



**QUARTERLY REPORT**  
31 January 2023

# Affin Hwang World Series – **Long Term** **Global Growth Fund**

**MANAGER**  
AHAM Asset Management Berhad  
*(Formerly known as Affin Hwang Asset  
Management Berhad)*  
199701014290 (429786-T)

**TRUSTEE**  
TMF Trustees Malaysia Berhad  
(200301008392 [610812-W])

**Built On Trust**

[aham.com.my](http://aham.com.my)

# AFFIN HWANG WORLD SERIES – LONG TERM GLOBAL GROWTH FUND

## Quarterly Report and Financial Statements As at 31 January 2023

---

| <b>Contents</b>                          | <b>Page</b> |
|--|-------------|
| QUARTERLY REPORT .....                   | 2           |
| STATEMENT OF COMPREHENSIVE INCOME .....  | 9           |
| STATEMENT OF FINANCIAL POSITION .....    | 10          |
| STATEMENT OF CHANGES IN NET ASSETS ..... | 12          |

## QUARTERLY REPORT

### FUND INFORMATION

|                      |  |
|----------------------|--|
| Fund Name            | Affin Hwang World Series – Long Term Global Growth Fund  |
| Fund Type            | Growth   |
| Fund Category        | Feeder (wholesale)   |
| Investment Objective | The Fund seeks to achieve capital appreciation over medium to long term period.  |
| Benchmark            | MSCI All Country World 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<br>31 Jan 2023 | As at<br>31 Oct 2022 |
|-------------------------------|----------------------|----------------------|
| Total NAV (USD'million)       | 9.071                | 8.086                |
| NAV per Unit (USD)            | 0.3584               | 0.3082               |
| Unit in Circulation (million) | 25.312               | 26.236               |

#### MYR Hedged-class

| Category                      | As at<br>31 Jan 2023 | As at<br>31 Oct 2022 |
|-------------------------------|----------------------|----------------------|
| Total NAV (RM'million)        | 200.536              | 174.497              |
| NAV per Unit (RM)             | 0.3564               | 0.3097               |
| Unit in Circulation (million) | 562.609              | 563.498              |

#### SGD Hedged-class

| Category                      | As at<br>31 Jan 2023 | As at<br>31 Oct 2022 |
|-------------------------------|----------------------|----------------------|
| Total NAV (SGD'million)       | 5.111                | 4.678                |
| NAV per Unit (SGD)            | 0.3459               | 0.2987               |
| Unit in Circulation (million) | 14.775               | 15.664               |

#### AUD Hedged-class

| Category                      | As at<br>31 Jan 2023 | As at<br>31 Oct 2022 |
|-------------------------------|----------------------|----------------------|
| Total NAV (AUD'million)       | 2.626                | 2.219                |
| NAV per Unit (AUD)            | 0.3431               | 0.2977               |
| Unit in Circulation (million) | 7.655                | 7.456                |

