

**QUARTERLY REPORT**

31 October 2023

**AHAM World Series -  
Global Infrastructure  
Income Fund** (formerly  
known as Affin Hwang  
World Series – Global  
Infrastructure Income  
Fund)

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**AHAM WORLD SERIES - GLOBAL INFRASTRUCTURE INCOME FUND (FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES – GLOBAL INFRASTRUCTURE INCOME FUND)**

**Quarterly Report and Financial Statements  
As at 31 October 2023**

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## QUARTERLY REPORT

### FUND INFORMATION

Fund Name	AHAM World Series - Global Infrastructure Income Fund (formerly known as Affin Hwang World Series – Global Infrastructure Income Fund)
Fund Type	Income & Growth
Fund Category	Feeder (Wholesale)
Investment Objective	The Fund seeks to achieve capital appreciation and provide income over a medium to long term period
Benchmark	OECD G7 CPI Index +5.5%
Distribution Policy	Depending on the level of income that the Fund generates, the Fund will provide distribution on a monthly basis

### FUND PERFORMANCE DATA

#### USD Class

Category	As at 31 Oct 2023	As at 31 Jul 2023
Total NAV (USD'million)	5.636	6.410
NAV per Unit (USD)	0.4044	0.4566
Unit in Circulation (million)	13.936	14.039

#### MYR Hedged-class

Category	As at 31 Oct 2023	As at 31 Jul 2023
Total NAV (RM'million)	131.653	155.549
NAV per Unit (RM)	0.3934	0.4485
Unit in Circulation (million)	334.615	346.808

#### SGD Hedged-class

Category	As at 31 Oct 2023	As at 31 Jul 2023
Total NAV (SGD'million)	3.806	4.506
NAV per Unit (SGD)	0.3913	0.4452
Unit in Circulation (million)	9.727	10.121

#### AUD Hedged-class

Category	As at 31 Oct 2023	As at 31 Jul 2023
Total NAV (AUD'million)	3.217	3.972
NAV per Unit (AUD)	0.3820	0.4350
Unit in Circulation (million)	8.423	9.130

