



**QUARTERLY REPORT**  
31 January 2024

# AHAM World Series – **US Short Duration High Income Fund**

MANAGER  
AHAM Asset Management Berhad  
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# AHAM WORLD SERIES – US SHORT DURATION HIGH INCOME FUND

## Quarterly Report and Financial Statements As at 31 January 2024

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<b>Contents</b>	<b>Page</b>
QUARTERLY REPORT .....	2
STATEMENT OF COMPREHENSIVE INCOME .....	9
STATEMENT OF FINANCIAL POSITION .....	11
STATEMENT OF CHANGES IN NET ASSETS .....	14

## QUARTERLY REPORT

### FUND INFORMATION

Fund Name	AHAM World Series – US Short Duration High Income Fund
Fund Type	Income
Fund Category	Bond feeder (wholesale)
Investment Objective	The Fund aims to provide investors with regular income through investments in US high yield bonds
Benchmark	Merrill Lynch 1-3 Years BB-B US Cash Pay High Yield Index
Distribution Policy	Subject to the availability of income, the Fund endeavours to distribute income on a monthly basis.

### FUND PERFORMANCE DATA

#### USD Class

Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (USD'million)	1.643	1.565
NAV per Unit (USD)	0.4591	0.4394
Unit in Circulation (million)	3.580	3.563

#### MYR Class

Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (RM'million)	10.693	8.940
NAV per Unit (RM)	0.4923	0.4746
Unit in Circulation (million)	21.721	18.837

#### MYR Hedged-class

Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (RM'million)	3.881	2.690
NAV per Unit (RM)	0.4919	0.4736
Unit in Circulation (million)	7.890	5.680

#### SGD Hedged-class

Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (SGD'million)	1.047	0.314
NAV per Unit (SGD)	0.4305	0.4143
Unit in Circulation (million)	2.432	0.758

**AUD Hedged-class**

Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (AUD'million)	1.171	0.868
NAV per Unit (AUD)	0.4633	0.4448
Unit in Circulation (million)	2.528	1.952

**GBP Hedged-class**

Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (GBP'million)	0.204	0.101
NAV per Unit (GBP)	0.4339	0.4161
Unit in Circulation (million)	0.470	0.242

**EUR Hedged-class**

Category	As at 31 Jan 2024	As at 31 Oct 2023
Total NAV (EUR'million)	0.406	0.385
NAV per Unit (EUR)	0.3986	0.3834
Unit in Circulation (million)	1.018	1.005