**Fund Performance**

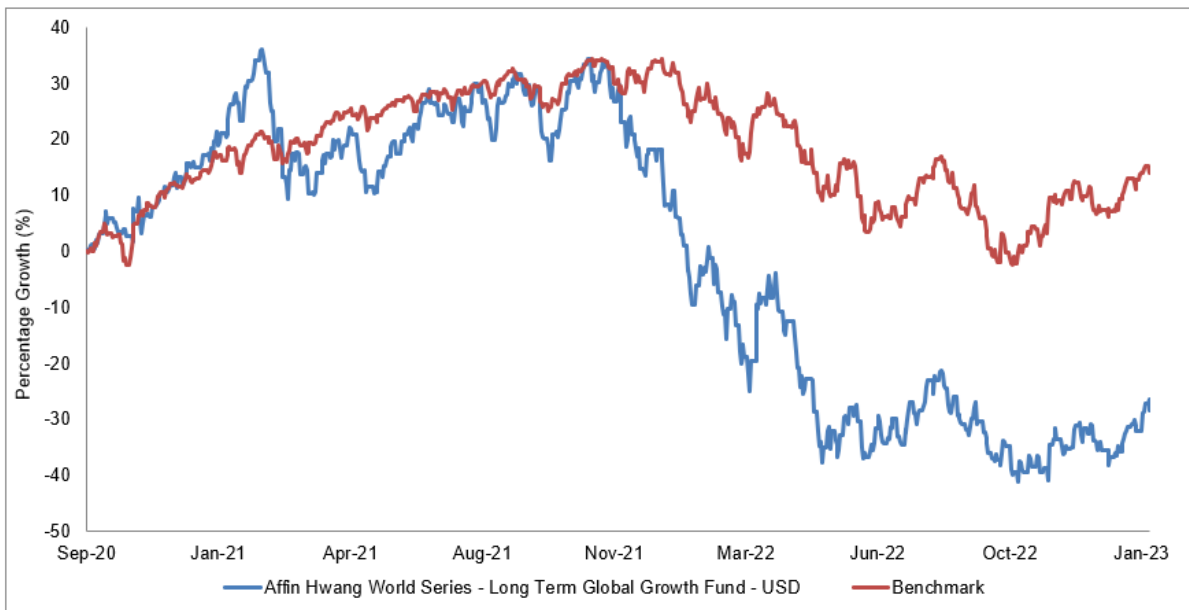
**USD Class**

Table 1: Performance as at 31 January 2023

|                       | <b>3 Months<br/>(1/11/22 -<br/>31/1/23)</b> | <b>6 Months<br/>(1/8/22 -<br/>31/1/23)</b> | <b>1 Year<br/>(1/2/22 -<br/>31/1/23)</b> | <b>Since Commencement<br/>(29/9/20 -<br/>31/1/23)</b> |
|-----------------------|---|--|--|---|
| <b>Fund</b>           | <b>16.29%</b>                               | <b>0.08%</b>                               | <b>(23.79%)</b>                          | <b>(28.32%)</b>                                       |
| <b>Benchmark</b>      | <b>10.57%</b>                               | <b>1.67%</b>                               | <b>(9.62%)</b>                           | <b>14.92%</b>   |
| <b>Outperformance</b> | <b>5.72%</b>                                | <b>(1.59%)</b>                             | <b>(14.17%)</b>                          | <b>(43.24%)</b>                                       |

