QUARTERLY REPORT
31 January 2024

AHAM World Series – **China Allocation Opportunity** Fund

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

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

Built On Trust

aham.com.my

AHAM WORLD SERIES – CHINA ALLOCATION OPPORTUNITY FUND

Quarterly Report and Financial Statements
As at 31 January 2024

Contents	**Page**

QUARTERLY REPORT

FUND INFORMATION

Fund Name	AHAM World Series – China Allocation Opportunity Fund
Fund Type	Growth & Income
Fund Category	Feeder Wholesale
Investment Objective	The Fund seeks to achieve capital appreciation and regular income over medium to long term period
Benchmark	There is no performance benchmark for this Fund
Distribution Policy	Subject to the availability of income, the Fund endeavours to distribute income for the respective Classes in the following manner, after the end of its first financial year: At our discretion, the Fund may distribute (1) realised income, (2) realised capital gains, (3) unrealised income, (4) unrealised capital gains, (5) capital or (6) a combination of any of the above

FUND PERFORMANCE DATA

USD Class

Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (USD'million)	2.628	3.069
NAV per Unit (USD)	0.2588	0.2720
Unit in Circulation (million)	10.154	11.284

MYR Class

Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (RM'million)	13.510	15.293
NAV per Unit (RM)	0.2943	0.3114
Unit in Circulation (million)	45.904	49.111

MYR Hedged-class

Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (RM'million)	54.177	62.316
NAV per Unit (RM)	0.2380	0.2522
Unit in Circulation (million)	227.671	247.110

SGD Hedged-class

Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (SGD'million)	2.549	2.764
NAV per Unit (SGD)	0.2424	0.2561
Unit in Circulation (million)	10.519	10.791

AUD Hedged-class

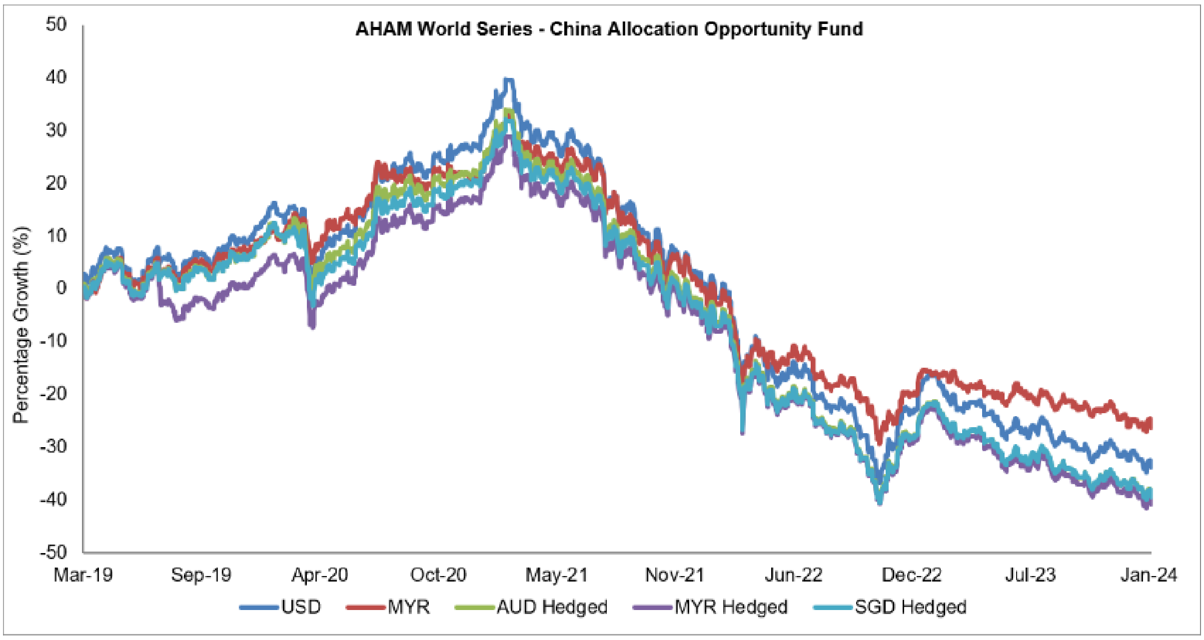
Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (AUD'million)	5.070	5.729
NAV per Unit (AUD)	0.2449	0.2583
Unit in Circulation (million)	20.706	22.184

