



QUARTERLY REPORT
31 December 2022

Affin Hwang **World Series - Dividend Value Fund**

MANAGER
AHAM Asset Management Berhad
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AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

Quarterly Report and Financial Statements As at 31 December 2022

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QUARTERLY REPORT

FUND INFORMATION

Fund Name	Affin Hwang World Series – Dividend Value Fund
Fund Type	Growth
Fund Category	Feeder (Wholesale)
Investment Objective	The Fund seeks to achieve capital appreciation over medium to long-term period
Benchmark	Dow Jones Asia Select Dividend 30 Index
Distribution Policy	Subject to the availability of income, the Fund endeavours to distribute income on a quarterly basis, after the end of its first financial year

FUND PERFORMANCE DATA

USD Class

Category	As at 31 Dec 2022	As at 30 Sep 2022
Total NAV (USD'million)	2.830	2.670
NAV per Unit (USD)	0.4400	0.3964
Unit in Circulation (million)	6.431	6.737

AUD Class

Category	As at 31 Dec 2022	As at 30 Sep 2022
Total NAV (AUD'million)	7.314	7.374
NAV per Unit (AUD)	0.4957	0.4662
Unit in Circulation (million)	14.756	15.816

MYR Class

Category	As at 31 Dec 2022	As at 30 Sep 2022
Total NAV (RM'million)	26.630	25.423
NAV per Unit (MYR)	0.5085	0.4816
Unit in Circulation (million)	52.371	52.785

SGD Class

Category	As at 31 Dec 2022	As at 30 Sep 2022
Total NAV (SGD'million)	3.173	3.069
NAV per Unit (SGD)	0.4306	0.4138
Unit in Circulation (million)	7.369	7.416

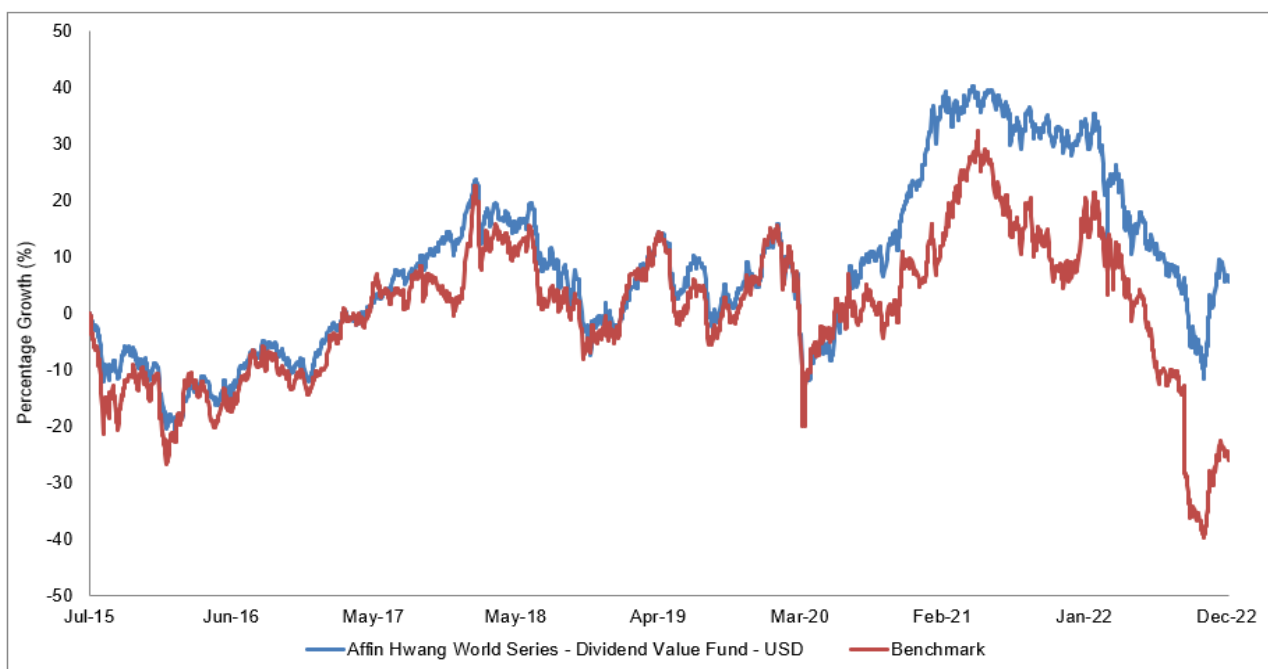
Performance as at 31 December 2022

USD Class

	3 Months (1/10/22 - 31/12/22)	6 Months (1/7/22 - 31/12/22)	1 Year (1/1/22 - 31/12/22)	3 Years (1/1/20 - 31/12/22)	5 Years (1/1/18 - 31/12/22)	Since Commencement (23/7/15 - 31/12/22)
Fund	12.35%	(6.60%)	(18.67%)	(6.29%)	(8.15%)	5.67%
Benchmark	15.94%	(20.45%)	(30.56%)	(34.37%)	(28.67%)	(25.40%)
Outperformance	(3.59%)	13.85%	11.89%	28.08%	20.52%	31.07%

