



Cross Light Capital

# **PERFORMA BALANCED CROSS ASSET FUND**

**QUARTERLY REPORT  
31 DECEMBER 2021**

**MANAGER**

Cross Light Capital Sdn Bhd  
201901034174 (1343504-X)

**TRUSTEE**

Pacific Trustees Bhd  
199401031319 (317001-A)

# PERFORMA BALANCED CROSS-ASSET FUND

## Quarterly Report and Financial Statements As at 31 December 2021

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## QUARTERLY REPORT

### Fund Information

Fund Name	PERFORMA BALANCED CROSS ASSET FUND
Fund Type	Growth
Fund Category	Hedge Fund / Mixed Assets (Wholesale)
Investment Objective	The Fund aims to achieve medium to long term capital growth from absolute returns.
Benchmark	<p>The total returns (the returns net of dividends distributed and fees where applicable) of an equally weighted portfolio of the iShares Core Growth Allocation ETF (AOR), Standard &amp; Poor Depository Receipts S&amp;P 500 ETF (SPY) and IQ Hedge Multi-Strategy Tracker ETF (QAI) rebalanced daily at zero trading cost:</p> $R\_Benchmark = 1/3 R\_AOR + 1/3R\_SPY + 1/3 R\_QAI$ <p>where "R" denotes total returns and "x" denotes "multiplied" or "times".</p> <p>Investors should note that the Manager's investment objective is capital growth through absolute returns and is not managing the Fund with the objective of outperforming the reference benchmark or any benchmark. The Manager's investment philosophy is that the Fund is to be managed free from benchmarks from the perspective of the investment objective as the Manager is not seeking to outperform the referenced benchmark.</p>
Distribution Policy	The Fund is not expected to make distributions.