Source of Benchmark: Bloomberg

Figure 1: Movement of the Fund versus the Benchmark



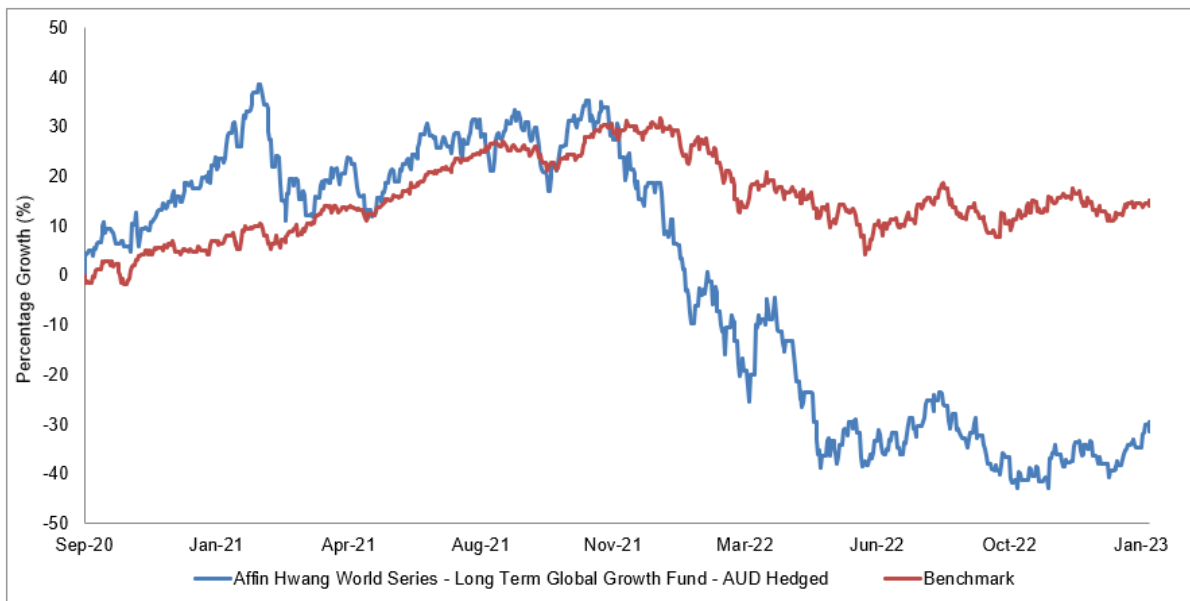
**AUD Hedged Class**

Table 1: Performance as at 31 January 2023

|                       | <b>3 Months<br/>(1/11/22 -<br/>31/1/23)</b> | <b>6 Months<br/>(1/8/22 -<br/>31/1/23)</b> | <b>1 Year<br/>(1/2/22 -<br/>31/1/23)</b> | <b>Since Commencement<br/>(29/9/20 -<br/>31/1/23)</b> |
|-----------------------|---|--|--|---|
| <b>Fund</b>           | <b>15.25%</b>                               | <b>(1.72%)</b>                             | <b>(27.06%)</b>                          | <b>(31.38%)</b>                                       |
| <b>Benchmark</b>      | <b>0.33%</b>                                | <b>0.65%</b>                               | <b>(9.45%)</b>                           | <b>15.17%</b>   |
| <b>Outperformance</b> | <b>14.92%</b>                               | <b>(2.37%)</b>                             | <b>(17.61%)</b>                          | <b>(46.55%)</b>                                       |

