



## Strategy Description

FAM Alternative Income Fund 'FAI' seeks stable and recurring income that is independent of market performance by investing opportunistically in truly alternative investments, instead of traditional income assets such as equities and bonds. The strategy focuses on performance drivers that make sense and are backed by empirical research.



Alternative Asset Class



Target 3% Above Money Market



Income Rain or Shine



Exclusive Capacity: 'Quality over Quantity' approach



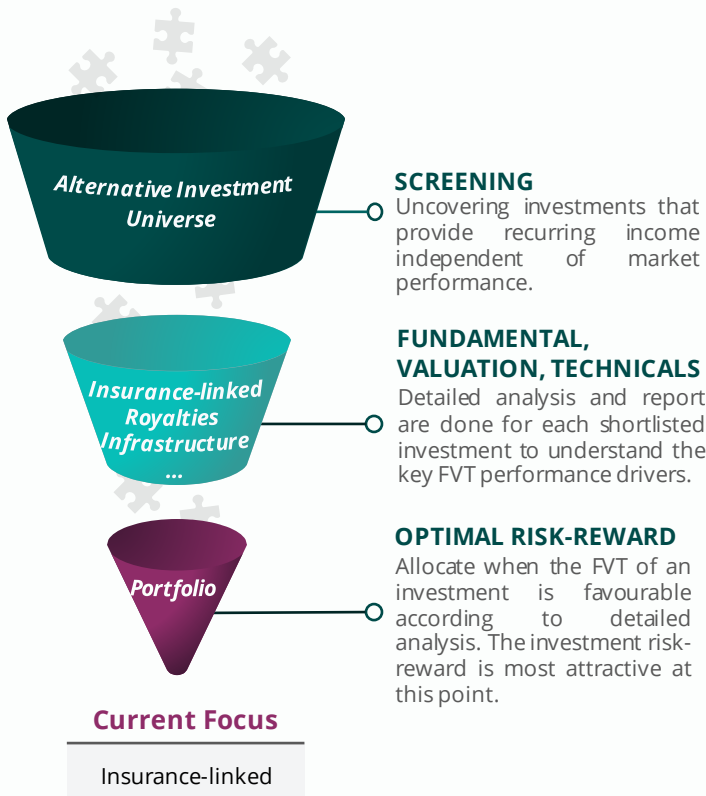
Fundamental, Valuation, Technicals

*"Diversify and gain income resilience through targeted exposure to various alternative investments."*

## Selection Process

Illustration of how we select the right investments:

1 2 3 Portfolio Investment(s)



Our **Alternative** universe comprises non-traditional investments (other than equities, bonds, and cash) that do not rely on broad market trends to perform

### Dividend information

Class	Distribution date	Distribution frequency	Dividend per share	Special dividend
A SGD	21 July 2023	Semi-annual	\$3.00	\$2.40
A USD	21 July 2023	Semi-annual	\$3.00	\$2.40
A SGD	22 January 2024	Semi-annual	\$3.20	-
A USD	22 January 2024	Semi-annual	\$3.80	-

### Projected dividend distribution

A SGD	July 2024	Semi-annual	TBA	-
A USD	July 2024	Semi-annual	TBA	-

Historical dividend payout is not indicative of future payouts. TBA- To Be Announced

### Portfolio Statistics

Average Monthly Return (since inception)	1.02
Annual Volatility	3.45
Correlation to Equity <sup>1</sup>	0.24
Correlation to Bonds <sup>1</sup>	0.22
Annual Return over Money Market <sup>2</sup>	4.77

Portfolio statistics refers to the strategy composite and the actual performance of FAI. Strategy composite consists of the potential opportunity set considered from 31/12/2002 to 1/11/2022. <sup>1</sup> Correlation to equity and correlation to bonds are calculated with references to the MSCI World Equity Index and Global Aggregate Bond Index, respectively. <sup>2</sup> Return over money market is calculated using gross returns. Statistics shown may not be a good indication of actual performance which can differ meaningfully over shorter time periods.

## Historical Performance

### Calendar Returns, %

SGDA	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-	-	-	-	-	-	-	-	-	-	0.51	0.97	1.48
2023	1.02	1.10	1.17	1.17	1.00	0.95	1.30	1.15	0.78	0.78	0.25	0.31	11.54
2024	1.11	0.84	0.80	0.50 <sup>1</sup>									3.29 <sup>1</sup>

USD A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-	-	-	-	-	-	-	-	-	-	-	1.08	1.08
2023	1.09	1.07	1.39	1.20	1.04	1.20	1.40	1.27	0.70	1.13	0.47	0.51	13.20
2024	1.34	1.08	0.96	0.50 <sup>1</sup>									3.93 <sup>1</sup>

Source: Finexis Asset Management. Share class performance is calculated using NAV of the share class with income reinvested and including ongoing charges, excluding any entry and exit fees. <sup>1</sup> Manager's estimated return. Monthly estimated returns will be updated in the following month.

Signatory of:



# Market & Portfolio Developments

## Commentary

April was another 'boring' month for FAI, churning out a gain of 0.5% as it continues its slow and steady pace of compounding. In any other month, this return would have paled in comparison with other equity or income funds that can show gains of a few percent in a single month. But April was a month that demonstrated FAI's unique proposition in being uncorrelated to markets as both equity and bond markets declined.

April was not a one-off event. The table shows that FAI tends not to be affected during market down months, but also continues to generate uncorrelated returns during market up months. FAI's proposition as a unique income strategy also stands out when compared against the typical income fund available to many investors.

Investment	Average performance during equity	
	down month	up month
FAI	1.05%	1.06%
Income fund peer group*	-1.19%	1.52%
Global equities	-2.93%	4.36%

Despite this favourable return profile, we must remind investors that higher returns are not riskless. FAI will experience declines but we expect such declines to be limited. More importantly, we expect other risk assets to offset such declines when they happen. That is why we offer distinct income strategies to allow investors to construct the optimal mix of correlated and uncorrelated income.

The environment for uncorrelated income continues to be conducive for investors as yields remain within the range of multi-year highs. We are also seeing other pockets of opportunities that will allow the strategy to scale in a sustainable manner so that investors can continue to benefit from this stream of uncorrelated returns.

Source: Bloomberg. Global equities: MSCI World. Morningstar EAA Fund USD Cautious Allocation from 30/11/2022 to 31/3/2024.

## Fund Details

Item	Class A
Currency	SGD, USD
ISIN (SGD Class)	SGXZ71698914 (Distribution)
ISIN (USD Class)	SGXZ97877740 (Distribution)
Min. Subscription	SGD 500,000 USD 400,000
Account Opening Fee <sup>1</sup> (One-time)	SGD 4,000 USD 3,000
Min. Subsequent Subscription	SGD 15,000 USD 10,000
Management Fee	1.2%
Fund Name	FAM Alternative VCC Income Fund
Dealing Frequency	Monthly
Base Currency	USD
Inception Date	1 Nov 2022 (SGD Class) 1 Dec 2022 (USD Class)
Fund Focus	Alternative Income
Fund Domicile	Singapore
Investment Manager	Finexis Asset Management
Fund Administrator	ASCENT Fund Services (Singapore) Pte. Ltd.
Custodian	Standard Chartered Bank (Singapore) Limited
Broker	Standard Chartered Bank (Singapore) Limited
Auditor	KPMG LLP

<sup>1</sup> Waiver of account opening fees for investors through the platforms.

**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.

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