



**Opus Cash Extra Fund 2
(OPUS CEF2)**

QUARTERLY REPORT

**3rd QUARTERLY REPORT (1 JULY to 30
SEPTEMBER 2023)**

**FOR FINANCIAL YEAR ENDING 31 DECEMBER
2023**

TABLE OF CONTENTS

Portfolio Report & Review	1
Portfolio Report as at 30 September 2023	
- Portfolio Appraisal (Fixed Income) Valuation Date: 30 September 2023	8
- Statement of Financial Position as at 30 September 2023	10
- Statement of Comprehensive Income for the Quarter Ended 30 September 2023	11
- Purchases for the Quarter Ended 30 September 2023	12
- Sales and Realised Gain / (Losses) for the Quarter Ended 30 September 2023	14

Market Review, Outlook and Strategy

Market Review

3Q23 started off slow as central banks worldwide played it safe, reiterating previous commitments towards clamping down on runaway inflation. Fixed income markets were affected when the US was downgraded to AA+ by Fitch on the back of fiscal concerns, followed by a double whammy when the US Federal Reserve (Fed) unveiled its “higher-for-longer” set of economic and data projections. Domestically, the focus was less on Bank Negara Malaysia’s (BNM) monetary policy but more on the Malaysian government’s political prospects (state elections) as well as economic promises (12th Malaysia Plan (12MP) Mid-Term Review, MADANI Economy Framework etc).

Inflation was on a common downtrend across most major economies, providing relief to inflation watchers. Most importantly, core CPI (Consumer Price Index) measures fell from multi-year highs, as favourable base effects and the lagging impact of stabilizing shelter cost kicked in during 3Q23.

In line with the brighter inflation outlook, central banks worldwide are likely to have hit peak rates in 3Q23. Nevertheless, the improved inflation levels still remain multiple times above stated central bank targets, leading to the emergence of a “higher-for-longer” narrative especially from the US. Despite pausing, the Fed was notable in its September Federal Open Market Committee (FOMC) meeting for unveiling a more hawkish dot plot (Fed Funds Rate elevated through to 2025) and rosier economic projections (higher GDP growth, lower unemployment).

Economic growth was uneven, with the greatest disparity coming from the Eurozone and US. Backed up by resilient retail sales numbers, US consumers have defied gravity so far in 3Q23 in contrast to the less trigger-happy European consumer. Thus, US Gross Domestic Product (GDP) growth continues to exceed consensus while Eurozone growth has largely stagnated. That being said, events such as ongoing automotive sector strikes, the imminent resumption of student loan repayments and a potential government shutdown in Oct’23 could negatively impact the trajectory of the US economy.

Malaysia’s inflation outlook continued its improvement, with both headline and core CPI tracking lower over 3Q23 to lows of 2.0% and 2.5% respectively. Improvements in key categories such as food and beverage prices allowed BNM to extend its pause of the Overnight Policy Rate (OPR) at 3.0%. This is likely the peak for BNM’s rate hike cycle when taking into consideration the weaker-than-expected growth for Malaysia in 2Q23.

Malaysia’s economic growth remained firmly on the path to normalization in 2Q23, although growth was below market consensus at +2.9% YoY. The disappointing performance was slightly at odds with the Malaysian government’s optimistic projections (the revised 12MP saw growth targets shift up to 5.0% - 6.0%). However, we still see factors such as resilient private consumption and a stable labour market contributing positively to Malaysia’s GDP growth in the coming months.

3Q23 was also notable for Malaysia as the nation emerged relatively unscathed from state elections which saw the incumbent unity government staying in power. The conclusion of political matters kickstarted various economic announcements, with the Mid-Term Review of the 12th Malaysia Plan being the most notable. The Revised 12MP contains “big bold” measures to tackle economic

OPUS CASH EXTRA FUND 2

MANAGER'S REPORT - 3rd QUARTERLY REPORT FOR FINANCIAL YEAR ENDING 31 DECEMBER 2023

issues, along with updated GDP growth targets (higher at 5.0% - 6.0% for the 2021 – 2025 cycle) and most importantly reiterating the fiscal deficit-to-GDP target of 3.0% - 3.5% by 2025. In reality, the fiscal deficit target might be a bridge too far especially when taking into account the higher allocation towards development expenditure. Budget 2024 (scheduled for tabling in Oct'23) will therefore be of vital importance as investors will be hoping for the government to unveil further details in support of their lofty stated goals.