**Fund Performance**

Table 1: Performance as at 31 January 2024

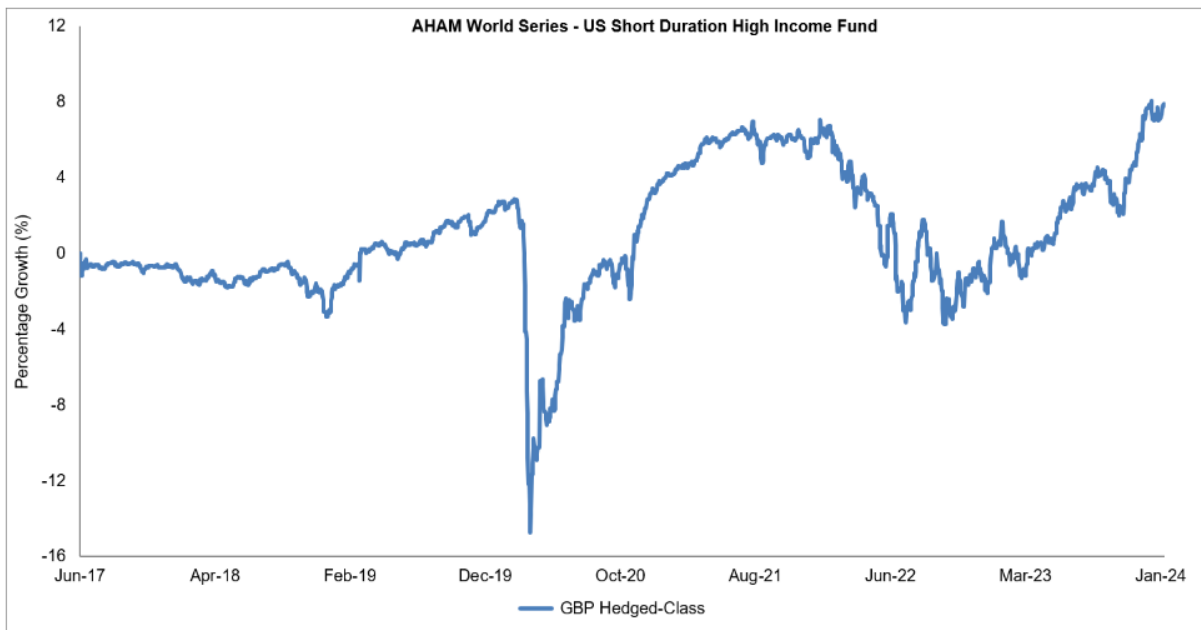
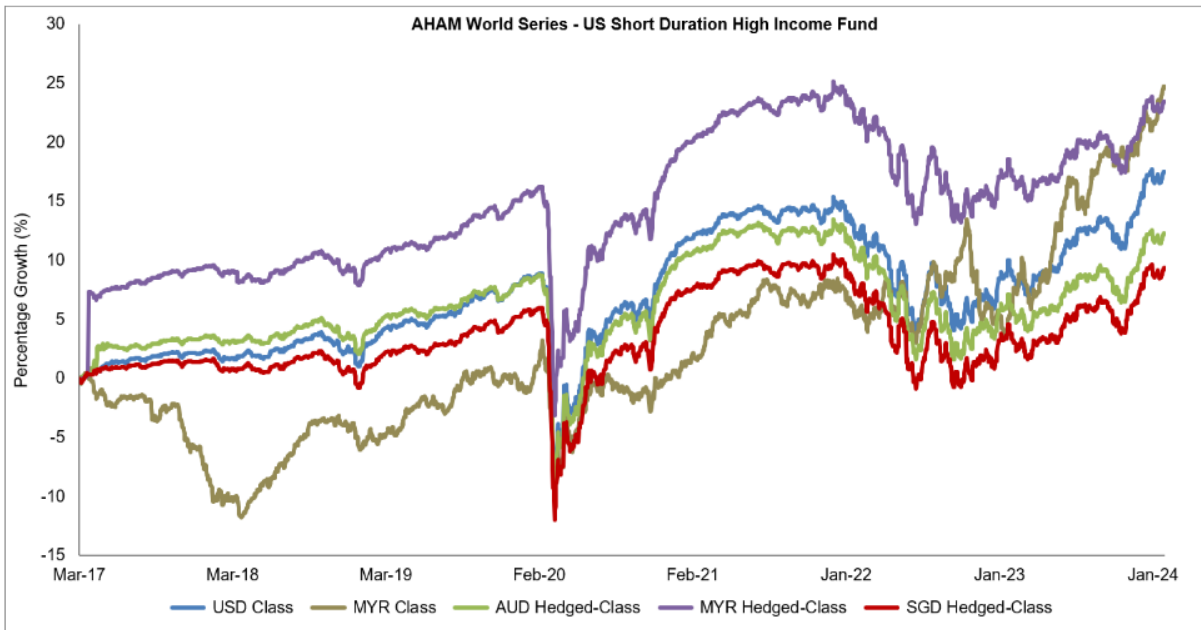
	3 Months (1/11/23 - 31/1/24)	6 Months (1/8/23 - 31/1/24)	1 Year (1/2/23 - 31/1/24)	3 Years (1/2/21 - 31/1/24)	5 Years (1/2/19 - 31/1/24)	Since Commencement (24/3/17 - 31/1/24)
USD	5.86%	4.28%	8.17%	5.16%	13.99%	17.55%
MYR	5.16%	9.50%	19.95%	23.14%	31.65%	24.75%
AUD Hedged	5.42%	3.25%	6.03%	1.65%	7.85%	12.29%
MYR Hedged	5.09%	2.88%	5.42%	2.94%	12.18%	23.48%
SGD Hedged	5.28%	2.97%	5.75%	1.81%	8.09%	9.35%

