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KUALA LUMPUR: Maybank Asset Management Sdn Bhd (Maybank AM) is targeting up to RM100 million of take up within 12 months from the launch of its global offering, the Maybank Global Bond Fund.

The fund is an income type feeder fund which aims to maximise investment returns by investing in the Templeton Global Bond Fund (TGBF) which provides total investment returns through interest income, capital appreciation and currency gains. "We are targeting RM50 million for the three months from the launch and subsequently between RM75-RM100 million within a year from its launch," said Maybank AM's regional head of products and marketing, Christopher Geh during the press conference after the launch yesterday.

"At this current stage, Maybank AM is the only local institution that is tapping into the TGBF which invests specifically in sovereign funds. But over the next six months, we will be making more announcements for distribution partnership," he said.

Maybank AM executive director and regional head of investment Badrul Hisyam Abu Bakar, commenting on the move in launching a global bond fund during a bearish bond market, said: "With the recent bond sell-off across the board, we believe that the asset class has started to provide value for investors. Emerging markets tends to have a lower debt-to-GDO ratio and typically experience faster economic growth." He said demographics, liquidity and credit quality are also improving in some of these markets. "We believe the key to navigating bond markets now would be to stay diversified and investing in shorter dated bonds." He also noted that investors should have access to global sovereign bond which are important to a diversified portfolio as it provides consistent income and a defensive position against market volatility.

TGBF, established in 2003, invests in over 28 countries and 21 currencies around the world. It has delivered annualised returns in 4.8 per cent in US dollar over the past three years, and 9.8 per cent over five-year period, and continued to remain in the first quartile in the Morningstar Peer Group Quartile Ranking for the one, three, five and 10-year period, respectively.

"Geographically, TGBF has 17.31 per cent of its holdings in South Korea, 11.54 per cent of its holding in Poland and 10.53 per cent of its holdings in Malaysia as at 30 September this year, and is feeding into the Singaporean dollar which has remained resilient in periods of market uncertainty," said Badrul.

Going forward, Maybank AM is looking to launch more offerings for the retail investors.

"This is our first offering in the global space but we intend to have a full suite of products from equity to bonds as we believe in catering to a whole range of investor appetite, so what's in the pipeline will be mostly customised to the investors' profile," Geh said.

He added that Maybank AM has a good partnership with Templeton and it also has regional capabilities to manage bond and equities in Indonesia, Thailand and the rest of South East Asia.

Maybank AM currently has RM11.7 billion of asset under management and targets to increase that by 20 per cent on the back of its debut global fund and other offerings in the pipeline.