US Treasury (UST) yields increased in volatility towards the end of 3Q23, with the yield curve ending significantly higher quarter-on-quarter. The initial rise was attributable to the Fitch rating downgrade which shone a spotlight on US fiscal concerns (increasing debt levels and fiscal deterioration). The US Fed also did no favours with its “higher-for-longer” message, thus forcing market participants to also reprice yield expectations upwards. All-in-all, US yields were firmly on the up throughout 3Q23 in an environment of resilient economic data and hawkish Fed speak.

Malaysian Government Securities (MGS) markets took cues from the UST markets, with yields rising in tandem although the impact was more apparent on the longer-end. In our view, local investors in MGS can continue to derive comfort from Malaysia's strong economic fundamentals. Budget 2024 will also be vital for market participants in gauging the commitment of the Malaysian government towards fiscal consolidation, with potentially unfavourable effects on yields if unveiled measures fall short of addressing elevated national debt.

Market Outlook

Overall, 3Q23 started off slow but quickly heated up towards the business end of the quarter. The US debt ceiling issue early in the year eventually came back to bite the US, as Fitch cited repeated debt ceiling showdowns as a consideration in its rating downgrade rationale. Central banks mostly stayed put (with the exception of an odd hike here or there), instead choosing to switch towards a “higher-for-longer” narrative.

Locally, the improving domestic inflation outlook and lukewarm 2Q23 performance of Malaysia's GDP growth is likely to convince BNM that the current rate hike cycle is over. Economic announcements such as Budget 2024 and the looming possibility of subsidy rationalisation could act as domestic catalysts for local fixed income markets in the meantime.

Strategy

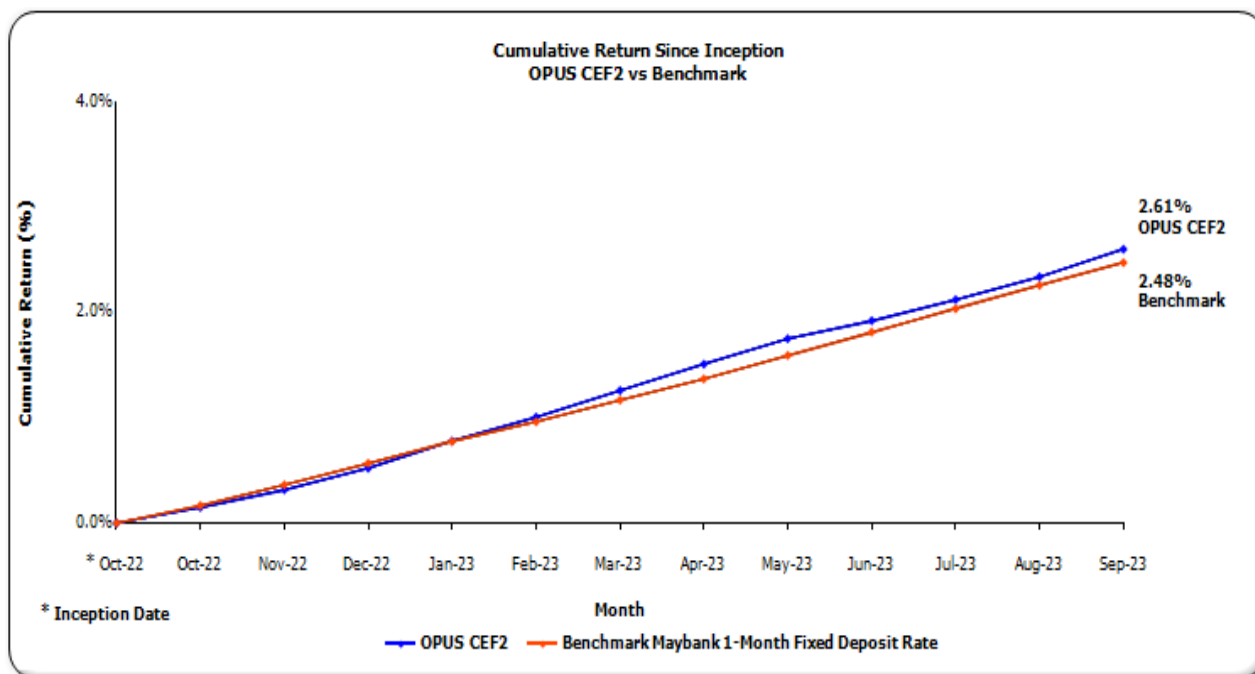
As the fund's focus is on capital preservation and liquidity, we will continue to invest in high quality, liquid and short dated securities with minimal risks.

