenses

Fund NAV:

	NAV	Date
52-Week High	1.1232	13-03-2018
52-Week Low	1.0404	23-05-2018

FUND MANAGER

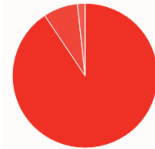
Fund Manager: Manager's Delegate (External Fund Manager) - Eastspring Investments (Singapore) Limited

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10, Jalan Sultan Ismail,
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FUND OBJECTIVE

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

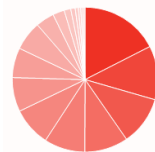
ASSET ALLOCATION



1. Unquoted Fixed Income Securities	90.64%
2. Cash & cash equivalents	7.68%
3. Derivatives	1.68%

* as percentage of NAV.

COUNTRY ALLOCATION



1. United Kingdom	15.82%	10. Virgin Islands (British)	3.73%
2. China	10.91%	11. Sri Lanka	2.36%
3. Australia	9.88%	12. Netherlands	1.32%
4. United States	8.78%	13. Denmark	0.90%
5. Philippines	8.23%	14. New Zealand	0.64%
6. Singapore	7.86%	15. South Korea	0.47%
7. Hong Kong	6.92%	16. Indonesia	0.44%
8. Argentina	6.04%	17. Pakistan	0.43%
9. Malaysia	5.91%		

* as percentage of NAV.

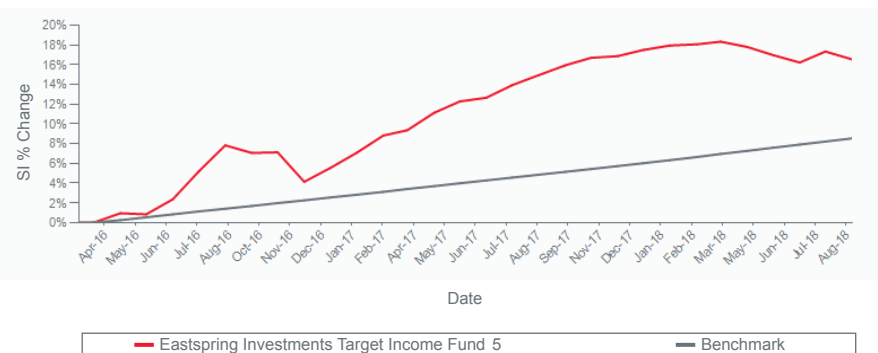
TOP HOLDINGS

1. HSBC Holdings Plc	11.78%	4. SMC Global Power Holdings Corp.	7.33%
2. Ausnet Services Holdings Pty Ltd	9.88%	5. Standard Chartered Plc	6.42%
3. Lend Lease (US) Capital Inc.	8.78%		

* as percentage of NAV.

FUND PERFORMANCE

Eastspring Investments Target Income Fund 5 - 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	-0.68%	-1.29%	1.39%	n.a.	n.a.	16.55%
Benchmark *	0.30%	1.78%	3.52%	n.a.	n.a.	8.54%
Lipper Ranking	32 of 35	29 of 33	21 of 33	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, 31 August 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 August, Asian USD-denominated bonds delivered a positive return, with the representative JPMorgan Asia Credit Index posting a 0.51% return (in USD terms) over the month. While a widening of credit spreads in August was a negative, a decline in US Treasury yields aided performance of Asian credit in the month. Asian non-investment grade underperformed as spreads widened more in high yield, particularly in the sovereign segment, weighing on returns.

Despite US GDP coming in stronger-than-expected (2Q 18 GDP growth was revised higher to a 4.2% quarter-on-quarter annualised rate, up from 4.1% in the advance estimate) amid a well-telegraphed rate hike cycle by the US Federal Reserve, both long-end and short-end US Treasury (UST) yields declined in August, with the 2-year and 10-year UST yields falling by 4 bps and 10 bps (to 2.63% and 2.86% respectively). This came on the back of a bout of risk aversion stemming from ongoing Sino-US trade tensions, with the US set to impose tariffs on a further USD200 billion in Chinese imports, while Emerging Market (EM) woes deepened, with a precipitous decline in the Turkish lira (and concerns over foreign debt repayment ability), which sparked weakness in other EM currencies like the Brazilian real and Russian rouble. With a rapidly-declining peso, Argentina unexpectedly asked the IMF for an early release of a USD50 billion loan.

Asia remained relatively unscathed in the aftermath of a fairly weak month for Emerging Markets, with limited visible signs of contagion. While rising risk aversion attributed to trade tensions and negative political and economic developments in Turkey led to some spread widening for Asian credits, this was more-than-offset by the decline in UST yields, helping Asian USD-denominated bonds to deliver a positive return over the month.

By country, most Asian markets delivered positive returns in August, with the notable exception of Pakistan and Sri Lanka; both markets pared some of the strong gains registered in the previous month. Consequently, Asian High Yield Sovereign bonds were a weak spot within the overall Asian USD-denominated bond segment. Aiding the performance of Asian high yield was the strong showing by the quasi-sovereign segment, led by a general rebound in LGFV credits.

ANNUAL PERFORMANCE FOR THE CALENDAR YEAR ENDED

Year	2017	2018
Fund (%)	11.36	-
Benchmark (%)	3.40	-
Date/Distribution (RM)	27 Apr, 0.0592	26 Apr, 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 5 ("Fund") Prospectus, the Fund's First Supplementary Prospectus each respectively dated 22 February 2016 (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.

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.