



QUARTERLY REPORT

30 June 2023

**Affin Hwang
World Series -
America Equity
Fund**

MANAGER

AHAM Asset Management Berhad
*(Formerly known as Affin Hwang Asset
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AFFIN HWANG WORLD SERIES – AMERICA EQUITY FUND

Quarterly Report and Financial Statements As at 30 June 2023

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QUARTERLY REPORT

FUND INFORMATION

Fund Name	Affin Hwang World Series – America Equity Fund
Fund Type	Growth
Fund Category	Feeder (Wholesale)
Investment Objective	The Fund seeks to achieve capital appreciation over long term period.
Benchmark	S&P 500 Index
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.

FUND PERFORMANCE DATA

USD Class

Category	As at 30 Jun 2023	As at 31 Mar 2023
Total NAV (million)	5.208	5.035
NAV per Unit (USD)	0.5166	0.4658
Unit in Circulation (million)	10.080	10.809

AUD-Hedged class

Category	As at 30 Jun 2023	As at 31 Mar 2023
Total NAV (million)	1.570	1.665
NAV per Unit (AUD)	0.5032	0.4560
Unit in Circulation (million)	3.119	3.650

MYR Hedged-Class

Category	As at 30 Jun 2023	As at 31 Mar 2023
Total NAV (million)	57.760	56.663
NAV per Unit (MYR)	0.5166	0.4681
Unit in Circulation (million)	111.812	121.058

SGD Hedged-Class

Category	As at 30 Jun 2023	As at 31 Mar 2023
Total NAV (million)	1.265	1.704
NAV per Unit (SGD)	0.5111	0.4631
Unit in Circulation (million)	2.475	3.680

Fund Performance

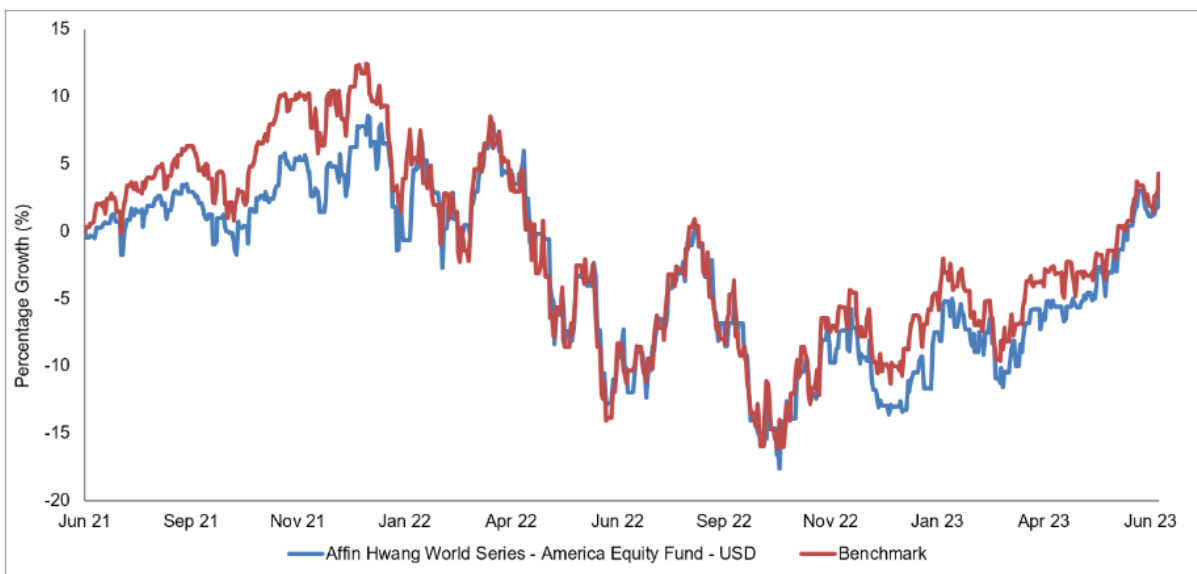
Performance as at 30 June 2023

USD Class

	3 Months (1/4/23 - 30/6/23)	6 Months (1/1/23 - 30/6/23)	1 Year (1/7/22 - 30/6/23)	Since Commencement (25/6/21 - 30/6/23)
Fund	10.91%	18.81%	15.00%	3.32%
Benchmark	8.30%	15.91%	17.57%	4.31%
Outperformance	2.61%	2.90%	(2.57%)	(0.99%)