Performance: Outperformed benchmark by 0.13% since inception

As at 30 September 2023, the Fund was 97.02% invested while 2.98% was held in cash. The Fund's TWRR since inception was 2.61% compared to the benchmark of 2.48%, which is the accreted value since inception of the Maybank 1-Month Fixed Deposit Rate. Hence, the Fund outperformed the benchmark by 0.13%. For the calendar year-to-date period, TWRR for the fund was 2.08% against the benchmark TWRR of 1.90%. The Fund had a duration of 10.20 months. The average rating of the portfolio was AA1.

OPUS CASH EXTRA FUND 2

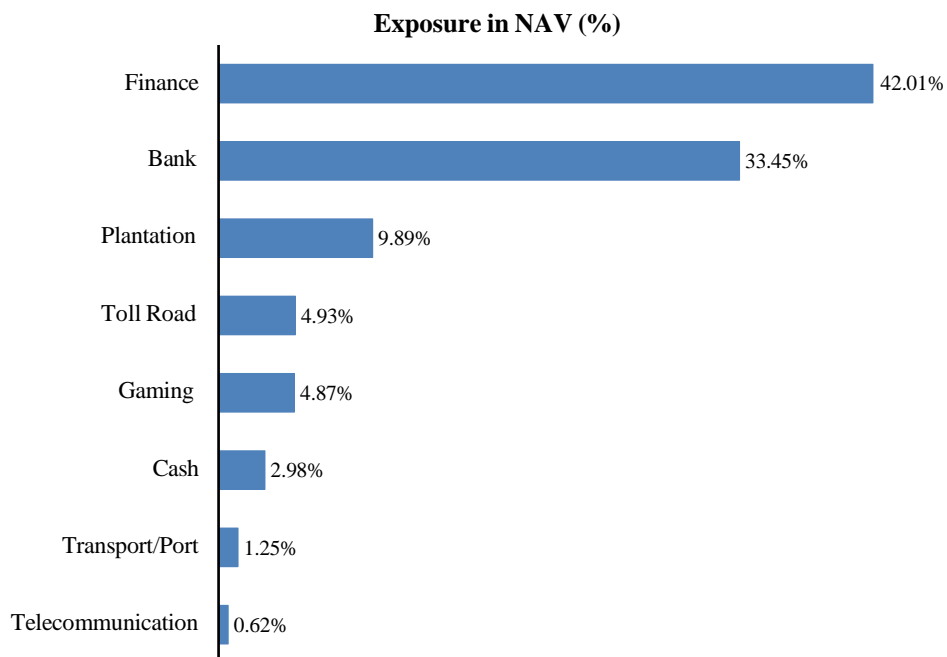
MANAGER'S REPORT - 3rd QUARTERLY REPORT FOR FINANCIAL YEAR ENDING 31 DECEMBER 2023