Fund Performance

Table 1: Performance as at 31 January 2024

Class	3 Months (1/11/23 - 31/1/24)	6 Months (1/8/23 - 31/1/24)	1 Year (1/2/23 - 31/1/24)	3 Years (1/2/21 - 31/1/24)	Since Commencement (4/3/19 - 31/1/24)
USD	(3.36%)	(12.64%)	(20.81%)	(50.90%)	(33.94%)
MYR	(4.00%)	(8.28%)	(12.18%)	(42.51%)	(26.27%)
AUD Hedged	(3.70%)	(13.32%)	(22.30%)	(52.95%)	(39.29%)
MYR Hedged	(4.14%)	(14.07%)	(23.29%)	(52.39%)	(40.91%)
SGD Hedged	(3.88%)	(13.57%)	(22.24%)	(52.33%)	(39.33%)

Figure 1: Movement of the Fund since commencement.



"This information is prepared by AHAM 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."

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 January 2024
	(%)
Unit Trust	98.38
Derivative	-1.24
Cash & money market	2.86
Total	100.00

Income Distribution Breakdown

Class	Ex-Date	Income (per unit) (sens / cents)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
AUD-Hedged	2024-01-22	0.1350	100	-	-
	2023-12-20	0.1300	100	-	-
	2023-11-15	0.1320	100	-	-
	2023-01-18	0.1500	100	-	-
	2022-12-21	0.1400	100	-	-
	2022-11-16	0.1200	100	-	-
	2022-01-19	0.2500	100	-	-
	2021-12-15	0.2500	100	-	-
	2021-11-17	0.2500	100	-	-
MYR	2024-01-22	0.1600	100	-	-
	2023-12-20	0.1580	100	-	-
	2023-11-15	0.1570	100	-	-
	2023-01-18	0.1600	100	-	-
	2022-12-21	0.1500	100	-	-
	2022-11-16	0.1400	100	-	-
	2022-01-19	0.2500	100	-	-
	2021-12-15	0.2500	100	-	-
	2021-11-17	0.2500	100	-	-
MYR-Hedged	2024-01-22	0.1320	100	-	-
	2023-12-20	0.1300	100	-	-
	2023-11-15	0.1290	100	-	-
	2023-01-18	0.1500	100	-	-
	2022-12-21	0.1400	100	-	-
	2022-11-16	0.1200	100	-	-
	2022-01-19	0.2200	100	-	-
	2021-12-15	0.2100	100	-	-
	2021-11-17	0.2500	100	-	-
SGD-Hedged	2024-01-22	0.1340	100	-	-
	2023-12-20	0.1300	100	-	-
	2023-11-15	0.1300	100	-	-
	2023-01-18	0.1500	100	-	-

	2022-12-21	0.1400	100	-	-
	2022-11-16	0.1100	100	-	-
	2022-01-19	0.2200	100	-	-
	2021-12-15	0.2500	100	-	-
	2021-11-17	0.2500	100	-	-
USD	2024-01-22	0.1420	100	-	-
	2023-12-20	0.1400	100	-	-
	2023-11-15	0.1400	100	-	-
	2023-01-18	0.1500	100	-	-
	2022-12-21	0.1400	100	-	-
	2022-11-16	0.1300	100	-	-
	2022-01-19	0.2500	100	-	-
	2021-12-15	0.2500	100	-	-
	2021-11-17	0.2500	100	-	-

