

# Signature CIO Growth Fund Open Ended IC PLC

As of 28 June 2024

## INVESTMENT OBJECTIVE

The Signature CIO Growth Fund Open Ended IC PLC (the "Fund") is a Feeder Fund that seeks to achieve growth mainly through capital appreciation over a mid to long-term investment horizon. The Fund will invest in the Signature CIO Growth Fund (the "Master Fund") which is managed by Amundi Asset Management. The Master Fund combines top-down macroeconomic views and bottom-up mutual funds and ETF selection from Standard Chartered's Chief Investment Officer ("CIO") and Investment Management Teams.

## MASTER FUND PERFORMANCE (%)



## MASTER FUND CHARACTERISTICS

No. of Securities	26
Volatility*	9.98%
Sharpe ratio*	0.94
Maximum Drawdown	-8.85%
AUM	US\$73.3m
Inception Date	30 September 2022

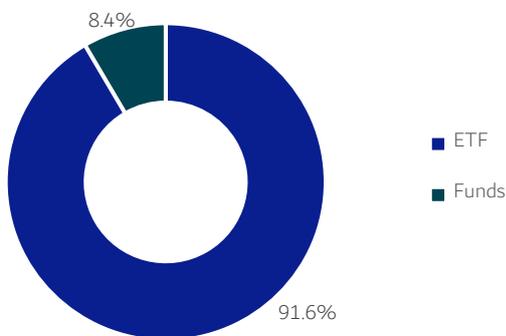
Data as of end June 2024.

\*These numbers are over one year period.

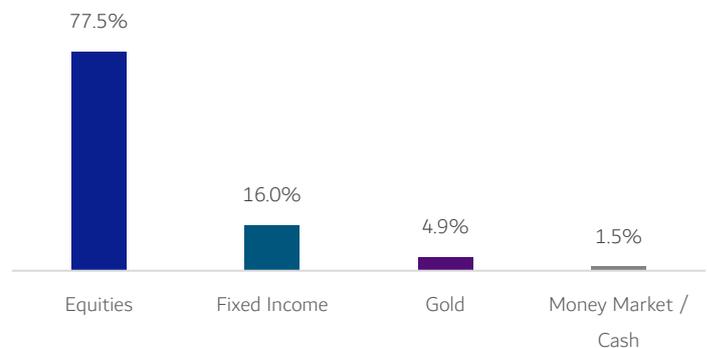
	1M	3M	6M	1YR	3YR	S.I.
Master Fund*	3.01	3.13	8.94	15.08	-	31.90

\*The performance data shown is for the duration of the Amundi Asia Funds - Signature CIO Growth Fund AU USD ACC (LU2708337568) share class which commenced its investment program on 30 September 2022. Past performance is not indicative of future returns.