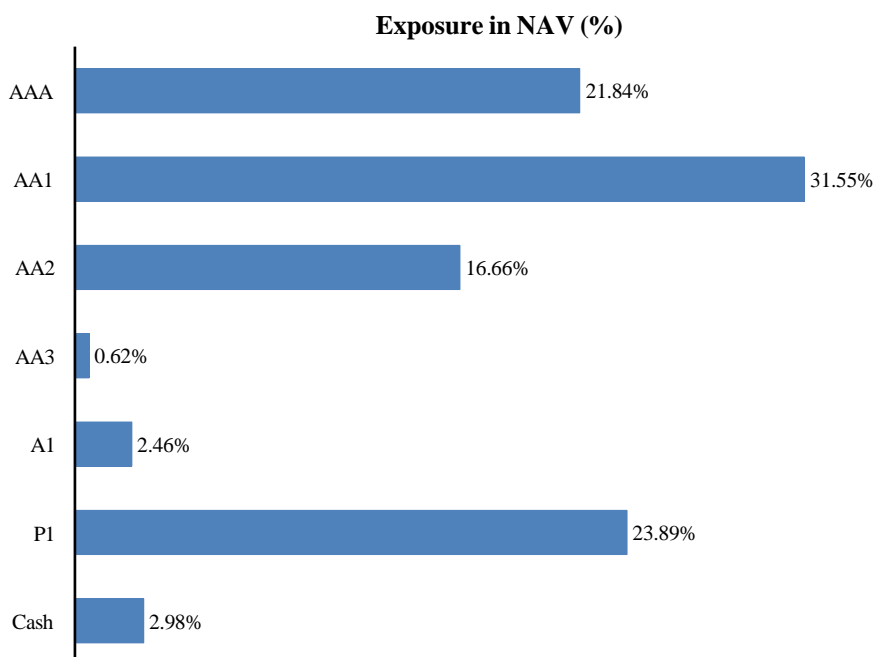
OPUS CASH EXTRA FUND 2

MANAGER'S REPORT - 3rd QUARTERLY REPORT FOR FINANCIAL YEAR ENDING 31 DECEMBER 2023

Distribution By Sector as at 30 September 2023



Distribution By Rating as at 30 September 2023



OPUS CASH EXTRA FUND 2

MANAGER'S REPORT - 3rd QUARTERLY REPORT FOR FINANCIAL YEAR ENDING 31 DECEMBER 2023

INFORMATION ON THE OPUS CASH EXTRA FUND 2 (OPUS CEF2 or “the Fund”)

Category : Bond

Type : Income

Benchmark : Maybank, 1-Month Fixed Deposit Rate

Investment Objective

To achieve higher returns than 1-Month Fixed Deposit Rate over the short to medium-term and to provide liquidity while preserving capital.

Note: The Manager regards 1-3 years as short-term and 3-5 years as medium-term.

Investment Strategy

The Fund may invest primarily in FIS including government securities, commercial paper, corporate bonds and money market instruments. The Fund will be actively managed to provide liquidity to meet the short to medium term cash flow requirements.

The average duration of the portfolio shall not be more than two (2) years.

The Fund aims to accrue and allocate distributable income and gains from the investments to unit holders on a daily basis in order for the Manager to maintain a stable NAV per unit of RM1.0000.

Note: This is neither a capital protected or capital guaranteed fund.

Temporary Defensive Position

We may take temporary defensive positions that may be inconsistent with the Fund’s investment strategy in attempting to respond to certain adverse conditions which include but not limited to adverse market, economic and political conditions, insufficient funds to form an efficient portfolio, periods of high repurchases or any other adverse conditions in order to preserve the NAV of the Fund. By taking a temporary defensive position, we will reduce the Fund’s investment exposure and hold more cash. The cash will be placed in deposits with Financial Institutions to reduce the exposure during market downturn and to help preserve the Fund’s capital and mitigate losses.

We are allowed to implement temporary defensive positions up to a maximum of three (3) months from the date the temporary defensive positions is implemented.

