



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

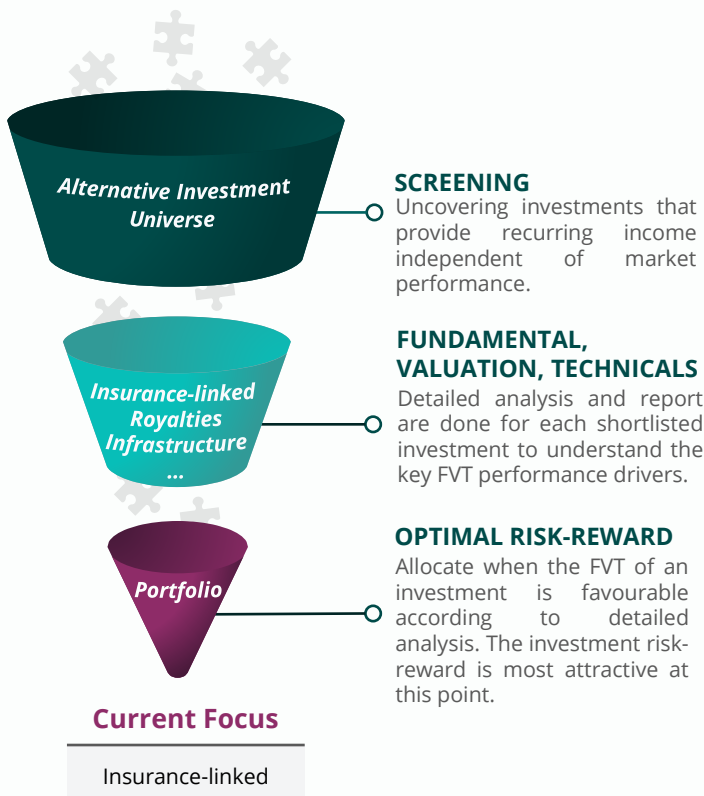
Fundamental, Valuation, Technicals

"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
A SGD	22 January 2024	Semi-annual	\$3.20	-
A USD	22 January 2024	Semi-annual	\$3.80	-

Projected dividend distribution

A SGD	July 2024	Semi-annual	TBA	-
A USD	July 2024	Semi-annual	TBA	-

Historical dividend payout is not indicative of future payouts. TBA - To Be Announced

Portfolio Statistics

Average Monthly Return (since inception)	1.06
Annual Volatility	3.46
Correlation to Equity ¹	0.24
Correlation to Bonds ¹	0.22
Annual Return over Money Market ²	4.79

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. ¹ Correlation to equity and correlation to bonds are calculated with references to the MSCI World Equity Index and Global Aggregate Bond Index, respectively. ² Return over money market is calculated using gross returns. Statistics shown may not be a good indication of actual performance which can differ meaningfully over shorter time periods.

Historical Performance

Calendar Returns, %

SGD A	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	0.31	11.54
2024	1.11	0.84	0.80										2.77

USD A	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	0.51	13.20
2024	1.34	1.08	0.96										3.42

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. ¹Manager's estimated return.

Market & Portfolio Developments

Commentary

March was another positive month for FAI, marking 17 months of consecutive gains. We have said that the objective of FAI is to deliver income less impacted by equity and bond markets.

Income investors have many choices but few true alternatives

This contrasts with Morningstar Income strategy peer group which saw 7 down months in the past 17. This peer group statistic belies how challenging it is for investors to find truly differentiated investment opportunities.

Among the 93 income funds, 62 of them have had 6 down months in the past 17, very similar to the peer group. This means that for an investor, the large number of income investment options is an illusion of choice: seems like many choices, but most are similar. With these kind of choices, the question of “which one do I choose?” becomes a futile exercise: Your best choice may not be as different from the one you did not choose.

This is not to say that the typical income fund is not good. Traditional economies and markets are still a source of income for investors. It’s just that we resisted running such a traditional strategy for many years when yields were low. Only when the income investment environment became more conducive in the past two years did we feel it was suitable to manage a high income fund to capture the opportunities in markets.

How to assemble an income portfolio

The process to get income is simpler and more effective when one zooms out: Split the choices into those that are correlated and those that are not, then allocate between these two types based on the risk tolerance for volatility.

After the first step, one will tend to find that income funds with low correlation such as FAI are few and far between. For those who like a good deal, this low correlation offers one of the best free lunches in terms of truly diversifying an income portfolio.

This also means less unnecessary work on the traditional income funds. After sifting out the funds that do not meet one’s criteria for high income, use the one that is diversified and does not depend on capital gain to deliver the investor income.

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 ASCENT Fund Services (Singapore) Pte. Ltd.
Fund Administrator	
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.

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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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