FAM Global Opportunity Plus Strategy

30 September 2023

Our Strategy

In today's uncertain world, partnering with managers well-versed in Alternatives is essential for more predictable outcomes. The FAM Global Opportunity Plus (FGO+) strategy is designed for investors who understand the need to invest across Equities, Bonds, and Alternatives, but prefer to avoid the emotional struggle while navigating a sea of complex data for asset allocation decisions. This paves the way for investors to enjoy the rewards of long-term investing with peace of mind.

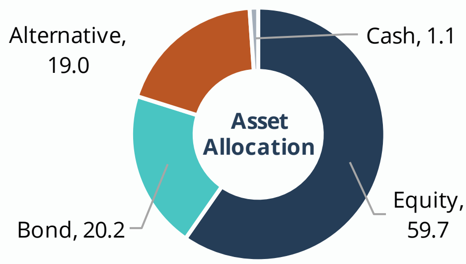
20% Alternative holding to **enhance return** and lower volatility

≥6%

Capital appreciation **compounded at 6%** target return over longer term

FVT

Focus on **undervalued opportunities** with **good fundamentals** in sustainable trends

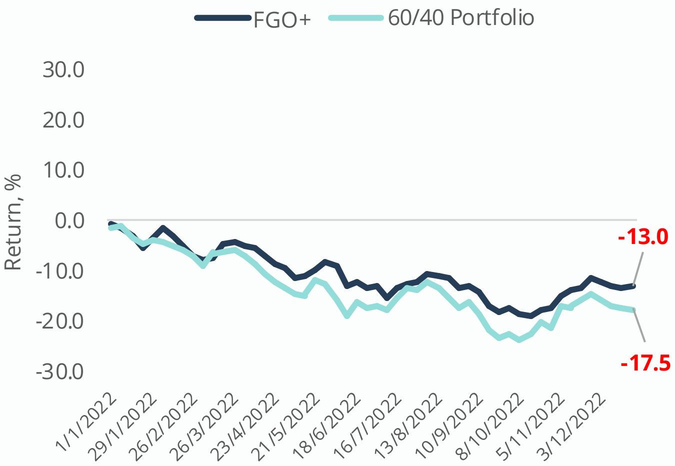


Enhanced Multi-Asset Strategy: True Diversification

Having gone through a painful 2022, traditional '60/40' (60% equity, 40% bond) asset-allocation investors are left wondering about the effectiveness of diversification in a 'changed' world. Incorporating a 20% allocation to Alternatives, FGO+ enhanced asset-allocation portfolio delivers a less painful investing experience without compromising on long-term upside potential.

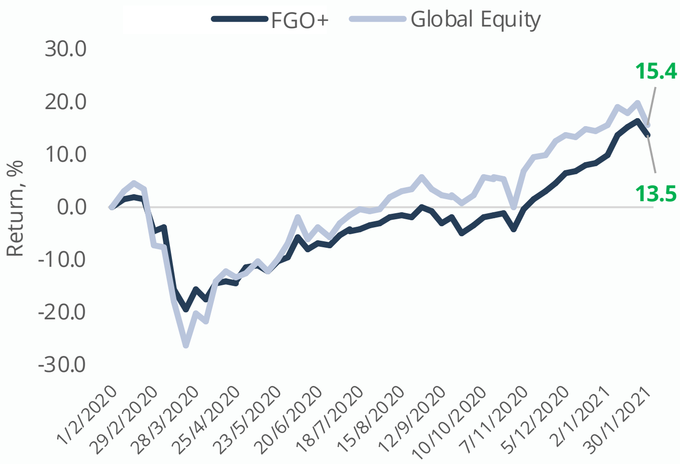
Manage Market Downside

When the traditional '60/40' portfolio faced its worst year in 2022, FGO+ declined less due to the 20% allocation to Alternatives.



Capture Market Upside

In the right market conditions (e.g. Feb 2020 to Jan 2021), FGO+ has managed to deliver similar returns to the global equity index.



Source: Morningstar. **(Left)** Data from 1/1/2022 – 31/12/2022. 60/40 portfolio: MSCI ACWI Index 60%, Bloomberg Global Aggregate Index 40%. **(Right)** Data from 1/2/2020 - 30/1/2021. Global equity: MSCI ACWI Index 100%.