OPUS CASH EXTRA FUND 2

MANAGER'S REPORT - 3rd QUARTERLY REPORT FOR FINANCIAL YEAR ENDING 31 DECEMBER 2023

OPUS CEF2	30 September 2023	30 June 2023
Net Asset Value (RM)	41,519,478.99	34,822,025.61
Net Asset Value Per unit (RM)	1.0027	1.0015
Total Units in Circulation (units)	41,406,129.3574	34,771,597.4496
Selling / Repurchase price (RM)	1.0000	1.0000

* The selling / repurchase price of units will be based on RM1.0000 per unit, instead of the net asset value per unit, as stated in the information memorandum.

OPUS CEF2	1 January 2023 - 30 September 2023	1 January 2023 - 30 June 2023
Portfolio Turnover Ratio (PTR) for the financial year	1.15 times	1.46 times
Net distribution per unit for the financial year (RM)*	0.0207	0.0139
Daily Return Volatility for the financial year **	-	-

* Distributions were made on 31 January 2023, 28 February 2023, 31 March 2023, 30 April 2023, 31 May 2023, 30 June 2023, 31 July 2023, 31 August 2023 and 30 September 2023

** measured by standard deviation of daily returns.

Other Information

There is no change in key investment team and delegates.

OPUS ASSET MANAGEMENT SDN BHD

PORTFOLIO REPORT

Opus Cash Extra Fund 2
(OPUS CEF2)

VALUATION DATE : 30 SEPTEMBER 2023

Portfolio Appraisal
OPUS CEF2
Valuation Date : 30 Sep 2023

Stock Name	Quantity	Port (%)	Clean Cost	Market Value + AI	Price Val (Clean)	Rating	Sector
Currency : MYR							
Cash & Cash Equivalent (MYR)							
Account Payable	-	(0.3)	(124,304)	(124,304)	-		
Account Receivable	-	-	-	-	-		
Cash At Bank	-	-	5,717	5,717	-		
<u>Non Low Risk Asset</u>							
<u>STDC</u>							
CIMB Bank Berhad MYR STDC	-	3.3	1,354,569	1,354,791	-	/Cash	
STDC Total	-	3.3	1,354,569	1,354,791	-		
Non Low Risk Asset Total	-	3.3	1,354,569	1,354,791	-		
Total - Cash & Cash Equivalent	-	3.0	1,235,982	1,236,205	-		
Fixed Income (MYR)							
<u>Non Low Risk Asset</u>							
<u>Short Term Paper</u>							
AEON CREDIT 0.00% 14.12.23	5,000,000	11.9	4,905,742	4,961,370	99.23	RAM/P1	Finance
SDBB 0.00% 08.12.23	5,000,000	11.9	4,889,678	4,956,993	99.14	RAM/P1	Finance
Short Term Paper Total	10,000,000	23.9	9,795,421	9,918,363	99.18		
<u>Straight Bond</u>							
ALR 4.28% 11.10.24	2,000,000	4.9	2,010,600	2,048,883	100.44	MARC/AAA	Toll Road
Benih Restu 4.62% 05.06.25	4,000,000	9.9	4,055,200	4,107,677	101.21	RAM/AA2	Plantation
BGSM MGMT 5.45% 28.06.24	250,000	0.6	255,900	256,341	101.12	RAM/AA3	Telecommunication
Cagamas 3.67% 30.05.24	500,000	1.2	500,000	506,379	100.03	MARC/AAA	Finance
CIMB GH Bhd 3.88% 12.06.24	2,500,000	6.1	2,500,000	2,530,424	100.04	RAM/AA1	Bank
GENM Cap 4.90% 22.08.25	2,000,000	4.9	2,015,600	2,023,343	100.66	RAM/AA1	Gaming



OPUS ASSET MANAGEMENT SDN BHD 199601042272 (414625-T)

B-19-2, NORTHPOINT OFFICES, MID VALLEY CITY, NO 1, MEDAN SYED PUTRA UTARA,
59200 KUALA LUMPUR, MALAYSIA

General Line : 603-2288 8882
Client Services Tel : 603-2288 8833
Fax : 603-2288 8889

Client Services Email : clientservices@opusasset.com
Company Website : <https://www.opusasset.com/>