Market Review

Signs of cooling economic and inflation data coupled with signals that the Federal Reserve's tightening cycle is over propelled financial markets sharply higher in November 2023. This was the best month for a 60/40 portfolio (as proxied by the MSCI ACWI Index and Bloomberg US Treasury Total Return Index) since November 2020, when positive news on the development of vaccinations buoyed markets. Global yield curves bull-steepened, with yields at the short end falling faster than the long end as traders priced in interest rate cuts. Credit spreads tightened substantially over the course of the month. In China, both equities and credit crept higher on the back of data stabilization in most aspects of the economy. In November, data released out of China pointed to a two-speed economy: industrial activity and retail sales are largely positive and regaining some momentum, while real estate continues to be a significant drag on growth. Policymakers have since taken additional measures to support the property market, including pushing banks to help certain developers obtain funding (including unsecured short-term loans) that might allow them to complete unfinished projects. US President Joe Biden and Chinese President Xi Jinping had a meeting in San Francisco that was described as "constructive" by both sides. The two reached a variety of relatively small-scale agreements related to counternarcotics efforts, restoring top-level military communications, artificial intelligence, air travel, and more.

In December 2023, signs that cooling inflation would allow central banks to begin lowering interest rates in 2024 without deterioration in economic growth fueled another month of strong gains in financial markets during December. Most regional equity indexes rose over the course of the month. Global yield curves made a near parallel shift lower as traders priced in more interest rate cuts and term premia declined. Credit spreads tightened over the course of the month to end 2023 close to their lows of the year. In China, equities slid while credit rose higher. Macro data released over the course of the month was generally positive. Industrial production rose 6.6 percent year-on-year in December, more than expected. Retail sales rose less than estimates, but still at a double-digit pace year-on-year. The jobless rate held steady at 5 percent. The trade surplus was much larger than anticipated in November as exports unexpectedly rose while imports unexpectedly contracted, year-on-year. Real estate remains a material drag on activity, with investment down 9.4 percent year-to-date through November versus the same period in 2022, and property sales down 4.3 percent. Both the consumer and producer price indexes for November were in deflationary territory, down 0.5 percent and 3 percent year-on-year, respectively. Communiques from China's central economic work conference did not signal that large-scale economic stimulus will be in the offing. Rather, policymakers stressed the need for high-quality development, a focus on the nature of growth rather than the quantity. Officials indicated a desire to continue promoting the stabilization of the economy with measured support and largely stay the course on fiscal policy. Chinese banks cut deposit rates in December, a move that may presage a move lower in lending rates. China's top gaming regulator published a draft of new rules that could limit the amount of time and money players can spend online, restrictions which weighed on tech heavyweights. The PMIs released by the National Bureau of Statistics were roughly unchanged in December, with manufacturing edging down to 49 and the non-manufacturing reading up marginally to 50.4.

By January 2024, resilient earnings helped drive another month of equity gain, even as government bond yields rose as central banks pushed back on the timing of easing cycles and US growth data remained robust. Most regional equity indexes rose in January, though the gains were much more muted than the previous two months. Global credit spreads ended virtually flat month-on-month and are at tight levels versus their long-term history. In China, equities were a major laggard, while credit rose slightly. Fourth quarter growth in China rose 5.2 percent year-on-year, just below expectations. Trade activity was higher than expected, with exports up 2.3 percent year-on-year in December, larger than expected, while imports rose a more modest 0.2 percent year-on-year, though these had been expected to decline. On net, the trade balance was slightly bigger than anticipated. Industrial parts of the economy continue to grow at a steady clip, with industrial production up 4.6 year-on-year in December and fixed asset investment up 3 percent for the year as a whole. Retail sales growth decelerated by more than anticipated, up 7.4 percent year-on-year versus an estimated 8 percent advance. The jobless rate rose marginally to 5.1 percent in December. Real estate remains a material drag on activity, with investment down 9.6 percent year-to-date through December versus the same period in 2022, property sales down 6 percent year-on-year. All rates of contraction were worse than November's figures. Both the consumer and producer price indexes for November were in deflationary territory, down 0.3 percent and 2.7 percent year-on-year, respectively. The PMIs released by the National Bureau of Statistics were roughly unchanged in January, with manufacturing edging higher to 49.2 and the non-manufacturing reading rising to 50.7. The Caixin manufacturing PMI was in line with expectations with a reading of 50.8.

