



AFFIN HWANG EDUGROWTH & INCOME FUND February 2022

Market Review & Outlook

Global equities got off to a shaky start in 2022 as investors brace for tighter liquidity as global central banks seek to tamp down inflation by withdrawing stimulus. The S&P 500 index fell 1.3% in January, while the tech-heavy Nasdaq gauge shed 9.0% amid Facebook's parent company, Meta's epic wipe-out which sparked a rout in the rate-sensitive sector.

Against the backdrop of a strengthening labour market and economic recovery, the US Federal Reserve has signalled its intention to raise interest rates in March in a bid to rein in inflation that has soared to new highs. The Fed is also expected to unveil more details about its tapering programme to shrink its balance sheet which ballooned at the onset of the pandemic. Asian markets held up better with the MSCI Asia ex-Japan index down modestly by 3.1%. The Hang Seng index gained 1.7% in January as China pledged to introduce more easing measures to aid growth and cushion an economic slowdown.

On earnings season, over 60% of companies in the S&P 500 have reported results and have delivered an earnings beat of 6% so far. In terms of absolute growth, earnings grew by 27% which was led by the energy and materials sector due to higher energy prices as well as commodities. It was a slightly mixed picture for the technology sector which was whipsawed by rising rate expectations as well as slowing growth momentum post-lockdown. Facebook's parent company Meta plunged by 26% which is the largest company sell-off in history where over US\$252 billion was erased from its market-cap. This comes as Facebook reports that its user growth have flattened as it faces stiff competition from other social media platforms.

On the domestic front, the local market mirrored regional movements with the benchmark KLCI closing 3.5% lower as a deepening tech rout dampened sentiment. Bursa Malaysia Technology Index slid by 15.3% in January as the sector was rattled by the Fed's hawkish pivot.

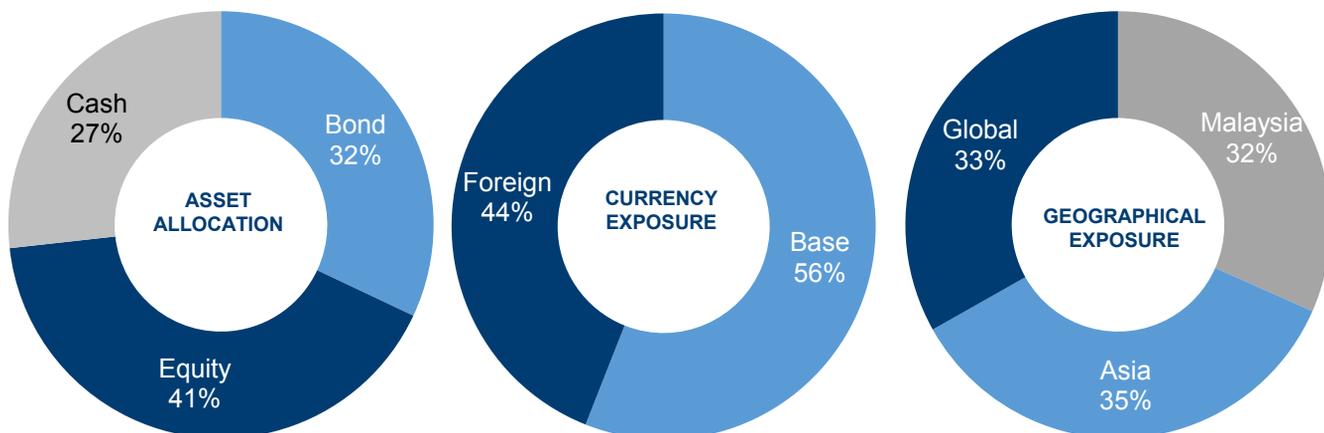
Affin Hwang EduGrowth & Income Fund

Top Contributors in January 2022	Return
iShares China CNY Bond ETF	0.0%
Affin Hwang Income Extra Fund	0.0%
Affin Hwang Select SGD Income Fund	0.0%

Bottom Contributors in January 2022	Return
Baillie Gifford Worldwide Long Term Global Growth Fund	-2.0%
Baillie Gifford Worldwide Global Income Growth Fund	-0.7%
iShares Core S&P 500 ETF	-0.6%

Source: Bloomberg, Affin Hwang AM, as at 31 January 2022.

AFFIN HWANG EDUGROWTH & INCOME FUND Target Asset Allocation



Portfolio Holdings as of 31 January 2022	Weight	MTD Attribution	YTD Return
Affin Hwang Select Bond Fund	12.5%	-0.2%	-2.0%
Schroders Asian Asset Income Fund	8.8%	-0.2%	-2.6%
Affin Hwang Select Balanced Fund	7.7%	-0.2%	-2.2%
Affin Hwang Select Asia (ex Japan) Opportunity Fund	7.2%	-0.6%	-5.8%
TT Environmental Solutions Fund	4.0%	-0.4%	-10.0%
Affin Hwang Tactical Fund	3.9%	-0.1%	-2.0%
Affin Hwang Principled Growth Fund	3.8%	-0.3%	-5.4%
Affin Hwang Select SGD Income Fund	3.6%	0.0%	-0.2%
Baillie Gifford Worldwide Global Income Growth Fund	3.4%	-0.7%	-7.0%
iShares Core S&P 500 ETF	3.3%	-0.6%	-5.2%
iShares China CNY Bond ETF	2.8%	0.0%	1.1%
Baillie Gifford Worldwide Long Term Global Growth Fund	2.7%	-2.0%	-20.8%
Affin Hwang Income Extra Fund	16.6%	0.0%	0.0%
Cash	19.7%	0.0%	-
Affin Hwang EduGrowth & Income Fund	100.0%	-3.4%	-3.4%

Source: Bloomberg, Affin Hwang AM, as at 31 January 2022.

AFFIN HWANG EDUGROWTH & INCOME FUND

Performance & Portfolio Changes

YTD January 2022	1 month	3 months	6 months	1 year	Since Inception (p.a.)
-3.4%	-3.4%	-5.1%	-5.8%	-5.8%	-2.5%

Portfolio Initiations	Weight
HSBC US Dollar Liquidity Fund	16.5%

Portfolio Additions / Top-up	Weight
Affin Hwang Income Extra Fund	12.8%
Schroders Asian Asset Income Fund	3.0%
Affin Hwang Select Bond Fund	2.5%

Portfolio Exits	Weight
-	-

Portfolio Reductions	Weight
Affin Hwang Select Asia (ex Japan) Opportunity Fund	3.5%
Affin Hwang Select Balanced Fund	3.5%
iShares China CNY Bond ETF	1.3%
Baillie Gifford Worldwide Long Term Global Growth Fund	1.0%
Affin Hwang Select SGD Income Fund	1.0%
Affin Hwang Tactical Fund	1.0%
Affin Hwang Principled Growth Fund	1.0%
TT Environmental Solutions Fund	1.0%

Source: Morningstar, Affin Hwang AM, as at 31 January 2022.

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