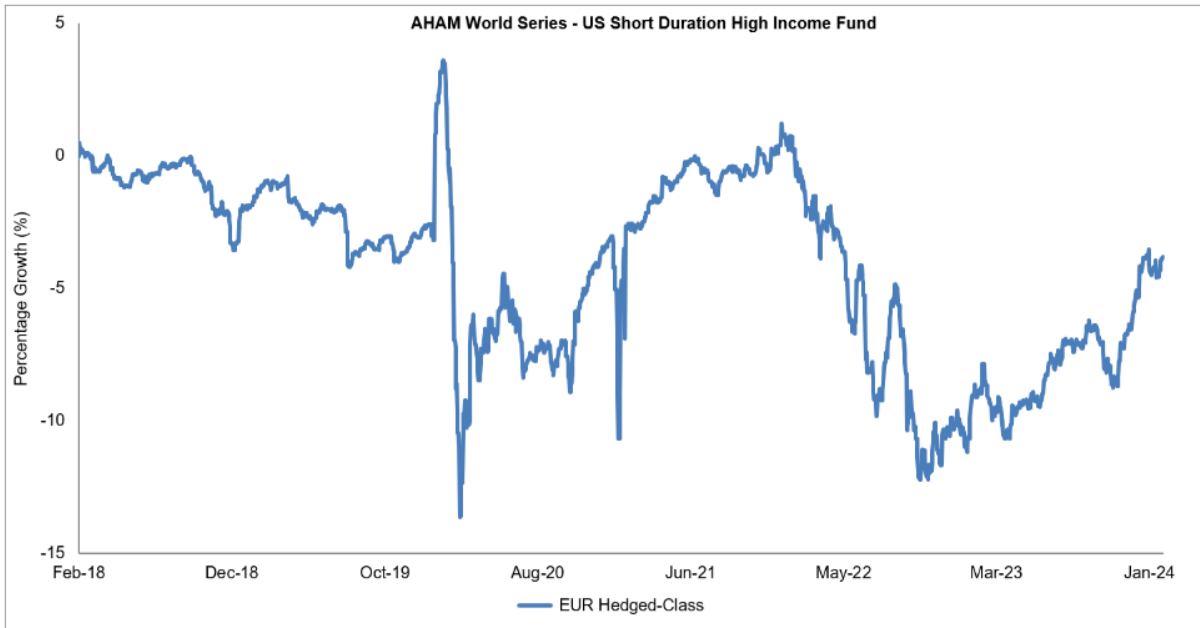
	3 Months (1/11/23 - 31/1/24)	6 Months (1/8/23 - 31/1/24)	1 Year (1/2/23 - 31/1/24)	3 Years (1/2/21 - 31/1/24)	5 Years (1/2/19 - 31/1/24)	Since Commencement (29/6/17 - 31/1/24)
GBP Hedged	5.67%	4.13%	7.44%	3.64%	9.66%	7.90%

	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)	5 Years (1/2/19 - 31/1/24)	Since Commencement (22/2/18 - 31/1/24)
EUR Hedged	5.34%	3.39%	5.69%	1.31%	(1.99%)	(3.81%)

Source of Benchmark: Bloomberg

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. Source of Benchmark is from Bloomberg." Benchmark: Merrill Lynch 1-3 Years BB-B Cash Pay High Yield 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:

