



Meranti Millennium Equity Fund

Factsheet 31st December 2021



Strategy Description

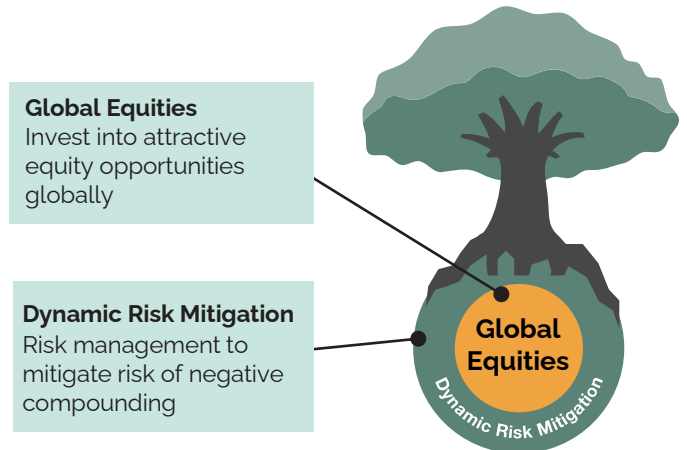
Meranti Millennium Equity Fund 'MME' seeks long-term high growth of the portfolio by investing opportunistically across global equity markets, while looking to mitigate risks during significant downturns. Instead of investing in flavour of the day concepts, the strategy focuses on key performance drivers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

Key Features

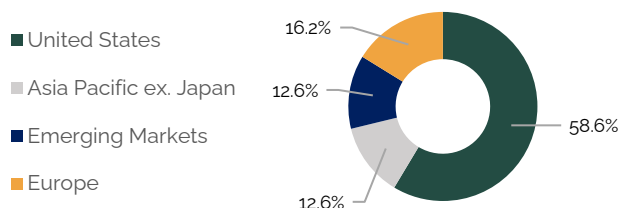
Dynamic Risk Mitigation: Financial crises are infrequent but inevitable. By managing risks in significant downturns, the strategy is designed to help investors endure systemic market shocks and continue to invest with confidence.

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

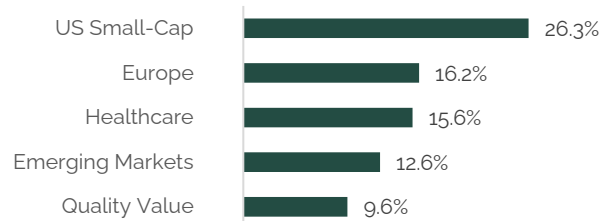
Active Strategy: Markets exhibit trends and cycles that create ongoing opportunities to invest in. Using Fundamental, Valuation, and Technical principles; we aim to invest into differentiated markets with favourable risk/reward that can deliver long-term outperformance.



Geographical Breakdown



Market Breakdown



Top 5 Fund Holdings

Fund Name
Amundi European Equity Value Fund
Blackrock World Healthscience Fund
SPDR S&P 600 Small Cap Value ETF
Granahan US SMID Select Fund
TT Emerging Market Unconstrained Fund

Portfolio Statistics*

	Portfolio
Volatility	16.0%
Average Month	1.1%
Best Month	13.6%
Worst Month	-9.9%
Positive Months	66%

*For illustrative purposes only. Calculated monthly from 1/8/2018 using a similarly managed composite portfolio fully invested net of fees. Performance since 1/4/2021 is based on actual monthly fund performance net of any management fees. Portfolio statistics may not be a good indication of actual performance and can differ meaningfully over shorter time periods.

Monthly Performance History

2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec ¹	YTD ^{1,2}
SGD A	-	-	-	2.30%	1.98%	0.76%	-5.35%	0.65%	-2.41%	2.58%	-5.42%	2.61%	-2.67%
USD A	-	-	-	-	-	-	-	0.65%	-2.34%	2.62%	-5.38%	2.61%	-2.07%
USD B	-	-	-	1.95%	1.62%	0.77%	-5.22%	0.80%	-2.20%	2.78%	-5.24%	2.76%	-2.38%

¹Manager'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. ²YTD refers to performance since inception.

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Market & Portfolio Developments

Market Review

It was a challenging year for investors like us who focus on fundamentals and valuation. The S&P 500 topped return charts with gains of 28.68%, hitting 68 record highs even after it reached record highs at the end of 2020. 2021 also saw the bifurcation between Developed and Emerging Markets (DM and EM), as EM returns were hit by a double whammy of slowdown and government clampdown in China. Global Equities ended the year up 19.02% while Global Investment Grade bonds declined 4.71% on the back of rising rates.

Main Contributors 'What did well?'

Notably, positions in **Quality Value** and **Healthcare equities** contributed meaningfully to overall performance, while at the same time being more resilient during bouts of market volatility over the year - recall that Healthcare is less dependent on the economy recovering to do well, and that Quality Value is a more resilient way for us to participate in the ongoing recovery.

Main Detractors 'What underperformed?'

Recovery positions - US Small-caps, Emerging Markets and China 'A' equities - gave back their strong returns from the start of the year as concerns around new Covid-19 variants and the economy intensified towards the end of 2021. **US Small-caps** kept pace with the S&P 500 for most of the year until mid-November when growth scares came to the forefront. **Emerging Markets and China 'A'** also detracted from overall performance, in large part driven by negative developments around China. That said, we reduced China equity exposures at the peak of China's cycle and averted greater losses here. In general, we retain a favourable view on our recovery positions, especially where their earnings estimates have continued to be revised upwards through the year.

Portfolio Activity

Amid market volatility, the focus was on maintaining the integrity of our portfolio allocations

Market Outlook

As markets take turns to perform, divergent transitions in 2022 across major economies are expected to create volatility and throw up varied opportunities. While the US led in the economic expansion in 2021 and benefitted, we believe the S&P 500 might have overshot on the upside with forward returns expected to moderate. On the other hand, our recovery positions such as US small-caps and Europe equities, are expected to catch up alongside the broader economic recovery. We have also observed green shoots emerging in China with the more recent easing of monetary conditions and as 2021's deleveraging has taken its course. As conditions improve further, this may prompt us to turn a more favourable view on China in the coming months. As always, we continue to be guided by our FVT (Fundamental, Valuation, Technical) process to invest in areas with better upside and a larger margin of safety for our investors.

³ 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. ⁴ Waiver of account opening fees for investors through the platforms

⁵ 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

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Fund Details

Item	Class A	Class B
Currency	USD, SGD	
ISIN (USD Class)	SGXZ35636000 (Distribution)	SGXZ56727852 (Accumulation)
ISIN (SGD Class)	SGXZ32206252 (Distribution)	SGXZ53567772 (Accumulation)
Projected Distribution ³	4% p.a.	-
Min. Subscription	USD 400,000 SGD 500,000	USD 40,000 SGD 50,000
Account Opening Fee ⁴ (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 ⁵	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	