



Strategy Description

FAM Alternative Income Fund 'FAI' seeks stable and recurring income that is independent of market performance by investing opportunistically in truly alternative investments, instead of traditional income assets such as equities and bonds. The strategy focuses on performance drivers that make sense and are backed by empirical research.



Alternative
Asset Class



Target 3% Above
Money Market



Income
Rain or Shine



Limited Capacity
to Sustain Income

FVT

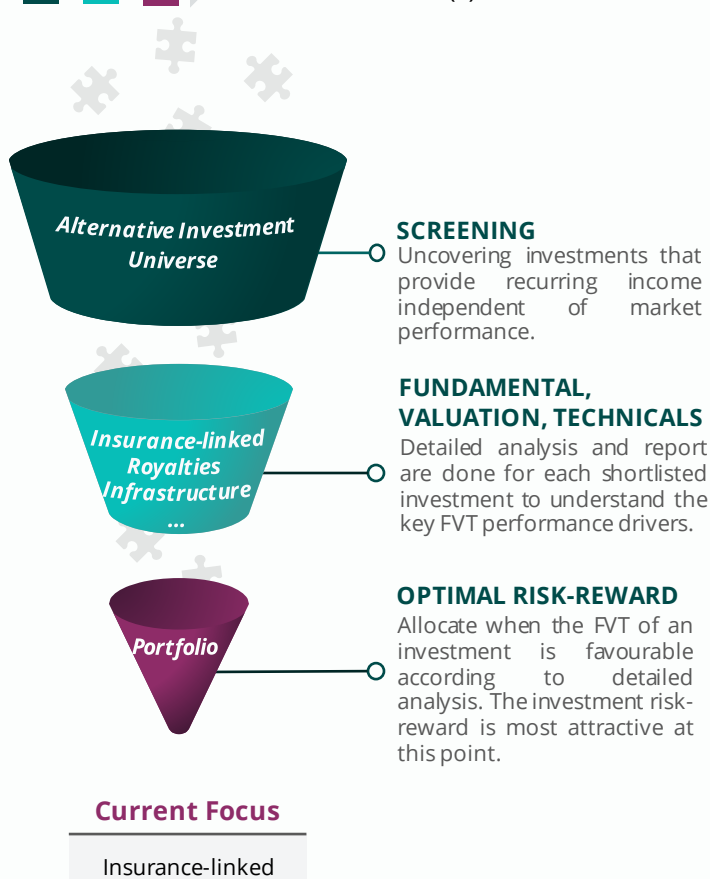
Fundamental, Valuation,
Technicals

"Diversify and gain income resilience through targeted exposure to various alternative investments."

Selection Process

Illustration of how we select the right investments:

1 2 3 → Portfolio Investment(s)



Our **Alternative** universe comprises non-traditional investments (other than equities, bonds, and cash) that do not rely on broad market trends to perform

Dividend information

Class	Distribution date	Distribution frequency	Dividend per share	Special dividend
A SGD	21 July 2023	Semi-annual	\$3.00	\$2.40
A USD	21 July 2023	Semi-annual	\$3.00	\$2.40

Projected dividend distribution

A SGD	January 2024	Semi-annual	\$3.00	-
A USD	January 2024	Semi-annual	\$3.00	-

Historical dividend payout is not indicative of future payouts.

Portfolio Statistics

Average monthly gains	0.34
Average Return Per Year	4.08
Correlation	0.24
Volatility	3.50
Return over Money Market	2.27

Portfolio statistics refers to the strategy composite and the actual performance of FAI. Strategy composite consists of the potential opportunity set considered from 31/12/2002 to 1/11/2022. Statistics shown may not be a good indication of actual performance which can differ meaningfully over shorter time periods.

Performance History

SGDA	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-	-	-	-	-	-	-	-	-	-	0.51%	0.97%	1.48%
2023	1.02%	1.10%	1.17%	1.17%	1.00%	0.95%	1.30%	1.15%	0.78%	0.78%			10.92%

USDA	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-	-	-	-	-	-	-	-	-	-	-	1.08%	1.08%
2023	1.09%	1.07%	1.39%	1.20%	1.04%	1.20%	1.40%	1.27%	0.70%	1.13%			12.10%

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.

Market & Portfolio Developments

Commentary

Equity and bond markets declined -3% and -1.2% in October, alongside concerns that higher interest rates for longer will have an adverse impact on economies and businesses. **FAI continued with its positive streak, with uncorrelated gains of +1.13% in October and year-to-date gains of +12.10%.**

There is perhaps a good reason why high interest rates have dominated news headlines this year. Cash (or money market funds) is offering about 4% today; meaningfully higher than the close 0% cash returns that many had experienced in their investing lifetimes. While seemingly attractive, the fact is that cash investors will still find it a challenge to keep up with inflation as time goes by. Already, interest rates have come down slightly with October's US CPI numbers indicating that inflation has broadly slowed.

For those who want to beat inflation, higher interest rates also mean that investors willing to look beyond cash are being compensated more. i.e. corporate bonds, and equities. But the fact is that not everyone can take the associated price swings as highlighted in last month's dedines. FAI seeks to provide an income solution for those looking to beat cash and inflation, without having to go through much volatility. What makes a good *Alternative* income strategy? For FAI, this means paying attention to:

- 1. Recurring income independent of traditional market risks and performance.** One shortfall of traditional income portfolios is that they tend to move with the broader equity market. When headlines of 'market sell-off' hit the news, it is likely that income portfolios are down as well. FAI's current focus on the differentiated insurance-linked segment has allowed it to perform independently of the volatile equity and bond market this year.
- 2. Investments where we are well-compensated for.** This means only investing when the price is right. Insurance-linked investments are currently offering attractive yields that well-compensate investors for the unique risk of climate-related events that they are covering against.

FAI's performance since inception reflects the above focus, and we look to continue to deliver on this objective for investors.

Fund Details

Item	Class A
Currency	SGD, USD
ISIN (SGD Class)	SGXZ71698914 (Distribution)
ISIN (USD Class)	SGXZ97877740 (Distribution)
Min. Subscription	SGD 500,000 USD 400,000
Account Opening Fee ¹ (One-time)	SGD 4,000 USD 3,000
Min. Subsequent Subscription	SGD 15,000 USD 10,000
Management Fee	1.2%
Fund Name	FAM Alternative VCC Income Fund
Dealing Frequency	Monthly
Base Currency	USD
Inception Date	1 Nov 2022 (SGD Class) 1 Dec 2022 (USD Class)
Fund Focus	Alternative Income
Fund Domicile	Singapore
Investment Manager	Finexis Asset Management
Fund Administrator	ASCENT Fund Services (Singapore) Pte. Ltd.
Custodian	Standard Chartered Bank (Singapore) Limited
Broker	Standard Chartered Bank (Singapore) Limited
Auditor	KPMG LLP

¹ Waiver of account opening fees for investors through the platforms.

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

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