



FAM Millennium Equity Strategy (USD)

31 July 2025

Our Strategy

Following the 2008 Global Financial Crisis and the 2020 Pandemic, the flood of unprecedented liquidity and low interest rates in markets propelled prices of nearly all assets to record highs. Today, it is increasingly challenging for investors to achieve above-market returns using the “winning formula” of the past decade. The FAM Millennium Equity (FME) strategy is designed for investors who are willing to avoid crowded markets and embrace volatility, to achieve above-market returns over the next decade.



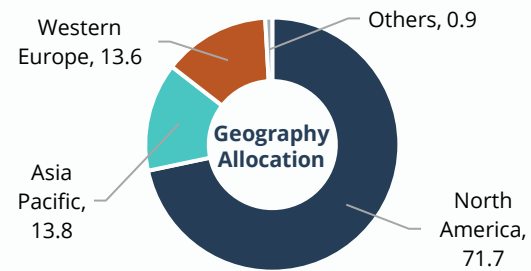
Invest Globally
No benchmark hugging
Maximize returns



Capital Appreciation
compounded at 8%
target return over
longer term

FVT

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



Others include Central Asia, Africa/Middle East, South & Central America, and Eastern Europe.

Taking Advantage of the Market Cycle

Just as in nature, there are also seasons in financial markets. Sowing and harvesting in the wrong season can be detrimental to any investment. Rather than trying to accurately predict year-on-year movements, we believe that capturing long-term cycles and trends brings a much greater impact for investors. There have been two important seasons in the past 20 years:

Emerging Market Season (2001 – 2010)

Best ↑ ↓ Worst	EM	Asia	EM	EM	EM	Europe	EM	Japan	EM	EM
	13.8	-5.6	55.8	25.6	34.0	33.7	39.4	-29.2	78.5	18.9
	Asia	EM	Asia	Asia	Japan	Asia	Asia	US	Asia	Asia
	10.7	-6.2	47.7	22.2	25.5	32.4	36.5	-37.4	73.2	18.1
	US	Japan	Europe	Europe	Asia	EM	Europe	Europe	Europe	Japan
	3.5	-10.3	38.5	20.9	20.1	32.1	13.9	-46.4	35.8	15.4
	Europe	Europe	Japan	Japan	Europe	US	US	Asia	US	US
	0.0	-18.4	35.9	15.9	9.4	15.1	4.9	-51.9	25.6	14.4
	Japan	US	US	US	US	Japan	Japan	EM	Japan	Europe
	-1.2	-22.5	28.0	10.2	4.3	6.2	-4.2	-53.3	6.3	3.9
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010

In the first 10 years, EM topped the market 7 of 10 times, while the US was nearly always at the bottom.

Total Return: ■ EM: 337.02% ■ US: 8.63%

US market Season (2011 – 2022)

US	Asia	US	US	Japan	US	EM	US	US	Asia	US	Europe
1.5	22.3	31.5	13.0	9.6	11.2	37.3	-4.9	30.7	22.4	28.2	-15.1
Europe	Europe	Japan	Asia	US	EM	Asia	Japan	Europe	EM	Europe	Japan
-11.1	19.1	27.2	2.8	0.7	11.2	37.0	-12.9	23.8	18.3	16.3	-16.6
Japan	EM	Europe	EM	Europe	Asia	Europe	Asia	Japan	US	Japan	Asia
-14.3	18.2	25.2	-2.2	-2.8	6.8	25.5	-13.9	19.6	17.8	1.7	-17.5
Asia	US	Asia	Japan	Asia	Japan	Japan	EM	Asia	Japan	EM	US
-15.6	15.2	3.4	-4.0	-9.4	2.4	24.0	-14.6	19.2	14.5	-2.5	-18.5
EM	Japan	EM	Europe	EM	US	Europe	EM	EM	Europe	Asia	EM
-18.4	8.2	-2.6	-6.2	-14.9	-0.4	21.1	-14.9	18.4	5.4	-2.9	-20.1
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022

In the subsequent 12 years, everything flipped. US became the best performing market 7 of 12 times.

Total Return: ■ EM: 11.22% ■ US: 260.29%

Source: Morningstar. EM: MSCI Emerging Market Index. US: S&P 500. Europe: MSCI Europe. Asia: MSCI AC Asia Pac Ex Japan Index. Japan: MSCI Japan Index.

By identifying investments with good fundamentals and investing in them when their valuations are low (sowing) and taking profit when the opportunities mature (harvesting), FME is designed to help investors avoid the possibility of “missing the season”, as the human tendency to chase past performance can prevent them from enjoying future strong returns.

