



QUARTERLY REPORT
31 August 2024

AHAM Aiiman Income Fund

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
Deutsche Trustees Malaysia
Berhad (763590-H)

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AHAM AIIMAN INCOME FUND

Quarterly Report and Financial Statements As at 31 August 2024

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QUARTERLY REPORT

FUND INFORMATION

Fund Name	AHAM Aiman Income Fund
Fund Type	Income
Fund Category	Fixed Income (Shariah-compliant Wholesale)
Investment Objective	The Fund aims to provide investors with a steady income stream by investing in Sukuk, Islamic money market instruments and/or Islamic deposits.
Benchmark	Maybank 1-month General Investment Account (GIA-i) rate.
Distribution Policy	Subject to the availability of income, the Fund will make distribution on a monthly basis. However, the amount of income available for distribution may fluctuate from month to month. At our discretion, the Fund may distribute (1) realised income, (2) realised capital gains, (3) unrealised income, (4) unrealised capital gains, or (5) a combination of any of the above.

FUND PERFORMANCE DATA

Category	As at 31 August 2024	As at 31 May 2024
Total NAV (RM'million)	1372.179	1134.339
NAV per Unit (RM)	1.0000	1.0000
Unit in Circulation (million)	1371.204	1133.788

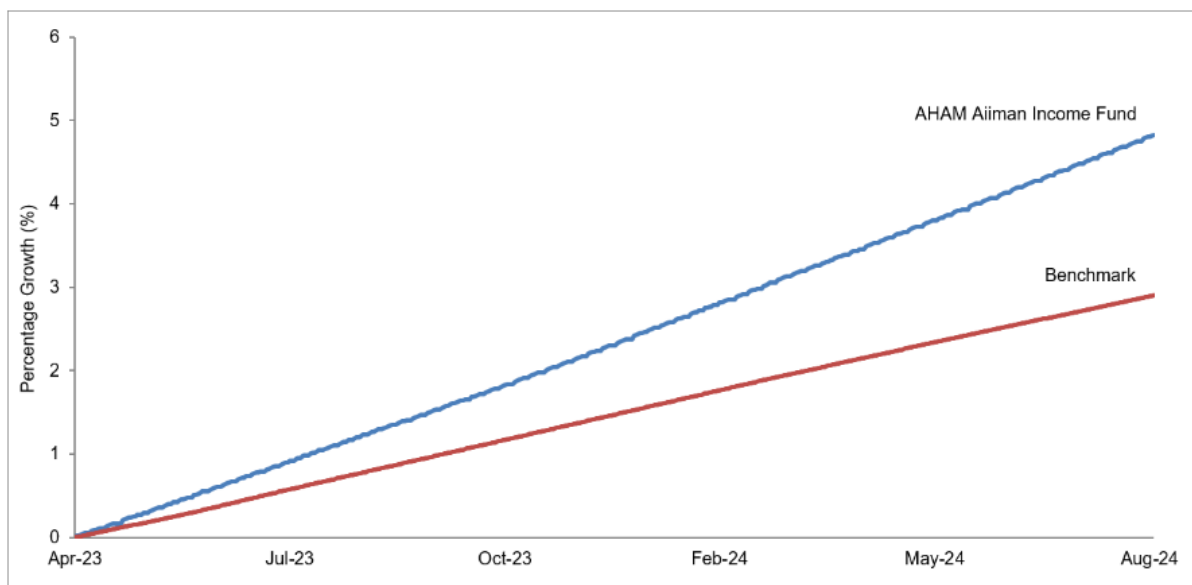
Fund Performance

Performance as at 31 August 2024

	3 Months (1/6/24 - 31/8/24)	6 Months (1/3/24 - 31/8/24)	1 Year (1/9/23 - 31/8/24)	Since Commencement (3/4/23 - 31/8/24)
Fund	0.86%	1.72%	3.44%	4.83%
Benchmark	0.48%	0.98%	2.03%	2.90%
Outperformance	0.38%	0.74%	1.41%	1.93%

Source of Benchmark: Maybank

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. Source of Benchmark is from Maybank."
 Benchmark: Maybank 1-month General Investment Account (GIA-i) rate

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 August 2024
	(%)
Fixed Income	31.36
Cash & money market	68.64
Total	100.00

Income Distribution Breakdown

Class	Ex-Date	Income (per unit) (sens / cents)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
MYR	2024-06-30	0.2795	100.0	-	-
	2024-07-31	0.2888	100.0	-	-
	2024-08-31	0.2879	99.7	0.0009	0.3

Strategies Employed

The Fund invested primarily in Malaysia Government Investment Issues, Government-Guaranteed Sukuk, Cagamas Sukuk, Khazanah Sukuk, and Money Market deposits with the objective of providing investors with income stream over the medium to long-term period. The portfolio duration and allocation between fixed income and deposits was managed based the interest rate outlook for the market over the medium to long-term horizon, as well as to accommodate daily liquidity requirement.

At the end of the period under review, portfolio duration stood at 0.20-year with an asset allocation of 31% fixed income and 69% deposits, The fund maintained a higher deposit composition during the period under review amid (1) higher deposit returns relative fixed income yields, (2) liquidity requirement to accommodate active fund flows, and most importantly, (3) to position more defensively to protect the fund from adverse market conditions, as the Fund is still at its infancy stage of accumulating reserves, in order to provide its core feature of fixed NAV price.

