



## 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



Exclusive Capacity:  
'Quality over  
Quantity' approach

**FVT**

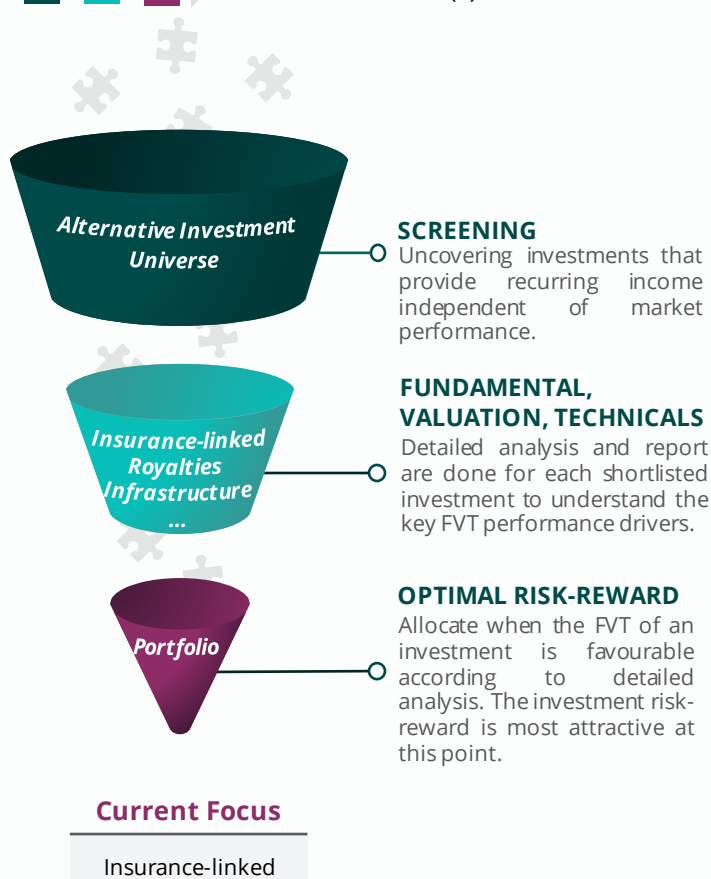
Fundamental, Valuation,  
Technicals

*"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	3.49
Return over Money Market	2.26

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%	0.25%		11.20%

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%	0.47%		12.63%

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

Speculation over the next Fed's interest rate move has driven bouts of market volatility over the past year, causing some discomfort for even the most seasoned equity and bond investor. Amid the volatility, FAI's consistent performance since the strategy launched in November 2022 highlights well the 'Alternative income' proposition. The strategy gained a further 0.47% in November 2023 - the 13<sup>th</sup> month of consecutive positive return -, bringing 1 year performance to 12.63%.

The attractive and stable high income has been driven by FAI's current focus on insurance-linked markets whose risks are related to climate-related events rather than the state of economy. While climate events do happen, most are not severe enough to lead to losses - which is what we observed in the past year. Additionally, investors are well compensated today for the risk taken; currently above FAI's long-term target of +3% above money market.

The following summarizes the range of yield opportunities investors can choose from today, of which FAI continues to stand out as an attractive proposition for investors who are seeking high income that is truly differentiated from traditional market performance.

Type of Yield Investments	Pros	Cons
Risk-free return e.g. treasury bills, money market funds	Low single digit return with confidence in getting money back	Certainty in compromise of purchasing power over time
High income with market volatility e.g. high yield bonds	High income of 5-8% over risk-free providing meaningful purchasing power	Sit through market volatility and potential default losses
High income with little market volatility i.e. <b>FAI strategy</b>	>10% income from specialist markets that are less impacted by market volatility	Limited capacity, not easily accessible to 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 <sup>1</sup> (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

<sup>1</sup> 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.

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