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

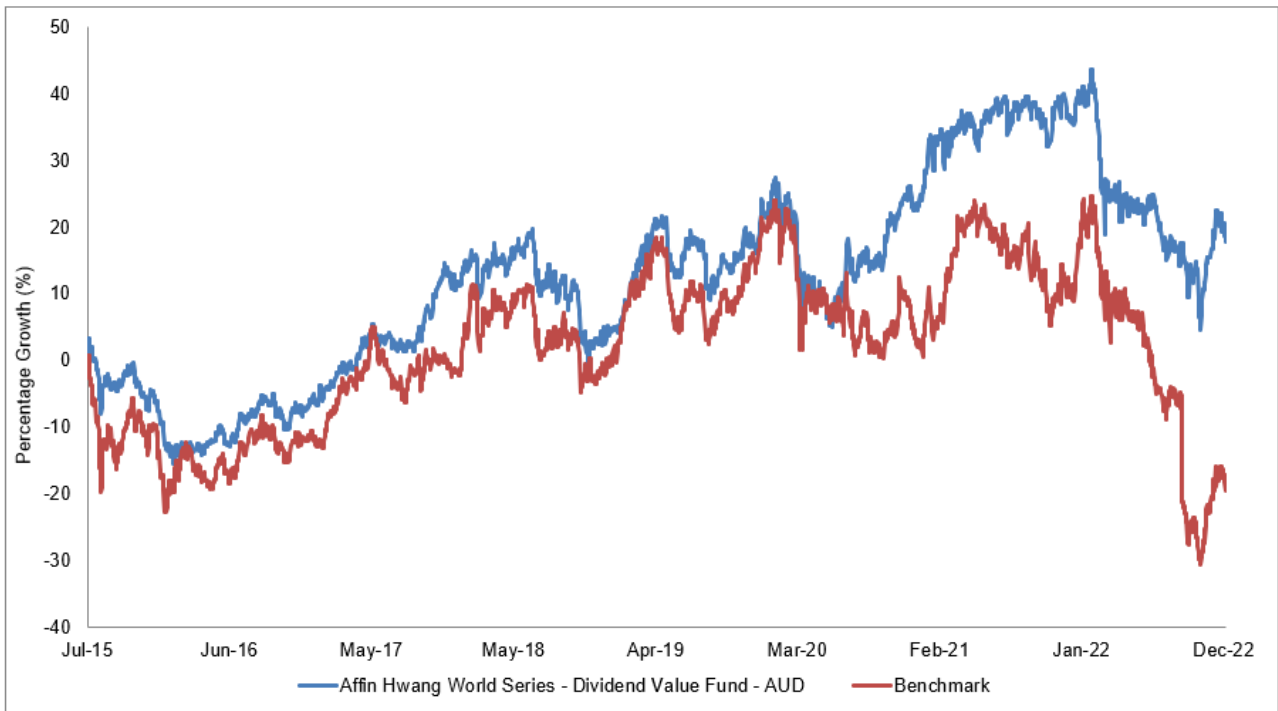


AUD Class

	3 Months (1/10/22 - 31/12/22)	6 Months (1/7/22 - 31/12/22)	1 Year (1/1/22 - 31/12/22)	3 Years (1/1/20 - 31/12/22)	5 Years (1/1/18 - 31/12/22)	Since Commencement (23/7/15 - 31/12/22)
Fund	7.44%	(5.25%)	(12.94%)	(3.22%)	5.59%	17.80%
Benchmark	9.33%	(19.36%)	(25.90%)	(32.40%)	(18.28%)	(19.35%)
Outperformance	(1.89%)	14.11%	12.96%	29.18%	23.87%	37.15%