Portfolio Appraisal

OPUS CEF2

Valuation Date : 30 Sep 2023

Stock Name	Quantity	Port (%)	Clean Cost	Market Value + AI	Price Val (Clean)	Rating	Sector
Northport 5.78% 19.12.24	500,000	1.3	513,675	518,997	102.16	MARC/AA	Transport/Port
Sabah Credit Corp 3.53% 25.04.25	500,000	1.2	494,150	503,559	99.17	RAM/AA1	Finance
Toyota Cap 3.10% 25.07.25	1,500,000	3.6	1,475,850	1,484,708	98.42	RAM/AAA	Finance
Toyota Cap 3.30% 26.01.24	1,000,000	2.4	997,400	1,005,107	99.92	RAM/AAA	Finance
Zamarad TR9 4.27% 09.08.24	4,000,000	9.7	4,000,000	4,023,613	99.98	RAM/AAA	Finance
Straight Bond Total	18,750,000	45.8	18,818,375	19,009,031	100.30		
<u>Variable / Callable Bond</u>							
AmBank Islamic B3 T2 4.88% 18.10.28 (FC 18.10.23)	1,000,000	2.5	1,009,600	1,022,624	100.04	RAM/A1	Bank
HLFG B3T2 4.30% 14.06.29 (FC 14.06.24)	500,000	1.2	500,200	507,736	100.26	RAM/AA2	Bank
Maybank B3 T2 2.90% 09.10.30 (FC 09.10.25)	2,500,000	6.0	2,445,250	2,476,062	97.66	RAM/AA1	Bank
Maybank B3 T2 4.63% 31.01.29 (FC 31.01.24)	1,000,000	2.4	1,003,200	1,010,425	100.26	RAM/AA1	Bank
Public Islamic B3T2 3.75% 31.10.29 (FC 31.10.24)	4,000,000	9.8	3,992,125	4,063,350	99.98	RAM/AA1	Bank
RHB Islamic T2 B3 4.32% 21.05.29 (FC 21.05.24)	1,750,000	4.3	1,755,600	1,782,205	100.28	RAM/AA2	Bank
UOB (M) Bhd B3T2 3.00% 02.08.30 (FC 01.08.25)	500,000	1.2	489,200	493,480	98.21	RAM/AA1	Bank
Variable / Callable Bond Total	11,250,000	27.4	11,195,175	11,355,880	99.48		
Non Low Risk Asset Total	40,000,000	97.0	39,808,971	40,283,274	99.79		
Total - Fixed Income	40,000,000	97.0	39,808,971	40,283,274	99.79		
Total Investment in MYR	40,000,000	100.0	41,044,953	41,519,479	99.79		
Portfolio Total (MYR)		100.0	41,044,953	41,519,479	99.79		

Statement of Financial Position As At 30 Sep 2023

	<u>30-Sep-2023</u>	<u>30-Jun-2023</u>
	MYR	MYR
Assets		
Current Assets		
Deposits with Financial Institutions	1,354,568.80	2,209,591.62
Cash at Bank	5,717.14	12,211.03
Deposit Income Receivable	222.67	181.61
Bond Income Receivable	368,255.91	114,033.36
Trade Receivable	-	-
Other Receivable	-	-
Sub Total for Current Assets	<u>1,728,764.52</u>	<u>2,336,017.62</u>
Investment		
Corporate Bonds	29,996,655.00	15,760,270.00
Short Term Commercial Papers	9,918,363.00	16,796,945.07
Sub Total for Investment	<u>39,915,018.00</u>	<u>32,557,215.07</u>
Total Assets	<u><u>41,643,782.52</u></u>	<u><u>34,893,232.69</u></u>
Liabilities		
Current Liabilities		
Accrued Management Fees	(17,579.70)	(13,757.47)
Accrued Trustee Fees	(1,054.77)	(825.45)
Accrued GST	-	-
Trade Payable	-	-
Other Creditors	(105,669.06)	(56,624.16)
Sub Total for Current Liabilities	<u>(124,303.53)</u>	<u>(71,207.08)</u>
Total Liabilities	<u><u>(124,303.53)</u></u>	<u><u>(71,207.08)</u></u>
Total Portfolio Value	<u><u>41,519,478.99</u></u>	<u><u>34,822,025.61</u></u>
Fund Capital		
Equity		
Capital	41,406,129.33	34,771,597.44
Retained Profit / (Loss)	39,025.72	39,025.72
Profit / (Loss) this year	496,183.00	161,408.02
Total Distribution	(421,859.06)	(150,005.57)
Sub Total for Equity	<u>41,519,478.99</u>	<u>34,822,025.61</u>
Total Fund Capital	<u><u>41,519,478.99</u></u>	<u><u>34,822,025.61</u></u>