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

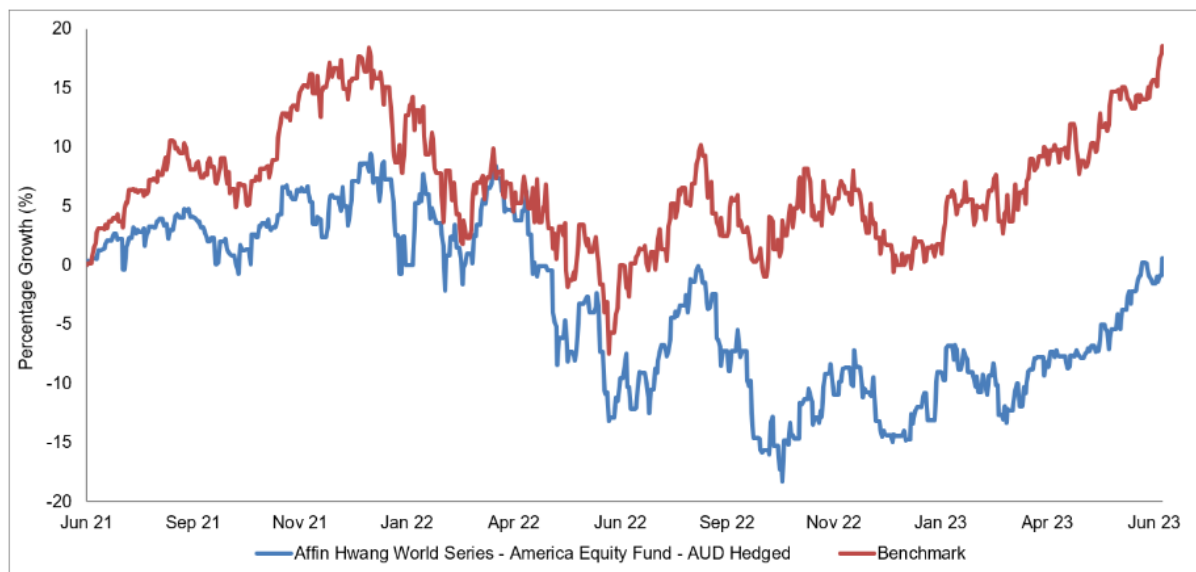


AUD Hedged-Class

	3 Months (1/4/23 - 30/6/23)	6 Months (1/1/23 - 30/6/23)	1 Year (1/7/22 - 30/6/23)	Since Commencement (25/6/21 - 30/6/23)
Fund	10.35%	17.63%	12.22%	0.64%
Benchmark	8.79%	18.52%	21.85%	18.57%
Outperformance	1.56%	(0.89%)	(9.63%)	(17.93%)