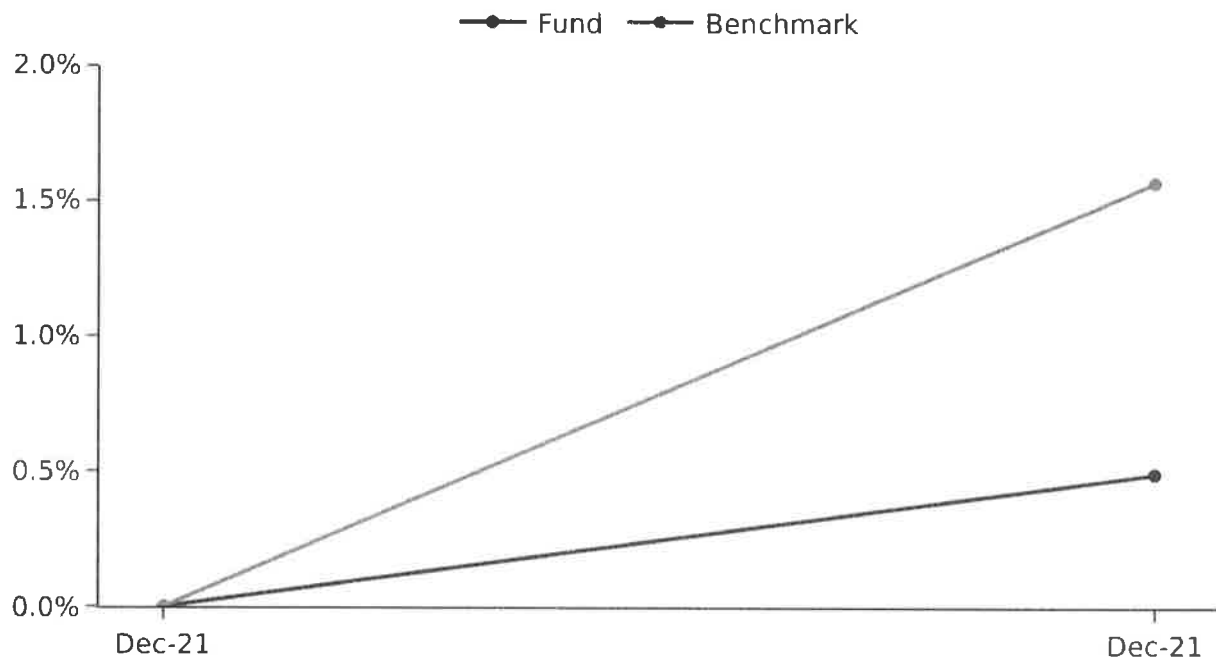
## Fund Performance Data

Category	As at 31 Dec 2021	As at 30 Sep 2021
Total NAV (USD)	1,302,847.22	n/a
NAV per Unit (USD Lead)	0.50244484	n/a
Unit in Circulation (million)	2,593,015.44	n/a

Perfuma Balanced Cross Asset Fund (as at 31 December 2021)

	1 Month 1/12/2021 - 31/12/2021	3 Months 1/10/2021 - 31/12/2021	6 Months 1/7/2021 - 31/12/2021	1 Year 1/1/2021 - 31/12/2021	3 Years 1/1/2019 - 31/12/2021	Since Inception 21/12/2021 - 31/12/2021
<b>Fund</b>	-	-	-	-	-	0.49%
<b>Benchmark</b>	-	-	-	-	-	2.57%
<b>Outperformance</b>	-	-	-	-	-	-2.08%

Movement of the Fund versus the Benchmark



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**Past performance is not necessarily indicative of future performance and that Unit prices and investment returns may go down, as well as up.**

## **Asset Allocation**

Fund's asset mix during the period under review:

	<b>31 December 2021</b>
	(%)
Equity & ETF	100
Unit Trust	0
Cash "net" & money market	0
<b>Total</b>	<b>100.00</b>

## **Strategies Employed**

The Fund maintained its objective of providing its investors with medium to long term capital growth from absolute returns.

To meet the Fund's objective, the Manager maintained the strategies employed to invest in listed collective investment schemes (such as exchange-traded funds ("ETFs")) and exchange-traded notes ("ETNs") to gain a diversified exposure in multiple global asset classes and investment strategies, including but not limited to equities, fixed income, real estate and infrastructure assets, natural resources, carbon credits, precious metals, multiple asset class volatility, currencies, private equity replication strategies, absolute return or liquid alternative hedge fund strategies and digital assets

The Fund maintained its investment strategy which involves employing a global multiple asset or cross-asset and strategic asset allocation framework, combined with tactical asset allocation overlays to enable a more active or dynamic asset allocation strategy, with the aim to generate: (1) higher risk adjusted returns, (2) lower correlation to equity markets and (3) greater diversification benefits than a passive asset allocation (and less active asset allocation) strategies and/or other funds with less or no exposures to global multiple assets and investment strategies.

The Manager maintained its investment strategy of implementing a multiple asset long-short approach with the use of leverage\* by investing in ETFs and ETNs to enable the Fund to gain exposure into multiple global asset classes and investment strategies, which may include but are not limited to: 1. equities, 2. fixed income, 3. real estate and infrastructure assets, 4. natural resources and carbon credits, 5. precious metals, 6. multiple asset class volatility, 7. currencies, cross currencies, foreign exchange related instruments and/or cash, 8. private equity replication strategies, 9. absolute return or liquid alternative hedge fund strategies, 10. digital assets exposures, and their related instruments and derivatives.

## Market Review

Global equities (ACWI) were stronger in the final quarter of 2021 returning +6.07% led by continuing economic rebound post Covid lock downs and better than expected corporate earnings as markets discount the end of Covid pandemic. US equities (SPY) outperformed Developed Market equities (EFA) and Emerging Market equities (EEM), returning +9.76% vs. +2.58% and -1.50% respectively. The decline in Emerging Markets in Q4 2021 was due to a stronger USD and continued underperformance of Chinese equities, resulting in negative attribution.

In bond markets, government bonds outperformed corporate bonds. Markets began to price a faster pace of interest rate rises in the US. 10-year government yields were largely unchanged with US 10-year Treasury yield was little changed for the quarter, from 1.49% to 1.51%. Yields followed a downward trajectory for most of the quarter before reversing in the final weeks of the year. Yield curves broadly flattened, with shorter-dated bonds expected central banks' policy normalization and re-opening of economies.