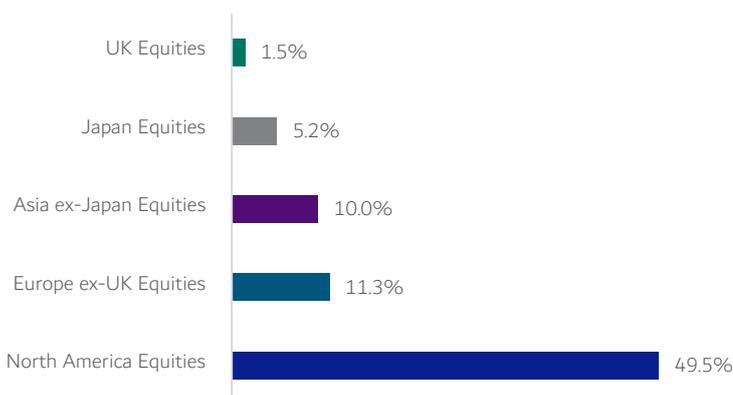
## ASSET ALLOCATION\*



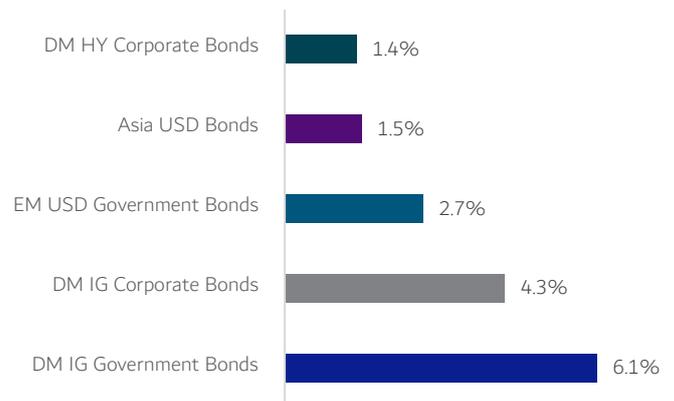
## FUND ASSET ALLOCATION\*



## EQUITY BREAKDOWN\*



## FIXED INCOME BREAKDOWN\*



\*for the Master Fund

Source of data: Aditum Investment Management Limited, Bloomberg and Amundi Asset Management SAS

## Signature CIO Growth Fund Open Ended IC PLC

## ALLOCATION BREAKDOWN\*

As of 28 June 2024

## SCB - Allocation breakdown (Foundation)

	Portfolio	Instrument type (ETF/Fund)
<b>Equities</b>	<b>77.5%</b>	-
<b>North America Equities</b>	<b>49.5%</b>	-
Vanguard S&P 500 ETF USD Acc	9.3%	ETF
Xtrackers MSCI USA ETF 1C	9.1%	ETF
Amundi S&P 500 ETF D-USD	9.1%	ETF
iShares Core S&P 500 ETF USD Acc	9.0%	ETF
Vanguard FTSE North America UCITS ETF	8.7%	ETF
iShares MSCI North America ETF USD Dist	4.3%	ETF
<b>Europe ex-UK Equities</b>	<b>11.3%</b>	-
iShares MSCI Europe ex-UK ETF EUR Dist	9.3%	ETF
Xtrackers MSCI Europe ETF 1C	2.0%	ETF
<b>Asia ex-Japan Equities</b>	<b>10.0%</b>	-
iShares Core MSCI EM IMI ETF USD Acc	4.2%	ETF
ISHARES MSCI EM EX-CHINA UCITS ETF USD A	4.1%	ETF
iShares MSCI EM Asia ETF USD Acc	1.8%	ETF
<b>Japan Equities</b>	<b>5.2%</b>	-
iShares Core MSCI Japan IMI ETF USD Acc	5.2%	ETF
<b>UK Equities</b>	<b>1.5%</b>	-
Vanguard FTSE 100 UCITS ETF	1.5%	ETF
<b>Fixed Income</b>	<b>11.1%</b>	-
<b>DM IG Corporate Bonds</b>	<b>4.3%</b>	-
JPM Aggregate Bond I acc USD	1.6%	Fund
ISHARES \$ FLOATING RATE BD UCITS ETF USD	1.5%	ETF
iShares Global Corp Bond ETF USD H Acc	1.3%	ETF
EM USD Government Bonds	2.7%	-
PRINCIPAL GI FIN UNCON EM FX INC I2 ACC	2.7%	Fund
<b>Asia USD Bonds</b>	<b>1.5%</b>	-
PIMCO GIS Asia StratIntsBd Ins USD Inc	1.0%	Fund
DWS Invest Asian Bonds USD IC	0.5%	Fund
<b>DM HY Corporate Bonds</b>	<b>1.4%</b>	-
BGF Global High Yield Bond I2 USD	1.4%	Fund
<b>DM IG Government Bonds</b>	<b>1.2%</b>	-
ISHARES GLOBAL GOVT BOND UCITS ETF USD H	0.6%	ETF
iShares Treasury Bd 7-10yr ETFUSD Dist	0.6%	ETF
<b>Gold</b>	<b>4.9%</b>	-
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Invesco Physical Gold ETC	4.9%	ETF
<b>Money Market / Cash</b>	<b>1.5%</b>	-
<b>Money Market / Cash</b>	<b>1.5%</b>	-
BNP PARIBAS INSTICASH USD	1.2%	Fund
Cash	0.2%	-