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

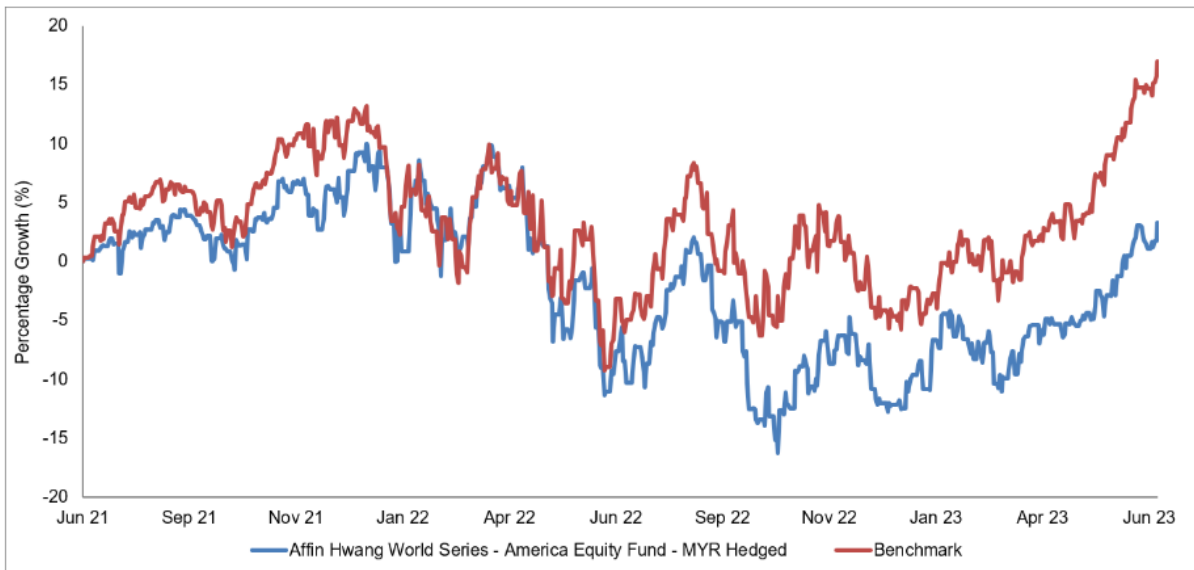


MYR Hedged-Class

	3 Months (1/4/23 - 30/6/23)	6 Months (1/1/23 - 30/6/23)	1 Year (1/7/22 - 30/6/23)	Since Commencement (25/6/21 - 30/6/23)
Fund	10.36%	17.68%	12.89%	3.32%
Benchmark	14.50%	22.76%	24.51%	17.02%
Outperformance	(4.14%)	(5.08%)	(11.62%)	(13.70%)

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

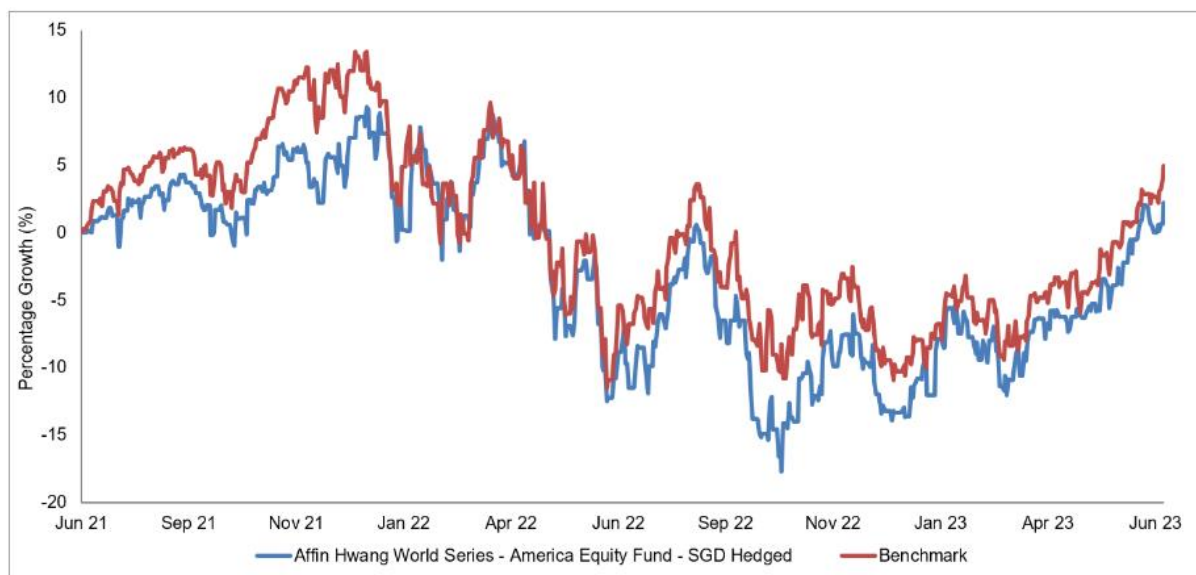


SGD Hedged-Class

	3 Months (1/4/23 - 30/6/23)	6 Months (1/1/23 - 30/6/23)	1 Year (1/7/22 - 30/6/23)	Since Commencement (25/6/21 - 30/6/23)
Fund	10.36%	17.96%	13.18%	2.22%
Benchmark	10.11%	17.02%	14.41%	4.96%
Outperformance	0.25%	0.94%	(1.23%)	(2.74%)

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark



"This information is prepared by AHAM Asset Management Berhad (formerly known as Affin Hwang 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: S&P 500 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>30 June 2023</u>
	(%)
Unit Trust	98.10
Derivative	-1.82
Cash & money market	3.72
Total	100.00

Strategies Employed

The Target Fund invests primarily in a concentrated portfolio of US companies. The Target Fund adopts a flexible bottom-up approach to seek to identify the most attractive ideas from the value and growth investment universes. Within the value stocks, the Target Fund Manager focuses on durable franchises with cash strong flows. For growth stocks, they focus on durable franchises with leading market share positions.

