



Cross Light Capital

PERFORMA BALANCED CROSS-ASSET FUND

**QUARTERLY REPORT
30 SEPTEMBER 2024**

MANAGER

**Cross Light Capital Sdn Bhd
201901034174 (1343504-X)**

TRUSTEE

**Pacific Trustees Bhd
199401031319 (317001-A)**

Quarterly Report and Financial Statements as at 30 September 2024

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QUARTERLY REPORT

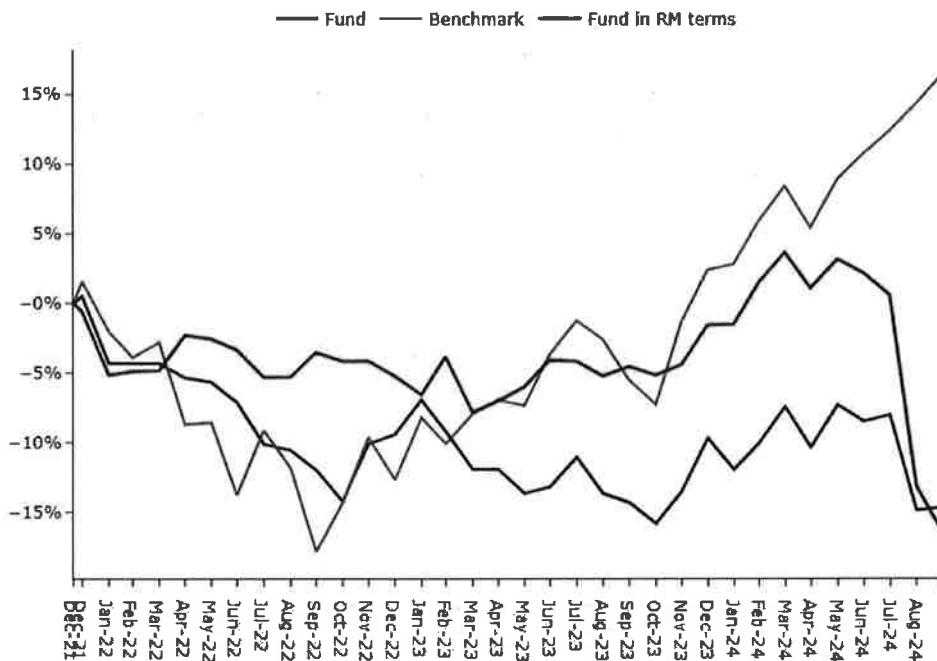
Fund Information

Fund Name	Performa Balanced Cross-Asset Fund
Fund Type	Growth
Fund Category	Hedge fund (Mixed Assets)
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 & Poor Depository Receipts S&P 500 ETF (SPY) and IQ Hedge Multi-Strategy Tracker ETF (QAI) rebalanced daily at zero trading cost:</p> <p><i>R Benchmark = 1/3 iShares Core Growth Allocation ETF(AOR) + 1/3 SPDR S&P 500 ETF Trust (SPY) + 1/3 IQ Hedge Multi-Strategy Tracker ETF (QAI) where "R" denotes total returns and "x" denotes "multiplied" or "times".</i></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 30 September 2024	As at 30 June 2024
Total NAV (USD)	732,763.75	810,485.84
NAV per Unit (USD Lead)	0.4259	0.4567
Units in Circulation	1,720,600.26	1,774,790.61

Movement of the Fund versus the Benchmark



	1 Month	3 Months	6 Months	1 Year	3 Years	Since Inception
Date	01/09/2024 - 30/09/2024	01/07/2024 - 30/09/2024	01/04/2024 - 30/09/2024	01/10/2023 - 30/09/2024	01/10/2021 - 30/09/2024	21/12/2021 - 30/09/2024
Fund	0.24%	-6.77%	-7.83%	-0.45%		-14.69%
Benchmark	1.79%	5.06%	7.31%	23.1%	20.31%	16.32%
Outperformance	-1.55%	-11.83%	-15.13%	-23.55%		-31.0%

This information, net of fees, is prepared by Cross Light Capital Sdn Bhd for informational purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up.

Asset Allocation

Fund's asset mix during the period under review:

Category	(% of NAV)
Equities, ETFs, ETNs and/or collective investment schemes	77.11
Net cash and/or cash equivalents	22.89
Others	0
Total	100

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: 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.

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.

Market Review

Global equities rose in the third quarter, even amid periods of significant volatility. Emerging markets saw strong performance, boosted by new stimulus announcements from China. Interest rate cuts during the quarter, along with expectations of further reductions, contributed to solid returns in fixed income markets.

