



Global Smaller Companies Fund

Fund Overview

Investment Objective

Global Smaller Companies Fund (the "Fund") seeks to provide long-term capital growth.

The Fund is suitable for Sophisticated Investors seeking:

- potential capital appreciation over a long-term investment horizon; and
- participation in the global small cap equity markets.

Note: Long-term refers to a period of at least five (5) years.

Any material change to the investment objective of the Fund would require Unit Holders' approval.

Fund Facts

Fund Category / Type

Wholesale (Feeder Fund) / Growth

Base Currency

USD

Investment Manager

AmFunds Management Berhad

Launch Date

USD Class 10 January 2022

MYR Class 10 January 2022

MYR-Hedged Class 10 January 2022

Initial Offer Price

USD Class USD 1.0000

MYR Class MYR 1.0000

MYR-Hedged Class MYR 1.0000

Minimum Initial / Additional Investment

USD Class USD 1,000 / USD 1,000

MYR Class MYR 5,000 / MYR 1,000

MYR-Hedged Class MYR 5,000 / MYR 1,000

Annual Management Fee

Up to 1.80% p.a. of the Fund's NAV

Annual Trustee Fee

Up to 0.04% p.a. of the NAV of the Fund (excluding foreign sub-custodian fee and charges, where applicable)

Entry Charge

Up to 5.00% of the NAV per unit of the Class (es)

Exit Fee

Nil

Redemption Payment Period

Within fourteen (14) calendar days of receiving the redemption request with complete documentation.

Income Distribution

MYR and MYR-Hedged Class

Distribution, if any, can be in the form of cash (by telegraphic transfer) or unit (by reinvestment into units of the respective Classes)

Note: If income distribution earned does not exceed MYR 500, it will be automatically reinvested.

Other Classes

Distribution, if any, to be reinvested into units the respective Classes.

*Data as at (as at 31 December 2024)

NAV Per Unit*

USD Class USD 0.7667

MYR Class MYR 0.7376

MYR-Hedged Class MYR 0.7246

Fund Size*

USD Class USD 0.01

MYR Class MYR 3.56 million

MYR-Hedged Class MYR 1.37 million

Unit in Circulation*

USD Class 0.01

MYR Class 4.83 million

MYR-Hedged Class 1.89 million

1- Year NAV High*

USD Class USD 0.8074 (04 Dec 2024)

MYR Class MYR 0.8515 (15 Jul 2024)

MYR-Hedged Class MYR 0.7643 (04 Dec 2024)

1- Year NAV Low*

USD Class USD 0.6673 (17 Jan 2024)

MYR Class MYR 0.6772 (05 Aug 2024)

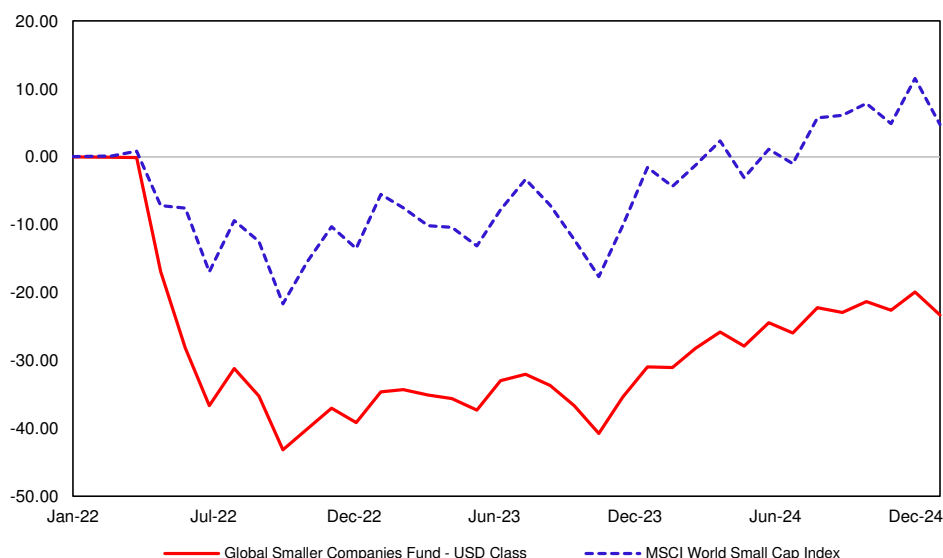
MYR-Hedged Class MYR 0.6353 (17 Jan 2024)

Source: AmFunds Management Berhad

The above fees and charges may be subject to any applicable taxes and/or duties (imposed by the Government of Malaysia which are payable by the unit holder(s) and/or the Fund (as the case may be) at the prevailing rate.

