



**QUARTERLY REPORT**  
31 August 2024

# **AHAM World Series – China Growth Fund**

MANAGER  
AHAM Asset Management Berhad  
199701014290 (429786-T)

TRUSTEE  
HSBC (Malaysia) Trustee Berhad  
193701000084 (1281-T)

**Built On Trust**

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# AHAM WORLD SERIES – CHINA GROWTH FUND

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

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## QUARTERLY REPORT

### FUND INFORMATION

Fund Name	AHAM World Series – China Growth Fund
Fund Type	Growth
Fund Category	Feeder (Wholesale)
Investment Objective	The Fund seeks to achieve capital appreciation over medium to long term period through investments in China equities
Benchmark	MSCI China 10/40 Index
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.

### FUND PERFORMANCE DATA

#### **MYR Class**

<b>Category</b>	<b>As at 31 Aug 2024</b>	<b>As at 31 May 2024</b>
Total NAV (million)	61.566	74.677
NAV per Unit (RM)	0.6858	0.7702
Unit in Circulation (million)	89.781	96.968

#### **USD Class**

<b>Category</b>	<b>As at 31 Aug 2024</b>	<b>As at 31 May 2024</b>
Total NAV (million)	5.433	6.705
NAV per Unit (USD)	0.3922	0.4043
Unit in Circulation (million)	13.852	16.586

#### **MYR-Hedged Class**

<b>Category</b>	<b>As at 31 Aug 2024</b>	<b>As at 31 May 2024</b>
Total NAV (million)	121.293	141.965
NAV per Unit (RM)	0.3727	0.3868
Unit in Circulation (million)	325.624	366.877

**Fund Performance**

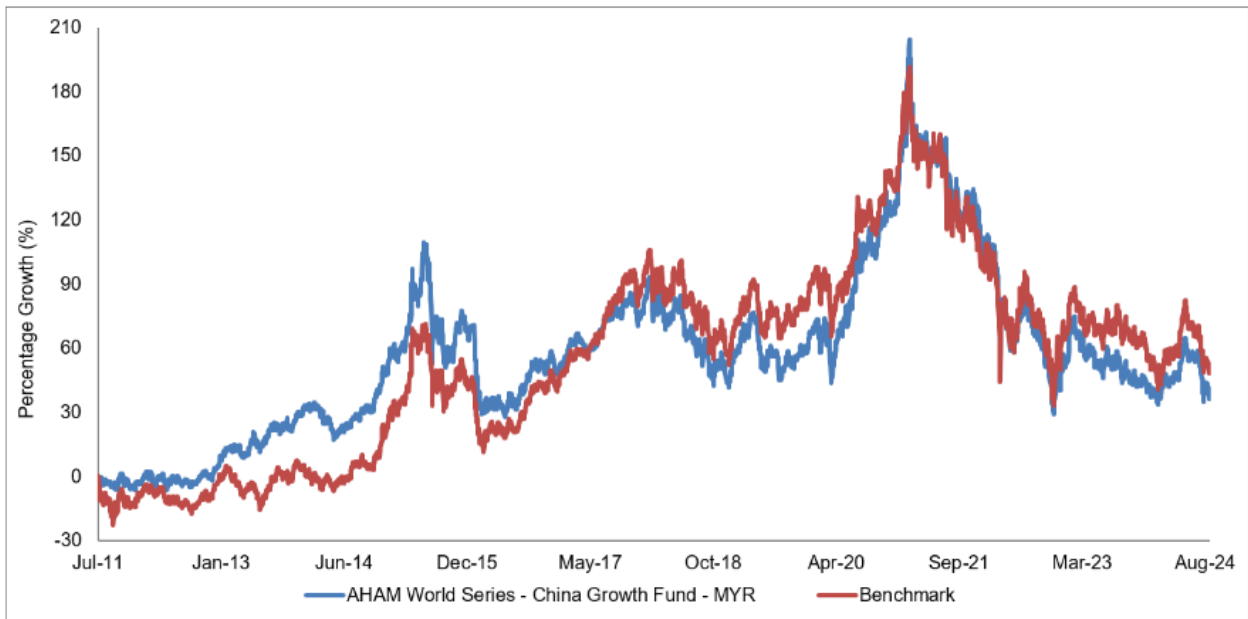
**MYR Class**

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)	3 Years (1/9/21 - 31/8/24)	5 Years (1/9/19 - 31/8/24)	Since Commencement (1/8/11 - 31/8/24)
Fund	(10.96%)	(5.32%)	(8.13%)	(40.83%)	(9.69%)	37.16%
Benchmark	(10.88%)	(3.68%)	(10.72%)	(33.15%)	(12.44%)	50.62%
Outperformance	(0.08%)	(1.64%)	2.59%	(7.68%)	2.75%	(13.46%)