US equities rose during the quarter, although performance varied by sector. Sectors previously out of favor saw renewed interest, while some prior winners underperformed. All sectors except energy showed gains, with utilities and real estate leading, while information technology saw only minor increases. Shifts in US interest rate expectations drove these sector differences. The US Federal Reserve held rates at a 23-year high in July, but weaker job data in August, with just 114,000 jobs added versus the expected 175,000, raised concerns about the timing of potential rate cuts. Market volatility increased as doubts emerged about the returns from significant investments in technologies like AI. Despite this, resilient corporate earnings calmed investor concerns, and US Federal Reserve Chair Jerome Powell hinted at a rate cut in September, which was followed by a 50 basis point (bps) reduction. President Biden's decision to withdraw from the presidential race, endorsing Vice President Kamala Harris, also drew market attention ahead of the upcoming election.

Eurozone stocks, as tracked by the MSCI EMU index (EWM +20.17%), increased in Q3, led by real estate, utilities, and healthcare sectors. Investors responded to potential interest rate cuts, reassessing previously neglected sectors, while energy and information technology lagged. The European Central Bank (ECB) kept rates unchanged in July but reduced them by 25 bps in September, as inflation softened from 2.6% in July to 1.8% in September. Economic activity indicators suggested a slowdown, with the flash eurozone PMI for September at an eight-month low of 48.9, driven by a downturn in manufacturing. Expectations of further rate cuts rose, especially after weaker PMI and inflation data. The French elections concluded without a majority win, leading President Macron to appoint Michel Barnier as prime minister in September.

UK stocks advanced in Q3, bolstered by a Labour Party landslide victory early in the period, raising hopes for economic recovery. The Bank of England (BoE) cut interest rates in August, its first cut in four years, though optimism was tempered by Prime Minister Keir Starmer's warning of a challenging budget, hinting at tax hikes to address a £22 billion fiscal shortfall. Revised Q2 GDP growth was lower than expected, at 0.5% compared to 0.7% in Q1, and inflation ticked up to 2.2% after meeting the BoE's target in June. Despite some positive economic signals, the BoE's cautious approach to further rate cuts remained, and concerns lingered about potential inflation risks. Top-performing sectors included consumer staples, financials, and discretionary, while energy was a major underperformer.

Q3 2024 saw significant volatility in Japanese markets. Shares initially surged in early July but sharply corrected by late July, exacerbated by weaker US economic data and an interest rate hike from the Bank of Japan (BoJ), which led to currency fluctuations. The Japanese yen strengthened considerably against the US dollar over the quarter. Japanese stocks stabilized by late August, helped by the US Federal Reserve's rate cut

and optimism about domestic political changes. However, the market declined sharply at the end of September following the unexpected defeat of expansionist candidate Sanae Takaichi in the LDP leadership race. The TOPIX index fell by 4.4% in local currency terms. Strong Japanese yen performance hit export sectors, while domestically focused industries like retail and communication fared better. Corporate earnings exceeded expectations, aided by a weaker yen, and real wage growth turned positive for the first time in over two years.

Asia excluding Japan equities posted solid gains in Q3, led by strong performances in Thailand, Hong Kong, and China. South Korea was the only market with negative returns, affected by a sell-off in technology stocks and a stronger South Korean won impacting export-driven sectors. China's markets rallied on government stimulus measures aimed at economic recovery, while Taiwan struggled due to declines in tech stocks, though it remains the best performer year-to-date. The region's performance was mixed, with technology concerns weighing heavily on South Korea and Taiwan, while Chinese policies boosted investor confidence.

Emerging market equities (EEM +7.43%) outperformed developed markets in Q3, driven by strong gains in countries like Thailand and China, which benefited from government stimulus. South Africa also performed well, supported by central bank rate cuts. However, India and Brazil underperformed, with Brazil's rate hikes to curb inflation impacting its markets. Taiwan and Turkey saw significant declines, with Turkey suffering from Turkish lira depreciation and negative earnings surprises. Overall, EM stocks recovered from early volatility thanks to monetary easing in the US and China.

Q3 marked the start of a global interest rate-cutting cycle. In the US, weaker-than-expected job data and a drop in inflation led the US Federal Reserve to cut rates by 50 bps. US Treasury yields fell significantly, with the yield curve steepening. In the United Kingdom, UK gilt yields were steady after a Labour election win, but a Bank of England (BoE) rate cut in August drove a rally in gilts. The European Central Bank (ECB) and the Bank of Canada also cut rates, leading to declining bond yields across Europe. The Japanese yen's strength, supported by Bank of Japan (BoJ) rate hikes and US Federal Reserve actions, affected currency markets. Investment-grade corporate bonds performed well, and convertible bonds showed resilience during market volatility.

