

QUARTERLY REPORT

31 December 2023

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

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

Quarterly Report and Financial Statements
As at 31 December 2023

Contents	Page
QUARTERLY REPORT	2
STATEMENT OF COMPREHENSIVE INCOME	9
STATEMENT OF FINANCIAL POSITION	10
STATEMENT OF CHANGES IN NET ASSETS	12

QUARTERLY REPORT

FUND INFORMATION

Fund Name	AHAM World Series – Global Brands Fund (Formerly known as Affin Hwang World Series – Global Brands Fund)
Fund Type	Growth
Fund Category	Feeder (Wholesale)
Investment Objective	The Fund seeks to achieve capital appreciation over medium to long term period.
Benchmark	MSCI World Index
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.

FUND PERFORMANCE DATA

MYR Hedged-Class

Category	As at 31 Dec 2023	As at 30 Sep 2023
Total NAV (MYR'million)	119.373	117.974
NAV per Unit (MYR)	0.6619	0.6177
Unit in Circulation (million)	180.346	190.990

SGD Hedged-Class

Category	As at 31 Dec 2023	As at 30 Sep 2023
Total NAV (SGD'million)	3.263	3.366
NAV per Unit (SGD)	0.6365	0.5923
Unit in Circulation (million)	5.126	5.683

AUD Hedged-Class

Category	As at 31 Dec 2023	As at 30 Sep 2023
Total NAV (AUD'million)	3.929	4.077
NAV per Unit (AUD)	0.6361	0.5913
Unit in Circulation (million)	6.177	6.894

USD Class

Category	As at 31 Dec 2023	As at 30 Sep 2023
Total NAV (USD'million)	4.421	4.532
NAV per Unit (USD)	0.6594	0.6099
Unit in Circulation (million)	6.704	7.431

Income Distribution Breakdown

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

Fund Performance

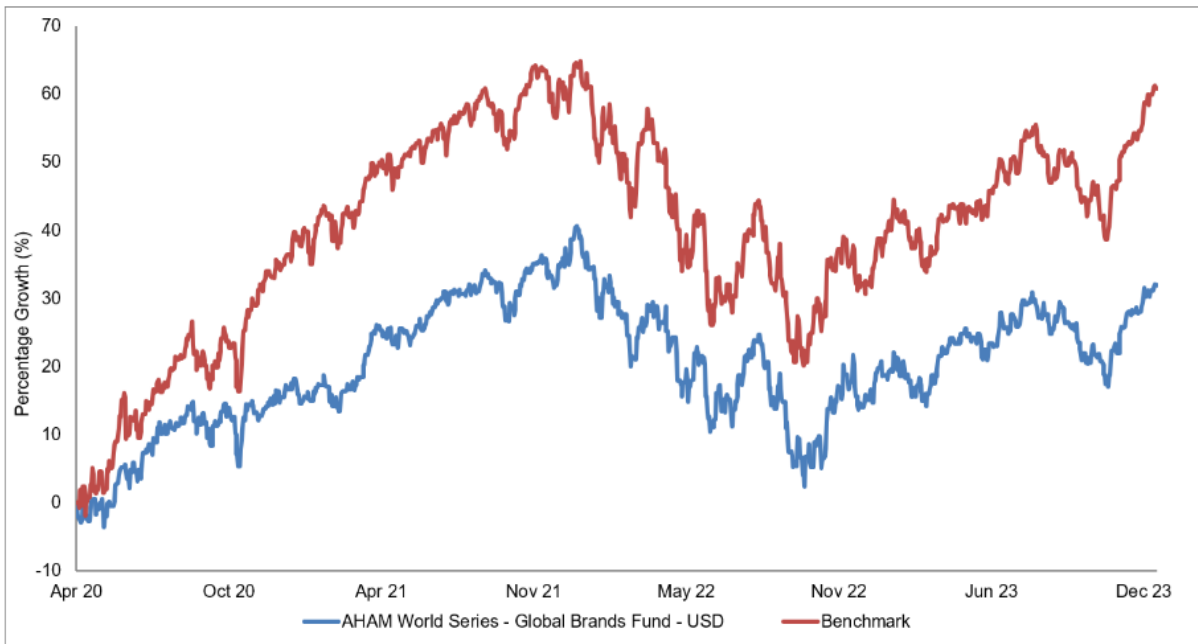
Performance as at 31 December 2023

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)	Since Commencement (10/4/20 - 31/12/23)
Fund	8.12%	3.29%	14.54%	13.09%	31.88%
Benchmark	11.07%	6.82%	21.77%	17.81%	60.82%
Outperformance	(2.95%)	(3.53%)	(7.23%)	(4.72%)	(28.94%)

