



# Meranti Millennium Equity Fund

## Factsheet 31<sup>st</sup> May 2021



### Strategy Description

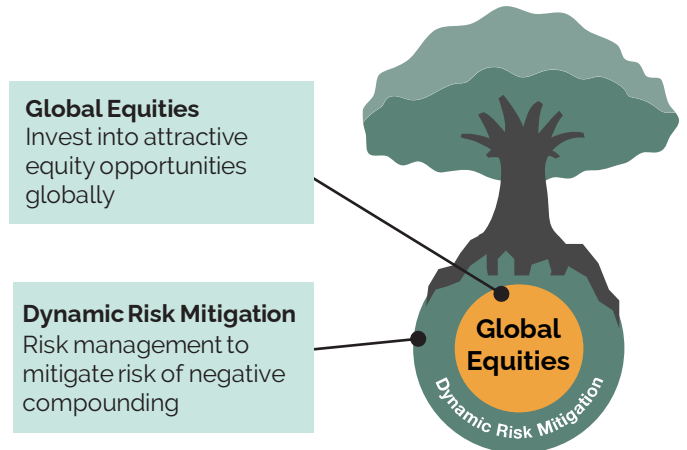
Meranti Millennium Equity Fund 'MME' seeks long-term high growth of the portfolio by investing opportunistically across global equity markets, while looking to mitigate risks during significant downturns. Instead of investing in flavour of the day concepts, the strategy focuses on key performance drivers that make sense and are backed by empirical research.

### Key Features

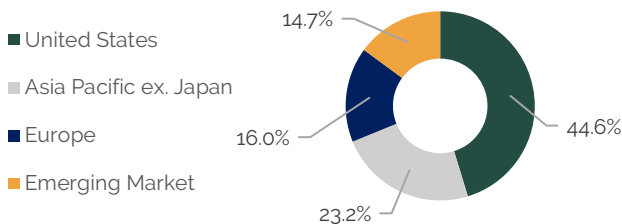
**Dynamic Risk Mitigation:** Financial crises are infrequent but inevitable. By managing risks in significant downturns, the strategy is designed to help investors endure systemic market shocks and continue to invest with confidence.

**High Return Potential:** Capture ongoing opportunities by taking advantage of market volatility to invest into attractive equity markets with high expected returns.

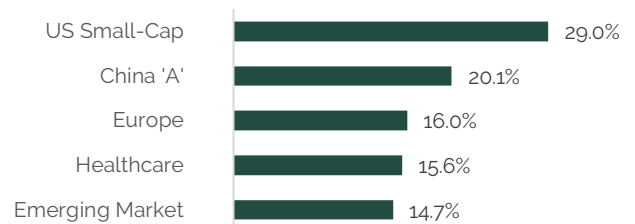
**Active Strategy:** Markets exhibit trends and cycles that create ongoing opportunities to invest in. Using Fundamental, Valuation, and Technical principles; we aim to invest into differentiated markets with favourable risk/reward that can deliver long-term outperformance.



### Geographical Breakdown



### Market Breakdown



### Top 5 Fund Holdings

Fund Name
Aberdeen China 'A' Shares Fund
Amundi European Equity Value Fund
Blackrock World Healthscience Fund
Granahan US SMID Select Fund
TT Emerging Market Unconstrained Fund

### Portfolio Statistics\*

	Portfolio
Average Month	1.7%
Best Month	13.8%
Worst Month	-9.7%
Positive Months	68.8%

\*For illustrative purposes only. Calculated 1/8/2018 to 31/3/2021 for a similarly managed composite portfolio fully invested gross of fees. Statistics may not be a good indication of actual performance which can differ meaningfully over shorter time periods.

### Monthly Performance History

	2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
SGD A	-	-	-	2.30%	2.05% <sup>1</sup>									4.40% <sup>1</sup>
USD B	-	-	-	1.95%	1.76% <sup>1</sup>									3.74% <sup>1</sup>

<sup>1</sup>Manager's estimated return net of fees for each respective class. Actual return may differ and will be updated in the following month. Please reach out to your advisor to find out about the longer strategy track record.

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### Market & Portfolio Developments

#### Market Review

Inflation concerns drove equity market performance in May. However, these concerns did not mean markets declined across the board. Equities were up in general but there was bifurcation between segments that would benefit and get affected by inflation, e.g. Energy equities had outsized gains while Consumer Discretionary fared poorly.

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

Concerns over inflation turned out to be a tailwind for energy equities, which was a key contributor to overall performance – global oil demand remained robust as economies reopen. The China 'A' position also saw strong gains in May, after a stretch of more muted performance. Alongside other recovery positions, we expect China 'A' equities to continue to do well on the back of improving economic activity.

#### Main Detractors 'What underperformed?'

Within US small-caps, certain high-growth segments detracted as markets continue to favour 'value', and avoiding stocks that had priced in more optimistic expectations. Our portfolios continue to maintain a balanced position within US small-caps that are expected to benefit from the ongoing economic recovery, and as they still trade at a discount to US large-caps.

#### Portfolio Activity

With the strong year-to-date performance in energy equities, we took the chance to lock in profits as their risk/reward becomes less attractive. We re-allocated into undervalued European equities as a catch-up recovery play.

#### Market Outlook

As inflationary concerns came to the fore, we did not have to scramble as our portfolios are constructed to ride through such market volatility. An inflationary environment is a by-product of the economic recovery and not necessarily a bad omen for markets – though we can expect higher inflation to translate to higher prices and market volatility. We continue to monitor developments closely and will make adjustments where needed. Accordingly, we continue to utilise our FVT process to identify and invest into opportunities when their risk/reward is attractive.

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](mailto:customer.service@finexisam.com)

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

Item	Class A	Class B
Currency	USD, SGD	
ISIN (USD Class)	SGXZ35636000 (Distribution)	SGXZ56727852 (Accumulation)
ISIN (SGD Class)	SGXZ32206252 (Distribution)	SGXZ53567772 (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%
Fund Name	Meranti Capital VCC Millennium Equity Fund	
Dealing Frequency	Monthly	
Base Currency	USD	
Inception Date	1 April 2021	
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	