The S&P GSCI Index fell in Q3, led by a decline in energy prices due to weak global demand. In contrast, agriculture and metals saw gains, with prices for coffee, cocoa, and precious metals rising (GLD +12.75%). Despite Middle East tensions, energy prices dropped. Industrial metals like aluminum and copper recorded modest gains, while lead prices fell.

Digital assets had mixed results in Q3 (BTC +0.76%). Bitcoin rose 1%, while Ethereum fell 24%, though both showed significant year-to-date gains. The sector recovered in September, driven by institutional interest, including new Ethereum ETFs and options trading for Bitcoin ETFs, signaling increasing integration with traditional finance. Regulatory clarity and support from US presidential candidates bolstered investor sentiment.

	1 Month	3 Months	6 Months	1 Years	3 Years	Since Inception
Date	01/09/2024 - 30/09/2024	01/07/2024 - 30/09/2024	01/04/2024 - 30/09/2024	01/10/2023 - 30/09/2024	01/10/2021 - 30/09/2024	21/12/2021 - 30/09/2024
Balanced 60/40 S&P Target Risk Growth Index (AOR)	1.79%	6.12%	7.65%	23.05%	14.29%	12.51%
Global Equities MSCI All Country World Index (ACWI)	2.2%	6.18%	9.46%	31.75%	26.45%	22.92%
US Equities S&P 500 Index (SPY)	2.1%	5.53%	10.38%	36.03%	39.72%	31.33%
Malaysian Equities (USD Returns) MSCI Malaysia Index (EWM)	4.36%	20.17%	26.13%	35.83%	19.54%	23.49%
Developed Market Equities MSCI EAFE Index (EFA)	0.78%	6.58%	6.55%	25.01%	17.67%	17.97%
Emerging Market Equities MSCI Emerging Markets Index (EEM)	5.74%	7.43%	12.41%	23.98%	-2.2%	2.4%
Growth Factor S&P 500 Growth Index (IVW)	2.83%	2.86%	13.66%	40.81%	32.67%	22.3%
Value Factor S&P 500 Value Index (IVE)	1.06%	9.53%	6.65%	30.7%	43.87%	38.51%
Size Factor Russell 2000 Index (IWM)	0.71%	10.17%	5.69%	26.54%	5.2%	8.15%
Momentum Factor MSCI USA Momentum SR Variant Index (MTUM)	2.95%	4.1%	8.57%	46.07%	20.15%	21.27%
Global Real Estate Dow Jones Global Select Real Estate Securities Index (RWO)	2.95%	16.25%	13.06%	28.92%	3.72%	-3.0%
Global Infrastructure S&P Global Infrastructure Index (IGF)	4.01%	13.47%	16.24%	30.33%	29.16%	28.32%
US Treasury Bonds IDC US Treasury 7-10 Year Index (IEF)	1.38%	6.52%	5.53%	10.84%	-8.3%	-9.12%
US Investment Grade Credit Markit iBoxx USD Liquid Investment Grade Index (LQD)	1.96%	7.25%	6.07%	15.77%	-5.22%	-5.51%

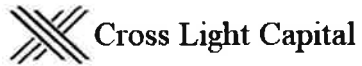
Commodities DBIQ Optimum Yield Diversified Commodity Index (DBC)	0.72%	-5.35%	-3.05%	-6.39%	16.48%	18.18%
Gold (GLD)	5.09%	12.75%	18.15%	41.77%	48.01%	45.47%
Bitcoin (BTC/USD)	7.39%	0.76%	-11.22%	134.83%	44.62%	35.09%
CBOE Volatility Index (VIX)	11.53%	36.91%	28.59%	-4.51%	-27.7%	-26.85%

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 above mentioned 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 an 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 markets and unforeseen events which may impact the performance of multiple asset portfolios with long-short strategies and leverage employed.

