



Affin Hwang **World Series -**
America Equity Fund

PRODUCED: SEPTEMBER 2023

Why invest in the US market now?



Economy

Economic Fortitude and Market Support

The potential for less severe recessionary impacts due to resilience economy, robust corporate profits and a diminishing inflationary backdrop may render U.S. financial assets an appealing choice for investors.



Consumers

Government Spending Boost

Government spending, particularly at the state and local levels, is expected to contribute positively to growth. Investors can explore opportunities tied to infrastructure and public projects.



Earnings and Valuations

Taming Inflation and Corporate Profit Potential

Strong corporate earnings, with S&P 500 operating earnings per share up 7.2% YoY in Q1 2023, underscore the potential for profit growth. This resilience in earnings, alongside an expectation of declining inflation, contributes to attractive valuations in the U.S. market. Investors can find opportunities for growth in an environment where valuations remain appealing.

Source: J.P. Morgan Asset Management, "Mid-Year Outlook U.S. economy: Slow-motion slowdown".

Why JPMorgan Funds – America Equity Fund (“Target Fund”)?

A flexible bottom-up approach to find the best quality growth and value ideas

Value: focus on durable franchises with strong cash flows

- Durable franchise
- Strong cash flows
- Undervalued companies

JPMorgan Funds –
America Equity Fund

Growth: focus on durable franchises with leading market share positions

- Large addressable markets
- Sustainable competitive advantages
- Strong management teams

OUR INVESTMENT STRATEGY

Affin Hwang World Series – America Equity Fund invests

Minimum 80% of the Fund's NAV
in the Target Fund, JP Morgan America Equity Fund

Expertise

Seasoned portfolio management team across value and growth

- Jonathan Simon (over 40 years of experience) on the value side and Timothy Parton (over 35 years of experience) on the growth side.
- Leveraging the fundamental insights from a team of over 30 career research analysts.

Portfolio

Narrowing a large universe of stocks into a portfolio of high conviction companies

- Fundamental bottom-up approach to stock selection that is not benchmark driven.
- Concentrated portfolio of 20 – 40 stocks, durable franchises with strong cash flows (value) or strong growth rates (growth).



Idea Generation

- Source the best ideas from the Growth and Value research teams
- Run proprietary quantitative screens on Russell 1000 Growth and Value
- Company meetings
- Industry conferences



Fundamental Analysis

- Growth:
 - Size the market opportunity
 - Analyse competitive dynamics
 - Validate investment thesis
- Value:
 - High quality durable franchises
 - Management team with ability to execute
 - Trading at a discount to fair value



Portfolio Construction

- Bottom-up, fundamental process
- Concentrated portfolio of 20-40 stocks
- Position sizes determined by conviction level:
 - Quality of the business
 - Risk/reward
 - Diversification impact on portfolio
- Sector constraint: +/-15%
- Single stock constraint: +/-7.5%
- Capital allocation tilt: +/-10%

Maximum 20% of the Fund's NAV
in money market instruments, deposits and/or cash

Fund Facts

Fund Category / Type	Feeder (Wholesale) / Growth	
Investment Objective	The Fund seeks to achieve capital appreciation over the long term period.	
Investment Strategy	The Fund will be investing a minimum of 80% of the Fund's NAV in the Target Fund and a maximum of 20% of the Fund's NAV in money market instruments, deposits and/or cash. The Fund may also have the flexibility to invest in non-US related money market instruments, deposits and/or cash.	
Asset Allocation	<ul style="list-style-type: none">• Target Fund: Minimum 80% of the Fund's NAV• Money market instruments, deposits and/or cash: Maximum of 20% of the Fund's NAV	
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.	
Benchmark	S&P 500 Index	
Minimum Investment	<u>USD Class</u> Initial: USD 5,000 Additional: USD 1,000 <u>SGD Hedged-class</u> Initial: SGD 5,000 Additional: SGD 1,000	<u>MYR Hedged-class</u> Initial: MYR 5,000 Additional: MYR 1,000 <u>AUD Hedged-class</u> Initial: AUD 5,000 Additional: AUD 1,000
Trustee	TMF Trustees Malaysia Berhad	

NOTE

You must be 18 years old and above, and a Sophisticated Investor in order to invest in this Fund.

WARNING STATEMENT

A copy of the Information Memorandum ("Info Memo") and Product Highlights Sheet ("PHS") can be obtained at AHAM Asset Management Berhad's sales offices or at aham.com.my. Investors are advised to read and understand the contents of Affin Hwang World Series – America Equity Fund's (or the "Fund") Info Memo dated 19 May 2021 and the corresponding PHS before investing. There are fees and charges involved when investing in the Fund stated herein. Investors are advised to consider and compare the fees and charges as well as the risks carefully before investing. Investors should make their own assessment of the risks involved in investing and should seek professional advice, where necessary. The price of units and distribution payable, if any, may go down as well as up and the past performance of the Fund should not be taken as indicative of its future performance. The Securities Commission Malaysia has not reviewed this marketing/promotional material and takes no responsibility for the contents of this marketing/promotional material and expressly disclaims all liability, however arising from this marketing/promotional material.

#GrowWithUs

Connect with Us



[ahamcapital](https://www.facebook.com/ahamcapital)



[ahamcapital](https://www.instagram.com/ahamcapital)

AHAM Asset Management Berhad

(Formerly known as Affin Hwang 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