Source of Benchmark: Bloomberg

**Movement of the Fund versus the Benchmark**



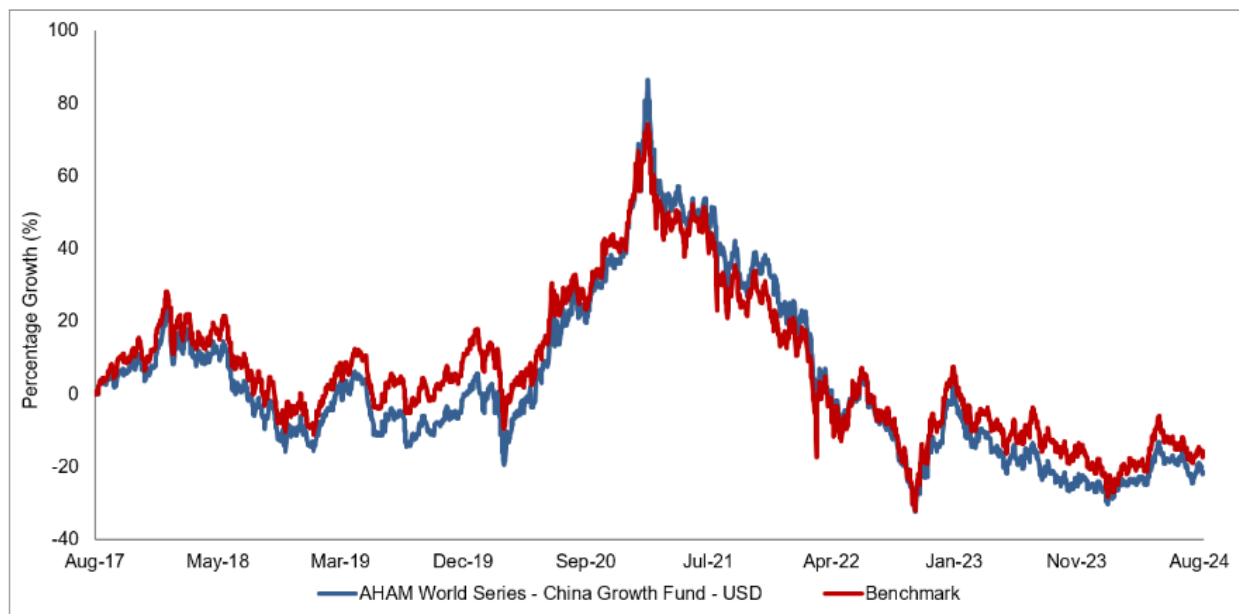
## USD Class

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)	3 Years (1/9/21 - 31/8/24)	5 Years (1/9/19 - 31/8/24)	Since Commencement (15/8/17 - 31/8/24)
Fund	(2.99%)	3.92%	(1.36%)	(43.10%)	(12.00%)	(21.56%)
Benchmark	(2.88%)	5.80%	(4.11%)	(35.69%)	(14.50%)	(15.83%)
Outperformance	(0.11%)	(1.88%)	2.75%	(7.41%)	2.50%	(5.73%)