Market Review

The period from June - August 2024 saw a notable decline in US Treasury bond yields. In June, the yields of UST 10-year ended lower at around 4.36% on the back of lower inflation and softer job market data, alongside market projections that the Federal Reserve would cut rates later in the year. The downward trend continued, with the yield dropping to 3.90% by end of August. This significant decrease from earlier was fuelled by ongoing expectations of rate cuts by the Fed, as inflation showed signs of stabilizing and economic growth appeared to be slowing down. As of end August, UST 2-year, 10-year and 30-year stood at 3.92% (-83bps QoQ), 3.90% (-50bps QoQ) and 4.20% (-bps QoQ) respectively.

In the domestic market, MGS yields shifted lower tracking USTs although at a slower momentum. Ample domestic liquidity and demand for duration kept local bond yields anchored. On quarterly basis, yields for 3-year, 10-year and 30-year MGS ended the quarter under review at 3.33% (-20bps), 3.76% (-10bps) and 4.18% (-4bps) respectively.

The July BNM meeting saw OPR maintained at 3.00% while maintaining a neutral tone. The central bank highlighted that current OPR is supportive of economy and consistent with its current assessment of inflation and growth prospects. On domestic inflation, July headline CPI was stable at +2.0% coming in below consensus of +2.1% (June: 2.0%, 1H24: 1.8%). Core CPI remain unchanged at +1.9% (June: 1.9%, 1H24: 1.8%). This reflects muted impact from recent broadening of services tax base, diesel price adjustments in June 2024.

Investment Outlook

The US Federal Funds Rate of 5.25-5.50% appeared sufficiently restrictive, with recent data showing signs of easing in wage growth and core inflation components. Looking past the current data driven volatility, the Manager opines that there is a strong likelihood that the U.S. Federal Reserve will opt to lower interest rates in the near future.

Domestically, Malaysia's growth moderated to 3.7% in 2023 (2022: 8.7%) amid slower global trade, global tech downcycle, geopolitical tensions, and tighter monetary policies. Despite the on-going subsidy rationalization, its impact on domestic inflation would require a longer time to ascertain. Hence, BNM is expected to prioritize growth over inflation in the near-term, giving rise to a stable OPR outlook.

The Fund will continue to seek out opportunities to enhance portfolio yield, while actively manage maturities to ensure sufficient daily liquidity for the Fund.

AHAM AIIAN INCOME FUND

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

	Financial period ended 31.8.2024 RM	Financial period ended 31.8.2023 RM
INVESTMENT INCOME		
Profit income from financial assets at fair value through profit or loss	20,620,539	1,733,721
Net gain on financial assets at fair value through profit or loss	202,302	13,424
	<u>20,822,841</u>	<u>1,747,145</u>
EXPENSES		
Management fee	(1,155,551)	(117,797)
Trustee fee	(62,338)	(14,386)
Fund accounting fee	(6,000)	(4,516)
Auditor's remuneration	(4,032)	-
Tax agent's fee	(1,764)	-
Other expenses	(5,006)	(390)
	<u>(1,234,691)</u>	<u>(137,089)</u>
NET PROFIT BEFORE TAXATION	19,588,150	1,610,056
Taxation	-	-
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	<u>19,588,150</u>	<u>1,610,056</u>
Net profit after taxation is made up of the following:		
Realised amount	19,323,739	1,552,576
Unrealised amount	264,411	57,480
	<u>19,588,150</u>	<u>1,610,056</u>

AHAM AIIAN INCOME FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2024

	<u>2024</u> RM	<u>2023</u> RM
ASSETS		
Cash and cash equivalents	25,089	5,393
Financial assets at fair value through profit or loss	1,376,105,499	201,564,562
TOTAL ASSETS	<u>1,376,130,588</u>	<u>201,569,955</u>
LIABILITIES		
Amount due to Manager		
- management fee	228,708	39,047
Amount due to Trustee	10,891	4,686
Fund accounting fee	1,000	1,000
Auditors' remuneration	4,032	-
Tax agent's fee	5,264	-
Other payables and accruals	1,435	-
Distribution payable	3,699,855	498,719
TOTAL LIABILITIES	<u>3,951,185</u>	<u>543,452</u>
NET ASSET VALUE OF THE FUND	<u>1,372,179,403</u>	<u>201,026,503</u>
EQUITY		
Unitholders' capital	1,371,204,000	200,946,000
Retained earnings	975,403	80,503
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>1,372,179,403</u>	<u>201,026,503</u>
NUMBER OF UNITS IN CIRCULATION	<u>1,371,204,000</u>	<u>200,946,000</u>
NET ASSET VALUE PER UNIT (RM)	<u>1.00</u>	<u>1.00</u>

AHAM AIIAN INCOME FUND

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2024

	Unitholders' <u>capital</u> RM	Retained <u>earnings</u> RM	<u>Total</u> RM
Balance as at 1 March 2024	791,183,000	275,567	791,458,567
Total comprehensive income for the financial period	-	19,588,150	19,588,150
Distributions	-	(18,888,314)	(18,888,314)
Movement in unitholders' capital:			
Creation of units arising from applications	1,405,271,230	-	1,405,271,230
Creation of units arising from distributions	18,888,314	-	18,888,314
Cancellation of units	(844,138,544)	-	(844,138,544)
Balance as at 31 August 2024	<u>1,371,204,000</u>	<u>975,403</u>	<u>1,372,179,403</u>
Balance as at 16 March 2023 (date of launch)	-	-	-
Total comprehensive income for the financial period	-	1,610,056	1,610,056
Distributions	-	(1,529,553)	(1,529,553)
Movement in unitholders' capital:			
Creation of units arising from applications	210,610,647	-	210,610,647
Creation of units arising from distributions	1,030,834	-	1,030,834
Cancellation of units	(10,695,481)	-	(10,695,481)
Balance as at 31 August 2023	<u>200,946,000</u>	<u>80,503</u>	<u>201,026,503</u>

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