Source of Benchmark: Bloomberg

Figure 1: Movement of the Fund versus the Benchmark



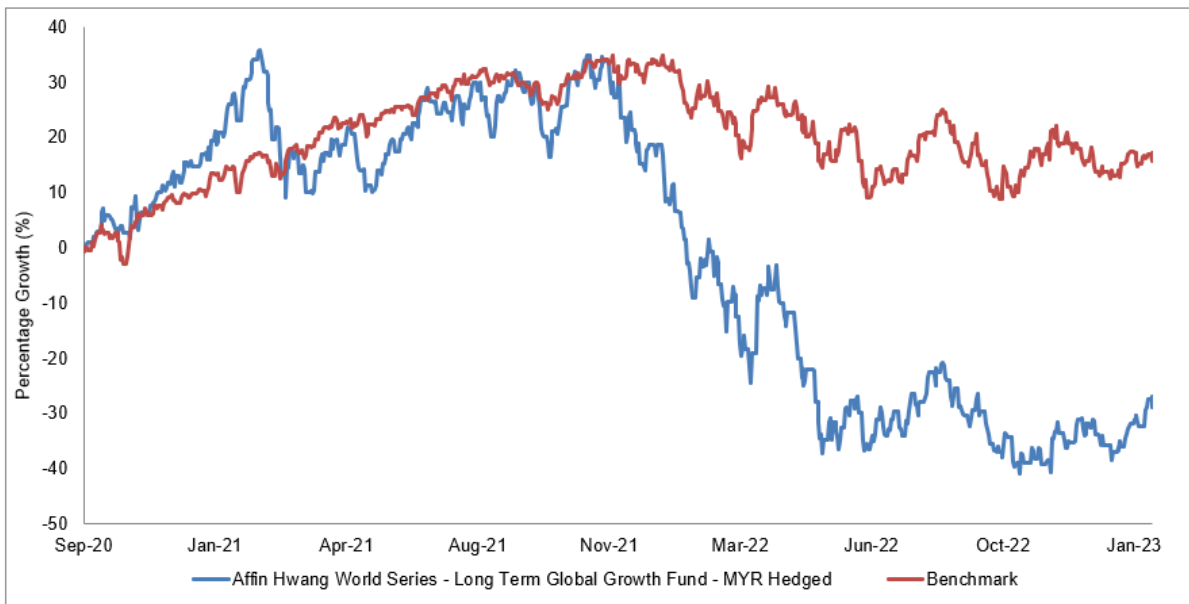
**MYR Hedged Class**

Table 1: Performance as at 31 January 2023

|                       | <b>3 Months<br/>(1/11/22 -<br/>31/1/23)</b> | <b>6 Months<br/>(1/8/22 -<br/>31/1/23)</b> | <b>1 Year<br/>(1/2/22 -<br/>31/1/23)</b> | <b>Since Commencement<br/>(29/9/20 -<br/>31/1/23)</b> |
|-----------------------|---|--|--|---|
| <b>Fund</b>           | <b>15.08%</b>                               | <b>(1.11%)</b>                             | <b>(24.67%)</b>                          | <b>(28.72%)</b>                                       |
| <b>Benchmark</b>      | <b>(0.32%)</b>                              | <b>(2.63%)</b>                             | <b>(7.88%)</b>                           | <b>17.30%</b>   |
| <b>Outperformance</b> | <b>15.40%</b>                               | <b>1.52%</b>                               | <b>(16.79%)</b>                          | <b>(46.02%)</b>                                       |

