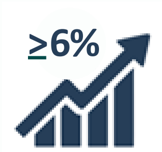
FAM Global Opportunities Plus Strategy

30 September 2024

Our Strategy

In today's uncertain world, partnering with managers well-versed in Alternatives is essential for more predictable outcomes. The FAM Global Opportunities 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.

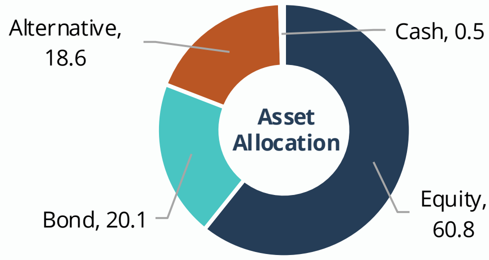
20% Alternative holding to **enhance return** and lower volatility



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

FVT

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

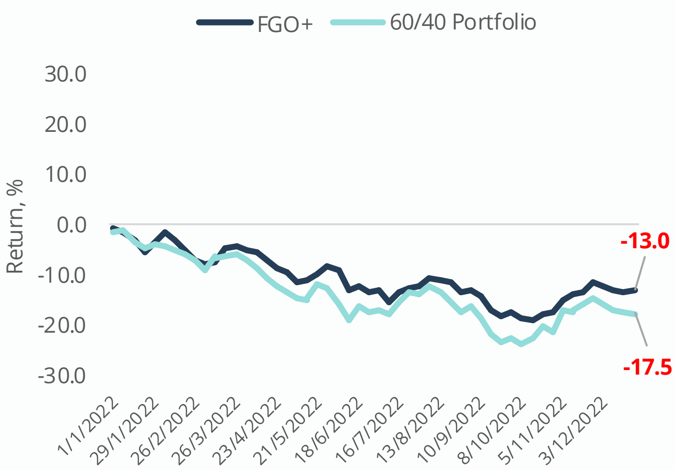


Enhanced Multi-Asset Strategy: True Diversification

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.

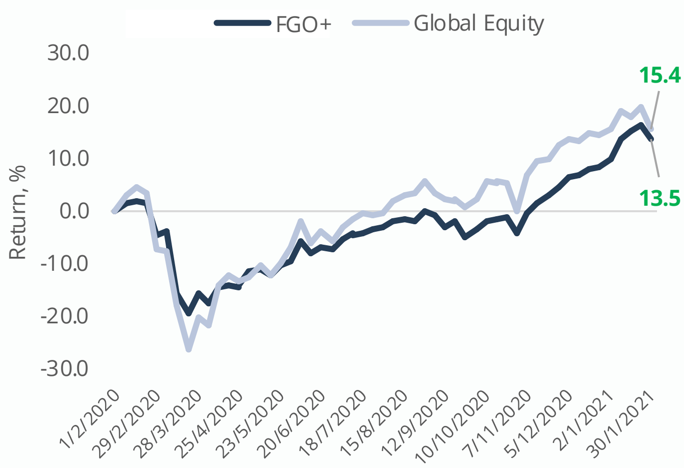
Manage Market Downside

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	2023	2022	2021	2020	2019	2019 – YTD
A SGD	1.34	5.09	0.57	-13.76	4.74	8.74	13.22	17.54
A USD	1.56	6.61	2.41	-13.02	4.99	9.70	15.09[1]	25.89[1]
B SGD	1.54	5.32	2.17	-12.63	4.00	8.17	14.04	20.61
B USD	1.70	7.87	3.97	-11.70	5.10	9.02	14.53	29.96

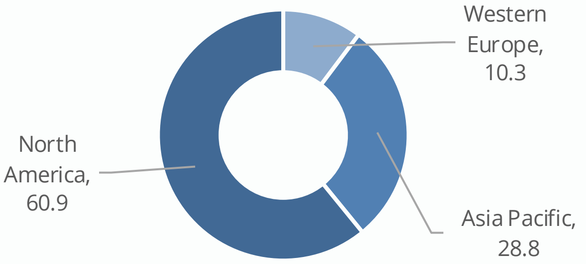
[1]Returns calculated since fund inception date on 2 Jan 2019. Past performance is not an indication of future performance. The value of the investment can go down as well as up and is not guaranteed. Source: Finexis Asset Management. Share class performance is calculated using NAV of the share class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

Signatory of: PRI Principles for Responsible Investment

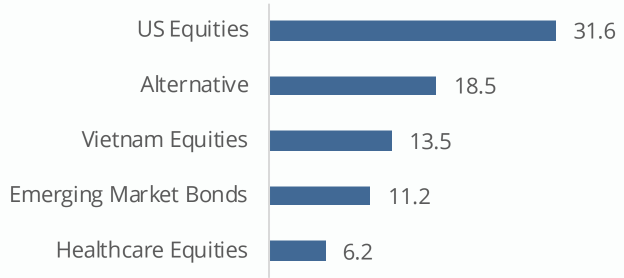
Finexis Asset Management

Strategy Characteristics

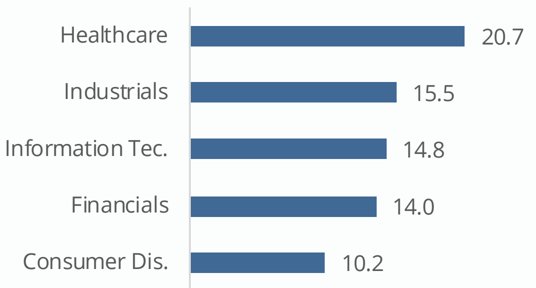
Equity Geographical Allocation, %



Top 5 Market Allocation, %



Top 5 Equity Sector Allocation, %



Top 5 Fund Holdings, %

VanEck Morningstar Wide Moat ETF	21.4
Winton Trend Fund	18.5
Emerging Market Corporate High Yield Debt Fund	11.2
Lumen Vietnam Fund	6.8
VinaCapital Vietnam Fund	6.7

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.

