



QUARTERLY REPORT
31 August 2024

AHAM World Series - **Emerging Markets** **Short Duration 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 – EMERGING MARKETS SHORT DURATION FUND

Quarterly Report and Financial Statements As at 31 August 2024

Contents	Page
QUARTERLY REPORT	3
STATEMENT OF COMPREHENSIVE INCOME	7
STATEMENT OF FINANCIAL POSITION	8
STATEMENT OF CHANGES IN NET ASSETS	10

QUARTERLY REPORT

FUND INFORMATION

Fund Name	AHAM World Series – Emerging Markets Short Duration Fund	
Fund Type	Income	
Fund Category	Fixed Income (Feeder Wholesale)	
Investment Objective	The Fund aims to provide regular income over the medium to long term period	
Termination Date & duration	20 November 2024	
Distribution Policy	Subject to the availability of income, the Fund endeavours to distribute income for respective Classes in the following manner, after the end of its first financial year.	
	Class(es)	Distribution Policy
	USD Class	Monthly basis
	MYR Class	
	MYR Hedged-class	Quarterly basis
	SGD Hedged-class	
	AUD Hedged-class	
	GBP Hedged-class	
	EUR Hedged-class	
	RMB Hedged-class	

FUND PERFORMANCE DATA

USD Class

Category	As at 31 Aug 2024	As at 31 May 2024
Total NAV (million)	0.001	0.007
NAV per Unit (USD)	0.1736	0.1761
Unit in Circulation (million)	0.004	0.042

MYR class

Category	As at 31 Aug 2024	As at 31 May 2024
Total NAV (million)	0.034	0.146
NAV per Unit (RM)	0.1919	0.2109
Unit in Circulation (million)	0.179	0.693

MYR-Hedged class

Category	As at 31 Aug 2024	As at 31 May 2024
Total NAV (million)	0.004	0.150
NAV per Unit (RM)	0.1631	0.1652
Unit in Circulation (million)	0.027	0.909

SGD-Hedged class

Category	As at 31 Aug 2024	As at 31 May 2024
Total NAV (million)	0.002	0.006
NAV per Unit (SGD)	0.1609	0.1670
Unit in Circulation (million)	0.010	0.034

AUD-Hedged class

Category	As at 31 Aug 2024	As at 31 May 2024
Total NAV (million)	0.002	0.002
NAV per Unit (AUD)	0.1549	0.1548
Unit in Circulation (million)	0.010	0.010

RMB-Hedged class

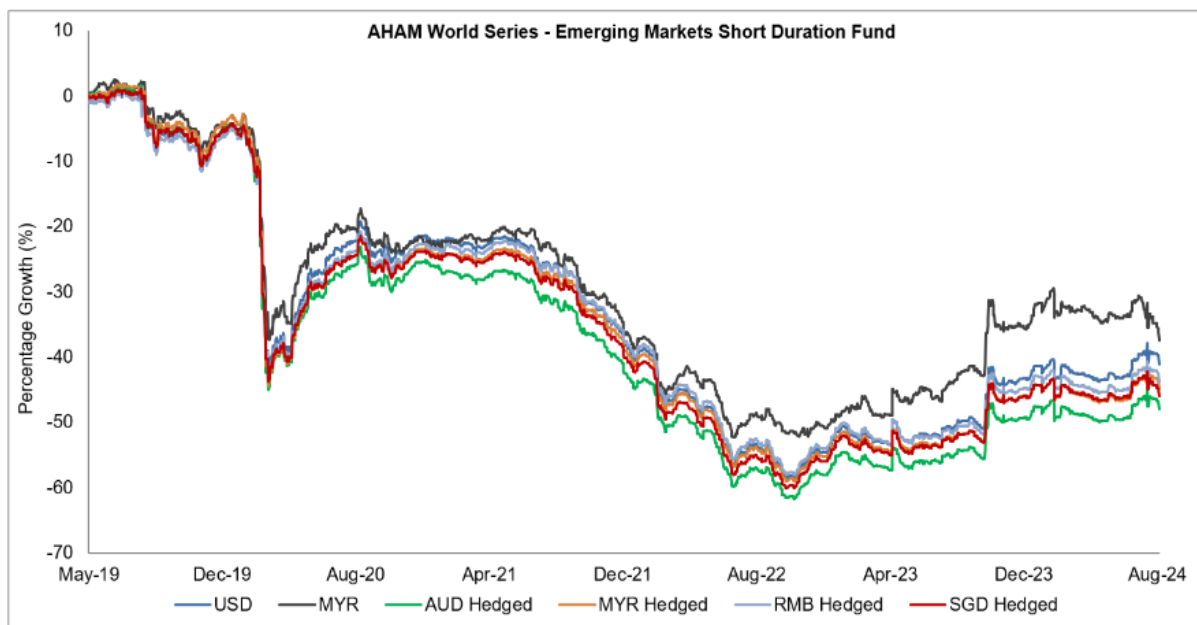
Category	As at 31 Aug 2024	As at 31 May 2024
Total NAV (million)	0.016	0.015
NAV per Unit (RMBB)	0.1681	0.1668
Unit in Circulation (million)	0.093	0.090