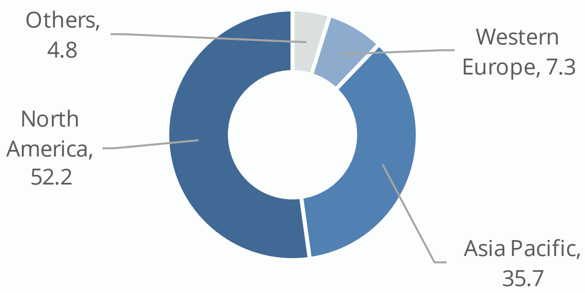
Historical Performance

Calendar Return, %							**Total Returns, %**
Class	1Month	YTD	2022	2021	2020	2019	2019 - YTD
A SGD	-2.87	-3.43	-13.76	4.74	8.74	13.22	7.40
A USD	-2.71	-2.25	-13.02	4.99	9.70	15.09[1]	12.70[1]
B SGD	-2.75	-2.33	-12.63	4.00	8.17	14.04	9.47
B USD	-2.60	-1.14	-11.70	5.10	9.02	14.53	14.55

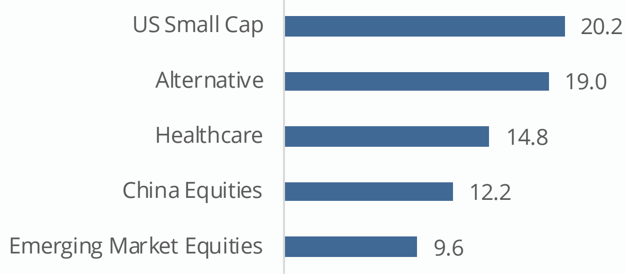
[1]Returns calculated since fund inception date on 2 Jan 2019. Past performance is not an indication of future performance. The value of the investment can go down as well as up and is not guaranteed. Source: Finexis Asset Management. Share class performance is calculated using NAV of the share class with income reinvested and including ongoing charges, excluding any entry and exit fees

Strategy Characteristics

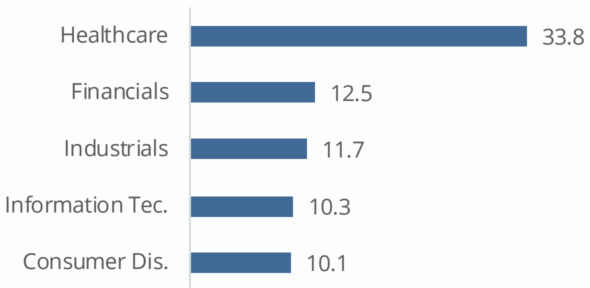
Geographical Allocation, %



Top 5 Market Allocation, %



Top 5 Equity Sector Allocation, %



Top 5 Fund Holdings, %

Winton Trend Fund	19.0
Allianz China A Shares Fund	11.2
BGF Asian High Yield Bond Fund	8.1
SPDR S&P 600 Small Cap Value ETF	8.1
Granahan US SMID Select Fund	8.0

Source: Finexis Asset Management. Others include Central Asia, Africa/Middle East and South & Central America. Top 5 market allocation and fund holdings are at fund level. Geographical allocation and top 5 sector allocation are at portfolio look-through level. For illustrative purposes only and does not constitute to any recommendations to invest in the above-mentioned country/sector/security.

Discerning The Signals From The Noise

A three-pronged research process to identify signals that point us to **sustainable trends** which are underappreciated by the market, which come with **good fundamentals** and **attractive valuation**, with a higher likelihood of outperforming over the long term.

Fundamental — Study financial and economic data (e.g. GDP, unemployment rate, and inflation rate etc.) that may drive market movement to find opportunities with **good fundamentals** that are underappreciated.

Valuation — Picking the right valuation metrics (e.g. price-to-earnings, price-to-book, EV/EBITDA etc.) to spot **undervalued opportunities** and avoid overpaying for any investment with only good stories.

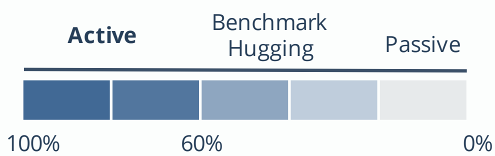
Trend — Seek inflection points in **sustainable trends** to capture overlooked opportunities and avoid less recognised risks (such as the end of a bond supercycle).

