

3 DECEMBER 2020

## Allianz Global Investors launches Allianz SGD Income Plus, offering income diversification with bonds and Asian REITs

- Allianz SGD Income Plus seeks to match investors' income and growth objectives through an optimised portfolio focusing on bonds (with an average investment grade rating) and Asian REITs.
- Investors will enjoy zero upfront fees and a potentially good entry point compared to a year ago.
- The fund aims to provide a payout of 3.5%-4.5% p.a.<sup>1</sup> on a monthly basis.

**Allianz Global Investors ("AllianzGI")**, one of the world's leading active investment managers, today announced the launch of the Allianz SGD Income Plus ("Fund"). The Fund aims to provide investors with long-term capital appreciation and a stable income stream in Singapore Dollar terms by investing primarily in an optimised portfolio of fixed income securities and REITs, maintaining a weighted-average investment grade portfolio credit rating, and will be available to retail investors.

The Fund will be distributed exclusively through OCBC. The offer period of the Fund will be from 30 November 2020 to 29 January 2021

The Allianz SGD Income Plus aims to deliver the income needs of Singapore investors, with a diversified portfolio of SGD corporate bonds bringing steady returns with relatively low volatility and Asian USD bonds offering yield enhancement amidst a negative yield environment. Non-SGD bond exposures will be hedged back to SGD to minimise currency volatility.

Additionally, the Fund will also tap into the income and growth opportunities of the Asian REITs universe that may offer attractive yields in a low interest rate environment and are set for a broader recovery after the initial hit from the COVID19 outbreak. The Fund will predominantly invest in Singapore REITs and allocate a smaller percentage to REITs in Hong Kong and Australia. Income distribution from the Fund will be on a monthly basis, intended at 3.5 – 4.5% per annum<sup>1</sup>.

Investors will also enjoy zero upfront fees and a potentially good entry point compared to a year ago. No extra charges will be levied on those who remain invested for at least two years.

The Fund will be managed by AllianzGI's award-winning Asian Fixed Income team, led by **David Tan, Chief Investment Officer, Fixed Income, Asia Pacific region**, who has over 26 years of experience managing Asian fixed income portfolios. Based out of Singapore, Hong Kong and Taipei, the team has established a consistent track record in actively managed strategies focusing on generating alpha whilst minimising potential downside risks, overseeing in excess of USD 3.8bn in assets under management.

**David Tan, Chief Investment Officer, Fixed Income, Asia Pacific region**, commented: "Investors' hunt for income amidst the ongoing market volatility market has compelled us to continue to find new solutions offering stable, sustainable returns with downside protection. Singapore's fixed income market has grown in depth, breadth and achieved greater diversification over the past few years with low volatility, and Asian REITs, which have demonstrated their resiliency in the face of a challenging year, remain compelling with attractive valuations and yields on offer. The Allianz SGD Income Plus has allowed us to tap into the strong fundamentals for both Asian fixed income and REITs for long-term capital appreciation and we are excited to offer stability and protection to our investors amidst these uncertain times."

**Ms Tan Siew Lee, Head of Wealth Management Singapore, OCBC Bank**, shared: "Recent data from our OCBC Financial Wellness Index Survey 2020 unveiled that 75% of Singaporeans are not on track with retirement planning. A key reason is that many rely too much on deposits and cash savings to reach their retirement objective. In this low interest rate environment, too much allocation into cash may not be ideal. In fact, our study shows that those with investments and regular investment plans are the ones that tend to be on track with their retirement. Yet, we understand that the volatile market environment might turn people off investing altogether. Amid these challenges, we sought to create a financial solution that can be a source of passive income and potentially provide attractive yield for investors. We also wanted to help investors get more from their capital by eliminating fees where possible."

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For further information please contact:

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## About Allianz Global Investors

Allianz Global Investors is a leading active asset manager with over 750 investment professionals in 25 offices worldwide and managing more than EUR 546 billion in assets for individuals, families and institutions\*.

Active is the most important word in our vocabulary. Active is how we create and share value with clients. We believe in solving, not selling, and in adding value beyond pure economic gain. We invest for the long term, employing our innovative investment expertise and global resources. Our goal is to ensure a superior experience for our clients, wherever they are based and whatever their investment needs.

### Active is: Allianz Global Investors

\*AUM data as at 30 September 2020

<sup>1</sup> Indicative distribution rate, which is not guaranteed. The actual rate of distribution will be at the full discretion of the Managers. The indicative Distribution Rate may not be achieved and is not an indication, forecast, or projection of the future performance of the Sub-Fund or any of its Classes. As at 15 October 2020, (only in respect of Class AM SGD of the Allianz SGD Income Plus), the indicative Distribution Rate is 4.18% per annum of the NAV. Prior notice will not be given to Holders if the Indicative Distribution Rate is not achieved.

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