

QUARTERLY REPORT
31 December 2023

**AHAM World Series –
Global Equity Funds**
(Formerly known as
Affin Hwang
World Series -
Global Equity Fund)

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AHAM World Series – Global Equity Funds (Formerly known as Affin Hwang World Series - Global Equity Fund)

Quarterly Report and Financial Statements
As at 31 Dec 2023

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QUARTERLY REPORT

FUND INFORMATION

| | |
|----------------------|---|
| Fund Name | AHAM World Series – Global Equity Funds (Formerly known as Affin Hwang World Series - Global Equity Fund) |
| Fund Type | Growth |
| Fund Category | Equity feeder (wholesale) |
| Investment Objective | The Fund aims to achieve medium to long-term capital appreciation. |
| Benchmark | MSCI AC World Index |
| Distribution Policy | The Fund is not expected to make distribution. However, incidental distribution may be declared whenever appropriate. |

FUND PERFORMANCE DATA

MYR Class

| Category | As at 31 Dec 2023 | As at 30 Sep 2023 |
|-------------------------------|----------------------|----------------------|
| Total NAV (RM'million) | 154.171 | 151.398 |
| NAV per Unit (RM) | 1.0289 | 0.9708 |
| Unit in Circulation (million) | 149.833 | 155.954 |

SGD Class

| Category | As at 31 Dec 2023 | As at 30 Sep 2023 |
|-------------------------------|----------------------|----------------------|
| Total NAV (SGD'million) | 3.549 | 3.602 |
| NAV per Unit (SGD) | 0.8815 | 0.8386 |
| Unit in Circulation (million) | 4.026 | 4.295 |

USD Class

| Category | As at 31 Dec 2023 | As at 30 Sep 2023 |
|-------------------------------|----------------------|----------------------|
| Total NAV (USD'million) | 2.827 | 5.009 |
| NAV per Unit (USD) | 0.9440 | 0.8711 |
| Unit in Circulation (million) | 2.995 | 5.751 |

Income Distribution Breakdown

No income distribution was declared over the financial period under review.

