



QUARTERLY REPORT
29 February 2024

AHAM Strategic Opportunity Fund 5

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
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Built On Trust

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AHAM STRATEGIC OPPORTUNITY FUND 5

Quarterly Report and Financial Statements As at 29 February 2024

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QUARTERLY REPORT

FUND INFORMATION

| | |
|----------------------|---|
| Fund Name | AHAM Strategic Opportunity Fund 5 |
| Fund Type | Income |
| Fund Category | Fixed Income (Wholesale) |
| Investment Objective | The Fund aims to provide income return whilst maintaining capital preservation |
| Duration of the Fund | Two (2) years |
| Termination Date | 28 July 2025 |
| Distribution Policy | Depending on the level of income the Fund generates, the Fund aims to distribute income on a quarterly basis. |

FUND PERFORMANCE DATA

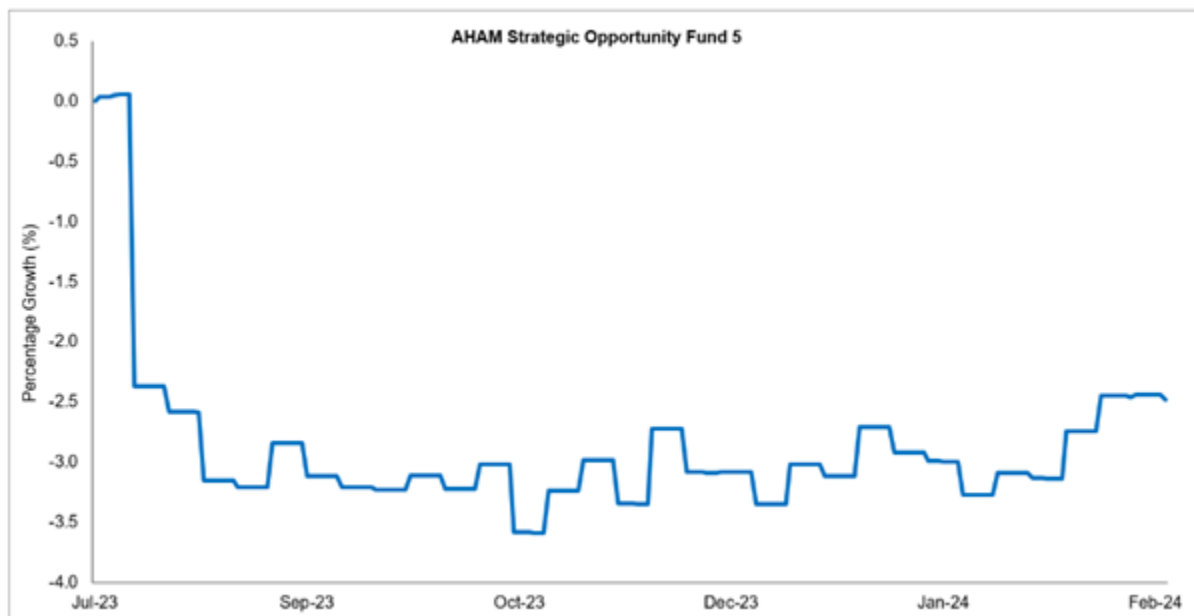
| Category | As at 29 Feb 2024 | As at 30 Nov 2023 |
|-------------------------------|----------------------|----------------------|
| Total NAV (RM'million) | 31.332 | 31.138 |
| NAV per Unit (RM) | 0.9752 | 0.9691 |
| Unit in Circulation (million) | 32.129 | 32.129 |

Fund Performance

Table 1: Performance as at 29 February 2024

| | 3 Months (1/12/23 - 29/2/24) | 6 Months (1/9/23 - 29/2/24) | Since Commencement (28/7/23 - 29/2/24) |
|-------------|---|--|---|
| Fund | 0.63% | 0.75% | (2.48%) |

Movement of the Fund since commencement.



"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."

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>29 February 2024</u> |
|---------------------|-------------------------|
| | (%) |
| Fixed Income | 98.60 |
| Unit Trust | 1.14 |
| Cash & money market | 0.26 |
| Total | <u>100.00</u> |

Income Distribution Breakdown

No distribution was declared by the Fund over the financial period under review.

Strategies Employed

At the Investment Date of the Fund, the Fund will only invest in one type of Active Assets and will remain so until the Maturity Date of the Fund. We will evaluate the underlying assets of the Active Assets where we are of the view that the underlying assets may rise in value and may be able to provide income to the Fund.

Market Review

Throughout the period under review, the trajectory of US equities remained notably positive. The S&P 500 index exhibited a steady upward trend, reflecting a market buoyed by a confluence of factors. December witnessed a robust 2.80% increase in the S&P 500, a testament to growing investor confidence bolstered by mounting speculation that the US Federal Reserve would halt its ongoing rate-hike cycle. This optimism

extended into January, with the index surging by 1.60%, reaching new all-time highs, underpinned by strong economic indicators such as GDP growth and nonfarm payrolls. February saw a continuation of this upward trajectory, with the S&P 500 recording a remarkable 5.20% surge, setting yet another all-time high. This sustained positive momentum underscored a market environment characterized by resilience and optimism.