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

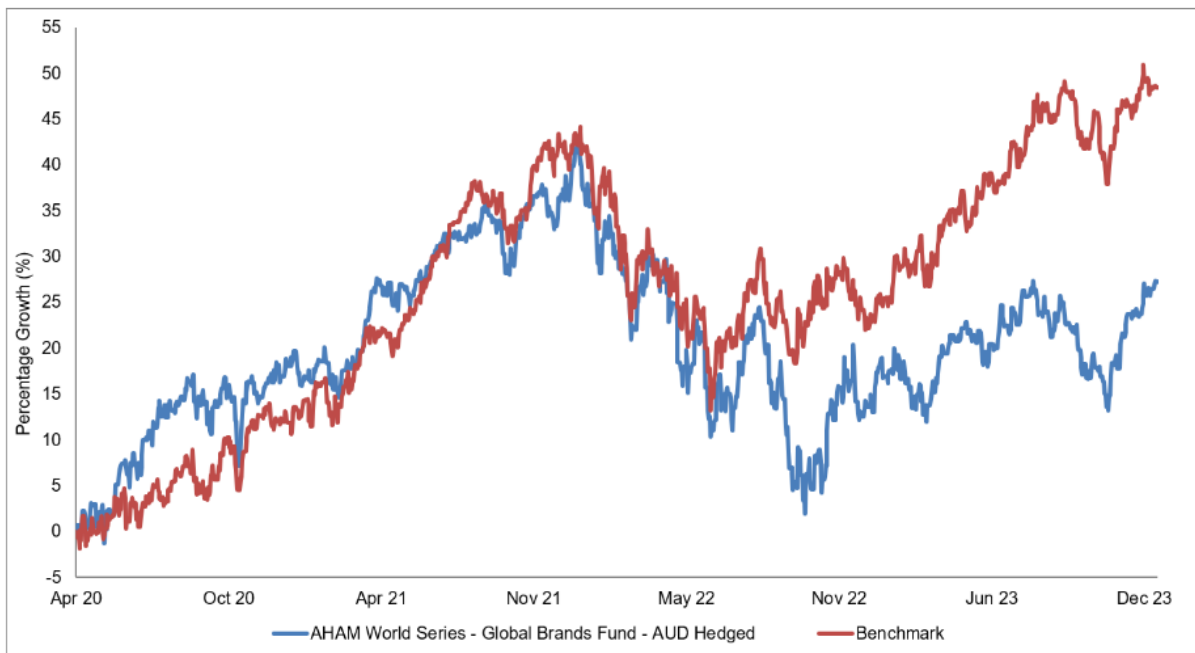


AUD Hedged-Class

	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)	Since Commencement (10/4/20 - 31/12/23)
Fund	7.58%	2.23%	12.01%	7.69%	27.22%
Benchmark	4.67%	4.23%	21.48%	32.62%	48.44%
Outperformance	2.91%	(2.00%)	(9.47%)	(24.93%)	(21.22%)

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark



MYR Hedged-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)	Since Commencement (10/4/20 - 31/12/23)
Fund	7.17%	1.61%	11.21%	10.61%	32.38%
Benchmark	8.59%	5.11%	26.89%	34.50%	70.37%
Outperformance	(1.42%)	(3.50%)	(15.68%)	(23.89%)	(37.99%)