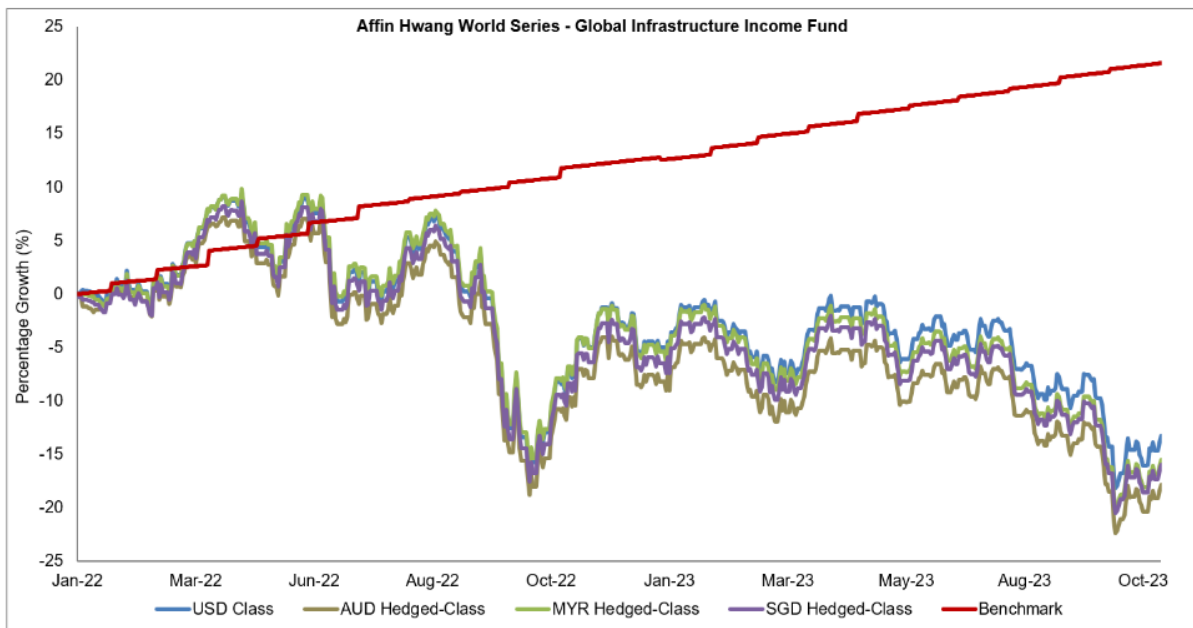
## Fund Performance

Table 1: Performance as at 31 October 2023

	3 Months (1/8/23 - 31/10/23)	6 Months (1/5/23 - 31/10/23)	1 Year (1/11/22 - 31/10/23)	Since Commencement (11/1/22 - 31/10/23)
Benchmark	2.00%	4.07%	8.78%	21.59%
USD Class	(10.36%)	(12.18%)	(5.28%)	(13.29%)
Outperformance	(12.36%)	(16.25%)	(14.06%)	(34.88%)
AUD Hedged-Class	(10.99%)	(13.28%)	(7.70%)	(17.87%)
Outperformance	(12.99%)	(17.35%)	(16.48%)	(39.46%)
MYR Hedged-Class	(11.12%)	(13.59%)	(8.10%)	(15.56%)
Outperformance	(13.12%)	(17.66%)	(16.88%)	(37.15%)
SGD Hedged-Class	(10.93%)	(13.18%)	(6.97%)	(15.97%)
Outperformance	(12.93%)	(17.25%)	(15.75%)	(37.56%)

Source of Benchmark: OECD.Stat

Figure 1: 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 OECD.Stat."

Benchmark: OECD G7 CPI Index + 5.5%

**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 October 2023
	(%)
Unit Trust	98.06
Derivative	-2.90
Cash & money market	4.84
Total	100.00

## **Strategies Employed**

The Target Fund's goal is to provide income, comprised of dividends and interest, and to achieve long term growth of the fund's value. The fund invests at least 80% of its assets in shares of infrastructure companies from around the world, including companies from developed and emerging market countries. The Target Fund focuses on company with stable cash flows that have proven their ability to grow capital through economic cycle.

The Target Fund may invest up to 20% of its assets in shares of infrastructure companies from emerging market countries. The Target Fund invests in a number of infrastructure sectors such as gas, electricity and water utilities, toll roads, airports, rail and communications. The Target Fund will usually invest in a concentrated portfolio, typically 30 to 60 companies. The Target Fund may invest in derivatives to help try to achieve the fund's objective as well as to reduce risk or cost or to generate additional growth or income for the Target Fund.

## **Market Review**

Market volatility continue to persist and affect economies globally as macro events and policy rate hikes affected stock and bond markets. The economic fallout from the Covid-19 pandemic alongside with the Russia-Ukraine conflict has disrupted supply chains and commodity markets, weighing heavily on global economic growth. Central banks continue to attempt rein in inflation contributed by supply-demand imbalances and volatility in energy prices among other factors through monetary policy, which inadvertently played a role in destabilising the banking sector March this year.

The US Federal Reserve ("Fed") raised their policy rates in monetary policy committee meetings since March of 2022, to of 5.50% in July 2023. Although, at time of writing, holding interest rates at the most recent October/November 2023 Federal Open Market Committee Meeting ("FOMC"). Fed Chair Jerome Powell said that the committee was still "determining the extent of additional policy firming" it would need to bring down inflation sustainably. The sharp pace of policy tightening over the past months raised concerns in the financial markets of an over-tightening that could lead to a growth slowdown, or even a potential recession. Further signs of tension in the economy were also visible in March this year as the fallout of Silicon Valley Bank and the emergency rescue of Credit Suisse triggered concerns of contagion to other vulnerable banks.

In addition to fractures in the banking sector, other notable events included the concern over the US approaching its debt ceiling in January, failing which to reach a consensus to suspend or raise the limit could result in a catastrophic default. However, investors heaved a sigh of relief after lawmakers passed a bill to raise the debt ceiling, in a deal that included concessions on spending expected to have limited effect on economic growth. Despite narrowly avoiding a default, the U.S did not escape unscathed as Fitch Ratings downgraded its rating on U.S. debt, quoting in a press release "The repeated debt-limit political standoffs and last-minute resolutions have eroded confidence in fiscal management,".

US equities was volatile throughout 2023. The financial sector disruption troubled markets in the first quarter of 2023, however this was corrected by the second quarter of the year as the market saw gains which was mostly driven by fervour and enthusiasm over new developments in artificial intelligence ("AI"). However, after the strong gains, markets took a tumble by October this year as interest rate jitters coupled with the widening conflict between Israel and Hamas gave rise to fear and uneasiness. Investors entered the second half of 2023 optimistic that the era of policy tightening rates would be over soon. This enthusiasm however withered over August and September as the possibility of higher rates for a sustained period sank in.