## SCB - Allocation breakdown (Opportunistic)

	Portfolio	Instrument type (ETF/Fund)
<b>Fixed Income</b>	<b>4.9%</b>	-
<b>DM IG Government Bonds</b>	<b>4.9%</b>	-
ISHARES USD TRSRY 1-3Y USD A	2.0%	ETF
Amundi US Curve Stpng 2-10 ETF Acc	2.9%	ETF

\*for the Master Fund

Source of data: Bloomberg and Amundi Asset Management SAS

# Signature CIO Growth Fund Open Ended IC PLC

## MASTER FUND COMMENTARY

As of 28 June 2024

### Market Review

Reflecting on the first half of 2024, markets have experienced a dynamic and eventful period, driven by various macroeconomic and geopolitical influences. Major central bank rate cuts, which started in Q2, are likely to extend into the second half of the year. Europe is the forerunner along this path.

Against this backdrop, the first six months have been favourable for many investors. Equity markets have demonstrated remarkable resilience, defying high interest rates, persistent inflation, and geopolitical tensions. Investor sentiment has remained buoyant throughout the first half of the year. The widely followed S&P 500 equity index has posted a robust gain of 15.3% year-to-date (YTD). Two S&P sectors, technology, and communication services, drove the majority of the overall S&P gains. The rise of Generative AI has continued to make significant waves globally. Nvidia maintains its dominance, and AI-linked stocks have soared.

The positive momentum extended beyond the US, with European-ex UK equities also recording gains YTD. European equities, however, retreated after French President Macron called for a snap election in the wake of a defeat in the European parliament elections.

In Asia, the MSCI Asia ex-Japan index closed with a 9.7% increase. Optimism surrounding AI boosted Taiwan's stock market in the first half of 2024, making it the top performing market in the Asia Pacific region so far this year. Japan was another top-performing market, propelled by strong corporate reform momentum, healthy earnings, and supportive valuations. Chinese policy to support the real estate sector provided a boost to Chinese equities. The performance of global markets this year has largely been influenced by the themes of AI and central bank policies, which are expected to continue driving trends.

Bond returns have been more mixed. Inflation remained high, though there were signs of it peaking. This, coupled with a surprisingly resilient U.S. economy, led to a significant shift in Fed policy expectations. Markets transitioned from anticipating three rate cuts in January to just one by the second half of the year. This shift has exerted some pressure on fixed income, with bonds posting slightly negative returns. US Treasury yields continue to consolidate within a narrow range. The 2-year and 10-year government bond yields declined to 4.75% and 4.39% by the end of June. The Global Aggregate Bond Index finished the first half down 3.1% year-to-date. Riskier corporate fixed-income assets generally outperformed investment-grade corporates, supported by tighter yields.

In commodities, gold has been a standout performer, rising 12.7% year-to-date, benefiting from safe-haven demand and geopolitical uncertainty. Oil prices ended the first half of 2024 on a positive note, despite a brief dip in April and May. Demand for oil was fuelled by expectations of strong summer driving and concerns about supply disruptions due to Middle East tensions and drone attacks on Russian refineries.

Looking ahead, markets are likely to focus on political events. The year of elections continues, with Europe in the spotlight as French and UK voters head to the polls. Another significant event on investors' radar for the second half of 2024 is the US Presidential Election. Analysis shows that US equities tend to deliver positive returns six months before and after elections. While short-term volatility may be expected, we continue to believe that a diversified foundation asset allocation is key to navigating these uncertainties.

### Fund Positioning

The shift in monetary policy across major central banks is likely to be the key driver of financial market performance in the next 6 to 12 months. We expect the global disinflationary trend to resume, enabling central banks to cut rates as they refocus on supporting growth and extending economic expansion.

In the US, we now see a 55% chance of a US economic soft-landing and a 25% chance of a no-landing in the next 12 months. The Fed expects to cut rates just once in H2. The European Central Bank (ECB) was among the first G7 central banks to start cutting rates in June (by 25bps). We expect ECB to cut its policy rate by 50bps at the end of the year and another 50bps by June 2025. Meanwhile, China's continued deflationary forces point to further monetary and fiscal policy easing, albeit at a measured pace. We expect the US 10-year government bond yields to stay within recent ranges in the near term, with our 12-month target remaining above 4%.