Market Review

The S&P 500 Index® returned +8.74% in the second quarter of 2023. Repercussions of the regional banking crisis and the debt ceiling impasse between Democrats and Republicans dominated headlines. In June, the Federal Reserve (Fed) voted to leave the federal funds rate unchanged. Weakness in commercial real estate and slowing growth weighed on earnings expectations and remain risks. The small-cap Russell 2000 Index® underperformed largecap stocks, represented by the S&P 500 Index®, returning +5.21% versus +8.74%, respectively. Growth outperformed value; the Russell 3000 Growth Index® returned +12.47% while the Russell 3000 Value Index® returned +4.03%.

Target Fund's stock selection in the industrials and materials sectors contributed to performance. Within materials, their overweight position in Martin Marietta Materials proved beneficial. The company reported solid earnings results for the first quarter of 2023. This was due to improvements in pricing and margin expansions despite headwinds from inflation. They remain comfortable with our position given the high-quality nature of the business and strong management team.

At the security level, their overweight position in NVIDIA was the largest contributor. Shares rallied on the heels of better-than-expected earnings in its first quarter results. This was majorly driven by the data centre segment, due to spending acceleration and rising demand for generative artificial intelligence (AI). They expect higher than industry average growth in NVIDIA, as it is well positioned to capitalise on the AI trend coupled with its huge market presence in the gaming segment.

On the other hand, their stock selection in healthcare and sector allocation in real estate detracted from performance. Within healthcare, their overweight position in Regeneron Pharmaceuticals was the largest detractor. Despite reporting first-quarter earnings results that beat estimates, shares of the company fell after the FDA issued a Certificate Revocation List (CRL) on Eylea, its much-anticipated eye disease treatment drug, resulting in a minor delay. They believe Regeneron Pharmaceuticals is one of the most innovative and productive biotech companies, and hence continue to remain overweight the name.

Among individual names, their overweight position in AbbVie proved lacklustre. Shares fell after the company reported disappointing first-quarter results driven by poor sales for its two products, Rinvoq and Skyrizi. Additionally, AbbVie's competitors announced to sell a biosimilar of Humira at a cheaper rate. They continue to maintain conviction in the name as the company has a strong diversified pipeline and valuations look attractive for a long period of sustained growth.

Investment outlook

The Target Fund Manager continues to focus on the fundamentals of the economy and company earnings. Their analysts' estimates for S&P 500 Index® earnings currently project -2% for 2023 and +14% for 2024. While subject to revision, this forecast includes their best analysis of earnings expectations. While the short-term impacts of the pandemic have now abated, structural limits on labour supply growth and other uncertainties like concerns around recession will be integral to investor sentiment moving forward.

While the economy teeters on the edge of recession, They remain balanced and continue to monitor incremental risks that could represent headwinds for US equities. Through the volatility, they continue to focus on high-conviction stocks and take advantage of market dislocations for compelling stock selection opportunities.

AFFIN HWANG WORLD SERIES - AMERICA EQUITY FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

	Financial period ended <u>30.6.2023</u> USD	Financial period ended <u>30.6.2022</u> USD
INVESTMENT INCOME/(LOSS)		
Interest income from financial assets at amortised cost	1,349	148
Net gain/(loss) on foreign currency exchange	15,976	(8,378)
Net loss on forward foreign currency contracts at fair value through profit or loss	(255,796)	(651,293)
Net gain/(loss) on financial assets at fair value through profit or loss	3,977,352	(1,773,271)
	<u>3,738,881</u>	<u>(2,432,794)</u>
EXPENSES		
Management fee	(260,411)	(274,892)
Trustee fee	(8,689)	(9,171)
Fund accounting fee	(2,589)	(2,480)
Auditors' remuneration	(1,390)	(1,472)
Tax agent's fee	(608)	(644)
Other expenses	(2,597)	(3,309)
	<u>(276,284)</u>	<u>(291,968)</u>
NET PROFIT/(LOSS) BEFORE TAXATION	3,462,597	(2,724,762)
Taxation	-	-
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>3,462,597</u>	<u>(2,724,762)</u>
Increase/(decrease) in net asset attributable to unitholders is made up of the following:		
Realised amount	(594,026)	(144,094)
Unrealised amount	4,056,623	(2,580,668)
	<u>3,462,597</u>	<u>(2,724,762)</u>