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

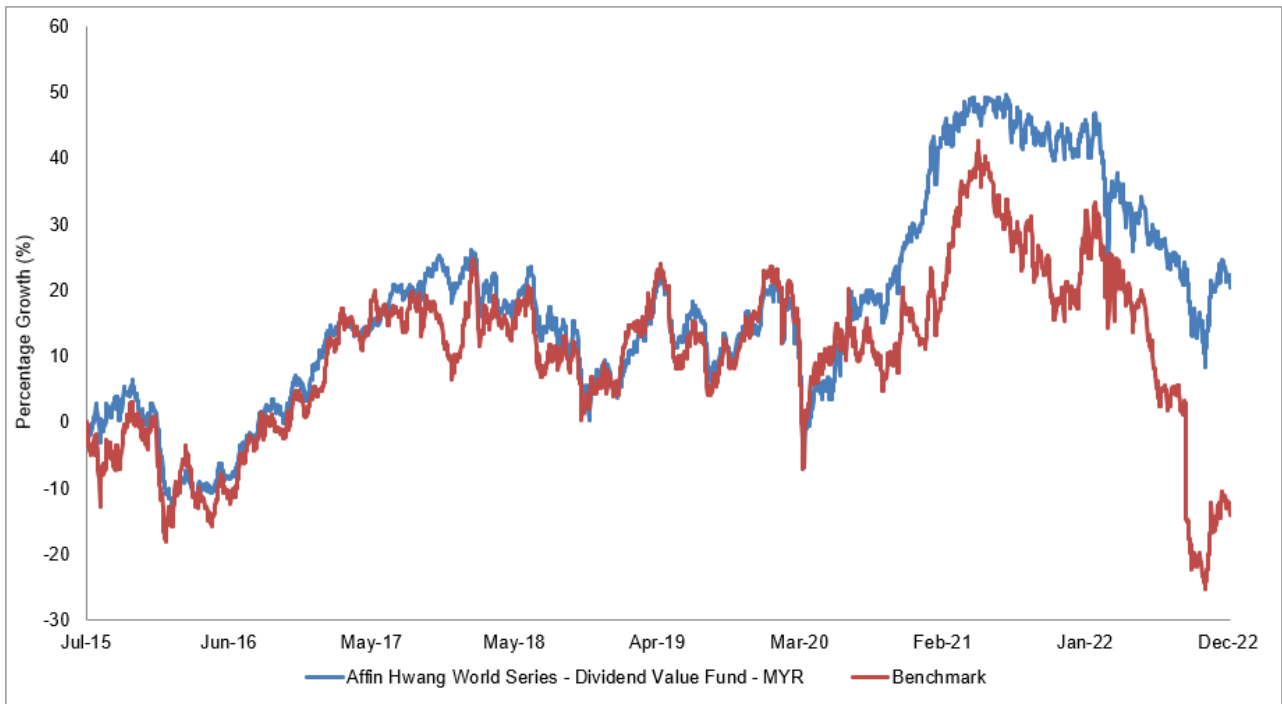


MYR Class

	3 Months (1/10/22 - 31/12/22)	6 Months (1/7/22 - 31/12/22)	1 Year (1/1/22 - 31/12/22)	3 Years (1/1/20 - 31/12/22)	5 Years (1/1/18 - 31/12/22)	Since Commencement (23/7/15 - 31/12/22)
Fund	6.65%	(6.76%)	(14.08%)	0.83%	(1.20%)	20.51%
Benchmark	10.14%	(20.45%)	(26.44%)	(29.33%)	(22.64%)	(13.73%)
Outperformance	(3.49%)	13.69%	12.35%	30.16%	21.44%	34.24%