Source of Benchmark: Bloomberg

Figure 1: Movement of the Fund versus the Benchmark



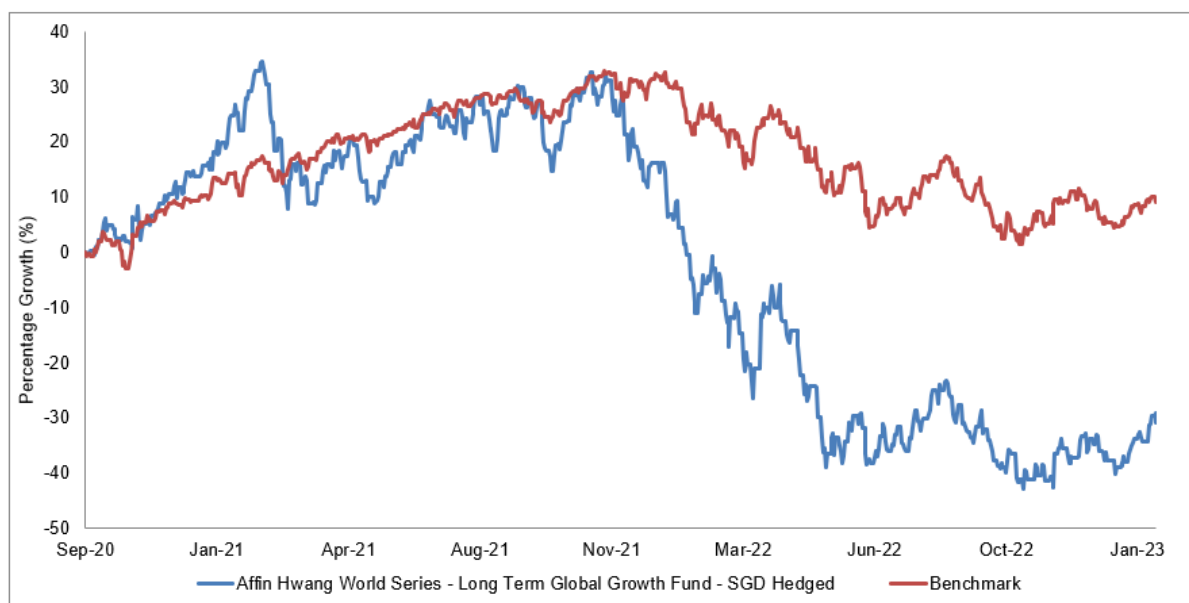
## **SGD Hedged Class**

Table 1: Performance as at 31 January 2023

|                       | <b>3 Months<br/>(1/11/22 -<br/>31/1/23)</b> | <b>6 Months<br/>(1/8/22 -<br/>31/1/23)</b> | <b>1 Year<br/>(1/2/22 -<br/>31/1/23)</b> | <b>Since Commencement<br/>(29/9/20 -<br/>31/1/23)</b> |
|-----------------------|---|--|--|---|
| <b>Fund</b>           | <b>15.80%</b>                               | <b>(1.00%)</b>                             | <b>(25.31%)</b>                          | <b>(30.82%)</b>                                       |
| <b>Benchmark</b>      | <b>2.72%</b>                                | <b>(3.33%)</b>                             | <b>(12.11%)</b>                          | <b>10.00%</b>   |
| <b>Outperformance</b> | <b>13.08%</b>                               | <b>2.33%</b>                               | <b>(13.20%)</b>                          | <b>(40.82%)</b>                                       |

Source of Benchmark: Bloomberg

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 Bloomberg.”*

Benchmark: MSCI All Country World 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:

|                     | <b>31 January 2023</b> |
|---------------------|------------------------|
|                     | <b>(%)</b>             |
| Unit Trust          | 96.64                  |
| Derivative          | 2.53                   |
| Cash & money market | 0.83                   |
| <b>Total</b>        | <b>100.00</b>          |

## **Strategies Employed**

Long Term Global Growth is a purely stock-driven, unconstrained global equity strategy focused on investing in exceptional growth companies from around the world. The approach is committed and expressly long-term because we believe that investing in companies with the scope to grow to multiples of their current size over the next decade has the potential to transform the returns achieved for investors over time. Portfolio holding sizes are based purely on our view of the magnitude of the potential upside and our associated level of conviction. The turnover in the portfolio is low, reflecting our long-term perspective and resistance to trading on short-term news-flow.

## **Market Review**

Major asset classes rose over January, as the correlation between equities and bonds remained positive during the month. Developed market equities rose to 6.5%. Asia equity markets climbed 8.2% lifted by tailwinds surrounding China's reopening, while US equities increased 6.6% in January. Japanese equities were up 4.7%. Emerging markets increased 7.9%. During the month, developed market bonds had positive performance. US treasuries increased 2.6% while UK gilts increased 2.7%. Other notable gainers in the region include Korea and Taiwan with the KOSPI index up 8.40% and Taiwan's weighted index vaulting by 8.00% respectively.

US headline inflation fell to 6.5% in December due to falling energy and vehicle prices, lower health insurance rates and lower airline fares. The unemployment rate fell to 3.4% in January. The Q4 GDP release saw an economic growth of 2.9% annualized. While consumer spending lost some momentum, it remained positive as households continued to draw down on the excess savings built up during the pandemic. In Europe, the Eurozone composite PMI improved to 50.3, signalling an improvement in sentiment. The energy shock has been mitigated by warm weather and government energy support measures. In January, the ECB President reiterated the Bank's commitment to return inflation to its 2% target. The Eurozone CPI slowed to 8.5% in January, below expectations of 9.0%. The MSCI China index soared 12.2% in January as China shifts away from its strict zero-COVID policy and unwind its restrictions. China's path to reopening is expected to be riddled with volatility as infections surge and hospitalisations rise. However, it is unlikely that China would embark on any policy U-turn in its reopening plans with clear policy directions from the top. As China fully reopens, we expect the country to be a strong source of growth especially for Asia due to strong pent-up demand and resumption of outbound tourism.

