

# BAMC Asia Equity Fund

As at 31 October 2024



## Introduction

BAMC Asia Equity Fund (the “Fund”) is an open-ended fund. The Fund is actively managed and seeks to invest in equities and equity-related securities of companies or institutions domiciled in, operating principally from, or deriving significant revenue from, the Asia Pacific region excluding Japan.

## Key Information

Fund Name	BAMC Asia Equity Fund	Investment Assets	Listed equities
Inception Date	15 November 2023	Fund Currency	USD
Fund Manager	Banjaran Asset Management (Cambodia) PLC	Fund Advisor	Banjaran Asset Management Pte Ltd
Trustee	Stronghold Trustee Co., Ltd	Initial Sale Charge	Up to 5.0%
Management Fee	1% per annum	Advisor Fee	1% per annum
Bloomberg Ticker	BAMCAEU KH	Dealing	Daily
Minimum Initial Investment	US\$200	Net Asset Value (NAV)/Unit	US\$110.03/unit (as at 31 October 2024)

## Historical NAV Performance



Commencement date: 23 July 2024

\*Includes the effect of the fees payable by the Fund

Source: Banjaran Asset Management (Cambodia) PLC, as at 31 October 2024

The above information should not be considered an offer, or solicitation, to deal in the Fund. This document is not intended for distribution or use by anyone in any jurisdiction where such distribution, publication or use would be prohibited. Investments in the unit trusts are not deposits in, obligations of, or guaranteed or insured by Banjaran Asset Management (Cambodia) PLC (the “Manager”) and are subject to investment risks, including the possible loss of the principal amount invested. Unit values and income therefrom may fall or rise. Past performance is not indicative of future performance. Any projections or other forward looking statements regarding future events or performance of countries, markets or companies are not necessarily indicative of, and may differ from, actual events or results. Investors should read the Disclosure Document of the Fund or seek relevant professional advice before making any investment decision.

The above is based on information available as at 31 October 2024 unless otherwise stated. The Manager reserves the right to make any amendments to the information at any time, without notice.

### For more information:

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## Fund Analysis

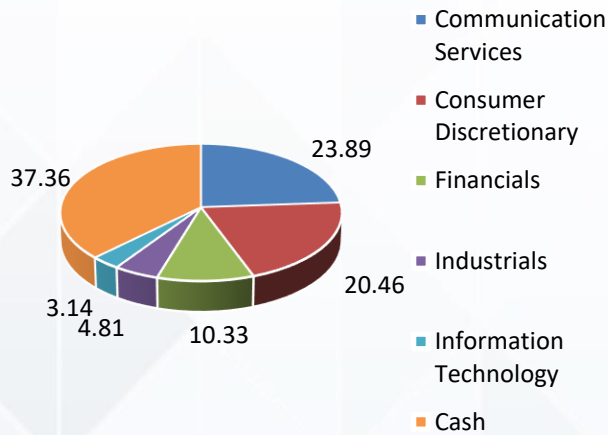
Share Class	NAV/unit (US\$)	Performance (%)			
		1-month	3-month	Year-to-date	Since inception
BAMC Asia Equity Fund (Charges applied)*	110.03	-4.17	9.80	10.03	10.03

Inception date: 15 November 2023 @ US\$100

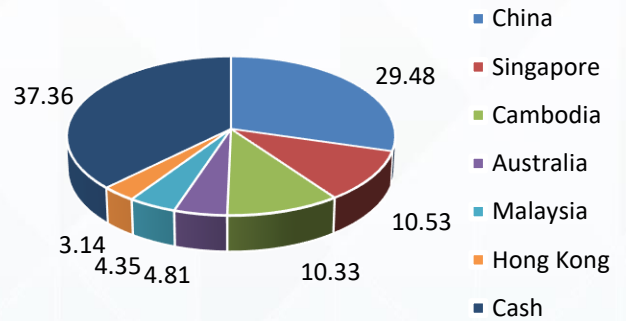
\*Includes the effect of the fees payable by the Fund

Source: Banjaran Asset Management (Cambodia) PLC, as at 31 October 2024

### Sector Allocation %



### Country Allocation %



Stock	Ticker	Country Domicile	Market Cap US\$
<b>Top Holdings</b>			
Alibaba Group Holding Ltd	9988 HK	China	229.66 Billion
NetLink NBN Trust	NETLINK SP	Singapore	2.64 Billion
Tencent Holdings Ltd	0700 HK	China	490.12 Billion
Mader Group Ltd	MAD AU	Australia	0.84 Billion
Poh Kong Holdings Bhd	PKH MK	Malaysia	0.11 Billion

Source: Yahoo Finance, as at 31 October 2024

## Market Review

In October 2024, a majority of Asian markets experienced a decline, accompanied by regional currency depreciation. In the previous month, China's market surged due to the government's large-scale stimulus measures. However, the subsequent announcement by the government lacked detail, leading to a market correction as investors expected more comprehensive support to bolster the country's struggling economy. Consequently, the Shanghai Composite Index fell by 1.7%, the CSI 300 Index dropped by 3.2%, and Hong Kong's Hang Seng Index declined by 3.9%.

South Korea's KOSPI Index decreased by 1.4%, driven by foreign investors selling shares amidst a weakening won and currency volatility, coupled with concerns over earnings in the country's tech sector.