Commodities saw a positive return as the Invesco DB Commodity Tracking Fund (DBC) recorded a positive return of +1.61% in the fourth quarter led by industrial metals prices of zinc, nickel, lead and copper which gained in the quarter.

	<b>1 Month</b> 1/12/2021 - 31/12/2021	<b>3 Months</b> 1/10/2021 - 31/12/2021	<b>6 Months</b> 1/7/2021 - 31/12/2021	<b>1 Year</b> 1/1/2021 - 31/12/2021	<b>3 Years</b> 1/1/2019 - 31/12/2021	<b>Since Inception</b> 21/12/2021 - 31/12/2021
<b>Balanced 60/40</b> S&P Target Risk Growth Index (AOR)	3.07%	3.28%	3.28%	11.46%	47.35%	1.41%
<b>Global Equities</b> MSCI All Country World Index (ACWI)	5.05%	6.07%	5.19%	19.32%	74.80%	2.31%
<b>US Equities</b> S&P 500 Index (SPY)	5.80%	9.76%	11.09%	30.51%	99.68%	2.57%
<b>Malaysian Equities (USD Returns)</b> MSCI Malaysia Index (EWM)	5.51%	2.34%	1.53%	-6.13%	-5.64%	5.39%
<b>Developed Market Equities</b> MSCI EAFE Index (EFA)	4.99%	2.58%	1.45%	10.87%	46.64%	1.96%
<b>Emerging Market Equities</b> MSCI Emerging Markets Index (EEM)	1.13%	-1.50%	-9.60%	-4.24%	32.97%	1.32%
<b>Growth Factor</b> S&P 500 Growth Index (IVW)	3.95%	12.13%	14.93%	33.79%	129.98%	2.37%
<b>Value Factor</b> S&P 500 Value Index (IVE)	7.96%	6.78%	6.60%	26.40%	65.48%	2.63%
<b>Size Factor</b> Russell 2000 Index (IWM)	4.63%	0.38%	-3.28%	16.05%	71.41%	1.96%
<b>Momentum Factor</b> MSCI USA Momentum SR Variant Index (MTUM)	1.69%	2.75%	5.10%	14.23%	88.59%	2.41%

<b>Global Real Estate</b> Dow Jones Global Select Real Estate Securities Index (RWO)	-6.97%	-3.68%	-2.37%	17.45%	7.75%	-3.96%
<b>Global Infrastructure</b> S&P Global Infrastructure Index (IGF)	6.87%	4.07%	5.11%	12.40%	31.07%	2.88%
<b>US Treasury Bonds</b> IDC US Treasury 7-10 Year Index (IEF)	-0.71%	-0.29%	0.15%	-3.35%	14.64%	-0.39%
<b>US Investment Grade Credit</b> Markit iBoxx USD Liquid Investment Grade Index (LQD)	0.10%	-0.20%	0.16%	-1.19%	27.64%	0.02%
<b>Commodities</b> DBIQ Optimum Yield Diversified Commodity Index (DBC)	7.61%	1.61%	7.56%	42.13%	45.34%	2.31%
<b>Gold</b> (GLD)	2.89%	3.87%	2.86%	-6.24%	40.90%	2.36%
<b>Bitcoin</b> (BTC/USD)	-18.93%	-3.60%	37.95%	44.58%	1076.77%	-5.35%
<b>CBOE Volatility Index</b> (VIX)	-44.67%	-18.58%	11.24%	-36.15%	-25.84%	-18.04%