Fund Performance (as at 31 December 2024)

Cumulative performance over the period (%)



Past performance is not necessarily indicative of future performance. Unit prices and investment returns may go down as well as up.

Source: AmFunds Management Berhad

Performance Table in Share Class Currency (as at 31 December 2024)

Cumulative Return (%)	YTD	1 Month	6 Months	1 Year	3 Years	5 Years
Fund (USD)	11.07	-4.25	3.57	11.07	-	-
*Benchmark (USD)	6.43	-6.09	5.82	6.43	-	-
Fund (MYR)	6.47	-3.63	-2.67	6.47	-	-
Fund (MYR-Hedged)	10.05	-4.39	4.44	10.05	-	-
Annualised Return (%)	3 Years	5 Years	10 Years	Since Inception		
Fund (USD)	-	-	-	-8.56		
*Benchmark (USD)	-	-	-	-0.22		
Fund (MYR)	-	-	-	-6.97		
Fund (MYR-Hedged)	-	-	-	-10.29		
Calendar Year Return (%)	2024	2023	2022			
Fund (USD)	11.07	13.42	-			
*Benchmark (USD)	6.43	13.78	-			
Fund (MYR)	6.47	18.09	-			
Fund (MYR-Hedged)	10.05	9.39	-			

*MSCI World Small Cap Index

Source Benchmark: *AmFunds Management Berhad

Source Fund Return: Novagnt Analytics and Advisory Sdn. Bhd.

Past performance is not necessarily indicative of future performance. The performance is calculated based on NAV-to-NAV using Time Weighted Rate of Return ("TWRR") method.

Note: There is no record of the Fund's performance for three (3) and five (5) years as the Fund was launched in less than three (3) years.

Income Distribution History

	Total Payout per unit (Sen)				Yield (%)			
	2024	2023	2022	2021	2024	2023	2022	2021
USD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MYR	7.39	N/A	N/A	N/A	8.75	N/A	N/A	N/A
MYR-Hedged	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: AmFunds Management Berhad

Historical income distribution is not indicative of future income distribution payout. The income could be in the form of units or cash. Unit prices and income distribution, if any, may rise or fall. Where an income distribution is declared, investors are advised that following the distribution the net asset value per unit will be reduced from cum-distribution NAV to ex-distribution NAV.

Asset Allocation (as at 31 December 2024)



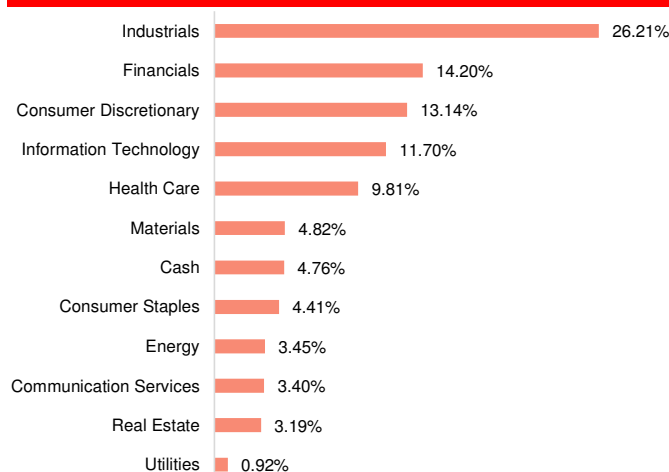
Source: AmFunds Management Berhad

Target Fund's Top 5 Holdings (as at 31 December 2024)



Source: Janus Henderson Investors

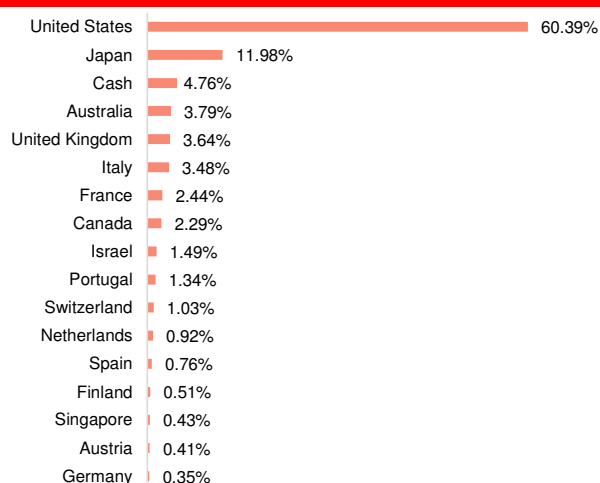
Target Fund's Sector Allocation* (as at 31 December 2024)



Source: Janus Henderson Investors

*As percentage of NAV. Please note that asset exposure for the Target Fund is subject to frequent change on a daily basis.