On other news, new data in October pointed towards strong economic momentum in the US. Retail sales rose 0.70%, defying consensus expectations that spending would slow due to the resumption of student loan repayments and tighter monetary conditions. Additionally, US third quarter 2023 GDP increased 4.90% above consensus estimates of 4.00% supported by strong consumption. Similarly, purchasing managers' index (PMI) indicators displayed similar strength pointing to a reacceleration in economic activity.

In Asia, despite starting off 2023 strong, Chinese equity trended downwards following the country's reopening after the pandemic started to cool before lifting in July, driven by stimulus optimism in China, evident as the MSCI China Index vaulted 9.30% in July as top party leaders unveiled measures at its Politburo meeting to reinvigorate growth in the country. Among the measures include a pledge by Beijing to provide stimulus support for its beleaguered property sector. Top party leaders also emphasised the need for measures to tackle youth unemployment as well as accelerate the issuance of local government special bonds to spur government investment. While there were no explicit announcements of blockbuster stimulus, the overall policy tone from the Politburo meeting did exceed expectations. There was an acknowledgement of pressing issues on-the-ground that could result in targeted easing measures to bolster growth and lift sentiment. Bright spots were seen in China's economy as newly released GDP data came in stronger than expected. In the third quarter of 2023, China's GDP grew by 4.90% as the volley of stimulus measures start to take effect. Retail sales and industrial production data also surpassed forecasts, instilling further confidence that its economy has bottomed out, boosting optimism that recovery in the world's second-largest economy is starting to gain traction.

On fixed income, the series of recent economic data releases mentioned were supportive of the US economic outlook but disappointed fixed income investors as markets came to terms with the Fed's 'higher for longer' narrative. On the fiscal front, the US debt funding programme fell under the spotlight as concerns on US Treasuries supply glut intensified. In absence of an anchor from monetary policy and expectations of a demand-supply imbalance, 10-year US Treasury yield inched higher to test its high several times during October but kept in check by the 5% handle. As a result, US Treasury yield curve bear steepened, with 2-year, 10-year and 30-year Treasury ending the month at 5.09% (+4 basis points) ("bps"), 4.93% (+36 bps), and 5.09% (+39 bps) respectively.

### **Investment Outlook**

Whilst inflation has moved down from its peak in major economies, it remains high, sparking concerns that central banks will hold rates at elevated levels for an extended period, especially following the recent rise in energy prices. Therefore, Target Fund Manager maintain their base case of slowing growth, moderating but still high inflation and higher interest rates. They continue to position the portfolio into more regulated and contracted utility exposures (electric, gas, water and renewables) relative to GDP-sensitive user-pays sectors (transport and communications) and ensure that the positions exhibit strong protection against rising inflation (currently, the portfolio has approximately 90% direct and indirect link to inflation).

**AHAM WORLD SERIES - GLOBAL INFRASTRUCTURE INCOME FUND (FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES – GLOBAL INFRASTRUCTURE INCOME FUND)**

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

	Financial period ended 31.10.2023 USD	Financial period ended 31.10.2022 USD
<b>INVESTMENT LOSS</b>		
Dividend income	1,746,382	875,485
Interest income from financial assets at amortised cost	1,623	2,433
Net loss on foreign currency exchange	(11,381)	(161,108)
Net loss on forward foreign currency contracts at fair value through profit or loss	(4,719,054)	(2,901,898)
Net loss on financial assets at fair value through profit or loss	(6,799,961)	(5,299,701)
	<u>(9,782,391)</u>	<u>(7,484,789)</u>
<b>EXPENSES</b>		
Management fee	(596,037)	(362,354)
Trustee fee	(13,257)	(8,065)
Fund accounting fee	(5,094)	(3,110)
Auditors' remuneration	(1,409)	(1,370)
Tax agent's fee	(617)	(599)
Other expenses	(4,678)	(5,910)
	<u>(621,092)</u>	<u>(381,408)</u>
<b>NET LOSS BEFORE FINANCE COST &amp; TAXATION</b>	(10,403,483)	(7,866,197)
<b>FINANCE COST (EXCLUDING INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>		
Distributions	(1,699,621)	(704,861)
<b>NET LOSS BEFORE TAXATION</b>	(12,103,104)	(8,571,058)
Taxation	-	(2,517)
<b>DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDER</b>	<u>(12,103,104)</u>	<u>(8,573,575)</u>
Decrease in net asset attributable to unitholders is made up of the following:		
Realised amount	(3,654,197)	(1,469,450)
Unrealised amount	(8,448,907)	(7,104,125)
	<u>(12,103,104)</u>	<u>(8,573,575)</u>