	31 January 2024
	(%)
Unit Trust	95.00
Derivative	-0.60
Cash & money market	5.60
<b>Total</b>	<b>100.00</b>

### Income Distribution Breakdown

<b>Class</b>	<b>Ex-Date</b>	<b>Income (per unit) (sens / cents)</b>	<b>Income (%)</b>	<b>Capital (per unit) (sens / cents)</b>	<b>Capital (%)</b>
AUD-Hedged	2024-01-22	0.1500	100	-	-
	2023-12-21	0.1990	100	-	-
	2023-11-21	0.2060	100	-	-
	2023-01-20	0.2000	100	-	-
	2022-12-21	0.1700	100	-	-
	2022-11-21	0.1700	100	-	-
	2022-01-24	0.1700	100	-	-
	2021-12-21	0.1700	100	-	-
	2021-11-19	0.1700	100	-	-
EUR-Hedged	2024-01-22	0.1700	100	-	-
	2023-12-21	0.1720	100	-	-
	2023-11-21	0.1790	100	-	-
	2023-01-20	0.1500	100	-	-
	2022-12-21	0.1600	100	-	-
	2022-11-21	0.1500	100	-	-
	2022-01-24	0.1700	100	-	-
	2021-12-21	0.1700	100	-	-
	2021-11-19	0.1700	100	-	-
GBP-Hedged	2024-01-22	0.1900	100	-	-
	2023-12-21	0.1860	100	-	-
	2023-11-21	0.1950	100	-	-
	2023-01-20	0.1800	100	-	-
	2022-12-21	0.1700	100	-	-
	2022-11-21	0.1500	100	-	-
	2022-01-24	0.1700	100	-	-
	2021-12-21	0.1700	100	-	-
	2021-11-19	0.1400	100	-	-
MYR	2024-01-22	0.2000	100	-	-
	2023-12-21	0.1770	100	-	-
	2023-11-21	0.2210	100	-	-
	2023-01-20	0.2200	100	-	-
	2022-12-21	0.1700	100	-	-
	2022-11-21	0.1700	100	-	-
	2022-01-24	0.1700	100	-	-
	2021-12-21	0.1700	100	-	-
	2021-11-19	0.1400	100	-	-
MYR-Hedged	2024-01-22	0.2100	100	-	-
	2023-12-21	0.2080	100	-	-
	2023-11-21	0.2210	100	-	-
	2023-01-20	0.2100	100	-	-
	2022-12-21	0.1700	100	-	-
	2022-11-21	0.1800	100	-	-

	2022-01-24	0.1700	100	-	-
	2021-12-21	0.1700	100	-	-
	2021-11-19	0.1700	100	-	-
SGD-Hedged	2024-01-22	0.1800	100	-	-
	2023-12-21	0.1850	100	-	-
	2023-11-21	0.1940	100	-	-
	2023-01-20	0.1600	100	-	-
	2022-12-21	0.1700	100	-	-
	2022-11-21	0.1700	100	-	-
	2022-01-24	0.1200	100	-	-
	2021-12-21	0.1700	100	-	-
	2021-11-19	0.1400	100	-	-
USD	2024-01-22	0.1900	100	-	-
	2023-12-21	0.1980	100	-	-
	2023-11-21	0.2100	100	-	-
	2023-01-20	0.1800	100	-	-
	2022-12-21	0.1700	100	-	-
	2022-11-21	0.1700	100	-	-
	2022-01-24	0.1700	100	-	-
	2021-12-21	0.1700	100	-	-
	2021-11-19	0.1700	100	-	-

### **Strategies Employed**

The strategy is a fixed income solution with an emphasis on capital preservation, followed by liquidity and positive total return by capitalizing on the structural inefficiencies at the front-end of the US non-investment grade credit market. The strategy combines rigorous, fundamental credit research with a very tight trading discipline to avoid a permanent loss of principal, minimize downside volatility and provide a consistent level of income. The investment team undertakes its own independent research and analysis. This continual focus on in-depth industry and bottom-up credit analysis produces the most compelling risk-adjusted investment opportunities for the strategy.