Source of Benchmark: Bloomberg

### Movement of the Fund versus the Benchmark



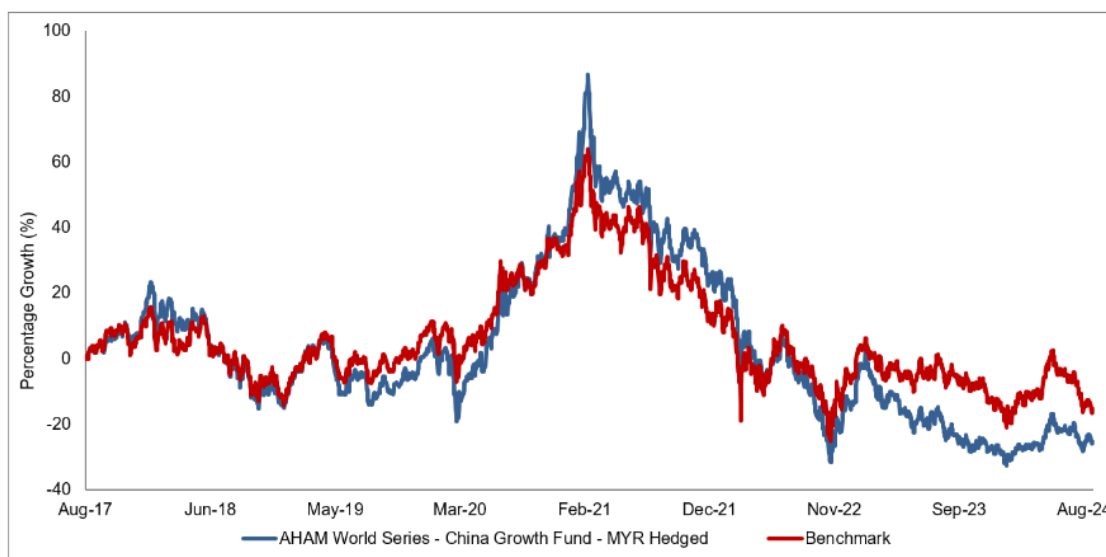
## MYR Hedged-Class

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)	3 Years (1/9/21 - 31/8/24)	5 Years (1/9/19 - 31/8/24)	Since Commencement (15/8/17 - 31/8/24)
Fund	(3.65%)	2.39%	(4.41%)	(46.13%)	(16.77%)	(25.46%)
Benchmark	(10.88%)	(3.68%)	(10.72%)	(33.15%)	(12.44%)	(15.34%)
Outperformance	7.23%	6.07%	6.31%	(12.98%)	(4.33%)	(10.12%)

Source of Benchmark: Bloomberg

### 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 Bloomberg."*  
 Benchmark: MSCI China 10/40 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 August 2024 _____ (%)
Unit Trust	95.42
Derivative	0.77
Cash & money market	3.81
Total	_____ 100.00

### Income Distribution Breakdown

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

## **Strategies Employed**

The BGF China Fund adopts a flexible style and has a focus on the structural change and reform in China. The portfolio seeks to capture full spectrum of opportunities for a changing China through access to full range of China-focused stocks. The structural reform focus offers dynamic opportunity to uncover reform beneficiaries and optimal investment themes in new and old economies.

## **Market Review**

Equity markets delivered broadly positive returns in the June-August quarter, with developed markets outperforming emerging markets. Developed market equities rose by 1.9% over the quarter and remained up by 17.4% year-to-date (YTD). At a regional level, European equities returned 1.4% during the period (YTD 12.5%), while US equities and Japanese equities ended the quarter at 2.4% and -2.7%, respectively (with YTD returns of 19.1% and 16.9%). Emerging markets increased by 1.6% during the quarter (YTD up by 9.9%). During this period, developed market bonds delivered positive returns. US treasuries and UK gilts both increased by 1.3% and 0.5%, respectively. In currencies, the Euro appreciated by 2.3% relative to the USD, while Sterling appreciated by 2.3% against the USD.

In the US, headline inflation fell to 2.9% year-on-year from 3.0%, while core inflation fell from 3.3% to 3.2% year-on-year in July. Fed chair Jerome Powell indicated at the end of August that the US labour market has cooled but the pace of rate cuts would depend on incoming data. In Europe, headline inflation fell to 2.2% year-on-year, while core inflation fell from 2.9% to 2.8% year-on-year in August, bolstering expectations that the ECB will reduce interest rates in September. In the UK, headline inflation rose to 2.2% year-on-year in July, while core inflation fell from 3.5% to 3.3% year-on-year. The Bank of England's Monetary Policy Committee reduced the Bank Rate by 25bps to 5.0%.

Fixed income markets delivered broadly positive returns over the June-August quarter. US 10-year yields fell from 4.06% to 3.92%, with the two-year falling from 4.26% to 3.92%. Germany's 10-year yield fell from 2.30% to 2.29%, while the 2-year yield fell from 2.53% to 2.39%. The UK 10-year yields rose from 3.97% to 4.02%, while the 2-year yield rose from 3.81% to 4.11%. US and European high yield delivered positive results. Global investment grade credit performed positively. Emerging market debt performed positively in both local currency and in USD. Crude oil fell by 2.2% while gold appreciated by 3.4%.

## **Investment Outlook**

The global election cycle in 2024, from Taiwan and India to the EU, UK, and US, has induced volatility in the market, presenting both opportunities and risks for investors with potential extreme moves in global equity and bond markets. We continue to believe there are several paths to consider for the economy, including upside and downside scenarios, which necessitate a dynamic and granular approach to managing the portfolio. During this period of elevated volatility, our strategy seeks to offer a more stable experience than traditional market returns. In addition to traditional equities and fixed income, our strategy also allocates to diversifiers to enhance diversification and flexibility, while tactically adjusting its positions monthly to capture some of the latest trends resulting from meaningful regional and sector dispersions across markets.

Our positioning within equities remained selective during the June-August quarter. Relatively speaking, we preferred US equities, which could be supported by a more resilient earnings backdrop and stable to slowly declining real policy rates. Elsewhere in equities, we continued to favour Emerging Markets, which could potentially benefit from China's upside surprise with less concentrated exposure to geopolitical risks. The asset class could also see an additional tailwind from a more accommodative stance from the Federal Reserve and EM central banks.

We stayed tactical in developed market fixed income throughout the quarter. We remained cautious on global government bonds, as rates can remain volatile in the near term. In the riskier parts of the fixed income markets, we favoured emerging market bonds, which offered better average ratings, spreads, and valuations compared to high yield bonds.