Fund Performance

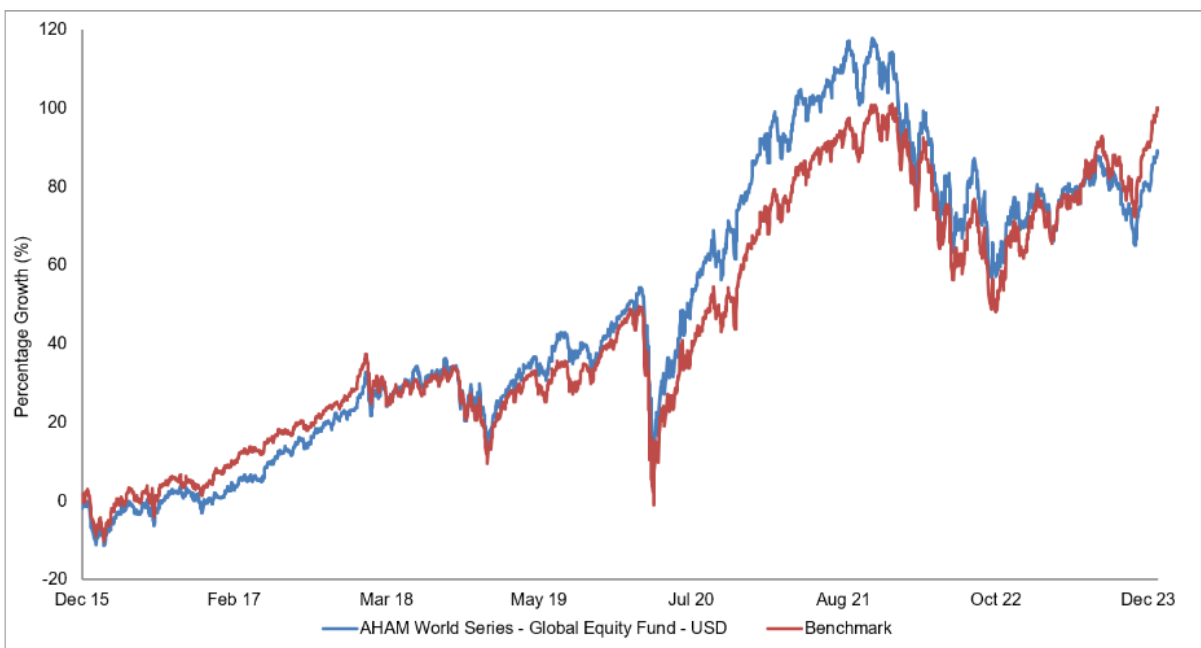
Performance as at 31 December 2023

USD Class

| | 3 Months (1/10/23 - 31/12/23) | 6 Months (1/7/23 - 31/12/23) | 1 Year (1/1/23 - 31/12/23) | 3 Years (1/1/21 - 31/12/23) | 5 Years (1/1/19 - 31/12/23) | Since Commencement (14/12/15 - 31/12/23) |
|----------------|-------------------------------------|------------------------------------|----------------------------------|-----------------------------------|-----------------------------------|---|
| Fund | 8.38% | 2.50% | 10.55% | 0.45% | 59.92% | 88.80% |
| Benchmark | 11.03% | 7.26% | 22.20% | 18.25% | 73.57% | 99.64% |
| Outperformance | (2.65%) | (4.76%) | (11.65%) | (17.80%) | (13.65%) | (10.84%) |

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

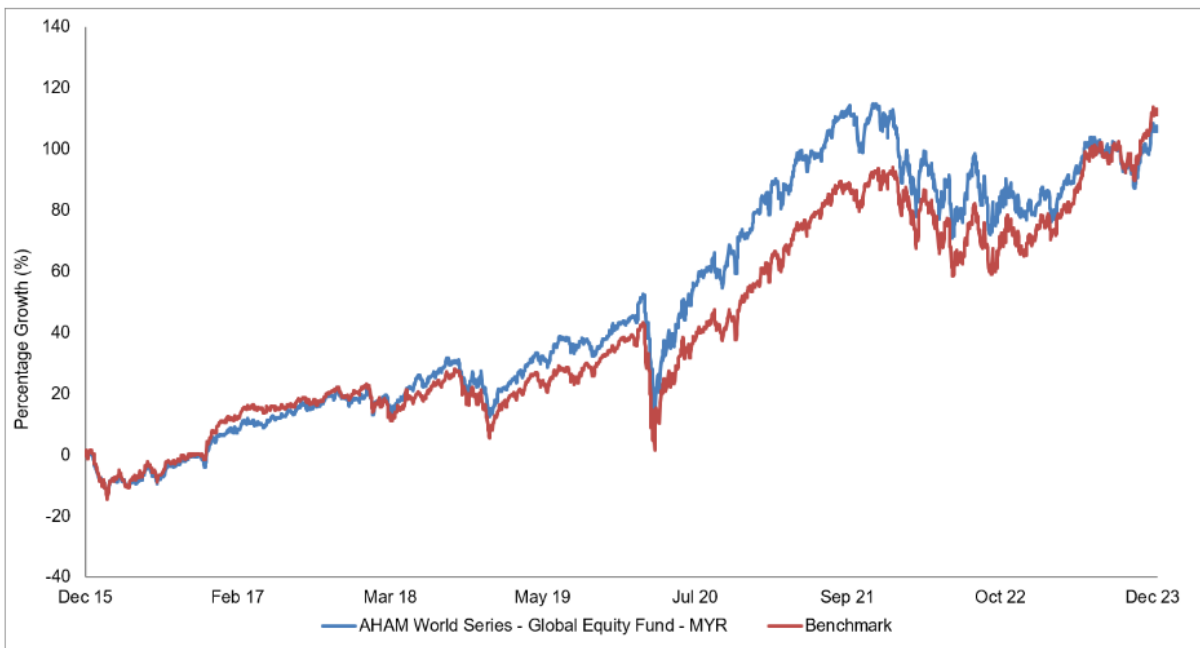


MYR Class

| | 3 Months (1/10/23 - 31/12/23) | 6 Months (1/7/23 - 31/12/23) | 1 Year (1/1/23 - 31/12/23) | 3 Years (1/1/21 - 31/12/23) | 5 Years (1/1/19 - 31/12/23) | Since Commencement (14/12/15 - 31/12/23) |
|----------------|----------------------------------|---------------------------------|-------------------------------|--------------------------------|--------------------------------|---|
| Fund | 5.98% | 0.87% | 15.32% | 14.73% | 79.06% | 105.78% |
| Benchmark | 8.55% | 5.53% | 27.35% | 35.00% | 92.71% | 111.22% |
| Outperformance | (2.57%) | (4.66%) | (12.03%) | (20.27%) | (13.65%) | (5.44%) |