### **Market Review**

The US high-yield credit market finished higher in November, aided by a strong finish to earnings season and several economic data points that suggested continued US expansion. Additionally, US Treasury yields declined on speculation that the fed funds rate peaked following reports inflation slowed further. Correspondingly, the narrative around monetary policy easing in 2024 gained traction and rate cut odds were pulled forward. These factors positively influenced investor sentiment, driving demand for both risk assets and safe haven investments.

November's positive market momentum continued in December, aided by a combination of factors. Slowing inflation persisted allowing for communication of a future pivot by the US Federal Reserve (Fed) at December's Federal Open Market Committee (FOMC) meeting, with Chair Jerome Powell stating that policy easing discussions had commenced. The European Central Bank (ECB) and the Bank of England (BoE) also left interest rates unchanged. Concurrently, many US economic data points were encouraging with retail sales surpassing estimates, jobless claims remaining low, unemployment falling, and consumer confidence surging. These factors drove demand for risk assets, pressured bond yields globally, and offset concerns around rising geopolitical tensions.

Markets finished mixed in January as investors digested economic data, the US Federal Reserve's (Fed's) rate decision, and corporate earnings results. Retail sales and consumer sentiment topped estimates,



unemployment remained low, and manufacturing data exhibited signs of bottoming. As expected, the Fed left interest rates unchanged at January's Federal Open Market Committee (FOMC) meeting. Thus far, most companies were exceeding Q4 earnings and sales estimates. Corporate management commentary has been mixed, with optimism tied to the consumer, travel, infrastructure, investment banking, and artificial intelligence (AI), and caution around freight, industrials-related destocking, and automobile inventory.

### **Investment Outlook**

2023's economic momentum should carry over into 2024. Economic tailwinds include low unemployment, steady consumption, government spending, waning inflation, an improving manufacturing sector, an end to the rate hike cycle, and inflecting earnings. Economic headwinds include continued restrictive monetary policy and quantitative tightening, less savings, and US/international political risks, among others.

The US high-yield market, currently yielding nearly 8%, offers the potential for equity-like returns but with less volatility. Credit fundamentals are stable, near-term refinancing obligations remain low, and management teams continue to prioritise debt reduction. Given these factors, defaults should remain well below historical cycle peaks. The market's attractive total return potential is a function of its discount to face value and higher coupon, which also serves to cushion downside volatility. Notably, after recording an annual decline, the high-yield market has historically delivered two consecutive years of positive returns in six of the seven cases\*\*, and forward 12- and 24-month return projections based on the current market yield have been consistent with mid to high single digits.

Longer-duration issues are the most likely to be impacted by high and volatile rates, but the overall high-yield market should have a dampened response due to its larger coupon relative to other fixed income alternatives. As a result, US high-yield bonds contribute from both a diversification and a relative performance perspective, offering a very compelling yield opportunity.

The Target Fund remains an attractive fixed income solution without taking excess credit risk, the shorter maturity puts securities first in line to repayment, and the strategy lessens price volatility that may be highly amplified in passively managed strategies.

**AHAM WORLD SERIES – US SHORT DURATION HIGH INCOME FUND  
(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES - US SHORT DURATION  
HIGH INCOME FUND)**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2024**

	Financial period ended <u>31.1.2024</u> USD	Financial period ended <u>31.1.2023</u> USD
<b>INVESTMENT INCOME</b>		
Dividend income	88,570	67,109
Interest income from financial assets at amortised cost	527	140
Net gain/(loss) on foreign currency exchange	3,139	(10,609)
Net gain on forward foreign currency contracts at fair value through profit or loss	15,892	313,953
Net gain on financial assets at fair value through profit or loss	268,320	77,341
	<u>376,448</u>	<u>447,934</u>
<b>EXPENSES</b>		
Management fee	(23,579)	(20,965)
Trustee fee	(629)	(559)
Auditors' remuneration	(421)	(426)
Tax agent's fee	(185)	(186)
Other expenses	(866)	(734)
	<u>(25,680)</u>	<u>(22,870)</u>
<b>NET PROFIT BEFORE FINANCE COST AND TAXATION</b>	350,768	425,064
<b>FINANCE COST (EXCLUDING INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>		
Distributions	(80,915)	(65,153)
<b>NET PROFIT BEFORE TAXATION</b>	269,853	359,911
Taxation	-	-
<b>INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<u>269,853</u>	<u>359,911</u>