Global bond markets performed positively compared to the previous month. Government bond yields were broadly lower. US 10-year yields fell from 3.83% to 3.53%, with the two-year yield decreasing from 4.40% to 4.21%. Germany's 10-year yield fell from 2.56% to 2.28%. The UK 10-year yield decreased from 3.67% to 3.33% and 2-year fell from 3.71% to 3.45%. Both US and European high yield and investment grade showed positive performance. Emerging market debt performed positively both in local currency terms and in USD terms. Commodities had mixed performance. Crude oil rose by 0.2%, while gold appreciated by 6.2%.

Asia credit market posted a positive return in January. The broad treasury curve bull flattened on the back of somewhat softened hawkishness of the latest FOMC meeting and surprisingly strong labour market print. Overall, 2-year yields were down by 23 bps, while 10-year yields were down by 37bps. High yield bonds outperformed investment grade bonds over the month as the overall spreads narrowed to a larger extent in the former, amid China reopening optimism on the expectations of a sharp recovery in China's economy. From a credit spread perspective, investment grade bonds overall tightened over the month with IG corporate bonds mostly tightened.

## **Investment Outlook**

2023 has started positively for equity markets after a challenging 2022. Investors appear to have moved ahead of the inflation and interest rate story, through pending economic weakness and straight to later in the cycle. However, macro data, earnings expectations, and investor sentiment/positioning, among other factors, could impact the market's path over the course of the year. Tail risks such as increasing inflation rates, sharply higher interest rates, further aggressive Fed tightening, and continued zero-COVID policies could recede, although recession fears may persist.



Greater slack in the labour market and a fall in consumption which makes up to 70% of US GDP may put downward pressure on inflation, thereby allowing the Fed to ease up on tightening. This may set the scene for a recovery towards the year as the Fed pivots to a pause in tightening. There are already signs of inflation peaking with Consumer Price Index (CPI) gauges showing a broad-based moderation in price pressures that should continue moving forward. Expectations of a slower pace in tightening could lead to a peak in US Dollar strength which would be a boost for equities especially for emerging markets (EMs) which has historically moved inversely against the greenback.

We still believe that the global recovery will also be supported by China's reopening as authorities shifts away from its strict zero-COVID policy. In an abrupt announcement last December, Beijing announced that it will be unwinding all its COVID restrictions as well as lift its border closures to allow for international travel. Given extensive pent-up demand, a consumption-led recovery will provide an uplift to growth coupled with the resumption of outbound tourism. Given Asia's proximity and extensive trade ties, the region is seen to be the biggest beneficiary as China fully reopens. However, its path of reopening is unlikely to be smooth sailing as infections surge. But, once investors are prepared to look past the volatility and the country reaches its peak of COVID, China is expected to be a strong source of growth and returns for Asia. Global recovery will also be supported by China's reopening as authorities shifts away from its strict zero-COVID policy. In an abrupt announcement last December, Beijing announced that it will be unwinding all its COVID restrictions as well as lift its border closures to allow for international travel.

Against a backdrop of benign inflation and the US dollar strength topping out, Asian equity markets is expected to perform better compared to the US on a relative basis. US earnings projections still appears too optimistic with EPS forecasts for 2023 only cut by 7%, while Asian markets were revised downwards by over 24%. Tailwinds from China's reopening could also provide a lift to the region as earnings cuts find an earlier bottom. However, it will be important to monitor how deep or shallow the global slowdown will be as the impact of higher interest rates begin to bite and chip away at growth. There is also a need for more catalysts in order for Asian markets to deliver stronger upside potential.