Conversely, Australia's S&P/ASX 200 Index rose by 2.2%, buoyed by strong corporate earnings and positive economic data.

In the ASEAN region, share prices also saw a downturn. Singapore's STI edged down by 0.7%, while Malaysia's KLCI fell by 2.9% due to profit-taking by foreign funds.

## General Outlook and Views

Since the initial surge in the Chinese stock market driven by a series of policy measures announced by the Chinese government, subsequent press briefings in October have failed to provide the detailed policy guidance that investors were seeking, leading to the market correction. China's economy continues to face challenges due to geopolitical tensions, demographic shifts, excess debt, deflation, and the unwinding of its property bubble.

The outcome of the U.S. presidential election in November could significantly influence policies on taxes, immigration, and trade, among other areas, potentially altering the narrative around inflation and interest rates. We remain vigilant regarding geopolitical developments and policy directions in major economies, particularly the U.S. and China, and are considering sectors that stand to benefit from such changes.

Despite these challenges, we maintain our view that company valuations in the Chinese market remain attractive. We are emphasising a bottom-up investment approach and tapping into attractive, consistent high-yield dividend stocks. During the month, we have initiated positions in companies such as Tencent Holdings Ltd, PDD Holdings Inc, China Mobile Ltd and China Telecom Corporation Ltd. Additionally, we have invested in high-growth stocks with strong fundamentals and favourable future prospects, including Mader Group Ltd in Australia and SUNeVision Holdings Ltd in Hong Kong. We will delve into these stock picks in more detail in the next section.

## Portfolio Review

In October 2024, the Fund experienced a decline of 4.17%. This negative performance was primarily due to the correction in our exposure to China's market and regional currency depreciation during the month. Despite this setback, we remain optimistic about our holdings. Year to date, the Fund has delivered a return of 10.03%.

We have increased our existing holdings in Alibaba Group Holding Ltd and NetLink NBN Trust, and initiated several new positions in October. These include Tencent Holdings Ltd, Mader Group Ltd, PDD Holdings Inc, China Mobile Ltd, China Telecom Corporation Ltd, and SUNeVision Holdings Ltd.

Tencent Holdings Ltd holds a prominent position in China's internet sector, spanning social media, gaming, fintech, entertainment, and cloud computing. Tencent operates WeChat, a revolutionary messaging app that has transformed into a superapp, enabling users to communicate, make payments, book services, and access a plethora of entertainment options, all on one platform. It is also the largest game developer and publisher in China. We view Tencent as a strong allocator of capital to growth businesses, with the ability to generate sustainable long-term earnings growth. Over the longer term, Tencent's development of its own foundational artificial intelligence (AI) model could lead to new business opportunities and cost efficiencies.

Mader Group Ltd provides contracted skilled labour to the mining and civil industries in Australia and internationally. Mader's main focus is maintenance, with broad expertise across heavy machinery, rail, road vehicles, infrastructure, drill rigs, marine, power generation, electrical, and more. The company has experienced significant growth while generating a high return on capital. We initiated this position as we believe it will continue to achieve high growth through its dominant domestic market position and expansion into large and lucrative overseas markets.

PDD Holdings Inc is one of the largest and fastest-growing e-commerce platforms in China, primarily focusing on lower-tier cities and offering more affordable "low-price" products. The company has also expanded its e-commerce business overseas through its Temu platform, enabling consumers worldwide to purchase low-price products from China. The company has been growing significantly, benefiting from strong management's capital allocation and the consumption downgrade trend. We believe it is currently trading at a low valuation, presenting a good investment opportunity.

China Mobile Ltd, the largest telecom operator in China and the world, focuses on mobile voice and data, broadband, and digital services. The company's robust market position in one of the world's largest economies provides a unique growth opportunity, supported by government initiatives for technological advancement. China Mobile has maintained impressive profit margins and high return on capital, demonstrating effective cost management and operational efficiency. Additionally, its commitment to a dividend policy offers consistent returns for investors, making it an attractive investment at its current low valuation in China.

China Telecom Corporation Ltd is another major player in the Chinese telecom market, known for its extensive fixed-line and broadband services. The company consistently showcases strong financial performance, with revenue driven by its increasing mobile user base and expanding broadband operations. Its focus on innovation and customer service, along with partnerships in areas such as cloud computing and smart home technologies, underlines its strategy to diversify revenue streams and enhance profitability. China Telecom's robust fundamentals, combined with favourable industry dynamics, make it an appealing consideration. We believe the company's shareholder-friendly policy of distributing high dividends makes it an attractive investment at its current low valuation in China.

## Portfolio Review (Cont.)

SUNeVision Holdings Ltd is the largest data centre operator in Hong Kong. The company provides carrier and cloud-neutral data centre services, connecting providers of telecommunications, cloud, ISP, CDN, and OTT from local, mainland China, and global markets with enterprises of various sectors within its data centre ecosystem. Its strong track record as an industry leader, based in the regional information hub and strategic gateway to mainland China, has benefited from robust market demand amid a lower interest rate environment and peak capital expenditure. We believe SUNeVision's valuation is currently attractive, with high and regular dividend distributions presenting a compelling investment opportunity.

Thank you once again for joining us on this journey.