**AHAM WORLD SERIES – US SHORT DURATION HIGH INCOME FUND  
(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES - US SHORT DURATION  
HIGH INCOME FUND)**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2024 (CONTINUED)**

	Financial period ended <u>31.1.2024</u> USD	Financial period ended <u>31.1.2023</u> USD
Increase in net asset attributable to unitholders is made up of the following:		
Realised amount	(5,342)	(69,454)
Unrealised amount	275,195	429,365
	<u>269,853</u>	<u>359,911</u>

**AHAM WORLD SERIES – US SHORT DURATION HIGH INCOME FUND  
(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES - US SHORT DURATION  
HIGH INCOME FUND)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 JANUARY 2024**

	<u>2024</u> USD	<u>2023</u> USD
<b>ASSETS</b>		
Cash and cash equivalents	216,826	132,651
Amount due from broker	247,666	41,843
Amount due from Manager		
- creation of units	68,725	7,115
- management fee rebate receivable	6,061	5,463
Financial assets at fair value through profit or loss	6,625,426	5,981,656
Forward foreign currency contracts at fair value through profit or loss	4,668	148,886
<b>TOTAL ASSETS</b>	<u>7,169,372</u>	<u>6,317,614</u>
<b>LIABILITIES</b>		
Forward foreign currency contracts at fair value through profit or loss	46,583	5,328
Amount due to broker	1,125	-
Amount due to Manager		
- management fee	8,634	7,965
- cancellation of units	132,768	12,033
Amount due to Trustee	230	212
Auditors' remuneration	532	2,353
Tax agent's fee	925	1,030
Tax payable	2,851	2,851
Other payable and accruals	1,540	1,803
<b>TOTAL LIABILITIES (EXCLUDING NET ASSET ATTRIBUTABLE TO UNITHOLDERS)</b>	<u>195,188</u>	<u>33,575</u>
<b>NET ASSET VALUE OF THE FUND</b>	<u>6,974,184</u>	<u>6,284,039</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<u>6,974,184</u>	<u>6,284,039</u>

**AHAM WORLD SERIES – US SHORT DURATION HIGH INCOME FUND**  
**(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES - US SHORT DURATION**  
**HIGH INCOME FUND)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JANUARY 2024 (CONTINUED)**

	<u>2024</u> USD	<u>2023</u> USD
<b>REPRESENTED BY:</b>		
<b>FAIR VALUE OF OUTSTANDING UNITS</b>		
- AUD Hedged-class	770,972	631,087
- EUR Hedged-class	439,142	160,733
- GBP Hedged-class	258,352	253,755
- MYR Class	820,512	564,467
- MYR Hedged-class	2,260,432	3,342,481
- SGD Hedged-class	781,314	287,049
- USD Class	1,643,460	1,044,467
	<u>6,974,184</u>	<u>6,284,039</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>		
- AUD Hedged-class	2,528,000	1,962,000
- EUR Hedged-class	1,018,000	375,000
- GBP Hedged-class	470,000	485,000
- MYR Class	7,890,000	5,588,000
- MYR Hedged-class	21,721,000	29,005,000
- SGD Hedged-class	2,432,000	884,000
- USD Class	3,580,000	2,342,000
	<u>39,639,000</u>	<u>40,641,000</u>
<b>NET ASSET VALUE PER UNIT (USD)</b>		
- AUD Hedged-class	0.3050	0.3217
- EUR Hedged-class	0.4314	0.4286
- GBP Hedged-class	0.5497	0.5232
- MYR Class	0.1040	0.1010
- MYR Hedged-class	0.1041	0.1152
- SGD Hedged-class	0.3213	0.3247
- USD Class	0.4591	0.4460
	<u>0.4591</u>	<u>0.4460</u>