## **Investment Outlook**

The Fund's investment strategy involves employing a global multiple asset or cross-asset and strategic asset allocation framework, combined with tactical asset allocation overlays to enable a more active or dynamic asset allocation strategy; the strategic asset allocation framework employed by the Fund is based on leading United States university endowment funds such as Yale and Harvard universities which are characterized by relatively lower allocation to traditional asset classes (equities, fixed income instruments and cash) and a relatively higher allocation to a large number of alternative investment classes including hedge fund, absolute return strategies, private equity and other asset classes such as natural resources and real assets like real estate and infrastructure assets. The Fund may employ dynamic asset allocation within the abovementioned cross assets and investment strategies, with the goal of adapting to the highest risk adjusted asset allocation in the current market and economic regime as assessed by the Manager. The medium to long term outlook for the Fund continues to be positive given its focus on diversified multiple asset exposures through strategic asset allocation combined with tactical asset allocation overlays. Moreover, the use of long-short strategies combined with leverage can improve risk adjusted returns and help mitigate drawdowns in asset markets. It is important to note, however, that investors are recommended to hold investment in the Fund over a longer time period of between 5 years to 7 years as the shorter-term performance of the Fund can be uncertain. Risks include non-trending or whipsaw asset markets and unforeseen events which may impact of the performance of multiple asset portfolio with long-short strategies and leverage employed.

The outlook for global markets are dependent on economic policy with a particular emphasis on the US Federal Reserve who are reducing asset purchases and guiding for interest rates increases in 2022 after significant fiscal and monetary stimulus in the 2020/ 2021 period in response to Covid related challenges. Economic growth and earnings momentum are likely to remain positive as economies reopen post lockdowns, but valuations especially in growth sectors may be impacted by higher interest rates as policy makers normalize policy. Key risks include the risk of policy errors with the US Federal Reserve potentially either raising interest rates too much and too quickly or not raising interest rates quickly enough now and having to raise interest in the future much faster and quickly. Geo-political risk premiums may also increase given increased tensions in Europe/Russia as well as in Asia. After a period of lower volatility and dis-inflation, the outlook is for higher levels of volatility and more inflation as economies re-open and policy makers attempt to normalize monetary and fiscal policy.

## **Performance Attribution**

Performa Balanced Cross Asset Fund (For the quarter ended 31 December 2021)

<b>Strategy Asset Class</b>	<b>Quarterly Gross Estimated Attribution</b>
Absolute Returns	0.24%
Credit	0.00%
Global Equity (ex. U.S.)	0.00%
Natural Resources	0.05%
Precious Metals	-0.07%
Private Equity Replication	0.43%
Rates	-0.08%
Real Estate & Infrastructure Assets	0.26%
U.S. Equity	0.06%
<b>Total</b>	<b>0.90%</b>

## **Exposures**

Performa Balanced Cross Asset Fund (as at 31 December 2021)

<b>Strategy Asset Class</b>	<b>Estimated Gross Dollar Exposure</b>	<b>Estimated Net Dollar Exposure</b>
Absolute Returns	76.46%	30.28%
Private Equity Replication	24.56%	24.56%
Real Estate & Infrastructure Assets	11.25%	11.25%
U.S. Equity	6.73%	6.73%
Natural Resources	5.61%	5.61%
Precious Metals	4.62%	4.62%
Rates	2.28%	2.28%
Global Equity (ex. U.S.)	0.54%	0.54%
Credit	0.38%	0.38%
<b>Total</b>	<b>132.43%</b>	<b>86.25%</b>

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## **Manager's Statement**

I, Jason Yew Kit Lee, for and on behalf of the board of directors of the Manager, Cross Light Capital Sdn Bhd, state that in my opinion as the Manager, the financial statements hereby attached reflect a true and fair view of the Fund's financial position, and that the Fund has been operated and managed in accordance with the following:-

- (a) limitations imposed on the investment powers of the Manager and the Trustee under the Deed, the Securities Commission's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, the Capital Market and Services Act 2007 and other applicable laws;
- (b) valuation/pricing is carried out in accordance with the Deed and any regulatory requirements;
- (c) creation and cancellation of units are carried out in accordance with the Deed and relevant regulatory requirements; and
- (d) the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For and on behalf of  
Cross Light Capital Sdn Bhd [Company No.: 201901034174 (1343504-X)]