Against this backdrop, we expect equities to outperform bonds and cash over the next 6-12 months. For our risk-based portfolios, we have increased the overall equity allocation, enhancing the overweight position relative to the Strategic Asset Allocation (SAA). This shift has resulted in a higher weighting of US equities compared to our last rebalancing. The outlook for US equities remains strong, bolstered by robust earnings growth.

This month, our Global Investment Committee (GIC) upgraded the outlook for Europe ex-UK equities to Neutral from Underweight. Consequently, we have increased our exposure to this region. The main fundamental catalysts are improving earnings growth and a rebound in economic data, with the stabilization of the global manufacturing cycle expected to benefit the Euro Area. Additionally, the recent sell-off due to geopolitical risks presents a favourable entry point.

We have adjusted our position in Japanese equities to a neutral weight, aligning with the SAA. The GIC downgraded Japanese equities to Neutral due to deteriorating earnings revisions and a strengthening yen, which are likely to limit upside potential.

We continue to maintain a balanced approach between credit and rates. Within credits, we have trimmed our exposure to Developed Market High Yield (DM HY) bonds and increased our allocation to Emerging Market (EM) debt. Specifically, we exited our position in US HY short duration bonds, as we foresee limited spread compression in this segment given its recent performance.

For opportunistic trades, we continue to keep the positions in US Treasury 1-3 year bonds and US 2-10s yield curve steeper. The US government bond yield remains inverted, suggesting opportunities for additional carry on the short end of the curve. Despite our slightly pro-risk portfolio positioning, we are comfortable retaining these trades as a potential hedge against any delays in the anticipated Fed rate cut cycle.

### Fund Performance

The Signature CIO Growth fund finished the first half of the year strong, recording positive return across major asset classes. Our tactical overweight in US remains a top contributor in the portfolio powered by strong corporate earnings and accelerating investments in technology to support GenAI initiatives. The rally broadened out to other markets in the region, with Asia and Europe equities benefiting from positive returns in H1 2024.

In fixed income, corporate bonds generally outperformed treasury bonds in the first half of the year. Higher yielding bonds outperformed investment grade bonds, driven by tight credit spreads and higher income. The narrow yield premiums are sustained by strong corporate fundamentals and a healthy supply-demand dynamic. Flow sentiments favoured Emerging market (EM) USD debt over EM Local currency (LCY) debt due to attractive yield, driving outperformance. On the other hand, EM LCY debt lagged due to the strength of USD.

Additionally, gold, a core holding in the portfolio, has contributed to positive returns to the portfolio in first half of the year, bolstered by safe-haven demand. It continues to be hedge against any geopolitical risks.

# Signature CIO Growth Fund Open Ended IC PLC

## FUND INFORMATION

Domicile	Dubai International Financial Centre, UAE
Fund Manager	Aditum Investment Management Limited
Master Fund	Amundi Asia Funds – Signature CIO Balanced Fund - AU
Investment Manager of Master Fund	Amundi Asset Management SAS
Fund Administrator	Standard Chartered Bank DIFC
Custodian	Standard Chartered Bank UAE
Auditor	Grant Thornton Audit and Accounting Limited (BVI)
Fund Strategy	Growth
Currency	USD
Inception Date	16th May 2024
Dealing Frequency	Daily
Redemption Notice	1 BD

## FEES

SHARE CLASS	ISIN	ACCUMULATING / DISTRIBUTING	MANAGEMENT FEE	PLACEMENT FEE	MINIMUM SUBSCRIPTION	SUBSEQUENT INVESTMENT
Class A ACC (USD)	AEDFXA47C007	Accumulating	Up to 0.72%	Up to 5%	US\$1000	US\$1000

For a full outline on applicable fees, please refer to Fund's prospectus

## RISK INDICATOR



The risk indicator assumes you keep the product for medium to long term. The summary risk indicator is a guide to the level of risk from this product compared to other products.

It shows how likely it is that the product will lose money because of movement in the markets or because we are not able to pay you. Please note that the risk indicators is based on the Master Fund and is sourced from the Master Funds Administrator.

## CONTACT DETAILS:

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