AFFIN HWANG WORLD SERIES - AMERICA EQUITY FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	<u>2023</u> USD	<u>2022</u> USD
ASSETS		
Cash and cash equivalents	783,193	769,852
Amount due from Manager		
- creation of units	20,580	21,611
- management fee rebate receivable	24,028	23,171
Financial assets at fair value through profit or loss	19,192,726	18,378,654
Forward foreign currency contracts at fair value through profit or loss	2,926	-
TOTAL ASSETS	<u>20,023,453</u>	<u>19,193,288</u>
LIABILITIES		
Forward foreign currency contracts at fair value through profit or loss	358,042	391,972
Amount due to Manager		
- management fee	29,198	28,391
- cancellation of units	67,268	9,612
Amount due to Trustee	973	946
Fund accounting fee	250	-
Auditors' remuneration	1,338	1,416
Tax agent's fee	585	1,414
Other payables and accruals	664	654
TOTAL LIABILITIES (EXCLUDING NET ASSET ATTRIBUTABLE TO UNITHOLDERS)	<u>458,318</u>	<u>434,405</u>
NET ASSET VALUE OF THE FUND	<u>19,565,135</u>	<u>18,758,883</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>19,565,135</u>	<u>18,758,883</u>

AFFIN HWANG WORLD SERIES - AMERICA EQUITY FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023 (CONTINUED)

	<u>2023</u> USD	<u>2022</u> USD
REPRESENTED BY:		
FAIR VALUE OF OUTSTANDING UNITS		
- AUD Hedged-class	1,039,501	1,177,463
- MYR Hedged-class	12,385,549	11,456,878
- SGD Hedged-class	932,449	1,260,155
- USD Class	5,207,636	4,864,387
	<u>19,565,135</u>	<u>18,758,883</u>
NUMBER OF UNITS IN CIRCULATION		
- AUD Hedged-class	3,119,000	3,813,000
- MYR Hedged-class	111,812,000	110,353,000
- SGD Hedged-class	2,475,000	3,881,000
- USD Class	10,080,000	10,829,000
	<u>127,486,000</u>	<u>128,876,000</u>
NET ASSET VALUE PER UNIT (USD)		
- AUD Hedged-class	0.3333	0.3088
- MYR Hedged-class	0.1108	0.1038
- SGD Hedged-class	0.3767	0.3247
- USD Class	0.5166	0.4492
	<u>0.5166</u>	<u>0.4492</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- AUD Hedged-class	AUD 0.5032	AUD 0.4484
- MYR Hedged-class	RM 0.5166	RM 0.4576
- SGD Hedged-class	SGD 0.5111	SGD 0.4516
- USD Class	USD 0.5166	USD 0.4492
	<u>0.5166</u>	<u>0.4492</u>

AFFIN HWANG WORLD SERIES - AMERICA EQUITY FUND

UNAUDITED STATEMENT OF CHANGES IN ASSET ATTRIBUTABLE TO UNITHOLDERS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

	Financial period ended <u>30.6.2023</u> USD	Financial period ended <u>30.6.2022</u> USD
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE PERIOD	17,192,693	19,870,326
Movement due to units created and cancelled during the financial period		
Creation of units arising from applications	2,211,287	6,961,615
- AUD Hedged-class	176,467	644,465
- MYR Hedged-class	1,660,206	3,766,503
- SGD Hedged-class	106,215	661,177
- USD Class	268,399	1,889,470
Cancellation of units	(3,301,442)	(5,348,296)
- AUD Hedged-class	(304,639)	(445,951)
- MYR Hedged-class	(1,843,235)	(2,239,179)
- SGD Hedged-class	(507,386)	(319,235)
- USD Class	(646,182)	(2,343,931)
Increase/(decrease) in net assets attributable to unitholders during the financial period	3,462,597	(2,724,762)
- AUD Hedged-class	212,508	(217,928)
- MYR Hedged-class	2,015,222	(1,828,130)
- SGD Hedged-class	280,877	(170,683)
- USD Class	953,990	(508,021)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	<u>19,565,135</u>	<u>18,758,883</u>

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