



# 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:

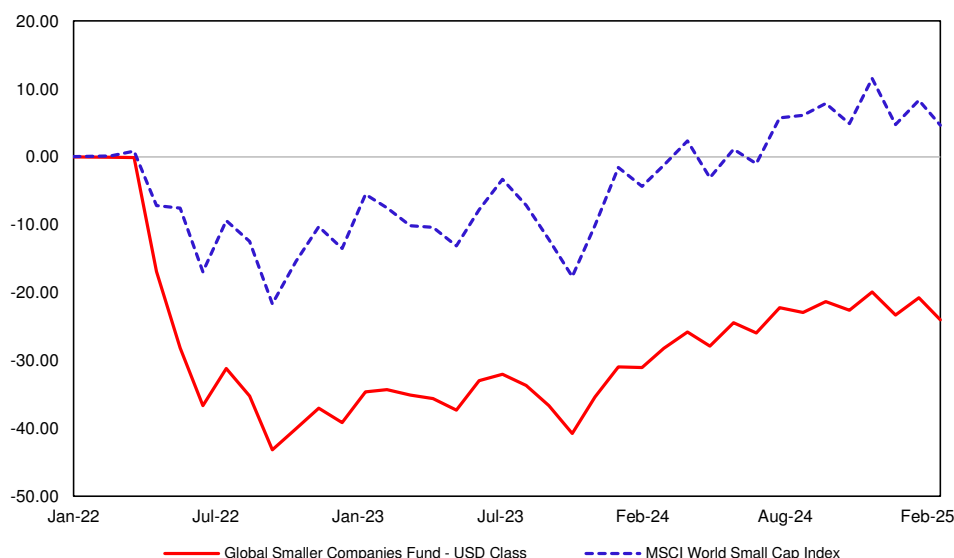
- potential capital appreciation over a long-term investment horizon; and
- participation in the global small cap equity markets.

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 Performance (as at 28 February 2025)

### 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 28 February 2025)

Cumulative Return (%)	YTD	1 Month	6 Months	1 Year	3 Years	5 Years
Fund (USD)	-0.91	-4.11	-1.44	5.87	-23.96	-
*Benchmark (USD)	-0.10	-3.40	-1.35	5.99	4.51	-
Fund (MYR)	-1.27	-4.10	1.31	-1.86	-20.47	-
Fund (MYR-Hedged)	-0.99	-4.14	-0.17	5.39	-28.15	-

Annualised Return (%)	3 Years	5 Years	10 Years	Since Inception
Fund (USD)	-8.72	-	-	-8.39
*Benchmark (USD)	1.48	-	-	-0.24
Fund (MYR)	-7.35	-	-	-6.99
Fund (MYR-Hedged)	-10.43	-	-	-10.05

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: Novagni 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.

## 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 28 February 2025)

#### NAV Per Unit\*

USD Class USD 0.7597

MYR Class MYR 0.7282

MYR-Hedged Class MYR 0.7174

#### Fund Size\*

USD Class USD 0.01

MYR Class MYR 2.03 million

MYR-Hedged Class MYR 4.75 million

#### Unit in Circulation\*

USD Class 0.01

MYR Class 2.79 million

MYR-Hedged Class 6.62 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 0.7061 (05 Aug 2024)

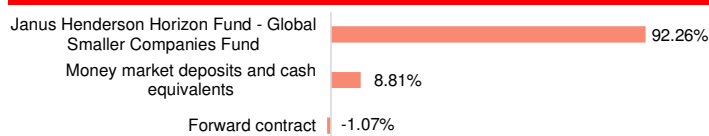
MYR Class MYR 0.6772 (05 Aug 2024)

MYR-Hedged Class MYR 0.6597 (05 Aug 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.

### Asset Allocation (as at 28 February 2025)



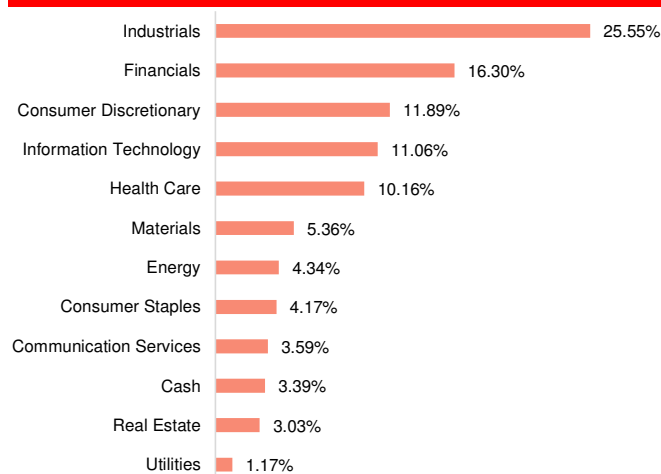
Source: AmFunds Management Berhad

### Target Fund's Top 5 Holdings (as at 28 February 2025)

Mueller Industries	2.46%
Comfort Systems USA	2.33%
Unum Group	2.10%
Stride	1.85%
Allison Transmission	1.84%