## AFFIN HWANG WORLD SERIES – LONG TERM GLOBAL GROWTH FUND

### UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2023

|   | Financial<br>period ended<br><u>31.1.2023</u><br>USD | Financial<br>period ended<br><u>31.1.2022</u><br>USD |
|---|--|--|
| <b>INVESTMENT INCOME/(LOSS)</b>   |  |  |
| Interest income from financial assets at<br>amortised cost                                    | 302  | 504  |
| Net gain on foreign currency exchange   | 3,200  | 21,326   |
| Net gain/(loss) on forward foreign currency<br>contracts at fair value through profit or loss | 4,216,948  | (1,001,934)  |
| Net gain/(loss) on financial assets at fair value<br>through profit or loss                   | 8,588,182  | (31,556,470)   |
|   | <u>12,808,632</u>                                    | <u>(32,536,574)</u>                                  |
| <b>EXPENSES</b>   |  |  |
| Management fee  | (258,639)  | (475,823)  |
| Trustee fee   | (8,395)  | (15,453)   |
| Fund accounting fee   | (791)  | (836)  |
| Auditors' remuneration  | (472)  | (500)  |
| Tax agent's fee   | (207)  | (219)  |
| Other expenses  | (1,219)  | (1,990)  |
|   | <u>(269,723)</u>                                     | <u>(494,821)</u>                                     |
| <b>NET PROFIT/(LOSS) BEFORE TAXATION</b>  | 12,538,909   | (33,031,395)   |
| Taxation  | -  | -  |
| <b>INCREASE/(DECREASE) IN NET ASSETS<br/>ATTRIBUTABLE TO UNITHOLDERS</b>                      | <u>12,538,909</u>                                    | <u>(33,031,395)</u>                                  |
| Increase/(decrease) of net asset attributable to<br>unitholders is made up of the following:  |  |  |
| Realised amount   | (554,665)  | 237,308  |
| Unrealised amount   | 13,093,574   | (33,268,703)   |
|   | <u>12,538,909</u>                                    | <u>(33,031,395)</u>                                  |

## AFFIN HWANG WORLD SERIES – LONG TERM GLOBAL GROWTH FUND

### UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2023

|  | <u>2023</u><br>USD | <u>2022</u><br>USD |
|--|--------------------|--------------------|
| <b>ASSETS</b>  |                    |                    |
| Cash and cash equivalents  | 198,540            | 1,199,780          |
| Amount due from broker   | 229,697            | -                  |
| Amount due from Manager  |                    |                    |
| - creation of units  | 176,832            | 165,631            |
| - management fee rebate receivable   | 29,611             | 47,672             |
| Financial assets at fair value through profit or loss                      | 59,731,744         | 82,325,202         |
| Forward foreign currency contracts at fair value through profit or loss    | 1,611,071          | 592,974            |
| <b>TOTAL ASSETS</b>  | <u>61,977,495</u>  | <u>84,331,259</u>  |
| <b>LIABILITIES</b>   |                    |                    |
| Forward foreign currency contracts at fair value through profit or loss    | 49,908             | 165,848            |
| Amount due to Manager  |                    |                    |
| - management fee   | 91,095             | 145,803            |
| - cancellation of units  | 22,061             | 221,351            |
| Amount due to Trustee  | 2,954              | 4,728              |
| Auditors' remuneration   | 2,367              | 2,413              |
| Tax agent's fee  | 1,036              | 1,056              |
| Other payable and accruals   | 404                | 89                 |
| <b>TOTAL LIABILITIES (EXCLUDING NET ASSET ATTRIBUTABLE TO UNITHOLDERS)</b> | <u>169,825</u>     | <u>541,288</u>     |
| <b>NET ASSET VALUE OF THE FUND</b>   | <u>61,807,670</u>  | <u>83,789,971</u>  |
| <b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>                              | <u>61,807,670</u>  | <u>83,789,971</u>  |