**AHAM WORLD SERIES – US SHORT DURATION HIGH INCOME FUND  
(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES - US SHORT DURATION  
HIGH INCOME FUND)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 JANUARY 2024 (CONTINUED)**

	<u>2024</u> USD	<u>2023</u> USD
<b>REPRESENTED BY:</b>		
<b>NET ASSET VALUE PER UNITS IN RESPECTIVE CURRENCIES</b>		
- AUD Hedged-class	AUD0.4633	AUD0.4588
- EUR Hedged-class	EUR0.3986	EUR0.3958
- GBP Hedged-class	GBP0.4339	GBP0.4245
- MYR Class	RM0.4919	RM0.4309
- MYR Hedged-class	RM0.4923	RM0.4915
- SGD Hedged-class	SGD0.4305	SGD0.4276
- USD Class	USD0.4591	USD0.4460
	<u><u>          </u></u>	<u><u>          </u></u>

**AHAM WORLD SERIES – US SHORT DURATION HIGH INCOME FUND**  
**(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES - US SHORT DURATION**  
**HIGH INCOME FUND)**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO**  
**UNITHOLDERS**  
**FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2024**

	Financial period ended <u>31.1.2024</u> USD	Financial period ended <u>31.1.2023</u> USD
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	5,324,866	6,312,384
Movement due to units created and cancelled during the financial period:		
Creation of units arising from applications	2,094,199	1,749,299
- AUD Hedged-class	171,789	159
- EUR Hedged-class	168	200
- GBP Hedged-class	122,070	142
- MYR Class	449,045	10,858
- MYR Hedged-class	693,274	1,720,490
- SGD Hedged-class	647,693	173
- USD Class	10,160	17,277
Creation of units arising from distributions	68,094	50,949
- AUD Hedged-class	7,729	7,181
- EUR Hedged-class	5,758	1,817
- GBP Hedged-class	2,310	2,949
- MYR Class	8,570	7,649
- MYR Hedged-class	19,054	17,139
- SGD Hedged-class	4,591	771
- USD Class	20,082	13,443
Cancellation of units	(782,828)	(2,188,504)
- AUD Hedged-class	(5,010)	(166)
- EUR Hedged-class	(301)	(349)
- GBP Hedged-class	(60)	(8,291)
- MYR Class	(228,975)	(1,226,171)
- MYR Hedged-class	(411,620)	(278,902)
- SGD Hedged-class	(114,337)	-
- USD Class	(22,525)	(674,625)

**AHAM WORLD SERIES – US SHORT DURATION HIGH INCOME FUND**  
**(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES - US SHORT DURATION**  
**HIGH INCOME FUND)**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO**  
**UNITHOLDERS**  
**FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2024 (CONTINUED)**

	Financial period ended <u>31.1.2024</u> USD	Financial period ended <u>31.1.2023</u> USD
Increase in net asset attributable to unitholders during the financial period	269,853	359,911
- AUD Hedged-class	43,505	56,456
- EUR Hedged-class	22,489	13,027
- GBP Hedged-class	11,280	16,543
- MYR Class	26,923	(7,176)
- MYR Hedged-class	82,090	257,296
- SGD Hedged-class	13,318	21,006
- USD Class	70,248	2,759
<b>NET ASSETS ATTRIBUTABLE TO</b> <b>UNITHOLDERS AT THE END OF THE</b> <b>FINANCIAL PERIOD</b>	<u>6,974,184</u>	<u>6,284,039</u>



**AHAM Asset Management Berhad**

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