High Level of Active Management

Many actively managed funds underperform because they have a low active share. This happens when a portfolio's holdings are very similar to the referenced benchmark, a practice commonly referred to as 'benchmark hugging'. In contrast, **funds with a high level of active management may have greater potential for outperformance in the long run**, as there is no way any fund can outperform the market if they are investing like the market.

By investing in areas where we have the greatest conviction and applying it to our whole portfolio, we aim to provide better returns over risk through a full market cycle.

Target active share > 80%



Signatory of: PRI Principles for Responsible Investment

Finexis Asset Management

Market & Portfolio Developments

Fund Commentary

Amid a broad market sell-off, global equities and bonds ended the month in the red with declines of -4.10% and -2.92%, respectively. FGOP's multi-asset strategy declined a modest -2.71%, with equity positions contributing the most to portfolio declines, but offset by Alternatives (trend-following), which was up more than 3% over the month.

Market volatility persisted into the month of September as investors grappled with the uncertainty of whether the US economy would experience a soft landing or a hard landing. **While there have been small pockets of gains, some would be surprised to know that the average stock in the US is down for the year** (as indicated by the S&P 500 equal-weighted index).

Indeed, the short-term is often 'noisy' amidst the drastic swings in sentiments. In such periods, it is useful to remind ourselves that long-term investment returns hinge on two key ingredients: fundamentals (earnings growth) and valuations – which of course makes up the 'F' and 'V' of our FVT framework. But following this is often hard to do – one only needs to go through the first 9 months of 2023 to understand why it can be challenging. While recovery positions i.e. US small-caps, Emerging Markets and China have not revealed their potential, they are underpinned by 1. attractive valuations 2. expectations of better earnings growth; which are the two ingredients for good long-term returns. While this does not ensure returns in the short-term, it does means that investors will be rewarded given time in the market.

What would it take for our recovery positions to rally? We may not need to wait too long especially if the Fed sticks a soft landing, in which case US small-caps is poised for an upswing. Similarly, we monitor recent encouraging economic data from China closely; which may also signal a better environment for our China 'A' positions. In the meantime, **FGOP's multi-asset approach continues to provide true diversification amid today's uncertain markets, as reflected by the positive returns of the Alternative Trend-following position last month when both equity and bond markets were down.** Likewise, the strategy's fixed income positions i.e. Emerging Market and Asian High Yield are providing good income to support the portfolio's overall returns.

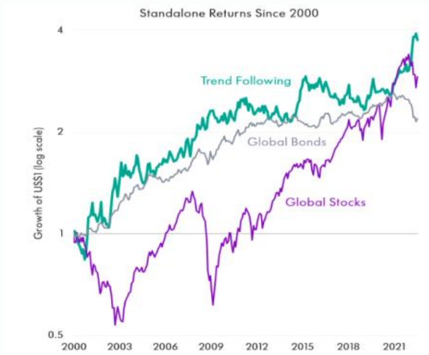
With each twist and turn in the markets, it is easy for investors to get caught up in emotions, swinging between extreme pessimism and optimism with every news headline and data point. It is crucial now, more than ever, for investors to remain patient amidst market and portfolio volatility.

Key Position Highlights

We highlight positions that reflect the strategy's tactical asset allocation view, backed by our study of market patterns and trends over time. As a result, our strategies can be highly differentiated from conventional benchmarks. with the aim of long-term investment success.

Alternative Trend-following for Differentiated Returns

- Not all investment strategies are designed to grow the portfolio extensively or to protect the investment during a crisis. A trend-following strategy can act like an 'air-bag' in prolonged down-markets, while also being able to generate returns in a sustained bull-market.

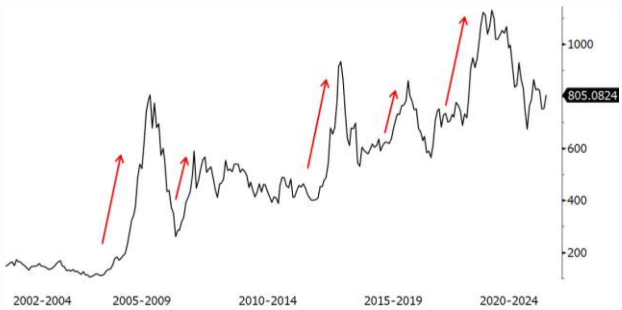


Source: Winton

- The clear benefit of trend-following is the ability to make money in up and down markets and provide a powerful source of diversification to the portfolio's equity and bond positions.