**AHAM WORLD SERIES - GLOBAL INFRASTRUCTURE INCOME FUND (FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES – GLOBAL INFRASTRUCTURE INCOME FUND)**

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

	<u>2023</u> USD	<u>2022</u> USD
<b>ASSETS</b>		
Cash and cash equivalents	1,936,648	2,515,211
Amount due from Manager		
- creation of units	-	1,086,088
- management fee rebate receivable	23,580	22,417
Financial assets at fair value through profit or loss	37,382,194	36,664,814
Tax recoverable	896	22
<b>TOTAL ASSETS</b>	<u>39,343,318</u>	<u>40,288,552</u>
<b>LIABILITIES</b>		
Forward foreign currency contracts at fair value through profit or loss	1,105,657	1,682,972
Amount due to Manager		
- management fee	57,518	54,907
- cancellation of units	52,551	157,907
Amount due to Trustee	1,278	1,220
Fund accounting fee	490	-
Auditors' remuneration	1,409	1,370
Tax agent's fee	1,451	599
Other payables and accruals	210	326
<b>TOTAL LIABILITIES (EXCLUDING NET ASSET ATTRIBUTABLE TO UNITHOLDERS)</b>	<u>1,220,564</u>	<u>1,899,301</u>
<b>NET ASSET VALUE OF THE FUND</b>	<u>38,122,754</u>	<u>38,389,251</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<u>38,122,754</u>	<u>38,389,251</u>



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

	<u>2023</u> USD	<u>2022</u> USD
<b>REPRESENTED BY:</b>		
<b>FAIR VALUE OF OUTSTANDING UNITS</b>		
- AUD Hedged-class	2,049,056	2,464,471
- MYR Hedged-class	27,649,461	27,533,183
- SGD Hedged-class	2,788,160	2,408,437
- USD Class	5,636,077	5,983,160
	<u>38,122,754</u>	<u>38,389,251</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>		
- AUD Hedged-class	8,423,000	8,844,000
- MYR Hedged-class	334,615,000	289,223,000
- SGD Hedged-class	9,727,000	7,704,000
- USD Class	13,936,000	13,341,000
	<u>366,701,000</u>	<u>319,112,000</u>
<b>NET ASSET VALUE PER UNIT (USD)</b>		
- AUD Hedged-class	0.2433	0.2787
- MYR Hedged-class	0.0826	0.0952
- SGD Hedged-class	0.2866	0.3126
- USD Class	0.4044	0.4485
	<u>0.4044</u>	<u>0.4485</u>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>		
- AUD Hedged-class	AUD0.3820	AUD0.4352
- MYR Hedged-class	RM0.3934	RM0.4499
- SGD Hedged-class	SGD0.3913	SGD0.4422
- USD Class	USD0.4044	USD0.4485
	<u>USD0.4044</u>	<u>USD0.4485</u>

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**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDER FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2023**

	Financial period ended <u>31.10.2023</u> USD	Financial period ended <u>31.10.2022</u> USD
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF FINANCIAL PERIOD/DATE OF LAUNCH</b>	47,605,323	-
Movement due to units created and cancelled during the financial period		
Creation of units arising from applications	7,716,777	47,879,712
- AUD Hedged-class	392,179	3,582,167
- MYR Hedged-class	5,801,535	33,947,244
- SGD Hedged-class	940,542	3,089,279
- USD Class	582,521	7,261,022
Creation of units arising from distributions	1,369,065	572,508
- AUD Hedged-class	64,976	36,219
- MYR Hedged-class	1,076,632	411,242
- SGD Hedged-class	77,983	42,331
- USD Class	149,474	82,716
Cancellation of units	(6,465,307)	(1,489,394)
- AUD Hedged-class	(826,563)	(393,271)
- MYR Hedged-class	(4,377,190)	(451,640)
- SGD Hedged-class	(440,943)	(241,329)
- USD Class	(820,611)	(403,154)
Net decrease in net assets attributable to unitholders during the financial period	(12,103,104)	(8,573,575)
- AUD Hedged-class	(718,794)	(760,644)
- MYR Hedged-class	(9,687,111)	(6,373,663)
- SGD Hedged-class	(657,118)	(481,844)
- USD Class	(1,040,081)	(957,424)
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<u>38,122,754</u>	<u>38,389,251</u>

**AHAM Asset Management Berhad**

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