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

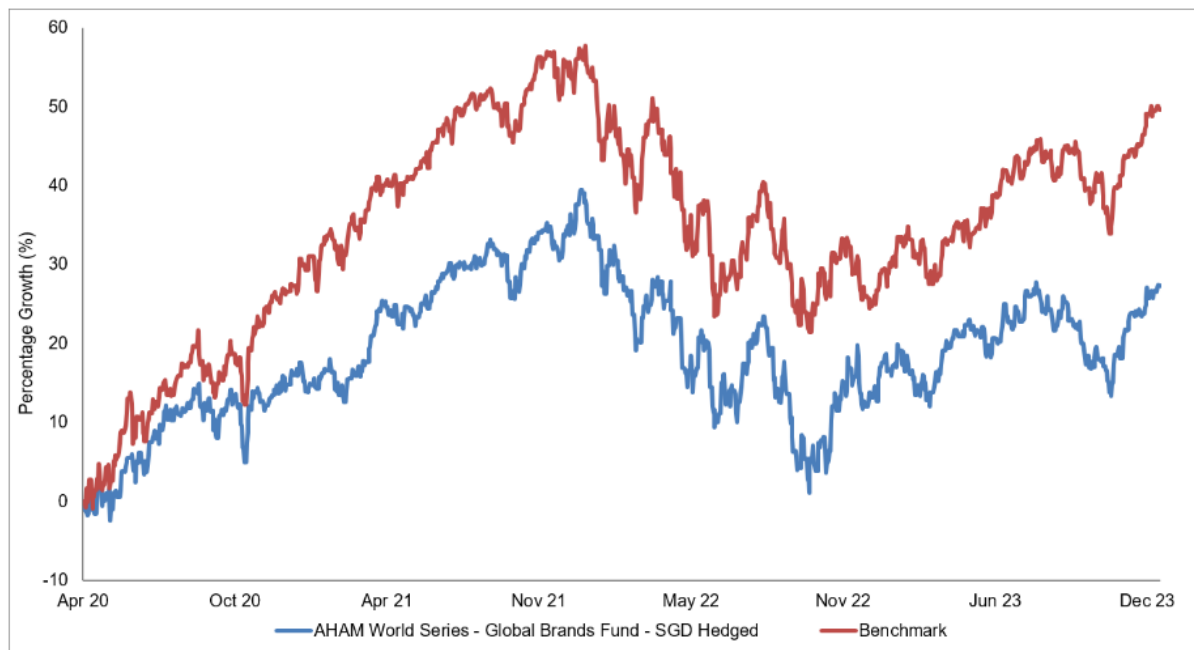


SGD Hedged-Class

	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)	Since Commencement (10/4/20 - 31/12/23)
Fund	7.48%	2.15%	12.48%	9.76%	27.30%
Benchmark	7.26%	4.23%	19.95%	17.61%	49.71%
Outperformance	0.22%	(2.08%)	(7.47%)	(7.85%)	(22.41%)

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 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:

	31 December 2023
	(%)
Unit Trust	97.33
Derivative	0.24
Cash & money market	2.43
Total	100.00

Strategies Employed

The investment team continues to focus on high-quality companies that can generate superior returns over the long term. Such companies are typically built on dominant market positions, underpinned by powerful, hard to replicate intangible assets that can generate high, unlevered returns on operating capital and strong free cash flows. Other characteristics are recurring revenue streams, pricing power, low capital intensity and organic growth.

Market Review

The final quarter of 2023 witnessed significant fluctuations in global equity markets, reflecting the evolving economic landscape and shifting investor sentiment. In October, the MSCI World Index recorded a decline of -2.9% in U.S. dollars (USD) and a comparable -2.6% in local currency. With the exception of the utilities sector, which saw marginal gains, all other sectors experienced losses, with technology and communication services slightly outperforming more cyclical sectors like materials, financials, and industrials. Geographically, major markets like the U.S., Italy, and Hong Kong managed to stay close to the index, but overall, the global equity performance remained subdued.

However, November brought a remarkable turnaround, with global equity markets rebounding strongly. The MSCI World Index surged by +9.4% in USD and +8.3% in local currency, marking its best monthly performance in over two years. This surge was fueled by growing optimism that the Federal Reserve had reached the peak of its interest rate cycle, coupled with positive U.S. inflation data. Sectors like information technology, consumer discretionary, financials, and industrials led the rally, while defensive sectors like health care and consumer staples lagged behind. Geographically, varied performances were observed across regions, with the U.S., Spain, and Germany outperforming while Hong Kong and Singapore struggled.