Outlook & Strategy

Chinese equities saw their worst start of the year despite the lack of incrementally negative news on fundamentals. Bloomberg reported that China's national team is considering pulling $278 billion to rescue its stock market, which happened in 2015 amid a sharp market correction. PBoC announced a surprise 50bps RRR cut and 25bps discount rate cut, injecting around RMB1trn of liquidity ahead of the Lunar New Year. It should support bank net interest margins and pave the way for policy rate cuts in coming quarters, such as further lowering loan prime rates and mortgage rates. PBoC also injected 350bn via the PSL program to policy banks, leading to the second-highest single-month increase. This is likely a signpost that the central government's funding for urban village renovation program and social housing program is on the way. The Target Fund Manager sees these two property programs as a positive sign to limit the downside for selected high-quality developers.

Q4 GDP print met expectations, leading to a 5.2% growth rate in 2023. Consumption and investment each made up 82.5% and 28.9% of the growth, while net exports dragged by 0.6%. Mixed results were seen in the December activity data, PMI, and corporate earnings forecasts.

It is noted that the role of the stock rescue package is to stabilize rather than boost the market, and the market in 2015 remained choppy in the following 3 to 6 months after the rescue package. The Target Fund Manager thinks it could help with a technical rebound on suppressed valuation, as Chinese equities historically showed very strong asymmetry at current levels of valuations. However, in order to ensure a sustainable rally, the Target Fund Manager takes a wait-and-see approach as they watch for indications of a fundamental turnaround from earnings reversion, property sales, and consumer spending.

In terms of cross-asset positioning, the Target Fund Manager continues to be risk-on in equity, underpinned by improving macro data and stepped-up policy support. They expect a volatile journey given ongoing macro/policy/geopolitical complexities, keeping onshore/offshore equity split reasonably balanced with a tactical offshore tilt. The Target Fund Manager continues to focus on granular themes including SOEs and AI. In January, they initiated a small position in high dividend equity to add defensiveness to their portfolio, funded by existing broad Chinese equity. While they kept overall equity weight and active risk largely unchanged, this marginally increased their offshore equity tilt. They also dynamically reduced Taiwan equity exposure prior to elections to manage portfolio risk and a potential left tail event, though they added back exposure post a market-neutral election result, ahead of anticipated positive TMSC and global tech earnings results.

Within fixed income, the Target Fund Manager retains their preference for IG over HY bonds due to good yield and balanced risk and remains cautious on HY bonds even though they acknowledge visible improvements in sentiment and performance. In FX, they maintain their short Chinese Yuan position as a risk hedge and a source of diversification in the portfolio.

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

	Financial period ended 31.1.2023 USD	Financial period ended 31.1.2022 USD
INVESTMENT LOSS		
Dividend income	1,674,634	3,004,341
Interest income from financial assets at amortised cost	811	692
Net gain/ (loss) on foreign currency exchange	6,797	(17,847)
Net loss on forward foreign currency contracts at fair value through profit or loss	(195,193)	(1,862,102)
Net loss on financial assets at fair value through profit or loss	(2,744,259)	(19,944,652)
	(1,257,210)	(18,819,568)
EXPENSES		
Management fee	(523,875)	(916,958)
Trustee fee	(17,472)	(30,589)
Fund accounting fee	(2,346)	(2,512)
Auditors' remuneration	(1,404)	(1,449)
Tax agent's fee	(614)	(634)
Other expenses	(18,789)	(4,595)
	(564,500)	(956,737)
NET LOSS BEFORE FINANCE COST AND TAXATION	(1,821,710)	(19,776,305)
FINANCE COST		
Distributions	(1,668,148)	(2,973,619)
NET LOSS BEFORE TAXATION	(3,489,858)	(22,749,924)
Taxation	-	-
DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	(3,489,858)	(22,749,924)
Decrease in net asset attributable to unitholders is made up of the following:		
Realised amount	(7,719,806)	(2,449,011)
Unrealised amount	4,229,948	(20,300,913)
	(3,489,858)	(22,749,924)

