



Meranti Asia Fund

Factsheet 31st January 2022



Strategy Description

Meranti Asia Fund 'MAF' seeks long-term high growth of the portfolio by investing across Asia Pacific ex. Japan equity markets, while looking to mitigate risks during significant downturns. 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

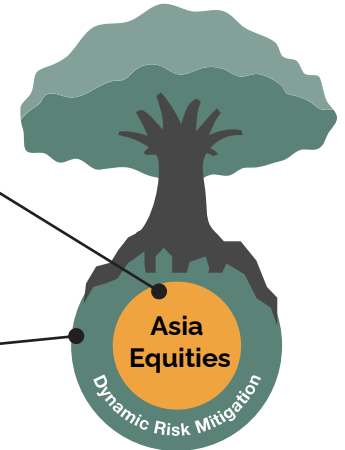
Dynamic Risk Mitigation: Financial crises are infrequent but inevitable. By managing risks in significant downturns, the strategy is designed to help investors endure systemic shocks and continue to invest with confidence.

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

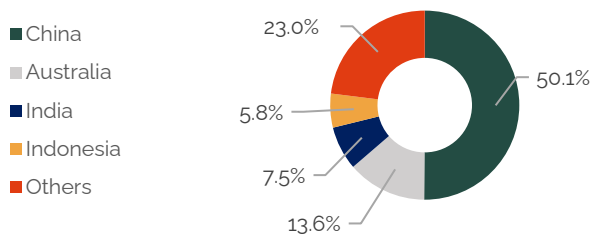
Active Strategy: Index funds tend to focus on less than 5% of the 33,000+ listed companies in Asia. By investing across the universe using Fundamental, Valuation, and Technical principles; the ability to be different provides outperformance potential.

Asia Equities
Fertile ground for investing into compelling growth opportunities

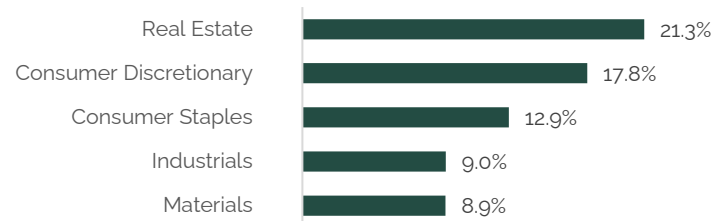
Dynamic Risk Mitigation
Risk management to mitigate risk of negative compounding



Geographical Breakdown



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.

Top Equity Holdings



Monthly Performance History

SGD A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	-	0.45%	-0.29%	-5.71%	3.00%	-4.63%	1.51%	-3.90%	-2.10%	-11.40% ³
2022	-4.58% ⁵												
USD A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	-	-	-	-	2.98%	-4.50%	1.66%	-3.90%	-1.99%	-5.83% ⁴
2022	-4.58% ⁵												
USD B ²	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	-	-	-	-	-	-	-	-	-	-	8.15%	3.38%	11.81% ²
2021	2.40%	0.94%	-1.34%	2.05%	0.08%	0.02%	-5.55%	3.13%	-4.36%	1.81%	-3.76%	-1.84%	-6.65%
2022	-4.58% ⁵												

¹ Performance based on the Lead Series. ² Since inception of 2 Nov 2020. ³ Since inception of 3 May 2021. ⁴ Since inception of 2 August 2021. ⁵ Manager's estimated return. Actual return will be updated in the following month.

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Market & Portfolio Developments

Market Review

Asset markets had a volatile start to the year, with Asian equities declining 3.99% alongside other major markets. The main reason cited for this is the increased likelihood that the Fed would raise interest rates soon, a milestone in unwinding years of QE that started from the 2008 Global Financial Crisis. To be clear, the Fed has not raised its Fed Funds rate since March 2020, but forward-looking markets have already started to price in the impact of higher rates.

Main Contributors 'What did well?'

Our preference for 'Value' in the portfolio contributed positively to overall performance, as stocks with a larger margin of safety were more resilient in the broader sell-off.

What we did not invest into also helped with relative performance. Our FVT (Fundamental, Valuation, Technical) process leads us away from areas which are deemed to have poorer risk/reward. By doing so, we avoided a number of 'pricier' tech stocks which fell sharply in the past month. For reference, Korea's tech-heavy KOSPI index declined 10.56% in January.

Main Detractors 'What underperformed?'

Our portfolio's lower allocation to TSMC (Taiwan Semiconductor Manufacturing Company) detracted from relative performance, as TSMC rebounded following months of weaker performance. We have avoided holding such names in our portfolio as they remain less attractively valued relative to other opportunities.

Outlook

Amid the continued VUCA environment (refer to the [latest market commentary](#) for a re-cap on VUCA), we continue our efforts in constructing a portfolio that is prepared for different scenarios rather than trying to predict or react to the next headline news.

For instance, our holdings of **Value stocks** are well positioned for the current environment, as they are expected to be more resilient amid rising interest rates.

⁶ Please note that the distributions (if any) may be declared semi-annually based on the Investment Manager's discretion. If distributions are made, such distributions are not a forecast, indication or projection of the future performance of the Fund. ⁷ Waiver of account opening fees for investors through the platforms. ⁸ Charged on high water mark basis, with zero hurdle rate.

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. 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 fund and sales related enquires please reach out to your finexis financial advisor representative or email us at customer.service@finexisam.com

Fund Details

Item	Class A	Class B
Currency	USD, SGD	
ISIN (USD Class)	SGXZ99381758 (Distribution)	SGXZ76017904 (Accumulation)
ISIN (SGD Class)	SGXZ64383987 (Distribution)	SGXZ78636883 (Accumulation)
Projected Distribution ⁶	4% p.a.	-
Min. Subscription	USD 400,000 SGD 500,000	USD 40,000 SGD 50,000
Account Opening Fee ⁷ (One-time)	USD 3,000 SGD 4,000	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 ⁸	0%	20%
Fund Name	Meranti Capital VCC Asia Fund	
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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