

MONTHLY COMMENTARY

# AHAM Smart Invest Portfolio – Growth



**Market Review & Outlook**

July saw significant developments in US markets as investors processed a range of economic data. Nonfarm payrolls grew by 114,000 in July, down from 179,000 in June and below the 185,000 market estimate. The unemployment rate increased to 4.3%, the highest since October 2021. Despite these weak data releases, the Fed kept interest rates steady at its July FOMC meeting, with Fed Chair Jerome Powell signaling a possible rate cut in September if inflation eases. The S&P 500 gained 1.10%, driven by a rotation from megacap tech to small-cap stocks. US Treasury yields dropped, with the 10-year yield falling 37 bps to 4.03%. Bond markets now price in a higher likelihood of a 50 bps rate cut in September compared to the previous 25 bps expectation.

President Joe Biden withdrew from the 2024 presidential election, endorsing Vice President Kamala Harris. This political shift adds another layer of uncertainty to the market's base case, which still considers Trump a potential winner, though the odds of Republicans winning both houses of Congress may be lowered.

Internationally, Japan's Nikkei 225 fell 1.20% due to a stronger yen following the BoJ's rate hike and reduced bond-buying program. The MSCI Asia ex-Japan index dropped 0.60%, with Taiwan's benchmark gauge down 3.60% and the MSCI China index down 2.20%. In China, the PBOC cut the reverse repo rate and the benchmark loan prime rate to boost liquidity, though the market reaction was muted.

In Malaysia, the KLCI rose 2.30%, led by gains in the construction and plantation sectors, benefiting from the upcoming Johor-Singapore Special Economic Zone (JS-SEZ). The 10-year MGS yield fell 15 bps to 3.72%. June's CPI was 2.0% y-o-y, below the 2.20% estimate, indicating stable food prices and manageable services inflation. The modest increase in transport costs due to diesel subsidy rationalization suggests BNM will likely keep the OPR unchanged for the rest of the year.

**Portfolio Review**

The AHAM Smart Invest Portfolio – Growth (“Fund”) returned -3.4% for the month of July.

- The Fund detracted in the month of July as Global Tech sector saw a pull back after the release of CPI figures, which increase the probability of a US recession.
- Exposure to Tech detracted the performance for the month, however the domestic market and healthcare exposure provided some cushion over the period.
- The Fund's Asia exposure was a mixed performance in the month of July, with most of Asia detracting following the US tech space, however India's momentum continued over the month and Malaysia held up.
- Moving forward, the Fund is looking to reduce some of its current Quality exposure and increase the Fund's Global Equity and Healthcare exposure. Cash levels remains c. 10%.

Top Contributors	Return
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Janus Henderson Biotech Fund	0.3
Lazard Japan Strategic Equity Fund	0.2
AHAM Select Opportunity Fund	0.2

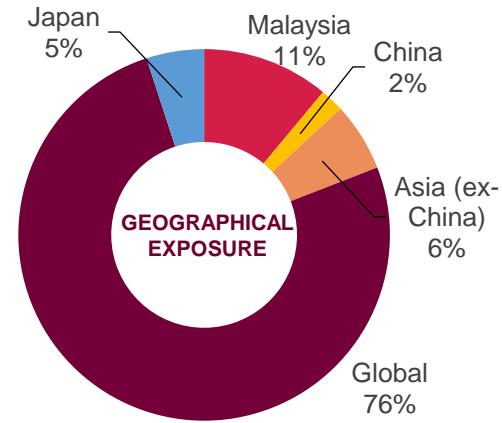
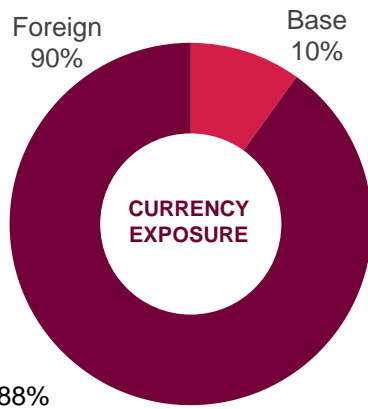
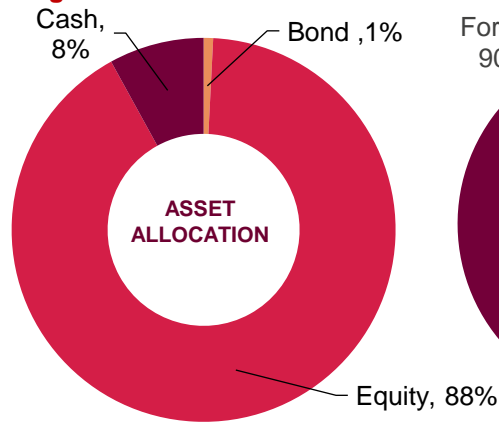
Top Detractors	Return
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GQG Partners US Equity Fund	-0.5
JP Morgan US Technology Fund	-0.5
Baillie Gifford Worldwide Long Term Global Growth Fund	-0.5

