

Press Release

18 February 2020

Affin Hwang AM Launches US Dollar Liquidity Fund

KUALA LUMPUR – Affin Hwang Asset Management Berhad (“Affin Hwang AM” or “the Company”) announced today the launch of Affin Hwang World Series – US Dollar Liquidity Fund (“the Fund”). The Fund is a wholesale feeder income fund that aims to provide investors with a regular income stream and high levels of liquidity to meet cash flow requirement whilst maintaining capital preservation.

The Fund will feed into the HSBC US Dollar Liquidity Fund (“Target Fund”) which is a money market fund managed by HSBC Global Asset Management (“Target Fund Manager”). To achieve its investment objective, the Fund will invest a minimum of 80% of the Fund’s net asset value (NAV) into the Target Fund and a maximum of 20% of the Fund’s NAV into money market instruments, deposits and / or cash.

Chan Ai Mei, Chief Marketing & Distribution Officer of Affin Hwang AM said, “We recognise the importance of liquidity amongst individual and corporate investors to meet cash flow obligations especially during volatile market conditions. This Fund provides investors an avenue to tap into more attractive yield levels that are competitive to overnight interest rates, but in a highly liquid structure. With deposit rates likely to stay lower-for-longer, investors can park their cash in this Fund where they can preserve capital, while still earning a stable yield for their USD exposure.”

Addressing the currency exposure of investors, Ai Mei said, “As more investors continue to diversify and build multi-currency portfolios, we aim to provide solutions through an array of product offerings and currency classes to meet their needs. By leveraging on our investment

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partners' expertise, our World Series funds provide investors new income opportunities across the globe through 7 different currencies (USD, AUD, GBP, HKD, RMB, SGD, EUR)“

On the macro outlook for markets and income opportunities, **Michael Larsen, Asia-Pacific Head of Liquidity Product, HSBC Global Asset Management** said, “With more than 15 major central banks in easing mode last year, our current view is that rates will be stable throughout 2020 with some slight downside potential. Low inflation allows central banks to remain proactive, but policy space is limited. There is likely to be greater emphasis on fiscal policy to support growth.”

“The USD exchange rate is likely to remain on hold through 2020 although there are a number of factors to watch such as November 2020 US Election, post-Brexit trade deal negotiation, further US-China trade development, global health crisis impact on trade and productivity and, last but not least, US inflation readings.

“While saving accounts and time deposits have been suffering from falling returns due to monetary policy easing, money market funds have been benefitting from a widening spread when compared with deposits due to natural duration in the portfolio and professional asset management,” Michael adds.

The Fund is available to Sophisticated Investors who are conservative, risk adverse and have a short-term investment horizon. The Base Currency of the Fund is in USD with a minimum investment amount of \$5,000.

Investors are advised to read and understand the contents of the Fund's Product Highlights Sheet and Information Memorandum dated 18 February 2020 before investing. Investors who are keen to learn more about the Fund can visit <http://affinhwangam.com/> and invest through any of Affin Hwang AM sales offices.

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About Affin Hwang Asset Management Berhad

Affin Hwang Asset Management Bhd ("Affin Hwang AM" or the "Company") was incorporated in Malaysia on 2 May 1997 under the Companies Act 1965 and began its operations under the name Hwang-DBS Unit Trust Berhad in 2001. In early 2014, the Company was acquired by the Affin Banking Group ("Affin") and hence, is now supported by a major home-grown financial services conglomerate. Affin has close to 40 years of experience in financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Additionally, Affin Hwang AM is also 30% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co. Ltd, a leading independent Asian investment management franchise. Its head office is located in Kuala Lumpur and has a total of 7 main sales offices located in Peninsular and East Malaysia. They are in Penang, Ipoh, Malacca, Johor Bahru, Kuching, Miri and Kota Kinabalu.

Affin Hwang AM's core business is providing fund management services to private clients, as well as to retail clients via its stable of unit trust funds and private retirement schemes. The Company offers wide range of unit trust products and investment solutions with underlying investments comprising conventional equities, balanced, bond, money market, capital guaranteed, capital protected, global, structured and feeder funds, as well as Shariah-compliant equity, Islamic money market instruments and Islamic fixed income funds. Affin Hwang AM's Shariah investment solutions are made available through its wholly-owned subsidiary and Islamic investment arm, AIIMAN Asset Management Sdn. Bhd. ("AIIMAN")

Since its inception in 2001, Affin Hwang AM has achieved an exponential growth in its total assets under administration ("AUA"). As at 31 December 2019, the total AUA, comprising in-house unit trust funds as well as corporate and discretionary portfolios stood at approximately RM57.7 billion (combined AUA of Affin Hwang AM and AIIMAN).

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Warning Statement

A Product Highlights Sheet (PHS) is available for the Fund and investors have the right to request for a copy of it.

Investors are advised to read and understand the contents of the PHS, and Information Memorandum dated 18 February 2020 for the Fund before investing.

The Information Memorandum and PHS have been lodged with the Securities Commission Malaysia, who takes no responsibility for its contents. A copy of the Information Memorandum and the PHS can be obtained at Affin Hwang AM's sales offices. Units will only be issued upon receipt of an application form referred to in and accompanying the Information Memorandum and PHS. There are fees and charges involved when investing in the Fund. Investors are advised to consider the fees and charges carefully before investing. The price of units and distribution payable, if any, may go down as well as up and past performance of the Fund should not be taken as indicative of its future performance. If you plan to purchase units of the Fund via loan financing, you are advised to read and understand the contents of the "Unit Trust Loan Financing Disclosure Statement" before deciding to borrow to purchase units.