Statement of Comprehensive Income for financial period from 1 Jul 2023 to 30 Sep 2023

	<u>01-Jul-2023</u> <u>to 30-Sep-2023</u> <u>MYR</u>	<u>01-Jul-2022</u> <u>30-Sep-2022</u> <u>MYR</u>
Profit Income		
Investment Profit Income		
Bond Income	237,543.42	-
Deposit Income	39,948.74	-
Realised Accretion of Discount / (Amortisation of Premium)	50,910.59	-
Unrealised Accretion of Discount / (Amortisation of Premium)	65,339.00	-
Realised Gain / (Loss) on Sales Investments	834.01	-
Unrealised Gain / (Loss) on Holdings	(5,280.67)	-
Sub Total For Investment Profit Income	389,295.09	-
Total Profit Income	389,295.09	-
Expenses		
Management Fees	(51,180.30)	-
Trustee Fees	(3,070.81)	-
Transaction Costs	(195.00)	-
Bank Charges	(74.00)	-
GST Charges	-	-
Total Expenses	(54,520.11)	-
Net Total Profit/ (Loss)	334,774.98	-



OPUS ASSET MANAGEMENT SDN BHD 199601042272 (414625-T)

B-19-2, NORTHPOINT OFFICES, MID VALLEY CITY, NO 1, MEDAN SYED PUTRA UTARA,
59200 KUALA LUMPUR, MALAYSIA

General Line : 603-2288 8882
Client Services Tel : 603-2288 8833
Fax : 603-2288 8889

Client Services Email : clientservices@opusasset.com
Company Website : https://www.opusasset.com/

OPUS CEF2

Purchases From 1 Jul 2023 To 30 Sep 2023

Trade Date	Settle Date	Security Code	Security Description	Currency	Quantity	Clean Price	YTM Cost (%)	Clean Cost (A)	Accrued Income (B)	Total Cost (A) + (B)	Broker	*Trade Type
07/Aug/2023	09/Aug/2023	VN190233	Public Islamic B3T2 3.75% 31.10.29 (FC 31.10.24)	MYR	750,000.00	99.92	3.8100	749,400.00	7,936.64	757,336.64	Malayan Banking Berhad	1
08/Aug/2023	10/Aug/2023	VE230319	Zamarad TR9 4.27% 09.08.24	MYR	4,000,000.00	100.00	4.2700	4,000,000.00	0	4,000,000.00	Hong Leong Investment Bank Berhad	0
15/Aug/2023	17/Aug/2023	VN150132	Benih Restu 4.62% 05.06.25	MYR	4,000,000.00	101.38	3.8200	4,055,200.00	36,453.70	4,091,653.70	CIMB Islamic Bank Berhad	0
16/Aug/2023	18/Aug/2023	UI200149	Toyota Cap 3.10% 25.07.25	MYR	1,500,000.00	98.39	3.9700	1,475,850.00	2,802.74	1,478,652.74	Malayan Banking Berhad	1
17/Aug/2023	21/Aug/2023	UN150064	GENM Cap 4.90% 22.08.25	MYR	2,000,000.00	100.78	4.4900	2,015,600.00	47,791.78	2,063,391.78	Hong Leong Bank Berhad	0
23/Aug/2023	25/Aug/2023	VN200219	Maybank B3 T2 2.90% 09.10.30 (FC 09.10.25)	MYR	2,500,000.00	97.81	3.9850	2,445,250.00	27,212.33	2,472,462.33	RHB Investment Bank Berhad	0
13/Sep/2023	15/Sep/2023	VN190017	Maybank B3 T2 4.63% 31.01.29 (FC 31.01.24)	MYR	1,000,000.00	100.32	3.7500	1,003,200.00	5,835.07	1,009,035.07	RHB Investment Bank Berhad	0
					MYR	<u>15,750,000.00</u>			<u>15,744,500.00</u>	<u>128,032.26</u>	<u>15,872,532.26</u>	