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

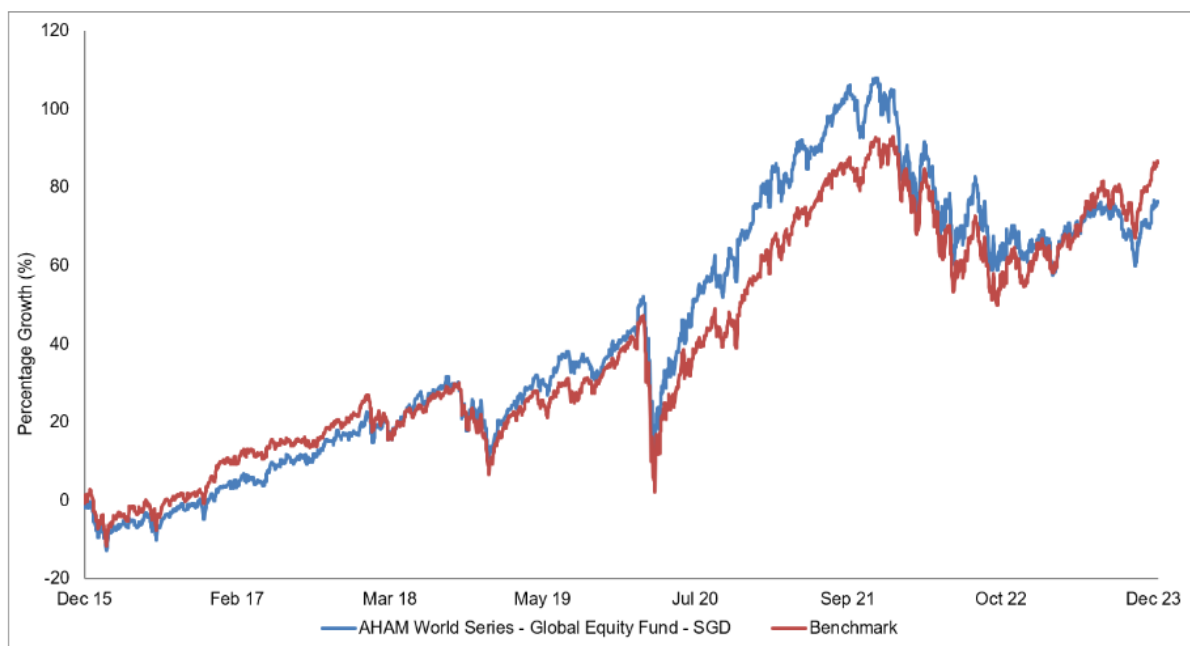


SGD Class

| | 3 Months (1/10/23 - 31/12/23) | 6 Months (1/7/23 - 31/12/23) | 1 Year (1/1/23 - 31/12/23) | 3 Years (1/1/21 - 31/12/23) | 5 Years (1/1/19 - 31/12/23) | Since Commencement (14/12/15 - 31/12/23) |
|----------------|-------------------------------------|------------------------------------|----------------------------------|-----------------------------------|-----------------------------------|---|
| Fund | 5.13% | (0.22%) | 8.81% | 0.34% | 54.95% | 76.30% |
| Benchmark | 7.22% | 4.65% | 20.38% | 18.05% | 67.96% | 86.32% |
| Outperformance | (2.09%) | (4.87%) | (11.57%) | (17.71%) | (13.01%) | (10.02%) |

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark



"This information is prepared by AHAM Asset Management Berhad for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bloomberg."
 Benchmark: MSCI AC World Index

Past performance is not necessarily indicative of future performance and that Unit prices and investment returns may go down, as well as up.

Asset Allocation

Fund's asset mix during the period under review:

| | <u>31 December 2023</u> |
|---------------------|-------------------------|
| | (%) |
| Unit Trust | 98.97 |
| Cash & money market | 1.03 |
| Total | <u>100.00</u> |

Strategies Employed

Over the financial period under review, the Target Fund maintains its investment objective through investments in equity securities listed and traded on stock exchanges in developed and emerging markets.

Market Review

The final quarter of 2023 was marked by fluctuating equity markets, driven by shifting economic conditions and evolving investor sentiment. In October, equity markets experienced continued declines from the summer highs, with both the S&P500 and Nasdaq indexes ending the month around 10% below their July peaks. Bond yields rose, briefly surpassing 5% towards the end of the month, contributing to market weakness. Despite higher structural inflation, economic data, such as GDP and retail sales, surpassed expectations, highlighting the resilience of the US economy. However, concerns over geopolitical tensions, particularly in Israel and Palestine, added to market uncertainty.

