



QUARTERLY REPORT
30 September 2024

AHAM Absolute Return Fund III

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

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

Built On Trust

aham.com.my

AHAM ABOSLUTE RETURN FUND III

Quarterly Report and Financial Statements As at 30 September 2024

Contents	Page
QUARTERLY REPORT	2
STATEMENT OF COMPREHENSIVE INCOME	5
STATEMENT OF FINANCIAL POSITION	6
STATEMENT OF CHANGES IN EQUITY	7

QUARTERLY REPORT

FUND INFORMATION

Fund Name	AHAM Absolute Return Fund III
Fund Type	Growth
Fund Category	Mixed Assets (Wholesale)
Investment Objective	The Fund seeks to provide Unit Holders with long-term capital appreciation
Benchmark	8.0% per annum
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate

FUND PERFORMANCE DATA

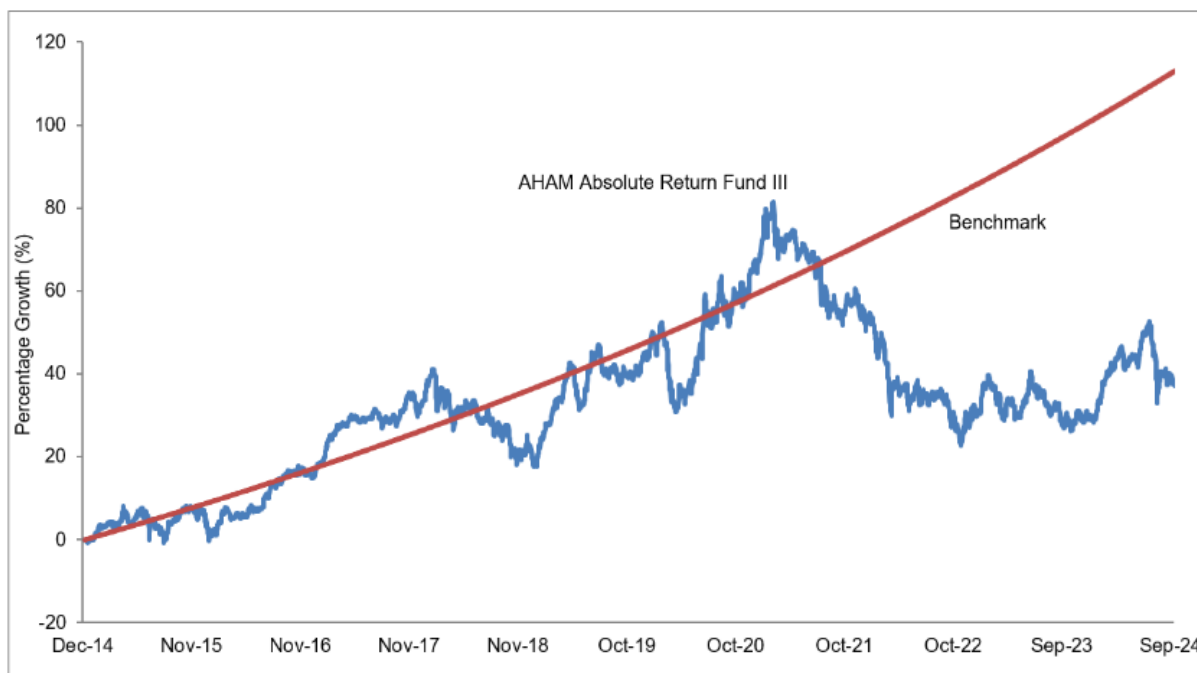
Category	As at	As at
	30 Sep 24	30 Jun 24
Total NAV (RM'million)	55.262	63.298
NAV per Unit (RM)	0.6852	0.7468
Unit in Circulation (million)	80.653	84.768

Fund Performance

Performance as at 30 September 2024

	3 Months (1/7/24 - 30/9/24)	6 Months (1/4/24 - 30/9/24)	1 Year (1/10/23 - 30/9/24)	3 Years (1/10/21 - 30/9/24)	5 Years (1/10/19 - 30/9/24)	Since Commencement (9/12/14 - 30/9/24)
Fund	(8.24%)	(4.85%)	6.83%	(10.69%)	(0.71%)	37.04%
Benchmark	1.96%	3.93%	8.02%	26.00%	46.99%	112.91%
Outperformance	(10.20%)	(8.78%)	(1.19%)	(36.69%)	(47.70%)	(75.87%)

Movement of the Fund versus the Benchmark



"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."
 Benchmark: 8.0% per annum

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>30 September 2024</u>
	(%)
Equity	76.82
Unit Trust	13.30
Cash & money market	9.88
Total	<u>100.00</u>

Income Distribution Breakdown

No distribution was declared by the Fund over the financial period under review.

Strategies Employed

With the return of volatility in markets, the Manager maintained some level of cash holdings and will redeploy into the market with a focus on quality should market opportunity arises.

Market Review

Global equity markets recorded strong performance in September, buoyed by easing inflation and accommodative monetary policies. In the US, the S&P 500 rose 2.0% as the Federal Reserve surprised markets with a larger-than-expected 50-basis-point rate cut, initiating its easing cycle to counter labor market weaknesses. Forward guidance from the Fed signaled a more aggressive rate-cutting path, supporting market sentiment. In Asia, Chinese equities staged an impressive recovery, with the MSCI China Index surging 23.1% as policymakers unveiled a robust stimulus package. Measures included reserve requirement ratio (RRR) cuts, reverse repo rate reductions, and a 1 trillion yuan liquidity injection, alongside a 500-billion-yuan funding facility aimed at stabilizing the stock market. These actions, coupled with fiscal pledges made during the Politburo meeting, emphasized China's commitment to reviving economic growth.