## AFFIN HWANG WORLD SERIES – LONG TERM GLOBAL GROWTH FUND

### UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2023 (CONTINUED)

|  | <u>2023</u><br>USD | <u>2022</u><br>USD |
|--|--------------------|--------------------|
| <b>REPRESENTED BY:</b>                                       |                    |                    |
| <b>FAIR VALUE OF OUTSTANDING UNITS</b>                       |                    |                    |
| - AUD Hedged-class   | 1,841,444          | 2,682,938          |
| - MYR Hedged-class   | 47,013,379         | 62,995,676         |
| - SGD Hedged-class   | 3,881,442          | 5,442,032          |
| - USD Class  | 9,071,405          | 12,669,325         |
|  | <u>61,807,670</u>  | <u>83,789,971</u>  |
| <b>NUMBER OF UNITS IN CIRCULATION</b>                        |                    |                    |
| - AUD Hedged-class   | 7,655,000          | 8,088,000          |
| - MYR Hedged-class   | 562,609,000        | 557,109,000        |
| - SGD Hedged-class   | 14,775,000         | 15,919,000         |
| - USD Class  | 25,312,000         | 26,939,000         |
|  | <u>610,351,000</u> | <u>608,055,000</u> |
| <b>NET ASSET VALUE PER UNIT (USD)</b>                        |                    |                    |
| - AUD Hedged-class   | 0.2406             | 0.3317             |
| - MYR Hedged-class   | 0.0836             | 0.1131             |
| - SGD Hedged-class   | 0.2627             | 0.3419             |
| - USD Class  | 0.3584             | 0.4703             |
|  | <u>0.3584</u>      | <u>0.4703</u>      |
| <b>NET ASSET VALUE PER UNIT IN<br/>RESPECTIVE CURRENCIES</b> |                    |                    |
| - AUD Hedged-class   | AUD0.3431          | AUD0.4704          |
| - MYR Hedged-class   | RM0.3564           | RM0.4731           |
| - SGD Hedged-class   | SGD0.3459          | SGD0.4631          |
| - USD Class  | USD0.3584          | USD0.4703          |
|  | <u>USD0.3584</u>   | <u>USD0.4703</u>   |

## AFFIN HWANG WORLD SERIES – LONG TERM GLOBAL GROWTH FUND

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

|  | Financial<br>period ended<br><u>31.1.2023</u><br>USD | Financial<br>period ended<br><u>31.1.2022</u><br>USD |
|--|--|--|
| <b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS<br/>AT THE BEGINNING OF THE FINANCIAL PERIOD</b>       | 49,737,078   | 116,917,395  |
| Movement due to units created and cancelled during<br>the financial period                       |  |  |
| Creation of units arising from applications  | 866,834  | 9,968,095  |
| - AUD Hedged-class   | 49,757   | 539,354  |
| - MYR Hedged-class   | 804,896  | 7,381,334  |
| - SGD Hedged-class   | 5,186  | 548,621  |
| - USD Class  | 6,995  | 1,498,786  |
| Cancellation of units  | (1,335,151)  | (10,064,124)   |
| - AUD Hedged-class   | (9,928)  | (209,130)  |
| - MYR Hedged-class   | (813,962)  | (6,729,110)  |
| - SGD Hedged-class   | (219,741)  | (1,445,075)  |
| - USD Class  | (291,520)  | (1,680,809)  |
| Net increase/(decrease) in net assets attributable to<br>unitholders during the financial period | 12,538,909   | (33,031,395)   |
| - AUD Hedged-class   | 380,482  | (1,298,959)  |
| - MYR Hedged-class   | 10,099,666   | (24,663,476)   |
| - SGD Hedged-class   | 788,804  | (2,163,478)  |
| - USD Class  | 1,269,957  | (4,905,482)  |
| <b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS<br/>AT THE END OF THE FINANCIAL PERIOD</b>             | <u>61,807,670</u>                                    | <u>83,789,971</u>                                    |

**AHAM Asset Management Berhad**

(Formerly known as Affin Hwang Asset Management Berhad)  
Registration No: 199701014290 (429786-T)

Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

Toll Free Number: 1800 88 7080 T: +603 2116 6000 F: +603 2116 6100

[www.aham.com.my](http://www.aham.com.my)