

### Fund Commentary and Strategy

The Fund underperformed slightly in April, but is still far ahead of the benchmark year-to-date. During April, the Fund declined -6.65%, underperforming the Nasdaq Global Semiconductor Index by 50bps. Year-to-date, the Fund is up 18.33%, outperforming the benchmark by 496bps. Semiconductor stocks had a long overdue correction in April after rising for five straight months. The trigger for the correction was mainly due to a backup in US 10 year government bond yields from 4.2% at the end of March to 4.68% at the end of April. This was caused by inflation data that was higher than expected which pushes out cuts in the Federal Funds rate to late this year or next year. The large cap semiconductor stocks such as Nvidia, TSMC and others went down less than the index, but Asian semiconductor stocks were weak as higher interest rates in the US weakened currencies such as the Japanese yen which led to weak share price performance in USD.

Top contributors to relative performance were our underweights in Intel and Mediatek. Intel gave weak guidance when they reported results. In addition, they forecast a steep recovery in the PC market in the second half of the year which we think is too optimistic. Although Intel has done a good job at launching 5 nodes in 4 years, we believe the honeymoon period is over with respect to fixing their manufacturing issues and now the difficult task of signing up customers to achieve their lofty foundry ambitions will take centre stage in our opinion. Mediatek came under profit taking as the recovery in the smartphone market is not as strong as we expected. Top detractors from relative performance were Japanese semiconductor capital equipment companies Disco and Advantest. Disco gave June quarter guidance that was below consensus, but we think they are being conservative. Disco's products are in high demand as they are crucial for HBM (high bandwidth memory) backend packaging for Nvidia's AI chips. Advantest gave guidance for this fiscal year that was below expectations. While testers for AI chips are in high demand, testers for automotive, industrial and consumer applications have seen weaker than expected demand. This is not a surprise given the weakness in these end markets. We expect AI related demand will offset weakness in these areas going forward.

Our outlook for the semiconductor sector is that generative AI is driving broad demand for semiconductors and this will lead to high growth for the industry. For other end markets, we are going through what we like to call a "rolling inventory correction" in the industry. Typically, all end markets enter a down cycle at the same time driven by a weak macro. However, this cycle, due to COVID, the end markets went through different dynamics this cycle. The PC market experienced a boom when people began to work from home / study from home and wanted new PCs. After the PC boom, demand dried up and 2022 and 2023 were down years for the PC market. However, PCs should recover in 2024 as inventories have been worked down. On the other hand, during the pandemic, there was a shortage of auto chips and the supply chain increased inventory levels for the last few years, boosting demand. As supply constraints ease, we expect inventory levels in the auto chip supply chain to normalise, leading to a few quarters of inventory digestion. Strategy for the fund remains unchanged. We invest long term in companies with intellectual property that will give them a competitive advantage leading to high growth. Short term, we are underweight analog and microcontroller stocks as industrial and automotive demand is weak, especially in China, and overweight memory as production cuts by the big three memory makers in 2023 and demand for HBM (high bandwidth memory) are leading to a rebound in DRAM prices.

### Cumulative Fund Returns (%)

	YTD	1 Month	3 Months	6 Month
	31/12/2023	31/3/2024	31/1/2024	31/10/2023
	To	To	To	To
	30/4/2024	30/4/2024	30/4/2024	30/4/2024
<b>Fund</b>	18.33	-6.65	10.85	52.75
<b>Benchmark</b>	13.37	-6.15	9.81	47.25

### Cumulative Fund Returns (%)

	1 Year	Since Commencement
	30/4/2023	15/8/2022
	To	To
	30/4/2024	30/4/2024
<b>Fund</b>	67.45	71.07
<b>Benchmark</b>	61.03	66.47

Source: Refinitiv Lipper

Notes:

Performance data is calculated based on the changes in the Fund's NAV price per unit for the

**FUND'S PAST PERFORMANCE IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE**

### Fund Objectives

The Fund aims to achieve long-term capital growth.

### Benchmark

Nasdaq Global Semiconductor Index

### Investment Adviser

Nomura Asset Management U.K. Limited

### Distribution Policy

Distribution of income, if any, is incidental.

### Key Facts

Launch Date	25-Jul-2022
Fund Category	Equity (Shariah-compliant)
Year End	30 November
Fund Size	USD 29.04 million
Class Size	USD 1.71 million
Units in Circulation (USD Class)	1.05 million
NAV per Unit (USD Class)	USD 1.6315
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 10 business days

### Sales charge

Up to 5.00% of the NAV per Unit.

### Management fee

Up to 1.80% per annum of the NAV of each Class.

### Trustee fee

Up to 0.05% per annum of the NAV of the Fund (including local custodian fees and expenses but excluding foreign custodian fees and charges), subject to a minimum fee of RM15,000 per annum.

### Calendar Year Returns (%)

	2023	2022
<b>Fund</b>	67.68	-13.78
<b>Benchmark</b>	69.73	-13.49

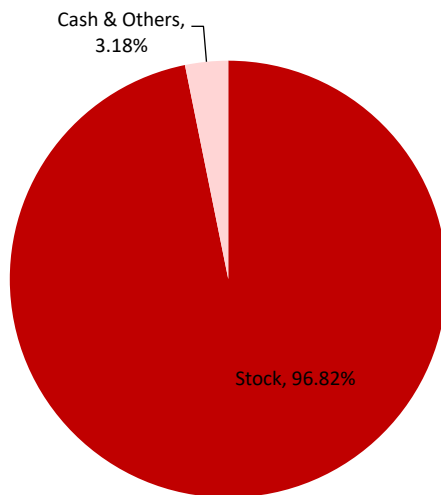
Source: Refinitiv Lipper

#### Notes:

Performance data is calculated based on the changes in the Fund's NAV price per unit for the specified length of time and on the assumption that any dividends declared are reinvested into the Fund. Performance figures are presented in cumulative basis, unless indicated otherwise.

Calendar year returns for 2022 are measured from its commencement date of 15 August 2022.

### Asset Allocation (%)



All data presented are as of 30 April 2024 unless otherwise specified.

Percentages may not add up to 100% due to rounding.

### Sector Breakdown (%)

Semiconductor	96.82%
Cash & Others	3.18%

### Top 5 Holdings (%)

Nvidia Corp	9.60
Broadcom Inc	9.22
Asml Holding Nv	9.19
Taiwan Semiconductor-Sp Adr	9.18
Micron Technology Inc	8.18

### Country Breakdown (%)

United States	61.40%
Netherlands	13.67%
Japan	11.24%
Taiwan	9.18%
Cash & Others	3.18%
Germany	1.34%

#### Disclaimer:

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