As November unfolded, equity markets rebounded, buoyed by signs of falling inflation across developed economies and continued economic strength in the US. Central banks were perceived to have reached the peak of their tightening cycles, leading to a 7–11% bounce across major indices and effectively reversing previous declines. Despite some indications of cooling economic activity, such as rising jobless claims and credit card delinquencies, resilient economic data, especially in the US and UK, contributed to positive market sentiment. However, European weakness persisted, with the European Central Bank remaining vigilant to upside inflation risks.

December brought a welcome Christmas present for investors, as strong returns characterized the last three months of the year, fueled by growing anticipation of central banks cutting interest rates sooner in 2024 than previously expected. This optimism, coupled with conclusions from the Fed meeting suggesting peak rates had been reached, led to what is commonly referred to as a Santa Rally. The MSCI AC World Index delivered almost 5% returns, with real estate, industrials, materials, and financials outperforming. However, the energy sector experienced significant losses, driven by falling crude and natural gas prices, despite escalating tensions in the Middle East.

Overall, while equity markets experienced volatility throughout the quarter, regions like Australia and Canada saw notable performance due to their exposure to materials-based sectors, while emerging markets benefited from a falling US dollar. However, Asia lagged behind, with ongoing challenges in China's post-COVID-19 recovery dampening investor enthusiasm for a cyclical bounce. Japanese equities also faced uncertainty as investors awaited clarity on the central bank's support for markets.

Investment Outlook

2023's returns have largely been formed by two phenomena—the shape of interest rates and the concentration in markets, in particular in AI. In short, the goldilocks scenario—tamed inflation and resilient growth—appears to be upon us. Of course, this is now largely priced into markets and as we know all too well, the investment climate can change quickly.

Politics is likely to drive some of that change and with over 40% of the world's population going to the polls—including 8 of the top 10 most populous countries—such as Bangladesh, Brazil, Indonesia, India, Mexico, Russia and of course the US, 2024 has the capacity for upheaval. Elections results, currency volatility and ever-changing geopolitics will undoubtedly influence returns.

2023's concentration of returns in equity markets may feel unusual, but this is not unprecedented and has been supported with pricing power, healthy balance sheets and strong cashflow margins. However, in 2024, the Target Fund Manager believes that we may see a divergence within the “Magnificent 7” as some continue to deliver earnings upgrades, while others falter. AI is likely to continue to dominate markets, and the Target Fund Manager have made significant changes to the portfolio to reflect what they believe remains the early stage of a major adoption cycle in AI. Major new use cases of AI innovation may be hard to identify but the “picks and shovels” beneficiaries such as NVIDIA Corporation, Broadcom and Synopsys should continue to deliver high and improving returns for some time.

At the other end of the 2023 performance spectrum, healthcare has suffered from bond proxy outflows and an inventory overhang caused by COVID-19. The Target Fund Manager believe these headwinds are largely

behind us, and they are becoming increasingly more confident that their patience will be rewarded as investors return to the sector as they begin to appreciate a combination of strong growth and low valuations.

In prior years the Target Fund Manager have talked about opportunities in energy transition and travel, and although they should continue to deliver outsized returns, many of the Fund's holdings do not sit neatly into such themes. However, they do display similar characteristics, such as market share gainers, like Progressive Corporation or underappreciated growth companies like Haleon. These companies form the backbone of the portfolio, each displaying future quality characteristics in their own right.

The four pillars of Future Quality remain key to everything the Target Fund Manager does. Their focus on franchise and management quality allows them to look forward with optimism, whilst balance sheet quality and valuation discipline provides resilience just in case 2024 is more volatile than normal.

AHAM WORLD SERIES – GLOBAL EQUITY FUND
(FORMERLY KNOWN AS AFFIN HWANG GLOBAL EQUITY FUND)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

| | Financial period ended <u>31.12.2023</u> USD | Financial period ended <u>31.12.2022</u> USD |
|--|---|---|
| INVESTMENT INCOME | | |
| Interest income from financial assets at amortised cost | 205 | 195 |
| Net (loss)/gain on foreign currency exchange | (9,298) | 111,005 |
| Net gain on financial assets at fair value through profit or loss | 3,507,156 | 4,715,530 |
| | <u>3,498,063</u> | <u>4,826,730</u> |
| EXPENSES | | |
| Management fee | (182,147) | (230,369) |
| Trustee fee | (6,072) | (7,680) |
| Fund accounting fee | (1,064) | (1,093) |
| Auditors' remuneration | (427) | (434) |
| Tax agent's fee | (187) | (71) |
| Other expenses | (525) | (658) |
| | <u>(190,422)</u> | <u>(240,305)</u> |
| NET PROFIT BEFORE TAXATION | 3,307,641 | 4,586,425 |
| Taxation | - | - |
| INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS | <u>3,307,641</u> | <u>4,586,425</u> |
| Increase in net assets attributable to unitholders is made up of the following: | | |
| Realised amount | (154,599) | (1,261,133) |
| Unrealised amount | 3,462,240 | 5,847,558 |
| | <u>3,307,641</u> | <u>4,586,425</u> |