Jason Yew Kit Lee  
Director

Kuala Lumpur, Malaysia  
15 February 2022

## PERFORMA BALANCED CROSS-ASSET FUND

### STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021

Financial  
period ended  
31.12.2021  
USD

#### INVESTMENT (LOSS)/INCOME

Dividend income	2,151
Interest income from financial asset at amortised cost	7
Net gain on foreign currency exchange	201
Net gain on financial assets at fair value through profit or loss	11,430
	<hr/>
	13,789
	<hr/>

#### EXPENSES

Management fee	(2,178)
Trustee fee	(212)
Performance fee	(1,585)
Broker interest charge	(80)
Tax agent's fee	(2,500)
Transaction costs	(38)
Other expenses	(856)
	<hr/>
	(7,449)
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#### NET (LOSS)/PROFIT BEFORE TAXATION

6,340

Taxation

-

#### NET (LOSS)/PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD

6,340

Net (loss)/profit after taxation is made up of the following:

Realised amount	(5,806)
Unrealised amount	12,146
	<hr/>
	6,340
	<hr/>

# PERFORMA BALANCED CROSS-ASSET FUND

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	<u>2021</u> USD
<b>ASSETS</b>	
Cash and cash equivalents	221,812
Amount due from brokers	2,572
Amount due to from Manager	
- creation of units	-
- management fee rebate receivable	-
Dividend receivable	1,046
Financial assets at amortised cost through profit or loss	1,424,475
Tax recoverable	-
<b>TOTAL ASSETS</b>	<u>1,649,905</u>
<b>LIABILITIES</b>	
Amount due to brokers	27,762
Amount due to Manager	
- management fee	
Amount due to Trustee	212
Auditors' remuneration	-
Tax agent's fee	2,500
Financial assets at amortised cost through profit or loss	300,846
Other payables and accruals	15,738
<b>TOTAL LIABILITIES</b>	<u>347,058</u>
<b>NET ASSET VALUE OF THE FUND</b>	<u>1,302,847</u>
<b>EQUITY</b>	
Unitholders' capital	1,296,507
Retained earnings	6,340
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<u>1,302,847</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	<u>2,593,015</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>	<u>0.5024</u>

## PERFORMA BALANCED CROSS-ASSET FUND

### STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	Unitholders' <u>capital</u> USD	Retained <u>Earnings</u> USD	<u>Total</u> USD
Balance as at 31 October 2021	-	-	-
Total comprehensive loss for the financial period	-	6,340	6,340
Movement in unitholders' capital:			
Creation of units arising from applications	1,296,507	-	1,296,507
Cancellation of units	-	-	-
Balance as at 31 December 2021	<u>1,296,507</u>	<u>6,340</u>	<u>1,302,847</u>
Balance as at 31 October 2020	-	-	-
Total comprehensive income for the financial period	-	-	-
Movement in unitholders' capital:			
Creation of units arising from applications	-	-	-
Cancellation of units	-	-	-
Balance as at 31 December 2020	<u>-</u>	<u>-</u>	<u>-</u>

**TRUSTEE'S REPORT  
TO THE UNIT HOLDERS OF CLC CROSS-ASSET STRATEGIC ALPHA FUND**

We have acted as Trustee of CLC Cross-Asset Strategic Alpha Fund ("the Fund") for the period ended 31 December 2021. To the best of our knowledge, Cross Light Capital Sdn Bhd, the Manager, has operated and managed the Fund in accordance with the following:-

- (a) limitations imposed on the investment powers of the Manager and the Trustee under the Deed, the Securities Commission's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, the Capital Market and Services Act 2007 and other applicable laws;
- (b) valuation/pricing is carried out in accordance with the Deed and any regulatory requirements;
- (c) creation and cancellation of units are carried out in accordance with the Deed and relevant regulatory requirements; and
- (d) the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For and on behalf of

PacificTrustees Berhad [Company No.: 199401031319 (317001-A)]



Razak Bin Ahmad  
Chief Executive Officer

Kuala Lumpur, Malaysia

15 February 2022

