

# Meranti Asia Fund

## Factsheet

29<sup>th</sup> Jan 2021

### Strategy Description

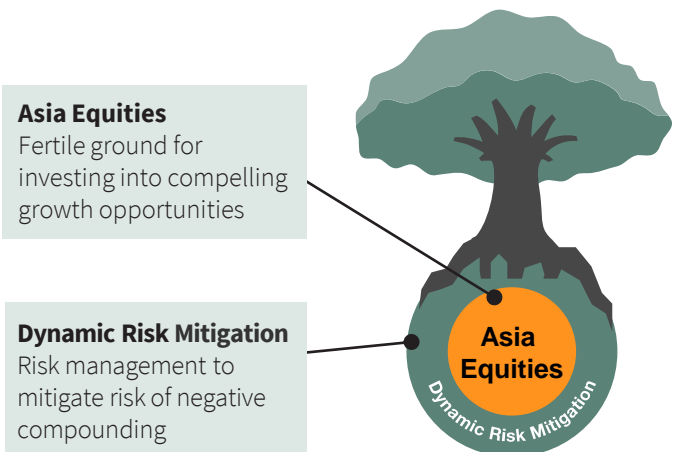
Meranti Capital VCC Asia Fund (Meranti Asia Fund) aims to provide long term capital appreciation by investing across Asia Pacific ex. Japan markets, while seeking to mitigate risks during stress. Instead of investing in flavour of the day concepts, the strategy focuses on structural characteristics that make sense and are backed by empirical research.

### Key Features

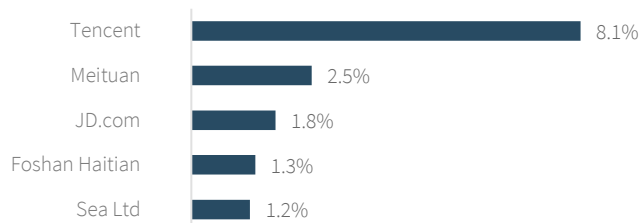
**Asia Equities:** Invest into secular opportunities arising from the global shift of economic power to Asia.

**Active Strategy:** Index funds tend to focus on less than 5% of the 33,000+ listed companies in Asia. By investing across the universe using Fundamental, Valuation, and Technical principles; the ability to be different provides outperformance potential.

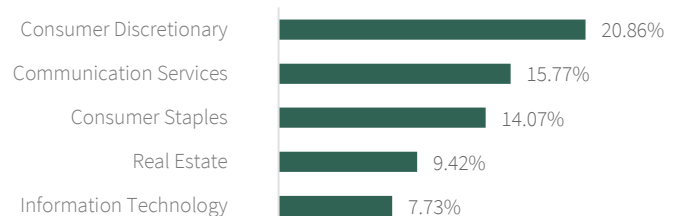
**Dynamic Risk Mitigation:** Equity bear markets are infrequent but inevitable. The strategy is designed to meet investors' desire for high capital appreciation with managed downside.



### Top Equity Holdings



### Sector Allocation

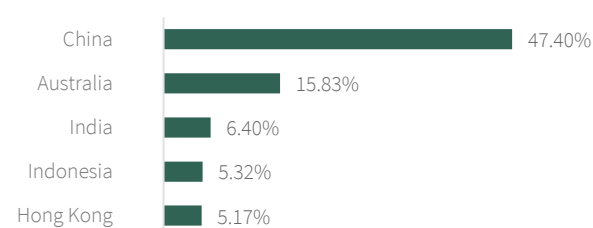


### Strategy Backtest Statistics\*

Annualised Return	Volatility	Positive Months	Upside/Downside Capture
11.92%	18.84%	59%	95/77%

\* For illustrative purposes only. Calculated 29/8/2008 to 31/10/2020, inclusive of cost and fees as determined appropriate by the manager. These statistics may not be a good indication of actual performance which can differ meaningfully over shorter time periods.

### Country Allocation



### Monthly Performance History

USDB <sup>1</sup>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	-	-	-	-	-	-	-	-	-	-	8.15%	3.38%	11.81% <sup>2</sup>
2021	3.35% <sup>3</sup>												3.35% <sup>3</sup>

<sup>1</sup> Performance based on the Lead Series. <sup>2</sup> Since inception of 2 Nov 2020. <sup>3</sup> Manager's estimated return. Actual return will be updated in the following month.

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### Market & Portfolio Developments

#### Market Review

Global equity markets finished a volatile January with declines of -0.44%. Indeed, January was a month where markets took a pause after the strong gains from the past quarter, though there were a few bright spots outside of developed markets. Asian equities outperformed on the back of recovery optimism, with positive returns of more than 3%.

#### Main Contributors 'What did well?'

'Recovery' segments recorded strong returns over the past month, particularly benefitting our portfolio's undervalued holdings. On a country basis, Hong Kong, which has long been more attractively valued, had strong gains after a stretch of underperformance.

Within our portfolio, we also observed stocks with strong momentum continuing with their outperformance.

#### Main Detractors 'What underperformed?'

Small-caps underperformed in January, taking a break from the strong gains observed over the past few months. Beyond short term volatility, small-caps continue to have the potential to do well as economies recover.

#### Market Outlook

We are cautiously optimistic that green shoots have emerged across the economic indicators that we monitor, which may surface interesting opportunities for investors in the coming months. A more sustained economic recovery is also expected to be more favourable for the portfolio's undervalued holdings to do well.

**About Meranti:** The Meranti fund series is named after the Meranti tree, which is native to Singapore and the region. It is a canopy and emergent tree; providing shade from its place at the top layer of a rainforest where sunlight is plentiful. To reach such great heights, the trees have a strong and wide system of roots to help provide stability while also gathering more nutrients. Likewise, Meranti funds were developed around a Dynamic Risk Mitigation process so that investors can invest with confidence and harvest the full potential of capital growth through market cycles.

**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. Our people work hard, strive for excellence, and reject mediocrity. We embrace the latest technology and constantly improve our processes to complement our investment solutions. Constant evolution to fulfill our investor's needs is ingrained in our beliefs.

For fund and sales related enquires please reach out to your finexis financial advisor representative or email us at [customer.service@finexisam.com](mailto:customer.service@finexisam.com)

### Fund Details <sup>4</sup> Charged based on high water mark basis, with zero hurdle rate.

Item	Class A	Class B
Currency	USD, SGD	
ISIN (USD Class)	SGXZ99381758 (Distribution)	SGXZ76017904 (Accumulation)
ISIN (SGD Class)	SGXZ64383987 (Distribution)	SGXZ78636883 (Accumulation)
Min. Subscription	USD 400,000 SGD 500,000	USD 40,000 SGD 50,000
Account Opening Fee (One-time)	N/A	USD 3,000 SGD 4,000
Min. Subsequent Subscription	USD 10,000 SGD 15,000	USD 10,000 SGD 15,000
Redemption Fees		
1st Year of Investment	-	3%
2nd Year of Investment	-	2%
3rd Year of Investment	-	1%
4th Year Onwards	-	0%
Management Fee	1.78%	0%
Performance Fee <sup>4</sup>	0%	20%
Dealing Frequency	Monthly	
Base Currency	USD	
Inception Date	2 November 2020	
Fund Domicile	Singapore	
Investment Manager	Finexis Asset Management	
Fund Administrator	ASCENT Fund Services (Singapore)	
Custodian	Standard Chartered Bank	
Auditor	KPMG LLP	
Broker	Goldman Sachs (Asia) L.L.C.	
Legal Advisors	BTPLaw LLC	

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