

standard chartered

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Fund SelectFlash AB Low Volatility Equity

Fund Select view

- Ideal for core developed market equity exposure with a lower market beta
- Smoother returns with better downside-risk protection
- Balanced approach of Quality, Stability and Price



Tommy Sze Fund Select Analyst

Fund strategy

• A core global equity strategy seeking to provide downside mitigation through purchasing high-quality, stable companies at a reasonable price.

Performance (%)

YTD	2024	2023	2022	2021	3Y(ann.)
3.04	15.73	18.39	-12.21	19.15	9.13
3.53	18.67	23.79	-18.14	21.82	9.54
	3.04	3.04 15.73	3.04 15.73 18.39	3.04 15.73 18.39 -12.21	3.04 15.73 18.39 -12.21 19.15

Source: Morningstar. Performance in USD NAV-to-NAV with dividends reinvested.

Performance contributors and detractors

	Contributors	Detractors
1-month	NVIDIA CORP APPLE INC LOGITECH INTERNATIONAL	BROADCOM INC COMCAST CORP ELECTRONIC ARTS INC
1-year	BROADCOM INC ORACLE CORP PRYSMIAN SPA	NVIDIA CORP MERCK & CO. INC COMCAST CORP

AMA Manager outlook

- "The DeepSeek breakthrough aligns with our perspective that the next phase of the AI market will favor AI adopters over infrastructure providers.
- The direction of policy change has been clearly telegraphed by Trump with keynote economic policies including higher tariffs, stricter immigration, lower taxes, less regulation and subsidy reductions. On day one, he's expected to make some changes

through executive orders. However, even in a unified government where Trump is backed by a supportive Republican Congress, many policy details will take time to formulate and legislate. While the policy changes are still to be determined, one outcome seems clear—the proposed policy mix is likely to lead to higher inflation and a widening federal deficit in the US. This expectation is reflected in financial markets by rising US bond yields and a steepening Treasury yield curve. Trump's victory in November marked a historic turning point in US politics with huge implications for countries, companies and investors around the world. Geopolitical stress remains high, with ongoing conflicts in Ukraine and the Middle East, and the collapse of Syria's regime in December.

- At first glance, tariffs might seem to give a boost to US companies and handicap overseas rivals. The reality will be far more complex. It's risky to make sweeping assumptions about how a new policy will affect companies. US and global
- businesses that have skillfully navigated previous tariffs and the pandemic by reconfiguring supply chains will be better
 positioned to ope with new tariffs. Global companies with US facilities could benefit from tariffs. Examples include European
 and Japanese automakers, electronics manufacturers and consumer goods companies with a large US manufacturing
 presence. At the same time, US businesses that rely on overseas suppliers could face immediate cost increases until they
 reshore critical operations.
- We think a potentially inflationary environment reinforces the need to maintain meaningful exposure to equities. Our research shows that stocks have done a good job outpacing the rate of inflation—or delivering positive real returns—over more than a century. So investors who prepared for a decelerating economy may want to consider positioning for a possible acceleration of US economic growth over the next year and a modest pickup of inflation, after the US Consumer Price Index fell from a 9.1% peak inJune 2022 to 2.6% in October 2024."

Note: Data as of end Jan 2025

Fund at a glance

• Low beta play with a focus on developed market equities

- Seeks to provide stable returns by minimising portfolio volatility and maximising quality exposure.
- Balanced approach of Quality, Stability and Price
 - It aims to invest into high quality, stable stocks that can provide upside participation during bull markets and defensive, lower-volatility stocks that are much better at tempering losses in down markets.

Strong downside protection provides for better longer-term returns

• The strength of this investment approach has been its strong downside protection. The fund may lag the index during sharp markets rallies, due to its higher quality tilt.

Distribution share classes offering stable payout

• Fund is not managed with reference to a dividend index but generally has a higher portfolio yield due to its tilt towards quality, stable companies.

Key risks

The key risks of the fund include market risk, style risk, and currency risk.

Key fund characteristics

Fund Manager	Kent Hargis
Inception Date	2012-12-11
Fund Size (Million)	7,491.9
Fund Benchmark	MSCI World NR
ISIN	LU0861579265
Base Currency	USD

Product Risk Rating

Note: Data extracted from Morningstar/Standard Chartered as of 31-12-2024

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Risk Warning	Refer to the main body of the trade idea.
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Previous opinions that differ	Date of di sseminati on		Product Name	Underlying	Buy, Sell, Hold	Validity Period	Market Price	Target Price	Author
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