



QUARTERLY REPORT
31 July 2024

AHAM RMB Bond Fund

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Built On Trust

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AHAM RMB BOND FUND

Quarterly Report and Financial Statements As at 31 July 2024

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QUARTERLY REPORT

FUND INFORMATION

Fund Name	AHAM RMB Bond Fund
Fund Type	Income
Fund Category	Bond (Wholesale)
Investment Objective	The Fund aims to provide investors with regular income
Benchmark	1 Year China Household Savings Deposit Rate Index
Distribution Policy	Depending on the level of income the Fund generates, the Fund will provide distribution on an annual basis

FUND PERFORMANCE DATA

MYR Class

Category	As at 31 Jul 2024	As at 30 Apr 2024
Total NAV (RM'million)	17.800	19.223
NAV per Unit (RM)	0.4358	0.4466
Unit in Circulation (million)	40.845	43.037

RMB Class

Category	As at 31 Jul 2024	As at 30 Apr 2024
Total NAV (RMB'million)	31.435	31.938
NAV per Unit (RMB)	0.4407	0.4402
Unit in Circulation (million)	71.335	72.559

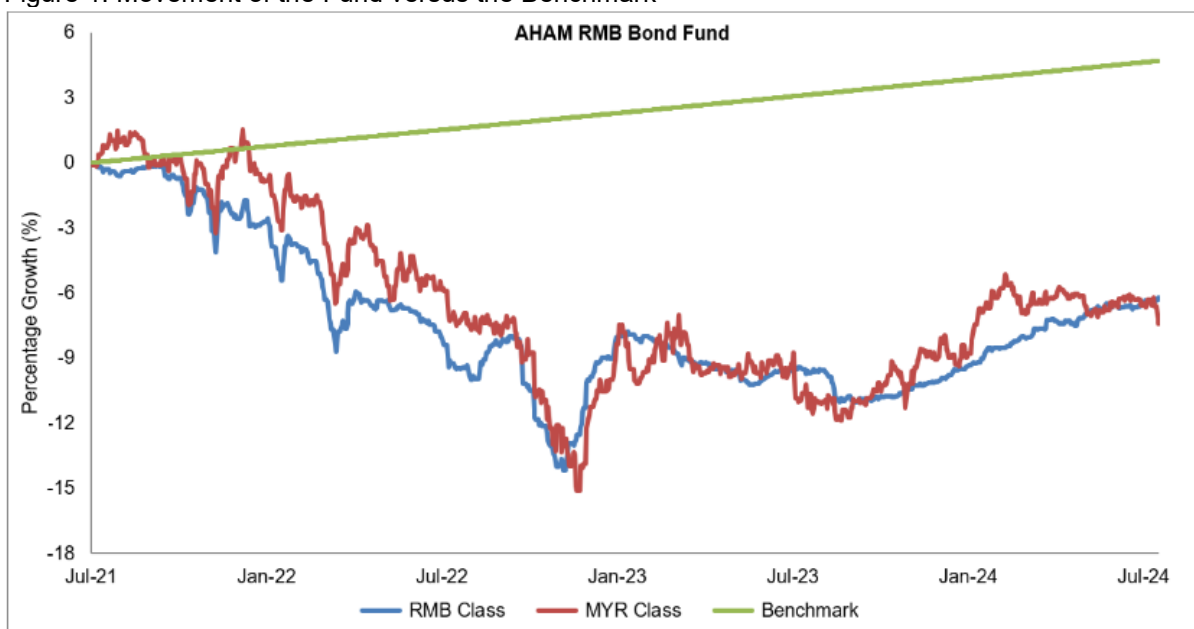
Fund Performance

Table 1: Performance as at 31 July 2024

	3 Months (1/5/24 - 31/7/24)	6 Months (1/2/24 - 31/7/24)	1 Year (1/8/23 - 31/7/24)	3 Years (1/8/21 - 31/7/24)	Since Commencement (2/7/21 - 31/7/24)
Benchmark	0.38%	0.75%	1.50%	4.57%	4.70%
RMB Class	1.14%	2.59%	3.72%	-5.74%	-6.30%
Outperformance	0.76%	1.84%	2.22%	-10.31%	-11.00%
MYR Class	-1.42%	-1.02%	4.46%	-8.27%	-7.41%
Outperformance	-1.80%	-1.77%	2.96%	-12.84%	-12.11%