Historical Performance

Calendar Return, %

Class	Jan	Feb	Mar	Apr	May	Jun	Jul	YTD
A USD	2.84	-2.14	-3.99	-1.22	5.79	4.22	1.65	6.96

Since January 2025, FME has enhanced its investment approach to better capture short- to medium-term trends, while maintaining a focus on long-term growth. With tighter risk management and stronger alignment to upward market movements, the strategy is positioned to respond more effectively to market conditions and deliver more consistent, predictable returns going forward.

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:



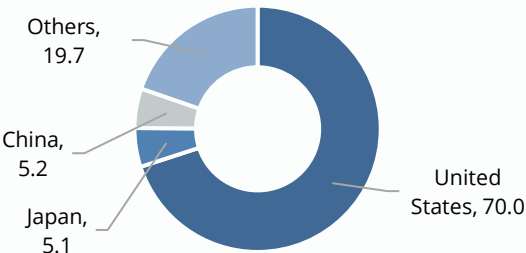
Principles for
Responsible
Investment



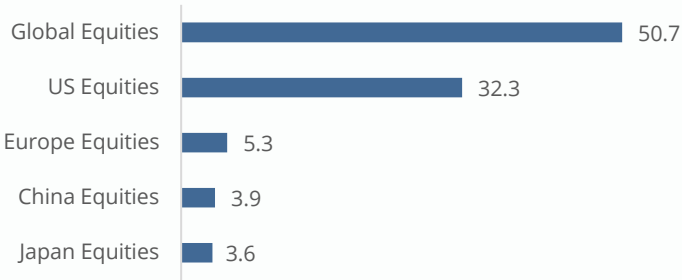
A member of AscendAsia

Strategy Characteristics

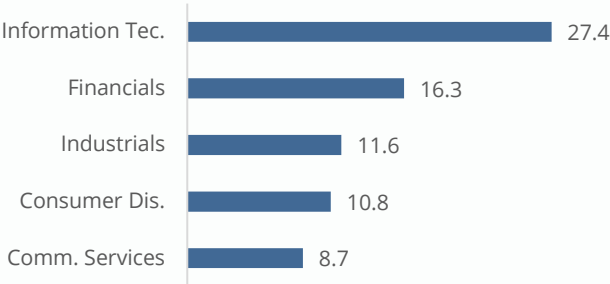
Country Allocation, %



Top 5 Market Allocation, %



Top 5 Equity Sector Allocation, %



Top 5 Fund Holdings, %



Source: Finexis Asset Management. 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).

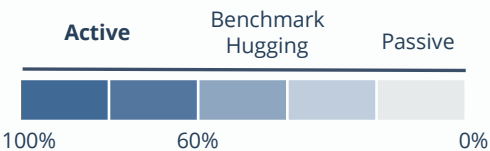
High Level of Active Management

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:



Finexis Asset Management

A member of AscendAsia

Market & Portfolio Developments

Commentary

July 2025 ushered in renewed optimism across financial markets. Alongside robust US economic data, sentiment was also driven by favourable US trade deals with key partners like Japan, the EU, and South Korea. Tariffs were once again the biggest driver of the month, with President Trump postponing the initial 90-day reciprocal tariff deadline (originally set to expire on July 9) to August 1. Against this backdrop, risk assets rallied while safe havens like Treasury bonds struggled in July.

Against this backdrop, FME delivered returns of 1.65% in July, extending year-to-date gains to 6.96%. In the past month, performance was driven by US equity positions which gained strongly on the back of a resurgent “Magnificent 7 exceptionalism” narrative. The key pillar of support came from Q2 earnings, with an earnings growth rate of more than 8% versus the expected 4%, led by tech and bank names.

Our baseline view is that the short-term risk-reward has become less favourable after the strong market rally since the April bottom - a brief consolidation appears imminent. At the same time, the risk of an imminent recession remains low (and earnings resilient) which continues to be supportive for markets further out. We’ve been trimming weaker positions and adding to those with stronger fundamental support to improve overall portfolio risk/reward.

With the next phase of trade policy and growth expectations taking shape for the second half of 2025, we remain vigilant. Volatility may return, but it will be an opportunity for our active and flexible approach to take advantage of.

Fund Details

Item	Class A
Currency	USD
ISIN	SGXZ18072389
Min. Subscription	USD 1,000,000
Min. Subsequent Subscription	USD 10,000
Max. Sales Charge	5%
Management Fee	1.58%
Fund Name	Millennium Equity Fund
Dealing Frequency	Daily
Inception Date	10 Jun 2021
Fund Focus	Global Equities
Fund Domicile	Singapore
Investment Manager	Finexis Asset Management
Fund Administrator	Standard Chartered Bank
Custodian	Standard Chartered Bank
Auditor	PricewaterhouseCoopers LLP
Trustee	Perpetual (Asia) Limited

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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