## AHAM WORLD SERIES - CHINA GROWTH FUND

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

	Financial period ended 31.8.2024 USD	Financial period ended 31.8.2023 USD
<b>INVESTMENT INCOME</b>		
Interest income from financial assets at amortised cost	-	1,472
Net loss on foreign currency exchange	(2,209)	(1,384)
Net gain/(loss) on forward foreign currency contracts at fair value through profit or loss	2,232,281	(537,882)
Net (loss)/gain on financial assets at fair value through profit or loss	(1,270,894)	1,381,324
	<u>959,178</u>	<u>843,530</u>
<b>EXPENSES</b>		
Management fee	(232,820)	(288,612)
Trustee fee	(6,467)	(8,020)
Fund accounting fee	(1,103)	-
Auditors' remuneration	(329)	(443)
Tax agent's fee	(192)	(194)
Other expenses	(247)	(28)
	<u>(241,158)</u>	<u>(297,297)</u>
<b>NET PROFIT BEFORE TAXATION</b>	718,020	546,233
Taxation	-	-
<b>INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<u>718,020</u>	<u>546,233</u>
Increase in net asset attributable to unitholders are made up of the following:		
Realised amount	(708,496)	215,506
Unrealised amount	1,426,516	330,727
	<u>718,020</u>	<u>546,233</u>



## AHAM WORLD SERIES - CHINA GROWTH FUND

### UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2024

	<u>2024</u> USD	<u>2023</u> USD
<b>ASSETS</b>		
Cash and cash equivalents	1,920,064	2,044,634
Amount due from broker	310,858	-
Amount due from Manager		
- management fee rebate receivable	29,846	39,051
Financial assets at fair value through profit or loss	45,587,131	60,028,814
Forward foreign currency contracts at fair value through profit or loss	373,861	9,310
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>48,221,760</b>	<b>62,121,809</b>
<b>LIABILITIES</b>		
Forward foreign currency contracts at fair value through profit or loss	4,938	962,387
Amount due to broker	162,585	-
Amount due to Manager		
- management fee	74,540	94,990
- cancellation of units	198,925	34,038
Amount due to Trustee	2,071	2,639
Fund accounting fee	376	-
Auditors' remuneration	652	2,564
Tax agent's fee	1,061	1,037
Other payables and accruals	711	818
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<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>	<b>445,859</b>	<b>1,098,473</b>
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<b>NET ASSET VALUE OF THE FUND</b>	<b>47,775,901</b>	<b>61,023,336</b>
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<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<b>47,775,901</b>	<b>61,023,336</b>
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## AHAM WORLD SERIES – CHINA GROWTH FUND

### UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2024 (CONTINUED)

	<u>2024</u> USD	<u>2023</u> USD
<b>REPRESENTED BY:</b>		
<b>FAIR VALUE OF OUTSTANDING UNITS</b>		
- MYR Class	14,256,285	18,505,261
- MYR-Hedged Class	28,086,826	35,509,529
- USD Class	5,432,790	7,008,546
	<u>47,775,901</u>	<u>61,023,336</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>		
- MYR Class	89,781,000	114,942,000
- MYR-Hedged Class	325,624,000	422,467,000
- USD Class	13,852,000	17,625,000
	<u>429,257,000</u>	<u>555,034,000</u>
<b>NET ASSET VALUE PER UNIT (USD)</b>		
- MYR Class	0.1588	0.1610
- MYR-Hedged Class	0.0863	0.0841
- USD Class	0.3922	0.3976
	<u>0.3922</u>	<u>0.3976</u>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>		
- MYR Class	RM0.6858	RM0.7465
- MYR-Hedged Class	RM0.3727	RM0.3899
- USD Class	USD0.3922	USD0.3976
	<u>USD0.3922</u>	<u>USD0.3976</u>

## AHAM WORLD SERIES – CHINA GROWTH FUND

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

	Financial period ended <u>31.8.2024</u> USD	Financial period ended <u>31.8.2023</u> USD
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	52,750,353	61,292,177
Movement due to units created and cancelled during the financial period:		
Creation of units arising from applications	1,132,252	1,245,795
- MYR Class	65,191	343,050
- MYR-Hedged Class	687,930	808,819
- USD Class	379,131	93,926
Cancellation of units	(6,824,724)	(2,060,869)
- MYR Class	(1,146,083)	(644,917)
- MYR-Hedged Class	(1,868,453)	(828,380)
- USD Class	(3,810,188)	(587,572)
Net increase in net assets attributable to unitholders during the financial period	718,020	546,233
- MYR Class	(191,731)	328,347
- MYR-Hedged Class	(435,016)	61,679
- USD Class	1,344,767	156,207
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<u>47,775,901</u>	<u>61,023,336</u>

**AHAM Asset Management Berhad**

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