Source of Benchmark: Bloomberg

Figure 1: 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: 1 Year China Household Savings Deposit Rate 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 July 2024
	(%)
Fixed Income	96.11
Derivatives	-0.07
Cash & money market	3.96
Total	100.00

Income Distribution Breakdown

Class	Ex-Date	Income (per unit) (sens / cents)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
MYR	2024-06-19	-	-	0.4500	100
CNH	2024-06-19	-	-	0.4500	100

Strategies Employed

The Fund primarily invests into RMB denominated bonds and aims to provide regular income over the medium to long term period. The Fund also invests into non-RMB denominated bonds issued by corporate with business exposure in China.

Market Review

During the period under review, China's economy demonstrated resilience, with real GDP growth recorded at 5.0% in the first half of 2024, slightly down from 5.3% in Q1. The second quarter's growth was 4.7% year-on-year, indicating a deceleration in economic activity. The primary industry grew by 3.5%, the secondary industry by 5.8%, and the tertiary industry by 4.6%. Key sectors such as manufacturing and exports continued to perform well, driven by strong external demand and significant investment in high-tech industries like electric vehicles and integrated circuits. Notably, manufacturing investment increased by 9.6% year-on-year in the January-May period, with exports rising by 7.6% in May, marking the fastest pace since April 2023. However, domestic consumption lagged, with retail sales growth below pre-pandemic levels, reflecting ongoing challenges in consumer confidence and spending.

Despite these positive trends, the property sector continued to be a significant drag on the economy. Property sales declined by 20.7% year-on-year in May, following a 22.8% drop in April. Investment in the property sector also fell by 10.1% year-on-year, highlighting ongoing challenges in this critical area of the economy. Analysts have expressed concerns that the property market's downturn could hinder broader economic recovery efforts.

During the period, the Chinese Yuan (CNY) gained 0.2% versus US Dollar but underperformed regional currencies largely due to ongoing macroeconomic weaknesses and geopolitical tensions.

On the other hand, Chinese government bonds (CGBs) were resilient, supported by the central bank's accommodative monetary policy aimed at stimulating growth. The yield on government bonds remained low, reflecting ongoing investor demand amid economic uncertainties with the 10 year CGB rallied from 2.35% to 2.15% during the period under review.

Investment Outlook

Monetary policy likely remains stable and accommodative with possibility of Reserve Requirement Ratio (RRR) cut to boost domestic liquidity. We expect more to be done on fiscal policy and as such there will be significant amount of long duration supply in the RMB bond space as central government takes on more spending responsibilities for infrastructure spending.

CGB bond yields will likely remain stable as monetary policy remains accommodative with some upside bias given duration supply. USDCNY is likely to remain in a range of 7.2 and 7.3. In a scenario where US data disappoints and US Federal Reserve cut rates quicker than market expected, RMB could appreciate to below 7.2.

AHAM RMB BOND FUND

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

	Financial period ended <u>31.7.2024</u> CNH	Financial period ended <u>31.7.2023</u> CNH
INVESTMENT INCOME/(LOSS)		
Interest income from financial assets at amortised cost	7,168	17,925
Interest income from financial assets at fair value through profit or loss	1,198,525	1,453,974
Net gain on foreign currency exchange	14,938	9,729
Net loss on forward foreign currency contracts at fair value through profit or loss	(171,692)	(1,225,310)
Net gain/(loss) on financial assets at fair value through profit or loss	874,975	(856,036)
	<u>1,923,914</u>	<u>(599,718)</u>
EXPENSES		
Management fee	(305,401)	(404,571)
Trustee fee	(15,276)	(20,233)
Fund accounting fee	(9,223)	-
Auditors' remuneration	(6,025)	(6,471)
Tax agent's fee	(2,636)	(2,832)
Other expenses	(19,100)	(27,241)
	<u>(357,661)</u>	<u>(461,348)</u>
NET PROFIT/(LOSS) BEFORE FINANCE COST AND TAXATION	1,566,253	(1,061,066)
FINANCE COST		
Distributions	(1,166,770)	-
NET PROFIT/(LOSS) BEFORE TAXATION	399,483	(1,061,066)
Taxation	-	(186,575)
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>399,483</u>	<u>(1,247,641)</u>

