



# Meranti Millennium Equity Fund

31 May 2023

## Strategy Description

Meranti Millennium Equity Fund 'MME' seeks long-term high growth of the portfolio by investing opportunistically across global equity markets, while looking to mitigate risks during significant downturns. Instead of investing in flavour of the day concepts, the strategy focuses on key performance drivers that make sense and are backed by empirical research.

## Key Features

### Dynamic Risk Mitigation

Financial crises are infrequent but inevitable. By managing risks in significant downturns, the strategy is designed to help investors endure systemic market shocks and continue to invest with confidence.

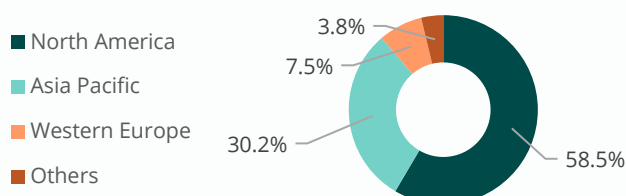
### High Return Potential

Capture ongoing opportunities by taking advantage of market volatility to invest into attractive equity markets with high expected returns.

### Active Strategy

Markets exhibit trends and cycles that create ongoing opportunities to invest in. Using Fundamental, Valuation, and Technical principles; we aim to invest into differentiated markets with favourable risk/reward that can deliver long-term outperformance.

## Geographical Breakdown



## Top 5 Fund Holdings

Fund Name	Weight
Granahan US SMID Select Fund	17.4%
Allianz China A Shares Fund	16.8%
SPDR S&P 600 Small Cap Value ETF	16.2%
BGF World Healthscience Fund	12.8%
Vaneck Biotech ETF	12.5%

## Composite Performance History \*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2018	-	-	-	-	-	-	-	1.21%	-0.61%	-9.87%	1.05%	-6.90%	-14.71%
2019	9.55%	2.96%	-2.03%	2.50%	-6.83%	5.99%	1.15%	-1.78%	0.09%	2.57%	2.00%	3.34%	20.27%
2020	-0.68%	-4.70%	3.90%	7.49%	0.78%	2.48%	6.42%	3.99%	-5.53%	-0.02%	13.61%	7.06%	38.78%
2021	4.87%	6.16%	-2.40%	3.50%	2.15%	0.97%	-5.70%	0.65%	-2.34%	2.62%	-5.38%	2.47%	6.96%
2022	-5.94%	-1.61%	-1.00%	-8.28%	-0.11%	-6.38%	3.45%	-2.89%	-10.21%	2.97%	9.92%	-2.78%	-22.00%
2023	9.37%	-4.95%	-0.74%	-2.56%	-4.01% <sup>1</sup>								-3.49% <sup>1</sup>

\*For illustrative purposes only. Calculated monthly from 1/8/2018 using a similarly managed composite portfolio fully invested net of fees. Performance since 1/4/2021 is based on actual monthly fund performance net of any management fees. Portfolio statistics may not be a good indication of actual performance and can differ meaningfully over shorter time periods.  
<sup>1</sup>Manager's estimated return net of fees. Actual return may differ and will be updated in the following month.

### Global Equities

Invest into attractive equity opportunities globally

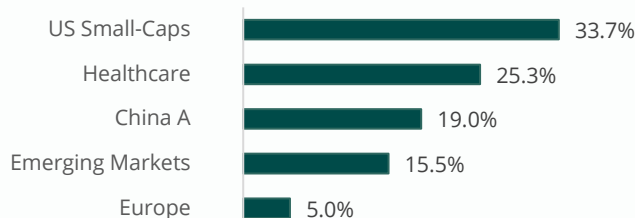
### Dynamic Risk Mitigation

Risk management to mitigate risk of negative compounding



## Market Breakdown

(Learn more about our market views [here](#))



## Composite Portfolio Statistics\*

Portfolio	
3 Year Annualized	1.61%
Volatility	19.32%
Best Month	13.61%
Worst Month	-10.21%
Positive Months	53%

# Market & Portfolio Developments

## Market Review

Market volatility persisted in May as the US debt ceiling garnered widespread media attention, fueling concerns about the US government's financial obligations and the possibility of a fallout event. However, looking beyond the sensationalized media coverage, the impact on markets was minimal. Accordingly, it serves as a reminder not to delve too deeply into headline news which are unpredictable and often temporary shocks. We continue to assess and monitor meaningful and impactful developments within equity markets that we can predictably position for..

## Main Contributors 'What did well?'

**US small-caps** contributed positively to performance and are expected to outperform strongly on the back of attractive valuations when the market eventually recovers.

## Main Detractors 'What underperformed?'

**Healthcare equities** detracted from performance but continue to be an effective portfolio buffer and return diversifier against market volatility and uncertainty. Mixed investor sentiment continued to keep a lid on **Chinese equities** performance as investors continued to adopt a wait-and-see approach to China's economic recovery. Nonetheless, China's recovery is happening; with their economy growing at 4.5% in the first quarter of 2023.