#GrowWithUs

Source: Bloomberg, AHAM Capital, as at 31 July 2024.

### Target Asset Allocation



Portfolio Holdings	Weight (%)	Monthly Attribution (%)	YTD Return (%)
Ishares Core S&P 500 UCITS ETF	9.4	-0.2	16.3
AHAM Select Opportunity Fund	8.0	0.2	25.9
GQG Partners US Equity Fund	7.7	-0.5	21.8
UBAM - 30 Global Leaders	7.0	-0.2	5.2
JPM Global Research Enhanced Index Equity ETF	6.9	-0.1	14.2
Janus Henderson Horizon Biotech	5.1	0.3	18.7
IShares MSCI ACWI UCITS ETF	5.0	-0.1	13.1
Lazard Japanese Strategic Equity Fund	4.9	0.2	17.7
TT Asia Pacific Equity Fund	4.9	-0.3	9.4
JPMorgan Funds - U.S. Technology Fund	4.8	-0.5	9.4
Baillie Gifford Worldwide Long Term Global Growth	4.6	-0.5	6.8
Baillie Gifford Worldwide Global Dividend Growth	4.0	-0.1	5.2
JPM US Research Enhanced Index Equity ETF	3.6	-0.1	16.9
IShares Core MSCI Asia ex Japan	3.5	-0.1	8.4
Hang Seng China Enterprise ETF	2.8	-0.2	8.6
Nomura Global Shariah Semiconductor Equity Fund	2.6	-0.3	29.5
AHAM Aiiman Global Thematic Fund	2.0	-0.1	8.5
Franklin Technology Fund	1.6	-0.1	15.7
IShares Bitcoin Trust	1.0	0.1	39.6
Cash	10.7	0.0	0.0
<b>AHAM Smart Invest Portfolio – Growth</b>	<b>100.0%</b>	<b>-3.5</b>	<b>7.6</b>

Source: Morningstar, AHAM Capital, as at 31 July 2024.

**Performance & Portfolio Rebalancing**

YTD	1-month	3-month	1-year	3-year (p.a.)	Since Inception (p.a.)
7.6%	-3.5%	0.9%	11.3%	-1.0%	7.9%

Portfolio Initiations	Weight
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Portfolio Additions	Weight
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Portfolio Exits	Weight
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Portfolio Reductions	Weight
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Source: Morningstar, AHAM Capital, as at 31 July 2024.  
\*Since Inception date 21 September 2019.

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#### **Warning Statement**

A copy of the Prospectus and Product Highlights Sheet ("PHS") can be obtained at AHAM Asset Management Berhad's sales offices or at [aham.com.my](http://aham.com.my). Investors are advised to read and understand the contents of AHAM Smart Invest Portfolio – Growth's Prospectus dated 17 August and the First Supplemental Prospectus dated 30 December 2022, as well as the corresponding PHS before investing. There are fees and charges involved when investing in the Fund. Investors are advised to consider and compare the fees and charges as well as the risks carefully before investing. Investors should make their own assessment of the risks involved in investing and should seek professional advice, where necessary. The price of units and distribution payable, if any, may go down as well as up and the past performance of the Fund should not be taken as indicative of its future performance. The Securities Commission Malaysia has not reviewed this marketing/promotional material and takes no responsibilities for the contents of this marketing/promotional material and expressly disclaims all liability, however arising from this marketing/promotional material.