OPUS ASSET MANAGEMENT SDN BHD 199601042272 (414625-T)

B-19-2, NORTHPOINT OFFICES, MID VALLEY CITY, NO 1, MEDAN SYED PUTRA UTARA,
59200 KUALA LUMPUR, MALAYSIA

General Line : 603-2288 8882
Client Services Tel : 603-2288 8833
Fax : 603-2288 8889

Client Services Email : clientservices@opusasset.com
Company Website : <https://www.opusasset.com/>

OPUS CEF2

Purchases From 1 Jul 2023 To 30 Sep 2023

Note

* Trade Type:

- 0 - Normal Trade
- 1 - Cross Trade
- 2 - Transfer In

Sales And Realised Gains / (Losses) From 1 Jul 2023 To 30 Sep 2023

Trade Date Settle Date	Security Code	Currency	Quantity	Sales Price (Clean)	YTM Sell (Clean)	Sales Proceed (A)	Accrued Income (B)	Total Sales Proceed (A)+(B)	Total Clean Cost (C)	Realised Gain/(Loss) (A)-(C)	Total Accretion/ (Amortisation) (D)	Book Realised Gain/ (Loss) (A) - (C) - (D)	*Trade Type Broker
Sunway Treasury Sukuk 0.00% 17.07.23													
17/Jul/2023	SB230095	MYR	5,000,000.00	100.000	0	5,000,000.00	0	5,000,000.00	4,984,438.36	15,561.64	15,561.64	0	2
17/Jul/2023													
Cagamas 3.42% 24.08.23													
24/Aug/2023	SC230086	MYR	1,000,000.00	100.000	3.4200	1,000,000.00	0	1,000,000.00	1,000,000.00	0	0	0	2
24/Aug/2023													
Toyota Cap 3.30% 26.01.24													
11/Sep/2023	VF220041	MYR	1,500,000.00	99.900	3.5600	1,498,500.00	6,238.36	1,504,738.36	1,496,100.00	2,400.00	1,565.99	834.01	1
12/Sep/2023													Affin Hwang Investment Bank Bhd
Tenaga 0.00% 27.09.23													
27/Sep/2023	SE220150	MYR	1,000,000.00	100.000	0	1,000,000.00	0	1,000,000.00	966,217.04	33,782.96	33,782.96	0	2
27/Sep/2023													
		MYR	<u>8,500,000.00</u>			<u>8,498,500.00</u>	<u>6,238.36</u>	<u>8,504,738.36</u>	<u>8,446,755.40</u>	<u>51,744.60</u>	<u>50,910.59</u>	<u>834.01</u>	



OPUS ASSET MANAGEMENT SDN BHD 199601042272 (414625-T)

B-19-2, NORTHPOINT OFFICES, MID VALLEY CITY, NO 1, MEDAN SYED PUTRA UTARA,
59200 KUALA LUMPUR, MALAYSIA

General Line : 603-2288 8882
Client Services Tel : 603-2288 8833
Fax : 603-2288 8889

Client Services Email : clientservices@opusasset.com
Company Website : <https://www.opusasset.com/>

OPUS CEF2

Sales And Realised Gains / (Losses) From 1 Jul 2023 To 30 Sep 2023

Note

*** Trade Type:**

- 0 - Normal Trade**
- 1 - Cross Trade**
- 2 - Matured**