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)	3 Years (1/9/21 - 31/8/24)	5 Years (1/9/19 - 31/8/24)	Since Commencement (3/5/19 - 31/8/24)
USD	2.38%	3.63%	17.16%	(20.37%)	(36.24%)	(41.09%)
MYR	(6.14%)	(5.70%)	8.98%	(17.11%)	(34.30%)	(37.37%)
AUD Hedged	1.83%	2.32%	13.46%	(24.15%)	(44.26%)	(47.99%)
MYR Hedged	1.86%	2.30%	14.03%	(23.99%)	(41.02%)	(44.85%)
RMB Hedged	1.04%	1.86%	13.41%	(23.81%)	(38.65%)	(43.77%)
SGD Hedged	(0.89%)	(0.03%)	11.61%	(24.78%)	(41.92%)	(46.05%)

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 August 2024
	(%)
Unit Trust	93.35
Derivative	0.46
Cash & money market	6.19
Total	100.00

Income Distribution Breakdown

Class	Ex-Date	Income (per unit) (sens / cents)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
USD Class	2024-06-24	0.1950	100	-	-
	2024-07-22	0.2450	100	-	-
	2024-08-22	0.2320	100	-	-
MYR Class	2024-06-24	0.2700	100	-	-
	2024-07-22	0.1400	100	-	-
	2024-08-22	0.2300	100	-	-
MYR Hedged-class	2024-06-24	0.2100	100	-	-
	2024-07-22	0.0900	100	-	-
	2024-08-22	0.2190	100	-	-
SGD Hedged-class	2024-06-24	0.1850	100	-	-
	2024-07-22	0.0950	100	-	-
	2024-08-22	0.1900	100	-	-
AUD Hedged-class	2024-06-24	0.1700	100	-	-
	2024-07-22	0.1000	100	-	-
RMB Hedged-class	2024-06-24	0.1900	100	-	-
	2024-07-22	0.1000	100	-	-
	2024-08-22	0.1300	100	-	-

Strategies Employed

The Target Fund mainly seek to access the returns available from short term Emerging Market Transferable Securities which are debt in nature and other instruments issued by sovereigns, quasi-sovereigns and corporates denominated exclusively in USD and Hard Currency.

Market Review

Over the quarterly period, the target fund manager saw a continuation of the bullish move in US interest rates with 5-year yields down 20 basis points (bps) and 10-year yields down 13 bps. This provided a positive backdrop for performance in Emerging Markets (EM) debt with both Sovereign and Corporate bonds generating significant positive returns. Sovereign debt has outperformed corporate debt, benefiting from longer average duration.

The broad EM sovereign bond index, the JP Morgan EMBI Global Diversified Index returned 2.3% in August. The index spread was -12 bps (basis points) tighter, finishing the month at a spread of 388 bps. The Investment Grade (IG) part of the sovereign debt index saw spreads widen -8 bps, finishing the month at a 114 bps. The High Yield (HY) part of the sovereign debt index was -13 bps tighter, to a spread of 726 bps. The IG part of the index has outperformed the HY part of the index with a total return of +2.4% versus +2.2%.