AHAM RMB BOND FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 JULY 2024 (CONTINUED)

	Financial period ended <u>31.7.2024</u> CNH	Financial period ended <u>31.7.2023</u> CNH
Increase/(decrease) in net asset attributable to unitholders is made up of the following:		
Realised amount	(11,209)	(4,816,992)
Unrealised amount	<u>410,692</u>	<u>3,569,351</u>
	<u>399,483</u>	<u>(1,247,641)</u>

AHAM RMB BOND FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2024

	<u>2024</u> CNH	<u>2023</u> CNH
ASSETS		
Cash and cash equivalents	1,711,650	521,431
Financial assets at fair value through profit or loss	57,848,921	80,504,738
Tax recoverable	60,076	-
TOTAL ASSETS	<u>59,620,647</u>	<u>81,026,169</u>
LIABILITIES		
Forward foreign currency contracts at fair value through profit or loss	43,555	379,452
Amount due to Manager		
- management fee	50,603	67,694
- cancellation of units	-	282,564
Amount due to Trustee	2,530	3,385
Fund accounting fee	1,550	-
Auditors' remuneration	6,258	4,804
Tax agent's fee	8,140	8,118
Other payables and accruals	45,612	48,307
Tax payable	-	1,045,371
TOTAL LIABILITIES (EXCLUDING NET ASSET ATTRIBUTABLE TO UNITHOLDERS)	<u>158,248</u>	<u>1,839,695</u>
NET ASSET VALUE OF THE FUND	<u>59,462,399</u>	<u>79,186,474</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>59,462,399</u>	<u>79,186,474</u>

AHAM RMB BOND FUND

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

	<u>2024</u> CNH	<u>2023</u> CNH
REPRESENTED BY:		
FAIR VALUE OF OUTSTANDING UNITS		
- MYR class	28,027,388	45,208,542
- RMB class	31,435,011	33,977,932
	<u>59,462,399</u>	<u>79,186,474</u>
NUMBER OF UNITS IN CIRCULATION		
- MYR class	40,845,000	64,335,000
- RMB class	71,335,000	75,229,000
	<u>112,180,000</u>	<u>139,564,000</u>
NET ASSET VALUE PER UNIT (CNH)		
- MYR class	0.6862	0.7027
- RMB class	0.4407	0.4517
	<u>0.6862</u>	<u>0.7027</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- MYR class	RM0.4358	RM0.4432
- RMB class	CNH0.4407	CNH0.4517
	<u>RM0.4358</u>	<u>RM0.4432</u>

AHAM RMB BOND FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDER FOR THE FINANCIAL PERIOD ENDED 31 JULY 2024

	Financial period ended <u>31.7.2023</u> CNH	Financial period ended <u>31.7.2022</u> CNH
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	83,839,396	97,194,706
Movement due to units created and cancelled during the financial period		
Creation of units arising from applications	1,029,065	760,416
- MYR class	10,454	163,957
- RMB class	1,018,611	596,459
Cancellation of units	(4,434,346)	(7,670,905)
- MYR class	(1,498,690)	(1,333,194)
- RMB class	(2,935,656)	(6,337,711)
Decrease in net assets attributable to unitholders during the financial period	(1,247,641)	(5,556,622)
- MYR class	(1,134,576)	(3,110,885)
- RMB class	(113,065)	(2,445,737)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	<u>79,186,474</u>	<u>84,727,595</u>

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