Central to the narrative shaping US equities during this period was the stance of the US Federal Reserve. In December 2023, Fed Chair Jerome Powell's articulation of a dovish outlook on interest rates provided a significant tailwind to market sentiment. The Federal Open Market Committee's decision to maintain benchmark interest rates within a targeted range of 5.25%-5.50%, coupled with indications of potential rate cuts in 2024, contributed to a sense of reassurance among investors. However, January witnessed a nuanced shift in the Fed's rhetoric, as policymakers opted to keep rates unchanged, citing the necessity for more conclusive evidence of inflationary pressures abating before considering further monetary accommodation. This adjustment in tone led to a marginal increase in US Treasury yields, signaling a recalibration of market expectations. February brought forth a blend of optimism and caution, with the core Personal Consumption Expenditures (PCE) index hinting at the potential easing of price pressures, offering respite to investors. Nonetheless, minutes from the January FOMC meeting revealed a more hawkish stance among members, fostering upward pressure on Treasury yields and prompting a reassessment of rate cut projections.

Across global markets, the sentiment was mixed but generally positive throughout the December to February period. Asian markets, as reflected by the MSCI Asia ex-Japan index, experienced fluctuations driven by a myriad of factors. December witnessed notable gains fueled by optimism surrounding the Federal Reserve's dovish pivot and a corresponding weakening of the US dollar. However, January brought with it a degree of volatility, characterized by a decline in market performance amidst reduced expectations of imminent rate cuts and higher bond yields. February saw a resurgence in market optimism, particularly in China, buoyed by stimulus measures enacted by the People's Bank of China (PBoC), aimed at bolstering economic growth. Anticipation surrounding China's annual parliamentary meeting in March added to the positive sentiment, with investors eagerly awaiting signals regarding economic targets and potential stimulus measures.

Investment Outlook

We maintain our positive outlook for fixed income asset class in 2024, as global growth is expected to moderate due to restrictive monetary policies and rising geopolitical tension. We expect volatility to persist, but at a tighter range compared to 2023. Inflation expectations have peaked, but inflationary environment may persist due to elevated commodity prices. The second half of 2024 may present higher noise as political uncertainties increase on the back of large number of elections especially the US Presidential election in November 2024.

Domestically, moderating growth and contained inflation continued to be supportive of the fixed income market. A lower government bond supply profile in 2024 due to fiscal consolidation is also a positive factor to the market. Domestic liquidity is ample with demand from duration coming from pension funds and lifers. Headline inflation may face upward pressure as the proposed targeted subsidies mechanism.

AHAM STRATEGIC OPPORTUNITY FUND 5

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2024

Financial
period ended
29.02.2024
RM

INVESTMENT LOSS

| | |
|---|------------------|
| Interest income from financial assets at amortised cost | 21,200 |
| Interest income from financial assets at fair value through profit or loss | 658,711 |
| Net loss on financial assets at fair value through profit or loss | (1,455,061) |
| | <u>(775,150)</u> |

EXPENSES

| | |
|------------------------|-----------------|
| Trustee fee | (3,988) |
| Fund accounting fee | (7,000) |
| Auditor's remuneration | (7,485) |
| Tax agent's fee | (2,620) |
| Other expenses | (419) |
| | <u>(21,512)</u> |

NET LOSS BEFORE TAXATION

(796,662)

Taxation

-

NET LOSS AFTER TAXATION AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD

(796,662)

Net loss after taxation is made up of the following:

| | |
|-------------------|------------------|
| Realised amount | (312) |
| Unrealised amount | (796,350) |
| | <u>(796,662)</u> |

AHAM STRATEGIC OPPORTUNITY FUND 5
UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 29 FEBRUARY 2024

2024
RM

ASSETS

| | |
|---|------------|
| Cash and cash equivalents | 92,867 |
| Financial assets at fair value through profit or loss | 30,893,769 |
| Derivative at fair value through profit or loss | 357,210 |

TOTAL ASSETS 31,343,846

LIABILITIES

| | |
|-----------------------------|-------|
| Amount due to Trustee | 495 |
| Fund accounting fee | 1,000 |
| Auditor's remuneration | 7,485 |
| Tax agent's fee | 2,620 |
| Other payables and accruals | (92) |

TOTAL LIABILITIES 11,508

NET ASSET VALUE OF THE FUND 31,332,338

EQUITY

| | |
|----------------------|------------|
| Unitholders' capital | 32,129,000 |
| Accumulated losses | (796,662) |

NET ASSETS ATTRIBUTABLE TO UNITHOLDERS 31,332,338

NUMBER OF UNITS IN CIRCULATION 32,129,000

NET ASSET VALUE PER UNIT (RM) 0.9752

AHAM STRATEGIC OPPORTUNITY FUND 5

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2024

| | Unitholders' <u>capital</u> RM | Accumulated <u>losses</u> RM | <u>Total</u> RM |
|---|--------------------------------------|------------------------------------|--------------------|
| Balance as at 26 June 2023 (date of launch) | - | - | - |
| Total comprehensive loss for the financial period | - | (796,662) | (796,662) |
| Movement in unitholders' capital | | | |
| Creation of units arising from applications | 32,129,000 | - | 32,129,000 |
| Balance as at 29 February 2024 | <u>32,129,000</u> | <u>(796,662)</u> | <u>31,332,338</u> |

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