## Market Outlook

Looking beyond market volatility and the uncertainties surrounding the state of markets and the economy, we continue to observe better opportunities for investors in areas often overlooked by markets, such as US small-caps, Emerging market, and China equities. Today, these areas offer better risk/reward opportunities with stronger returns ahead of them – their attractive valuations and improving fundamentals provide the kind of return predictability that we seek for our portfolios and investors. In contrast, expensive sectors like Information Technology have recently experienced an unpredictable 'recovery' that could prove risky. Instead, we focus on accumulating positions that can rebound strongly when markets eventually recover. All that is left is for investors to exercise patience.

## Fund Details

Item	Class A	Class B
Currency	SGD, USD	
ISIN (SGD Class)	SGXZ32206252 (Distribution)	SGXZ53567772 (Accumulation)
ISIN (USD Class)	SGXZ35636000 (Distribution)	SGXZ56727852 (Accumulation)
Projected Distribution <sup>2</sup>	4% p.a.	-
Min. Subscription	SGD 500,000 USD 400,000	SGD 50,000 USD 40,000
Account Opening Fee <sup>3</sup> (One-time)	SGD 4,000 USD 3,000	SGD 4,000 USD 3,000
Min. Subsequent Subscription	SGD 15,000 USD 10,000	SGD 15,000 USD 10,000
Redemption Fees		
1st Year of Investment	-	3%
2nd Year of Investment	-	2%
3rd Year of Investment	-	1%
4th Year Onwards	-	0%
Management Fee	1.78%	0%
Performance Fee <sup>4</sup>	0%	20%
Fund Name	Meranti Capital VCC Millennium Equity Fund	
Dealing Frequency	Monthly	
Base Currency	USD	
Inception Date	1 April 2021	
Fund Domicile	Singapore	
Investment Manager	Finexis Asset Management	
Fund Administrator	ASCENT Fund Services (Singapore)	
Custodian	Standard Chartered Bank	
Auditor	KPMG LLP	
Broker	Goldman Sachs (Asia) L.L.C.	
Legal Advisors	BTPLaw LLC	

<sup>2</sup>Please note that the distributions (if any) may be declared semi-annually based on the Investment Manager's discretion. If distributions are made, such distributions are not a forecast, indication or projection of the future performance of the Fund. <sup>3</sup>Waiver of account opening fees for investors through the platforms. <sup>4</sup>Charged on high water mark basis, with zero hurdle rate.

# Share Class Performance History

SGD A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	2.30%	1.98%	0.76%	-5.35%	0.65%	-2.41%	2.58%	-5.42%	2.40%	-2.87% <sup>5</sup>
2022	-5.93%	-1.62%	-1.06%	-8.39%	-0.25%	-6.48%	3.33%	-2.93%	-10.59%	2.89%	9.60%	-2.75%	-23.04%
2023	9.25%	-5.00%	-0.94%	-2.64%	-4.01% <sup>1</sup>								-3.92% <sup>1</sup>
USD A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	-	-	-	-	0.65%	-2.34%	2.62%	-5.38%	2.47%	-2.20% <sup>6</sup>
2022	-5.94%	-1.61%	-1.00%	-8.28%	-0.11%	-6.38%	3.45%	-2.89%	-10.21%	2.97%	9.92%	-2.78%	-22.00%
2023	9.37%	-4.95%	-0.74%	-2.56%	-4.01% <sup>1</sup>								-3.49% <sup>1</sup>
USD B <sup>7</sup>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	1.95%	1.62%	0.77%	-5.22%	0.80%	-2.20%	2.78%	-5.24%	2.62%	-2.51% <sup>5</sup>
2022	-5.80%	-1.46%	-0.86%	-8.14%	0.04%	-6.24%	3.62%	-2.74%	-10.07%	3.12%	10.09%	-2.64%	-20.57%
2023	9.54%	-4.81%	-0.59%	-2.42%	-3.86% <sup>1</sup>								-2.76% <sup>1</sup>

<sup>1</sup>Manager's estimated return net of fees. Actual return may differ and will be updated in the following month. <sup>5</sup>Since inception of 1 April 2021. <sup>6</sup>Since inception of 2 August 2021. <sup>7</sup>Performance based on the Lead Series Source: Finexis Asset Management. Share class performance is calculated using NAV of the share class with income reinvested and including ongoing charges, excluding any entry and exit fees.

**About Meranti:** The Meranti fund series is named after the Meranti tree, which is native to Singapore and the region. It is a canopy and emergent tree; providing shade from its place at the top layer of a rainforest where sunlight is plentiful. To reach such great heights, the trees have a strong and wide system of roots to help provide stability while also gathering more nutrients. Likewise, Meranti funds were developed around a Dynamic Risk Mitigation process so that investors can invest with confidence and harvest the full potential of capital growth through market cycles.

**About FAM:** Finexis Asset Management is a Capital Markets Services (CMS) licensed fund management company established in Singapore, focusing on bringing institutional capabilities to private clients. The boutique set-up ensures that we are flexible, responsive and proactive. We embrace the latest technology and constantly improve our processes to complement our investment solutions. Constant evolution to fulfil our investor's needs is ingrained in our beliefs.

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