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2023

	2023 USD	2022 USD
ASSETS		
Cash and cash equivalents	347,071	1,292,061
Amount due from broker	90,569	-
Amount due from Manager		
- creation of units	29,495	3,606
- management fee rebate receivable	46,297	69,014
Financial assets at fair value through profit or loss	38,849,758	55,199,830
Forward foreign currency contracts at fair value through profit or loss	1,019,346	63,021
Tax recoverable	8,812	-
TOTAL ASSETS	40,391,348	56,627,532
LIABILITIES		
Forward foreign currency contracts at fair value through profit or loss	11,122	264,415
Amount due to broker	230,000	-
Amount due to Manager		
- management fee	59,584	88,093
- cancellation of units	-	74,624
Amount due to Trustee	1,986	2,936
Auditors' remuneration	1,354	1,327
Tax agent's fee	1,464	1,469
Other payables and accruals	190	36
TOTAL LIABILITIES (EXCLUDING NET ASSET ATTRIBUTABLE TO UNITHOLDERS)	305,700	432,900
NET ASSET VALUE OF THE FUND	40,085,648	56,194,632
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	40,085,648	56,194,632

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

	2023 USD	2022 USD
REPRESENTED BY:		
FAIR VALUE OF OUTSTANDING UNITS		
- AUD Hedged-class	5,680,578	8,158,183
- MYR Class	4,605,923	6,139,463
- MYR Hedged-class	22,420,063	31,819,782
- SGD Hedged-class	2,953,821	3,934,510
- USD Class	4,425,263	6,142,694
	40,085,648	56,194,632
NUMBER OF UNITS IN CIRCULATION		
- AUD Hedged-class	24,214,000	27,180,000
- MYR Class	55,214,000	58,888,000
- MYR Hedged-class	290,245,000	319,541,000
- SGD Hedged-class	11,755,000	12,752,000
- USD Class	12,752,000	14,150,000
	394,180,000	432,511,000
NET ASSET VALUE PER UNIT (USD)		
- AUD Hedged-class	0.2346	0.3002
- MYR Class	0.0834	0.1043
- MYR Hedged-class	0.0772	0.0996
- SGD Hedged-class	0.2513	0.3085
- USD Class	0.3470	0.4341
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- AUD Hedged-class	AUD0.3346	AUD0.4256
- MYR Class	RM0.3558	RM0.4362
- MYR Hedged-class	RM0.3295	RM0.4166
- SGD Hedged-class	SGD0.3309	SGD0.4179
- USD Class	USD0.3470	USD0.4341

AFFIN HWANG WORLD SERIES - CHINA ALLOCATION OPPORTUNITY FUND

UNAUDITED STATEMENT OF CHANGES IN ASSET ATTRIBUTABLE TO UNITHOLDERS
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2023

	Financial period ended 31.1.2023 USD	Financial period ended 31.1.2022 USD
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	45,758,945	74,773,782
Movement due to units created and cancelled during the financial period		
Creation of units arising from applications	1,124,950	12,167,171
- AUD Hedged-class	36,605	1,898,448
- MYR Class	158,274	2,914,489
- MYR Hedged-class	819,826	5,467,158
- SGD Hedged-class	70,956	964,342
- USD Class	39,289	922,734
Creation of units arising from distributions	1,467,346	2,885,320
- AUD Hedged-class	219,075	465,787
- MYR Class	154,475	244,050
- MYR Hedged-class	804,301	1,670,850
- SGD Hedged-class	105,168	202,944
- USD Class	184,327	301,689
Cancellation of units	(4,775,735)	(10,881,717)
- AUD Hedged-class	(739,377)	(2,274,717)
- MYR Class	(584,537)	(909,671)
- MYR Hedged-class	(2,530,053)	(5,983,955)
- SGD Hedged-class	(340,109)	(907,101)
- USD Class	(581,659)	(806,273)
Net decrease in net assets attributable to unitholders during the financial period	(3,489,858)	(22,749,924)
- AUD Hedged-class	(798,519)	(4,393,113)
- MYR Class	(425,788)	(2,061,822)
- MYR Hedged-class	(1,790,350)	(12,471,048)
- SGD Hedged-class	(100,164)	(1,580,362)
- USD Class	(375,037)	(2,243,579)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	40,085,648	56,194,632

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