Target Fund's Country Allocation* (as at 31 December 2024)



Source: Janus Henderson Investors

Target Fund Manager's Commentary (as at 31 December 2024)

US equity markets weakened in December. This followed hawkish comments from the US Federal Reserve (Fed), which indicated it would make fewer interest rate cuts than previously expected in 2025. This weakening in markets was despite the Fed cutting interest rates by 25 basis points (bps) during the month. In Asia, Chinese equities recovered some lost ground in December as the country moved from 'prudent' to 'moderately loose' monetary policy. In South Korea, President Yoon Suk Yeol declared martial law. This was quickly overturned, but the situation remains uncertain. The European equity market strengthened in December. The European Central Bank (ECB) confirmed that economic growth remained its priority and reduced its deposit rate by 25 bps to 3.00%, as core inflation in the eurozone showed signs of moving closer to the ECB's 2% target. This boosted confidence in the region that a recession has been avoided. However, European political uncertainty still affected European equities during the month. Germany faces a general election in February after Chancellor Olaf Scholz lost a confidence motion, and French President Macron appointed Francois Bayrou as prime minister after his previously appointed prime minister Michel Barnier also lost a confidence vote.

The US supply-chain solutions provider Celestica was the fund's top positive contributor in December, as the company benefited from data centre infrastructure demand. The holding in Fujikura, the Japanese electrical and optical cable provider, was also positive during the month. The company was seen by the market as a beneficiary of artificial intelligence (AI) demand and electrification. Cal-Maine, the largest egg supplier in the US, benefited from price rises at a time of supply limitations. The US heating, ventilation and air conditioning (HVAC) company Comfort Systems, which is the fund's largest holding, saw profit-taking during the month. This negatively impacted its share price. Luxury homebuilder Toll Brothers and general homebuilder KB Home were both affected by the Fed's projections that it will not cut interest rates by as much as previously anticipated in 2025. The Target Fund's underweight position to the real estate sector acts as a hedge to the housebuilder exposure, which we expect to limit the fund's interest-rate risk. During the month we exited several of the smaller positions in the fund. We exited Yangzijiang Shipbuilders, as the company exhibited a strong return over 2024. We also exited Danieli, as we felt the capital from its sale would be better used on other opportunities. We introduced several positions during the month. We opened a position in the Japanese manufacturer and distributor of electronic components Kaga Electronics. Kaga Electronics offers electronics manufacturing services (EMS), a process that involves designing, manufacturing, testing, distributing and providing return and repair services. In each of the last three financial years, the company's return on invested capital metric has improved, which influenced our decision to purchase a position. We also opened a position in the Australian manufacturer Ansell. Ansell is a global provider of personal protective equipment (PPE). Following the Covid-19 pandemic, the company went through a painful period of destocking, which now appears to be at an end. The company has also purchased the PPE business of Kimberley Clarke, increasing its exposure to the higher-margin scientific segment of the market. Finally, the current management team is executing its restructuring programme, which is estimated to result in savings of around \$50 million. We also opened a position in Hera, the Italian utility company. Hera's business model is exposed to the circular economy thanks to its consolidated position in the waste and water segments. In our view, the company's steady cash flows and its above-sector-average growth targets added to its appeal. Despite most purchases coming from outside the US this month, we continue to run the fund on a region-neutral basis versus the underlying index.

Overall, we are optimistic about the outlook for global small-cap companies. With interest rates falling in several regions, we believe prospects for a recovery in GDP growth look reasonable. Additionally, if inflation continues to fall and the reshoring trend continues, we believe conditions should become supportive of the operational returns of smaller companies. With current valuation levels at historic lows relative to large-cap companies, we think any improvement in the operational performance of small-cap companies should be well received by the market.

Source: Janus Henderson Investors

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