Source: Janus Henderson Investors

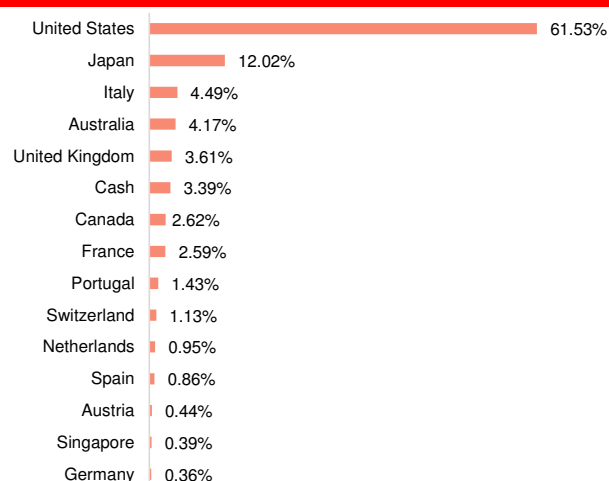
### Target Fund's Sector Allocation\* (as at 28 February 2025)



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 28 February 2025)



Source: Janus Henderson Investors

### Target Fund Manager's Commentary (as at 28 February 2025)

Global small-cap markets were weak during February. The negative performance was driven by fears of interest rates staying higher for longer and some underwhelming economic data prints in the US. It appears that tariff and inflation uncertainties have left their mark on US consumer confidence, with the Michigan Consumer Sentiment Index falling sharply in February compared to the previous month. Jobs growth also more than halved in January, which weighed on sentiment. Additionally, chipmaker NVIDIA's results, although strong, disappointed investors, which dragged down both the technology sector and the wider market. European equity markets performed strongly in February, outperforming US equities for the second consecutive month. Geopolitics was a key market driver. The momentum behind European stocks was fuelled by hopes of a Ukrainian ceasefire and a relatively benign German election outcome, with Friedrich Merz heading the victorious CDU/CSU alliance. However, the CDU/CSU alliance did not reach an absolute majority and will need to form a coalition government with another party (most likely the SPD). There is still uncertainty in Europe, with many nations contemplating the possible implementation and direction of US import tariffs. The defence sector performed strongly during the month after NATO Secretary General Mark Rutte emphasised the need for NATO members to commit to "significantly more defence spending".

The specialist insurance company Palomar was the Target Fund's top positive contributor in February. The company announced another earnings beat, which was the latest of nine consecutive earnings beats. We see this strong performance as evidence of good organic growth opportunities in its target markets. Doximity, the online networking platform for medical professionals, also contributed positively. Around 80% of US physicians have a Doximity profile, which allows them to share where and what they are working on with other physicians. The company has also brought out a new artificial intelligence (AI) product, which allows doctors to fill in a patient's medical history in an insurance claim form with only a few prompts from the doctor. This is proving an effective time-saving tool for medical professionals, enabling them to see more patients. The company evidenced strong growth in its fourth-quarter results as a result of this new product offering. The US self-service commerce company Cantaloupe, which specialises in retail-market vending machines, was also a top contributor in February. The company is focusing its efforts on the higher volume parts of its business (mini-markets and larger self-service retail solutions), which is providing good earnings growth for the company. The US insurance and home warranty company Frontdoor was the Target Fund's biggest detractor during the month. At its recent investor day, the company issued weak 2025 guidance, which spooked the market. Comfort Systems, which provides heating and ventilation systems on an industrial scale, also detracted during the month. One of Comfort Systems' target markets is data centres, and so it was caught up in the sell-off in data centre shares as a response to Microsoft allegedly slowing down its data centre investments. It was also affected alongside other AI-exposed names by the release of the cost-efficient AI model DeepSeek in January. We reduced the position in Comfort Systems during the month for risk management purposes, but we remain excited by the company's fundamentals. Kontoor Brands, the lifestyle apparel company, also detracted. A substantial proportion of the company's supply comes from Mexico, and so it suffered due to Trump's recent implementation of trade tariffs. Also, weaker consumer data in the US caused investors to worry about discretionary retail spending, further affecting the company's share price. During the month, we added a position in IG Group, the UK-based trading platform. Despite being based in the UK, the company has a big US presence, which we find exciting. We believe the company was attractively valued, and we are hopeful that it will see decent subscriber and volume growth. We also bought vehicle manufacturer Iveco. The company produces trucks and armoured vehicles and so is part of our current conviction in defence names due to the rearmament of Europe. We took profit in Konecranes. Its shares have done extremely well since we opened a position in the company at the start of 2024. However, its recent management change prompted our sale. We also trimmed our position in Cal-Maine Foods, the egg producer and distributor. The company has had a strong 12-month performance due to the avian flu outbreak, which drove up egg inflation.

Overall, we are optimistic about the outlook for global small-cap companies. We think the main question surrounding the performance of small caps in 2025 is whether the asset class can outperform if significant rate cuts do not materialise this year. We remain of the view that small-cap companies will be able to outperform. When assessing the previous period when interest rates were at this level - which was in the mid-2000s - small-cap companies performed relatively well versus large-cap companies. Looking back further to the 1970s, when interest rates were substantially higher than their current levels, small caps again performed relatively well compared to large caps. That being said, we do remain aware of the key risk to this scenario, which is rising inflation. We anticipate that rising inflation, combined with subsequent interest rate hikes, would provide a challenging environment for small-cap outperformance.

Source: Janus Henderson Investors

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