The broad EM corporate index, the JP Morgan CEMBI Broad Diversified Index returned 1.7% during August with the index spread tightening -10 bps during the month to a spread of 219 bps. The IG part of the corporate debt index was -5 bps tighter to a spread of 129 bps. The HY part of the corporate debt index was -14 bps tighter to a spread of 393 bps. The IG part of the index has underperformed the HY part of the index during the month with a total return of 1.67% versus a return of 1.70% for HY. In August, the SICAV Short Duration Fund returned +1.12% compared to +1.03% for the JP Morgan CEMBI BD 1-3 year benchmark, resulting in a positive alpha of 9 bps for the month.

Venezuela was the top contributor to performance again in August, following strong performance in in July, owing to PDVSA 2020 collateralised bonds rallying with prices now well above 90 cents. News that two consortiums of bidders are battling for CitGo and are moving into the final stages of the auction process, this

was the driver for the higher prices in those bonds. The price action of the non-collateralised bonds was weak, with bonds selling off as the election results remain disputed by the international community. Brazil was the second contributor to performance, owing to a price recovery from the successful completion of the restructuring of the Oi Telecom bonds.

Investment Outlook

The US economic data continue to send mixed signals, leading to an increased market conviction that the US may avoid a recession in 2023 and move towards a soft landing. Economic data has been stronger than expected and earnings have been resilient. The larger cap stocks in particular have outperformed driven by various factors. There is a risk that the Fed will hike rates by another 25bps in 2023; however, we believe that there is higher possibility that Fed's may pause its hiking cycle in 2023. With developed markets peak cycle in the horizon, risk appetite is seen returning to the Emerging Markets ("EM") space given that EM has better shielded economics against inflation.

China was the main detractor, owing to renewed weakness in the property sector. August is generally a quiet month for property sales, but even so the numbers were still weak, showing a 24% year-on-year (yoy) decline and 11% month-on-month (mom). China's ambitious growth target remains at risk given the weak consumer confidence impacting all economic sectors, but especially residential property sales. The Chinese government rejected an International Monetary Fund (IMF) recommendation for a USD 1 trillion rescue plan for the troubled property sector, requiring a one-off use of government funds to complete unfinished housing projects. The IMF estimated the cost of the proposal at 5.5% of Gross Domestic Product (GDP) over a four-year period. Despite the Government rejecting the IMF recommendation, we believe it is likely that some elements of the plan will be adopted in the coming months.

AHAM WORLD SERIES – EMERGING MARKET SHORT DURATION FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME 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
INVESTMENT INCOME		
Dividend income	2,715	6,687
Net loss on foreign currency exchange	(510)	(19)
Net gain/(loss) on forward foreign currency contracts at fair value through profit or loss	1,526	(1,031)
Net gain on financial assets at fair value through profit or loss	2,219	7,225
	<u>5,950</u>	<u>12,862</u>
EXPENSES		
Management fee	(202)	(661)
Trustee fee	(7)	(27)
Auditors' remuneration	(450)	(449)
Tax agent's fee	(197)	(196)
Other expenses	(806)	(2,255)
	<u>(1,662)</u>	<u>(3,588)</u>
NET PROFIT BEFORE FINANCE COST AND TAXATION	4,288	9,274
FINANCE COST		
Distributions	(1,420)	(6,540)
NET PROFIT BEFORE TAXATION	2,868	2,734
Taxation	-	-
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>2,868</u>	<u>2,734</u>
Increase of net asset attributable to unitholders is made up of the following:		
Realised amount	(1,520)	(43,847)
Unrealised amount	4,388	46,581
	<u>2,868</u>	<u>2,734</u>