**AHAM WORLD SERIES – GLOBAL EQUITY FUND
(FORMERLY KNOWN AS AFFIN HWANG GLOBAL EQUITY FUND)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

| | <u>2023</u> USD | <u>2022</u> USD |
|---|--------------------|--------------------|
| ASSETS | | |
| Cash and cash equivalents | 1,174,081 | 1,335,599 |
| Amount due from broker | 3,056,315 | - |
| Amount due from Manager | | |
| - creation of units | - | 176,402 |
| - management fee rebate receivable | 57,533 | 63,634 |
| Financial assets at fair value through profit or loss | 38,701,187 | 44,252,745 |
| TOTAL ASSETS | <u>42,989,116</u> | <u>45,828,380</u> |
| LIABILITIES | | |
| Amount due to Manager | | |
| - management fee | 63,043 | 72,909 |
| - cancellation of units | 3,816,595 | 46,997 |
| Amount due to Trustee | 2,101 | 2,430 |
| Fund accounting fee | 363 | - |
| Auditors' remuneration | 533 | 541 |
| Tax agent's fee | 976 | 1,319 |
| Other payables and accruals | 3,090 | 3,133 |
| TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS) | <u>3,886,701</u> | <u>127,329</u> |
| NET ASSET VALUE OF THE FUND | <u>39,102,415</u> | <u>45,701,051</u> |
| NET ASSETS ATTRIBUTABLE TO UNITHOLDERS | <u>39,102,415</u> | <u>45,701,051</u> |

**AHAM WORLD SERIES – GLOBAL EQUITY FUND
(FORMERLY KNOWN AS AFFIN HWANG GLOBAL EQUITY FUND)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023 (CONTINUED)**

| | <u>2023</u> USD | <u>2022</u> USD |
|--|--------------------|--------------------|
| REPRESENTED BY: | | |
| FAIR VALUE OF OUTSTANDING UNITS | | |
| - MYR Class | 33,588,342 | 38,147,247 |
| - SGD Class | 2,686,828 | 2,736,712 |
| - USD Class | 2,827,245 | 4,817,092 |
| | <u>39,102,415</u> | <u>45,701,051</u> |
| NUMBER OF UNITS IN CIRCULATION | | |
| - MYR Class | 149,833,000 | 188,112,000 |
| - SGD Class | 4,026,000 | 4,533,000 |
| - USD Class | 2,995,000 | 5,641,000 |
| | <u>156,854,000</u> | <u>198,286,000</u> |
| NET ASSET VALUE PER UNIT (USD) | | |
| - MYR Class | 0.2242 | 0.2028 |
| - SGD Class | 0.6674 | 0.6037 |
| - USD Class | 0.9440 | 0.8539 |
| | <u>0.9440</u> | <u>0.8539</u> |
| NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES | | |
| - MYR Class | RM1.0289 | RM0.8922 |
| - SGD Class | SGD0.8815 | SGD0.8101 |
| - USD Class | USD0.9440 | USD0.8539 |
| | <u>USD0.9440</u> | <u>USD0.8539</u> |

AHAM WORLD SERIES – GLOBAL EQUITY FUND
(FORMERLY KNOWN AS AFFIN HWANG GLOBAL EQUITY FUND)

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

| | Financial period ended <u>31.12.2023</u> USD | Financial period ended <u>31.12.2022</u> USD |
|--|---|---|
| NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD | 39,914,189 | 49,781,095 |
| Movement due to units created and cancelled during the financial period: | | |
| Creation of units arising from applications | 435,123 | 719,685 |
| - MYR Class | 365,129 | 712,125 |
| - SGD Class | 69,994 | 1,701 |
| - USD Class | - | 5,859 |
| Cancellation of units | (4,554,538) | (9,386,154) |
| - MYR Class | (1,706,482) | (9,303,339) |
| - SGD Class | (246,604) | (35,268) |
| - USD Class | (2,601,452) | (47,547) |
| Net increase in net assets attributable to unitholders during the financial period | 3,307,641 | 4,586,425 |
| - MYR Class | 2,669,778 | 3,970,191 |
| - SGD Class | 218,504 | 223,473 |
| - USD Class | 419,359 | 392,761 |
| NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD | <u>39,102,415</u> | <u>45,701,051</u> |

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