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

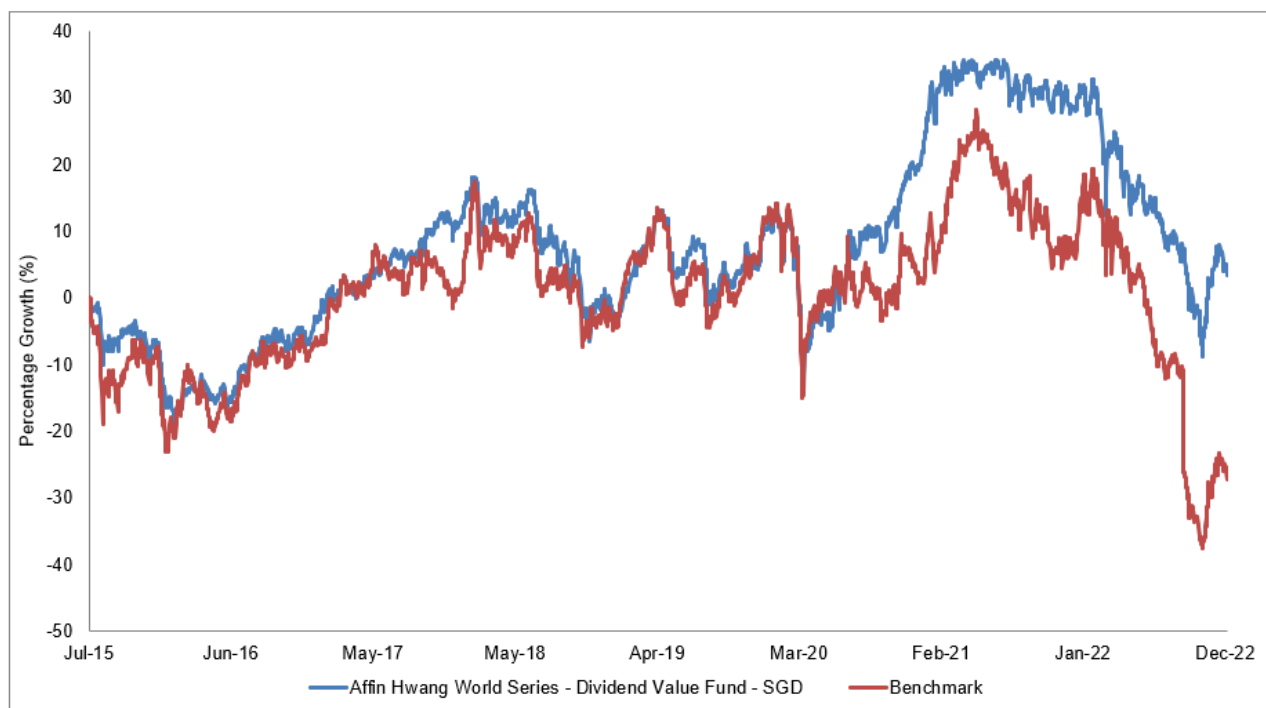


SGD Class

	3 Months (1/10/22 - 31/12/22)	6 Months (1/7/22 - 31/12/22)	1 Year (1/1/22 - 31/12/22)	3 Years (1/1/20 - 31/12/22)	5 Years (1/1/18 - 31/12/22)	Since Commencement (23/7/15 - 31/12/22)
Fund	5.31%	(9.87%)	(19.18%)	(6.49%)	(7.81%)	3.44%
Benchmark	8.15%	(23.32%)	(31.00%)	(34.65%)	(28.54%)	(26.89%)
Outperformance	(2.84%)	13.45%	11.82%	28.16%	20.73%	30.33%

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: Dow Jones Asia Select Dividend 30 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>31 December 2022</u>
	(%)
Unit Trust	95.02
Cash & money market	4.98
Total	100.00

Strategies Employed

The Fund remains invested with 70% of its NAV into the Target Fund and a maximum of 30% of its NAV into money market instruments, fixed deposits and/or liquid assets. Invested level was at around 95% as at end December 2022.

Market Review

Sustained inflationary pressures as well as central bank tightening continues to present a headwind to financial markets. Geopolitical instability also contributes to market concerns as friction between Russia and Ukraine persists, causing supply chain disruptions. At the start of the year, investment markets started to take seriously the potential implications of a change in monetary policy direction as inflationary pressures showed little signs of abating. As the last quarter of 2022 draws closer, we have seen numerous interest rates hikes over the year. The US Federal Reserve (Fed) has raised the fed funds rate by three percentage points within the span of 6 months to address inflationary pressures.

Global markets continue to slump lower in September month-on-month as the Fed signalled that there will be no let-up in its quest to quell inflation by tightening monetary policy. As a result, the Standard & Poor (S&P) 500 index fell 9.3% as hopes that the Fed would pivot anytime soon to loosen monetary policy is dampened. At the annual Jackson Hole economic symposium in August this year, Fed Chair Jerome Powell reiterated that the Fed is committed to raising interest rates until it is confident that inflation is sufficiently brought under control. Powell acknowledged that a tighter monetary policy may adversely affect US consumers and businesses due to higher borrowing costs but added that a premature loosening policy could lead to a much worse outcome if inflation continued unchecked.

The euro area annual inflation rate was 9.1% in August, a considerable increase compared to 3.0% a year ago. The highest contributor to the annual inflation rate is the energy sector, followed by food, alcohol and tobacco. The energy crisis across Europe was exacerbated as Russia said it would halt the Nord Stream 1 pipeline. Russia has already cut its gas supplies to EU states by 88% over the year.