ASEAN markets also benefited from the Fed's rate cuts and a weakening US dollar, with the FTSE ASEAN 40 Index up 15.5% year-to-date. Regional central banks, including Bank Indonesia and the Philippine central bank, eased monetary policies, further supporting equity markets. Conversely, Malaysia's benchmark KLCI declined 1.80%, weighed down by weaker performance in export-driven sectors such as technology and gloves, despite gains in consumer stocks fueled by a stronger Ringgit. Looking ahead, global equity markets remain well-positioned, supported by improving liquidity conditions and coordinated policy measures, although external growth risks persist.

Investment Outlook

Market's strong outperformance has been largely driven by earnings expansion as valuation multiple remains undemanding (still below historical mean). We see potential for market valuation to re-rate to a premium from historical discount, driven by: a) Solid broad-based earnings growth; b) Investment cycle accelerating with strong local funds support given record inflows; c) Stronger Ringgit as US interest rate hike cycle reaches the tail-end, long-awaited recovery in China economy & record foreign direct investments into Malaysia, and d) Continuous foreign inflows with foreign shareholding coming from multi-year lows.

Investment themes that we like include: 1) Income - we look for high yielding stocks to generate income & reduce volatility to the portfolio; 2) Utilities –National Energy Transition Roadmap is a game changer for renewable energy while data centers & electric vehicles provide new demand for power; 3) Healthcare – long term drivers for hospitals include an aging population; 4) Property/construction – valuation remains attractive driven by rebound in property sales & large infrastructure projects (including data centres); 5) Oil & gas - pick up in activity levels as oil prices remain high, amidst tight supply of vessels/rigs due to years of under-investment; and 6) Technology/ EMS - cyclical recovery with improving orderbook visibility & beneficiary of trade diversion from US-China tension.

AHAM ABSOLUTE RETURN FUND III

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	Financial period ended 30.9.2024 RM	Financial period ended 30.9.2023 RM
INVESTMENT LOSS		
Dividend income	302,285	271,810
Interest income from financial asset at amortised cost	4,391	12,835
Net loss on foreign currency exchange	(506,962)	(137,278)
Net loss on financial assets at fair value through profit or loss	(4,646,614)	(3,871,045)
	<u>(4,846,900)</u>	<u>(3,723,678)</u>
EXPENSES		
Management fee	(147,325)	(189,342)
Trustee fee	(8,111)	(10,420)
Fund accounting fee	(3,000)	(3,000)
Auditors' remuneration	(2,313)	(2,319)
Tax agent's fee	(900)	(5,830)
Transaction costs	(45,460)	(60,257)
Other expenses	(48,939)	(36,973)
	<u>(256,048)</u>	<u>(308,141)</u>
NET LOSS BEFORE TAXATION	(5,102,948)	(4,031,819)
Taxation	-	(74,897)
NET LOSS AFTER TAXATION AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD	<u>(5,102,948)</u>	<u>(4,106,716)</u>
Net profit/(loss) after taxation is made up of the following:		
Realised amount	492,984	(3,054,349)
Unrealised amount	(5,595,932)	(1,052,367)
	<u>(5,102,948)</u>	<u>(4,106,716)</u>

AHAM ABSOLUTE RETURN FUND III

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	<u>2024</u> RM	<u>2023</u> RM
ASSETS		
Cash and cash equivalents	4,692,376	6,055,068
Amount due from brokers	1,133,385	-
Amount due from Manager		
- management fee rebate receivable	5,485	8,037
Dividends receivable	24,543	36,812
Financial assets at fair value through profit or loss	49,801,292	63,021,801
Tax recoverable	111,857	-
TOTAL ASSETS	<u>55,768,938</u>	<u>69,121,718</u>
LIABILITIES		
Amount due to brokers	438,616	-
Amount due to Manager		
- management fee	46,175	59,224
Amount due to Trustee	2,540	3,257
Fund accounting fee	1,000	1,000
Auditors' remuneration	2,313	2,319
Tax agent's fee	4,416	4,418
Tax payable	-	30,918
Other payables and accruals	11,564	11,992
TOTAL LIABILITIES	<u>506,624</u>	<u>113,128</u>
NET ASSET VALUE OF THE FUND	<u>55,262,314</u>	<u>69,008,590</u>
EQUITY		
Unitholders' capital	40,844,849	59,062,738
Retained earnings	14,417,465	9,945,852
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>55,262,314</u>	<u>69,008,590</u>
NUMBER OF UNITS IN CIRCULATION	<u>80,653,000</u>	<u>107,585,000</u>
NET ASSET VALUE PER UNIT (RM)	<u>0.6852</u>	<u>0.6414</u>

AHAM ABSOLUTE RETURN FUND III

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	Unitholders' <u>capital</u> RM	Retained <u>earnings</u> RM	<u>Total</u> RM
Balance as at 1 July 2024	43,777,720	19,520,413	63,298,133
Total comprehensive loss for the financial period	-	(5,102,948)	(5,102,948)
Movement in unitholders' capital:			
Cancellation of units	(2,932,871)		(2,932,871)
Balance as at 30 September 2024	<u>40,844,849</u>	<u>14,417,465</u>	<u>55,262,314</u>
Balance as at 1 July 2023	64,974,275	14,052,568	79,026,843
Total comprehensive loss for the financial period	-	(4,106,716)	(4,106,716)
Movement in unitholders' capital:			
Cancellation of units	(5,911,537)	-	(5,911,537)
Balance as at 30 September 2023	<u>59,062,738</u>	<u>9,945,852</u>	<u>69,008,590</u>

AHAM 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

aham.com.my