Emerging Market & China Equities To Position For The Next Up-cycle

- After a challenging stretch of performance, Emerging Markets and China 'A' equities resemble a compressed coil that holds a lot of upside potential for long-term investors.



Source: Bloomberg. CSI 300

- Past recoveries have shown to be particularly strong in the beginning, causing investors to 'miss-the-boat'. Which is why we avoid timing so close to such inflection points, preferring to be patient with our medium-long term investment horizon.

Fund Details

Item	Class A	Class B
Currency	SGD, USD	
ISIN (SGD Class)	SG9999019392 (Accumulation)	SGXZ91932061 (Accumulation)
ISIN (USD Class)	SGXZ13719315 (Accumulation)	SGXZ15311152 (Accumulation)
Min. Subscription	SGD 1,500,000 USD 1,000,000	SGD 200,000 USD 150,000
Account Opening Fee (One-time)	N/A	SGD 4,000 USD 3,000
Min. Subsequent Subscription	SGD 15,000 USD 10,000	SGD 15,000 USD 10,000
Max Sales Charge	5%	N/A
Redemption Fees		
1st Year of Investment	-	3%
2nd Year of Investment	-	2%
3rd Year of Investment	-	1%
4th Year Onwards	-	0%
Management Fee	1.5%	0%
Performance Fee[1]	0%	20%
Fund Name	Global Opportunities Plus Fund	
Dealing Frequency	Daily	
Base Currency	USD	
Inception Date	2 Aug 2018 2 Jan 2019	10 Sep 2018 2 Jul 2018
Fund Focus	Global Multi-Asset	
Fund Domicile	Singapore	
Investment Manager	Finexis Asset Management	
Fund Administrator	Standard Chartered Bank	
Custodian	Standard Chartered Bank	
Auditor	PricewaterhouseCoopers LLP	
Trustee	Perpetual (Asia) Limited	

[1]Charged on high water mark basis, with zero hurdle rate.

Signatory of:

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Finexis Asset Management

Highlight of Sub–Fund Managers

Winton Group
Alternative

Winton is a **pioneer in trend-following strategies** and one of the most successful hedge funds in the world. It is led by David Harding, founded in 1997, Winton manages assets on behalf of some of the world's largest institutional investors – with $10 billion worth of assets in their trend-following strategies today.

Winton has remained at the forefront of markets, capitalizing on trends across various cycles and asset classes, using **highly sophisticated and automated systems to remove human emotions and forecasts from investment decisions.** The firm's trend-following strategy trades 'long' and 'short' in over 100 futures markets to deliver the full benefits of their strategy – such as its ability to make money in up and down markets and provide a powerful source of diversification to equities and bonds. **In 2022, Winton's Trend Fund delivered returns of +18%,** when equity and bonds were down -16% and -18%, respectively.

Since its inception, Winton's flagship strategy has delivered outperformance over traditional equities and bonds in both absolute and risk-adjusted terms, with a **correlation of close to zero and long-term performance of around 10% p.a.**

40 years
Experience trading markets

$10 billion
AUM in trend-following

Trend following
strategy

Near-zero correlation

Ashmore
Emerging Market Fixed Income

Based in London, Ashmore is a specialist Emerging Markets investment manager with close to 30 years' experience in those markets. Being one of the first investment management firms to offer investors direct access to a broad group of emerging economies, Ashmore is well recognised among emerging market managers. Today, Ashmore manages $55.9 billion across their strategies, which are typically offered to institutional clients globally.

The firm's EM fixed income expertise is backed by 33 investment professionals who focus on the full range of emerging market debt opportunities. Members of the team have been engaged in fixed income investing since the early days of the markets in the late 1980s, **leveraging on their strong network of contacts such as banks and major institutional investors, multi-lateral agencies and bank counterparty relationships and contacts across all levels of the policy-making hierarchy.**

Ashmore takes a specialist, **long-term value-driven approach starting with macro, top-down active management.** They believe that active management focusing on asset liquidity and political dynamics with superior information and analysis leads to above average returns with lower risk over the cycle.

30 years
EM experience

$55.9 billion
AUM Worldwide

33 EM
professionals

Long-term value driven approach

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.

For professional and accredited investors only. For fund and sales related enquires please reach out to your finexis financial advisor representative or email us at customer.service@finexisam.com

Finexis Asset Management Pte. Ltd. (Company Registration No. 201525241K) www.finexisam.com