In Asia the broader MSCI Asia ex-Japan index plunged 12.9% in September, 35.18% year to date (YTD) on slowdown fears, Taiwan and Korea being among the worst performers in the region as the two export-driven countries saw waning demand for tech goods on the back of a global slowdown. Indonesia on the other hand was the best-performing major Asia-Pacific index for the year, with the Jakarta composite index up 6.51% (11.10% YTD) since the start of the year.

According to state media, China plans to launch a real estate fund of up to 300.0 billion yuan (US\$44.0 billion) to help developers complete stalled projects. The People's Bank of China (PBoC) is also said to be issuing 1.0 trillion yuan (US\$148.2 billion) to ease a liquidity crunch in the sector. China went through a sharp slowdown in April and May this year due to strict lockdown in major cities in the country. However, despite having relaxed Covid-19 restrictions as the number of new cases decline, and the government's effort in stimulating the economy from both monetary and fiscal perspective, the path to economic recovery seems rocky and non-linear. The Shanghai Shenzhen CSI300 Index is down 27.42% YTD as the region continue to reel from a property slump.

Bond yields continue to rise as central banks maintained hawkishness and were active in raising monetary policy rates, resulting in further negative returns in an environment of continued high inflation. The US 10-year Treasury rose from 1.63% at the start of the year to 3.82% in September, with the two-year rising from 0.73% to 4.21%. The UK gilt market performed relatively worse than most government bond markets as inflation in UK hit 10% in July, surprising markets and raised expectations of a faster pace of rate hikes.

In the domestic market, the Kuala Lumpur Composite Index (KLCI) dipped 7.77% in September 2022 in tandem with other markets. Commodity and plantation stocks were amongst the biggest losers on the back of recessionary risks.

On local fixed income, the 10-year MGS yield rose 43 basis points (bps) to end the month at 4.42%. As widely expected by markets, Bank Negara Malaysia (BNM) raised rates by 25 bps, effectively pushing the Overnight Policy Rate (OPR) to 2.75%, a 100 bps increase compared to 1.75% at the start of the year.

Investment Outlook

Markets are set to remain challenging for the rest of 2022. In developed markets, rising inflation and tight monetary policy may continue to hamper the recovery of risk assets. The Fed's hawkish tones continue to curb expectations of a transition to looser monetary policy anytime soon.

Following an order by the U.S. government in early September 2022 preventing chipmakers including Nvidia and Advanced Micro Devices (AMD) from exporting specific advanced chips to China, bilateral relationships between the U.S. and China may worsen further. On a positive note, delisting fears for U.S. listed Chinese stocks have alleviated to some extent on the news of an agreement between both governments over the auditing dispute being reached.

Asian markets may continue to see weakness. Korea and Taiwan have underperformed thus far as manufacturing gauges for both countries slumped in August 2022. Chinese markets were not spared following renewed lockdowns in major cities. Nevertheless, easing COVID-19 restrictions and policymakers signalling an end to the regulatory crackdown have given hope of a recovery in the Chinese markets.

Locally, election rumours have begun circulating. The United Malays National Organisation (UMNO) Supreme Council nominated Datuk Seri Ismail Sabri Yaakob as the Prime Minister for the 15th General Election (GE15) following a meeting between council members. According to political analysts, the timing of GE15 would be highly dependent on whether UMNO would be allowed by the Registrar of Societies (RoS) to amend its party constitution to delay its party polls. Assuming a full-term, Parliament would need to be dissolved by 16 July 2023. By the latest, election would need then to be held by 14 September 2023.

In other news, Malaysia's Consumer Price Index (CPI) for July 2022 accelerated by 4.4% year-on-year, its highest in 14 months as food and beverage prices remained as the main contributor to inflation. The latest reading marks a full percentage jump from June 2022's figures, though largely in line with consensus estimates. Bank Negara Malaysia (BNM) is still expected to remain gradual and accommodative in its current rate hiking cycle.

AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022

	Financial period ended <u>31.12.2022</u> USD	Financial period ended <u>31.12.2021</u> USD
INVESTMENT LOSS		
Dividend income	717,534	588,009
Interest income from financial assets at amortised cost	88	239
Net loss on foreign currency exchange	(3,342)	(4,489)
Net loss on financial assets at fair value through profit or loss	(3,479,039)	(1,143,119)
	<u>(2,764,759)</u>	<u>(559,360)</u>
EXPENSES		
Management fee	(215,729)	(280,281)
Trustee fee	(5,230)	(6,796)
Fund accounting fee	(4,699)	(5,034)
Auditors' remuneration	(1,431)	(1,454)
Tax agent's fee	(233)	-
Other expenses	(2,796)	(4,212)
	<u>(230,118)</u>	<u>(297,777)</u>
NET LOSS BEFORE FINANCE COST AND TAXATION	(2,994,877)	(857,137)
FINANCE COST		
Distributions	(516,419)	(548,758)
NET LOSS BEFORE TAXATION	(3,511,296)	(1,405,895)
Taxation	(5,373)	-
DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>(3,516,669)</u>	<u>(1,405,895)</u>
Decrease in net assets attributable to unitholders income comprise the following:		
Realised amount	(281,758)	287,700
Unrealised amount	(3,234,911)	(1,693,595)
	<u>(3,516,669)</u>	<u>(1,405,895)</u>

AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	<u>2022</u> USD	<u>2021</u> USD
ASSETS		
Cash and cash equivalents	574,148	1,050,814
Amount due from brokers	298,290	-
Amount due from Manager		
- creation of units	-	16,702
- management fee rebate receivable	16,836	21,599
Financial assets at fair value through profit or loss	15,405,355	20,054,923
Tax recoverable	3,503	-
TOTAL ASSETS	<u>16,298,132</u>	<u>21,144,038</u>
LIABILITIES		
Amount due to Manager		
- management fee	23,162	29,986
- cancellation of units	53,877	-
Amount due to Trustee	562	727
Auditors' remuneration	1,851	1,595
Tax agent's fee	1,586	2,111
Other payable and accruals	3,569	3,571
TOTAL LIABILITIES	<u>84,607</u>	<u>37,990</u>
NET ASSET VALUE OF THE FUND	<u>16,213,525</u>	<u>21,106,048</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>16,213,525</u>	<u>21,106,048</u>

AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 (CONTINUED)

	<u>2022</u> USD	<u>2021</u> USD
REPRESENTED BY:		
FAIR VALUE OF OUTSTANDING UNITS		
- AUD Class	4,966,176	6,388,317
- RM Class	6,052,854	7,753,274
- SGD Class	2,364,537	3,065,997
- USD Class	2,829,958	3,898,460
	<u>16,213,525</u>	<u>21,106,048</u>
NUMBER OF UNITS IN CIRCULATION		
- AUD Class	14,756,000	14,871,000
- RM Class	52,371,000	52,579,000
- SGD Class	7,369,000	7,469,000
- USD Class	6,431,000	6,922,000
	<u>80,927,000</u>	<u>81,841,000</u>
NET ASSET VALUE PER UNIT (USD)		
- AUD Class	0.3366	0.4296
- RM Class	0.1156	0.1475
- SGD Class	0.3209	0.4105
- USD Class	0.4400	0.5632
	<u>0.4400</u>	<u>0.5632</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- AUD Class	AUD0.4957	AUD0.5912
- RM Class	RM0.5085	RM0.6142
- SGD Class	SGD0.4306	SGD0.5544
- USD Class	USD0.4400	USD0.5632
	<u>USD0.4400</u>	<u>USD0.5632</u>

AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSET ATTRIBUTABLE TO UNITHOLDERS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022

	Financial period ended <u>31.12.2022</u> USD	Financial period ended <u>31.12.2021</u> USD
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	20,338,595	24,395,323
Movement due to units created and cancelled during the financial period		
Creation of units arising from applications	1,124,780	3,019,999
- AUD class	444,718	873,005
- RM class	582,883	1,447,443
- SGD class	21,273	474,562
- USD class	75,906	224,989
Creation of units arising from distributions	509,040	544,463
- AUD class	156,340	169,664
- RM class	179,592	186,311
- SGD class	77,825	81,228
- USD class	95,283	107,260
Cancellation of units	(2,242,221)	(5,447,842)
- AUD class	(705,524)	(2,183,248)
- RM class	(1,127,143)	(1,751,030)
- SGD class	(201,799)	(886,655)
- USD class	(207,755)	(626,909)
Net decrease in net assets attributable to unitholders during the financial period	(3,516,669)	(1,405,895)
- AUD class	(1,104,213)	(432,565)
- RM class	(1,286,927)	(497,224)
- SGD class	(506,479)	(197,572)
- USD class	(619,050)	(278,534)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	<u>16,213,525</u>	<u>21,106,048</u>

AHAM Asset Management Berhad

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