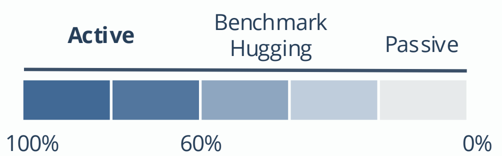
Trend — Seek inflection points in **sustainable trends** to capture overlooked opportunities and avoid less recognised risks (such as the end of a bond supercycle).

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%



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Finexis Asset Management

Market & Portfolio Developments

Fund Commentary

Markets began September on a weak note, seemingly in line with September's historically poor seasonality. However, mid-month brought about a shift in sentiment alongside the outsized rate cut by the US Fed and a surprisingly broad range of stimulus measures coming out of China. **Amid the volatile backdrop, both equity and bond positions moved higher in the past month, translating into gains of 1.56% for FGO Plus over the past month.**

<u>Don't fight the US Fed or China PBoC</u>

The past month was a clear indication of the commitment by global central banks to steer their economies into a soft landing. With inflation coming down convincingly, central banks are now able to more confidently use the tools at their disposal to prevent an economic downturn. All else equal, this supports a continuation of the global expansion and is expected to continue to benefit the strategy's equity and bond positions.

<u>Crossroads Ahead</u>

While the current backdrop remains supportive for markets going into the end of 2024, this is far from an 'easy' environment. The current data indicate that economies remain in a late-cycle environment characterized by slowing (but not collapsing growth), and we expect markets to be volatile in the coming weeks and months as we get further clarity on the path of the economy – will growth rebound, or will it show further signs of stress?

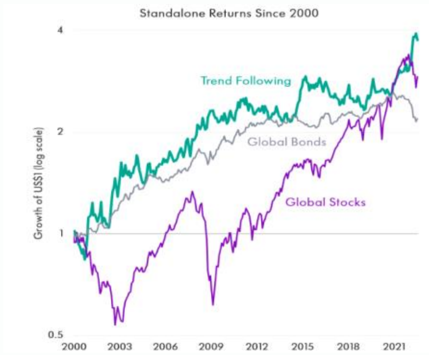
The current market crossroad may be disorientating for many investors, especially as markets can behave erratic at times. FGO Plus's multi-asset approach looks to provide a more resilient approach through the combination of growth potential from equity, high-income generation from fixed income, and differentiated returns coming from the Alternative Trend-following position. In the current environment, we continue to be on the lookout for return opportunities for our investors, while being on high alert for any signs of stress which would prompt us to increase the defensibility of the portfolio.

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

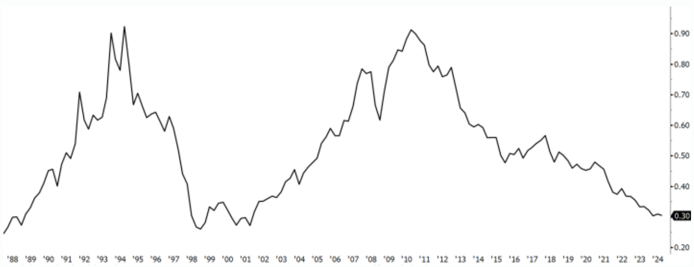
- Not all investment strategies are designed to grow the portfolio extensively or to protect the investment during a crisis. A trend-following strategy can act like an 'air-bag' in prolonged down-markets, while also being able to generate returns in a sustained bull-market.



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.

EM & Vietnam To Position For The Next Up-Cycle



Source: Bloomberg. Quarterly price data MSCI Emerging Market Index vs MSCI World Index from 31 Dec 1987 – 31 July 2024

- After a challenging stretch of performance, Emerging Market (EM) equities are set up to do well, offering good upside potential.

- Vietnam is one under-the-radar emerging market. This is an economy with strong growth tailwinds (such as the rapidly growing middle class, strong Foreign Direct Investments, etc.) available at attractive valuations today. This is a good opportunity for us to benefit and capitalize on the next potential 'Asian Tiger' economy with their rapid pace of growth.

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.

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

Lombard Odier
Asian High Yield

Lombard Odier Investment Managers is part of the Lombard Odier Group, a global private bank managing $300+ billion in assets across its wealth and asset management expertise. With a dedicated team of 180 professionals, it manages $70 billion of assets across diverse strategies in equity, fixed income, multi-asset, convertible bond, alternatives, and private markets.

The Lombard Odier Asia Value Bond is one of the largest Asia credit fund today. Managed by a team of five investment experts as part of a 22-strong global fixed income team, the strategy has seen a long track record of outperformance against its peer group.

The strategy is underpinned by a 'value-biased strategy that leverages on rigorous top-down and bottom-up analysis to uncover value and fundamentally strong opportunities through market cycles; maintaining close interaction with companies and management. The strategy was awarded the Platinum award at the Fund Selector Asia Awards in 2020, in addition to Lipper awards for "Best Asia Credit Strategy in Hard Currency".

50 years
investment experience

70 billion
AUM Worldwide

22 Global FI
professionals

Fund Selector Asia Awards 2020

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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