AHAM WORLD SERIES – EMERGING MARKET SHORT DURATION FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2024

	<u>2024</u> USD	<u>2023</u> USD
ASSETS		
Cash and cash equivalents	1,864	36,117
Amount due from broker	868	-
Amount due from Manager		
- management fee rebate receivable	27	206
Financial assets at fair value through profit or loss	12,075	250,708
Forward foreign currency contracts at fair value through profit or loss	60	282
Tax recoverable	182	139
TOTAL ASSETS	<u>15,076</u>	<u>287,452</u>
LIABILITIES		
Forward foreign currency contracts at fair value through profit or loss	-	702
Amount due to brokers	-	27,000
Amount due to Manager		
- management fee	31	254
- cancellation of units	89	905
Amount due to Trustee	1	10
Auditors' remuneration	479	446
Tax agent's fee	1,020	950
Other payable and accruals	521	1,730
TOTAL LIABILITIES (EXCLUDING NET ASSET ATTRIBUTABLE TO UNITHOLDERS)	<u>2,141</u>	<u>31,997</u>
NET ASSET VALUE OF THE FUND	<u>12,935</u>	<u>255,455</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>12,935</u>	<u>255,455</u>

AHAM WORLD SERIES – EMERGING MARKET SHORT DURATION FUND

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

	<u>2024</u> USD	<u>2023</u> USD
REPRESENTED BY:		
FAIR VALUE OF OUTSTANDING UNITS		
- AUD Hedged-class	1,054	1,089
- MYR Class	7,954	72,755
- MYR Hedged-class	1,020	166,022
- RMB Hedged-class	977	2,138
- SGD Hedged-class	1,235	3,743
- USD Class	695	9,708
	<u>12,935</u>	<u>255,455</u>
NUMBER OF UNITS IN CIRCULATION		
- AUD Hedged-class	10,000	11,000
- MYR Class	179,000	1,696,000
- MYR Hedged-class	27,000	4,726,000
- RMB Hedged-class	41,000	93,000
- SGD Hedged-class	10,000	31,000
- USD Class	4,000	57,000
	<u>271,000</u>	<u>6,614,000</u>
NET ASSET VALUE PER UNIT (USD)		
- AUD Hedged-class	0.1054	0.0990
- MYR Class	0.0444	0.0429
- MYR Hedged-class	0.0378	0.0351
- RMB Hedged-class	0.0238	0.0230
- SGD Hedged-class	0.1235	0.1207
- USD Class	0.1736	0.1703
	<u>0.1736</u>	<u>0.1703</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- AUD Hedged-class	AUD0.1549	AUD0.1532
- MYR Class	RM0.1919	RM0.1989
- MYR Hedged-class	RM0.1631	RM0.1629
- RMB Hedged-class	RMB0.1688	RMB0.1677
- SGD Hedged-class	SGD0.1609	SGD0.1633
- USD Class	USD0.1736	USD0.1703
	<u>USD0.1736</u>	<u>USD0.1703</u>

AHAM WORLD SERIES – EMERGING MARKET SHORT DURATION 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
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	77,722	170,557
Movement due to units created and cancelled during the financial period:		
Creation of units arising from applications	382	147,867
- AUD Hedged-class	90	116
- MYR Class	15	42,446
- MYR Hedged-class	14	104,616
- RMB Hedged-class	-	59
- SGD Hedged-class	-	290
- USD Class	263	340
Creation of units arising from distributions	1,397	1,659
- AUD Hedged-class	19	14
- MYR Class	584	1,233
- MYR Hedged-class	591	209
- RMB Hedged-class	44	29
- SGD Hedged-class	70	49
- USD Class	89	125
Cancellation of units	(69,434)	(67,362)
- AUD Hedged-class	(113)	(131)
- MYR Class	(24,058)	(63,672)
- MYR Hedged-class	(33,888)	(3,188)
- RMB Hedged-class	(1,258)	(19)
- SGD Hedged-class	(3,150)	(219)
- USD Class	(6,967)	(133)
Net increase in net assets attributable to unitholders during the financial period	2,868	2,734
- AUD Hedged-class	29	5
- MYR Class	347	1,537
- MYR Hedged-class	2,393	1,113
- RMB Hedged-class	71	(57)
- SGD Hedged-class	115	31
- USD Class	(87)	105
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	<u>12,935</u>	<u>255,455</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