The momentum continued into December, with global equity markets finishing the year on a high note. The MSCI World Index returned +11.4% in USD and +9.8% in local currency for the quarter, contributing to a remarkable annual performance of +23.8% in USD and +23.1% in local currency. Information technology emerged as the top performer for the year, buoyed by the artificial intelligence frenzy, while defensive sectors like health care and consumer staples continued to lag. Geographically, the U.S. maintained its lead, with mixed performances seen across European and Asian markets.

Overall, 2023 was marked by significant market volatility, driven by evolving macroeconomic conditions and changing investor expectations. While certain sectors and regions outperformed, others faced challenges. Looking ahead to 2024, uncertainties persist, but Asia remains a bright spot for economic and earnings growth, presenting opportunities for long-term investors. However, careful stock selection and a dynamic allocation strategy will be crucial in navigating the potential divergence in performance between different companies and sectors.

Investment Outlook

The year 2023 presented a perplexing array of economic regimes, underscoring the uncertainty inherent in predicting market trends. It commenced with apprehensions of an impending recession, followed by anticipations of prolonged high interest rates, with projections indicating a year-end federal funds rate in the U.S. climbing from 4.5% to 5.5% by March. However, amidst these concerns, the landscape shifted dramatically as Silicon Valley Bank encountered turbulence in the spring, sparking fears of a credit crunch. Nevertheless, as these fears subsided, markets embraced the prospect of an artificial intelligence-driven productivity surge.

By autumn, the narrative of "higher for longer" gained even greater traction, with expectations of the end 2024 fed funds rate nearing 5%, leading to a downturn in stocks. However, the year concluded with a notable "Fed pivot," as the U.S. Federal Reserve abruptly altered its stance, fueling expectations of six to seven rate cuts in 2024 and triggering nine consecutive weeks of market gains.

Physicist Niels Bohr's assertion that "prediction is very difficult, particularly about the future" resonates strongly amid the lingering impact of the pandemic, colloquially referred to as "long COVID." The profound

disruptions to both the supply and demand sides of the economy persist, complicating prognostications. The transition from a surge in goods spending during the pandemic to a shift towards services post-reopening, coupled with ongoing supply chain disruptions, has contributed to inflationary pressures. These complexities confound traditional indicators, leading to erroneous recession forecasts and adding layers of uncertainty to economic projections.

Despite the prevailing uncertainties, several positive indicators buoy hopes heading into 2024. Inflation appears to be abating without a commensurate rise in unemployment, while real GDP growth in the U.S. outstripped earlier forecasts. Additionally, consumer confidence is on the uptrend, potentially supported by increasing real wages. Advances in generative AI offer prospects for a productivity surge, while the capital expenditure boom, particularly in data infrastructure, is poised to bolster economic resilience.

However, a less sanguine perspective underscores lingering challenges. The U.S. economy has yet to achieve the elusive "soft landing," with tight labor markets and looming inflationary pressures posing risks. Moreover, external factors, including geopolitical tensions and sluggish growth in European economies, compound the uncertainties.

Navigating this complex landscape requires a balanced approach. While optimism pervades market sentiment, elevated earnings expectations and lofty valuations underscore potential risks. The emphasis on investing in companies with sustainable earnings and reasonable valuations remains paramount, even amid market exuberance.

AHAM WORLD SERIES – GLOBAL BRANDS FUND
(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES – GLOBAL BRANDS 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	1,386	1,301
Net loss on foreign currency exchange	(3,629)	(18,552)
Net gain/ (loss) on forward foreign currency contracts at fair value through profit or loss	71,575	(128,958)
Net gain on financial assets at fair value through profit or loss	1,386,670	1,043,379
	<u>1,456,002</u>	<u>897,170</u>
EXPENSES		
Management fee	(332,057)	(395,770)
Trustee fee	(10,776)	(12,839)
Fund accounting fee	(1,745)	(1,543)
Auditors' remuneration	(885)	(927)
Tax agent's fee	(387)	(406)
Other expenses	(2,529)	(2,036)
	<u>(348,379)</u>	<u>(413,521)</u>
PROFIT BEFORE TAXATION	1,107,623	483,649
Taxation	-	-
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>1,107,623</u>	<u>483,649</u>
Increase in net asset attributable to unitholders is made up of the following:		
Realised amount	2,049,991	(2,118,038)
Unrealised amount	(942,368)	2,601,687
	<u>1,107,623</u>	<u>483,649</u>

AHAM WORLD SERIES – GLOBAL BRANDS FUND
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UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	<u>2023</u> USD	<u>2022</u> USD
ASSETS		
Cash and cash equivalents	4,616,254	679,280
Amount due from broker		
Amount due from Manager		
- creation of units	24,283	17,222
- management fee rebate receivable	21,079	27,014
Financial assets at fair value through profit or loss	34,653,384	41,463,656
Forward foreign currency contracts at fair value through profit or loss	238,757	468,735
TOTAL ASSETS	<u>39,553,757</u>	<u>42,655,907</u>
LIABILITIES		
Forward foreign currency contracts at fair value through profit or loss	153,109	34,911
Amount due to broker	3,200,091	91
Amount due to Manager		
- management fee	55,213	68,033
- cancellation of units	536,186	-
Amount due to Trustee	1,791	2,206
Fund accounting fee	254	-
Auditors' remuneration	898	953
Tax agent's fee	1,155	1,213
Other payable and accruals	295	341
TOTAL LIABILITIES (EXCLUDING NET ASSET ATTRIBUTABLE TO UNITHOLDERS)	<u>3,948,992</u>	<u>107,748</u>
NET ASSET VALUE OF THE FUND	<u>35,604,765</u>	<u>42,548,159</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>35,604,765</u>	<u>42,548,159</u>

AHAM WORLD SERIES – GLOBAL BRANDS FUND
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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		
- AUD Hedged-class	2,673,477	3,367,750
- MYR Class	33,271	-
- MYR Hedged-class	26,007,147	30,546,672
- SGD Hedged-class	2,470,165	2,671,115
- USD Class	4,420,705	5,962,622
	<u>35,604,765</u>	<u>42,548,159</u>
NUMBER OF UNITS IN CIRCULATION		
- AUD Hedged-class	6,177,000	8,733,000
- MYR Class	310,000	-
- MYR Hedged-class	180,346,000	225,794,000
- SGD Hedged-class	5,126,000	6,334,000
- USD Class	6,704,000	10,357,000
	<u>198,663,000</u>	<u>251,218,000</u>
NET ASSET VALUE PER UNIT (USD)		
- AUD Hedged-class	0.4328	0.3856
- MYR Class	0.1073	-
- MYR Hedged-class	0.1442	0.1353
- SGD Hedged-class	0.4819	0.4217
- USD Class	0.6594	0.5757
	<u>0.6594</u>	<u>0.5757</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- AUD Hedged-class	AUD0.6361	AUD0.5679
- MYR Class	RM0.4926	-
- MYR Hedged-class	RM0.6619	RM0.5952
- SGD Hedged-class	SGD0.6365	SGD0.5659
- USD Class	USD0.6594	USD0.5757
	<u>USD0.6594</u>	<u>USD0.5757</u>

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UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDER 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	37,708,017	43,843,231
Movement due to units created and cancelled during the financial period		
Creation of units arising from applications	1,617,230	2,823,335
- AUD Hedged-class	33,406	6,453
- MYR Class	32,984	-
- MYR Hedged-class	1,216,263	2,796,837
- SGD Hedged-class	251,181	6,787
- USD Class	83,396	13,258
Cancellation of units	(4,828,105)	(4,602,056)
- AUD Hedged-class	(369,766)	(155,728)
- MYR Hedged-class	(2,911,975)	(3,844,767)
- SGD Hedged-class	(388,882)	(107,094)
- USD Class	(1,157,482)	(494,467)
Net increase in net assets attributable to unitholders during the financial period	1,107,623	483,649
- AUD Hedged-class	109,409	(24,776)
- MYR Class	287	-
- MYR Hedged-class	755,239	277,908
- SGD Hedged-class	128,809	117,558
- USD Class	113,879	112,959
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	<u>35,604,765</u>	<u>42,548,159</u>

AHAM Asset Management Berhad

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