Our longer term market outlook is to expect range trading markets similar to the 1966 to 1982 period as central banks continue to raise interest rates after a long period of declining interest rates amid high valuations in US equity markets; after an extended period of lower volatility and disinflation, we expect higher levels of volatility and inflation. Our base case remains that levels of inflation remain persistently higher than central bank targets; analysing 67 published studies on global inflation and monetary policy, Havranek and Rusnak (2013)¹ find that in a sample size of 198 instances of policy rate hikes of 1% or more in developed economies, the average lag until a 1% decrease in inflation was achieved was between roughly two and four years. Hence our working framework is that equities remain in a downtrend as monetary policy remain restrictive; although we cannot rule out a significant bear market rally as base effects in calculating CPI inflation could see lower levels of inflation in 2023 compared to 2022. We remain committed to our flexible and pragmatic approach incorporating dynamic asset allocation given the uncertain macroeconomic and geopolitical environment. We continue to believe that risks remain elevated, as periods where the US Federal Reserve raise interest rates and withdraw liquidity, have historically been associated with risk-off events with heightened financial stability risks. Moreover, the hiking cycle is taking place in the context of elevated debt to GDP levels in developed economies not seen since the World War Two period and recessionary economic conditions in the US (i.e. yield curve inversions and weaker PMIs). We believe that the market has been experiencing a regime change to shorter market cycles and higher volatility led by changes in the macroeconomic and geopolitical

¹ Havranek, Tomas, and Marek Rusnak. 2013. "Transmission Lags of Monetary Policy: A Meta-Analysis." *International Journal of Central Banking*, vol. 9, no. 4: 39–76.



environment from disinflation to inflation and from globalization to a more multi-polar world. We expect our multi-asset approach with ability to hedge, can outperform (adjusting for risk), traditional investment strategies like a 60% equities/40% bond fund (AOR) which returned -17.5% for the one year period ending 31st December 2022. We believe that our hybrid approach of discretionary fundamental investing and systematic investing emphasizing data-driven insights, scientific testing, and disciplined portfolio construction techniques is likely to outperform traditional investment strategies.

Performance Attribution

For Quarter Ended 30 September 2024

Asset Class	Quarterly Gross Estimated Attribution
Absolute Returns	-6.31%
Corporate Bonds	0.32%
Digital Assets	-0.43%
Global Equity (ex. U.S.)	-0.13%
Government Bonds	-0.33%
Natural Resources	0.21%
Precious Metals	0.30%
Private Equity Replication	0.08%
Real Estate and Infrastructure Assets	0.61%
U.S. Equity	-0.65%
Total	-6.32%

Exposures

For Quarter Ended 30 September 2024

Asset Class	Gross Dollar Exposure	Net Dollar Exposure
Absolute Returns	16.00%	8.11%
Corporate Bonds	8.08%	8.08%
Digital Assets	4.15%	4.15%
Global Equity (ex. U.S.)	6.41%	6.41%
Government Bonds	14.32%	14.32%
Natural Resources	0.23%	0.23%
Precious Metals	7.70%	7.70%
Private Equity Replication	3.87%	3.87%
Real Estate and Infrastructure Assets	4.51%	4.51%
U.S. Equity	5.49%	5.49%
Total	70.75%	62.86%

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PERFORMA BALANCED CROSS-ASSET FUND
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	Quarter 3 Jul 2024 - Sep 2024	Quarter 2 Apr 2024 - Jun 2024
	USD	USD
INVESTMENT INCOME/(LOSS)		
Dividend income	2,394	5,174
Interest income from financial asset at fair value through profit or loss	682	1,061
Net (loss)/gain on foreign currency exchange	204	8
Net unrealized gain/(loss) on financial assets at fair value through profit or loss	9,505	(10,649)
Net realized gain/(loss) on financial assets at fair value through profit or loss	(56,398)	8,692
Income from redemptions	246	-
Other income	3	4
	<u>(43,364)</u>	<u>4,290</u>
EXPENSES		
Management fee	(3,762)	(4,049)
Trustee fee	(580)	(561)
Incentive fee	-	-
Fund accounting fee	(3,535)	(3,538)
FS preparation fee	2,057	(1,028)
Tax fee	(427)	(795)
Broker interest and other charges	(561)	(450)
Auditors' remuneration	(428)	(392)
Dividend expense	-	(168)
Other professional fees	(194)	(189)
Other expenses	(129)	(83)
	<u>(7,559)</u>	<u>(11,253)</u>
NET PROFIT / (LOSS) BEFORE TAXATION	<u>(50,923)</u>	<u>(6,963)</u>
Withholding tax expense	(718)	(1,552)
Deferred tax	(861)	(812)
Income tax expense	(669)	-
	<u>(2,248)</u>	<u>(2,364)</u>
NET PROFIT / (LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD	<u>(53,171)</u>	<u>(9,327)</u>
Net profit / (loss) after taxation is made up of the following:		
Realised amount	(62,676)	1,322
Unrealised amount	9,505	(10,649)
	<u>(53,171)</u>	<u>(9,327)</u>

PERFORMA BALANCED CROSS-ASSET FUND
STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	As at 30 September 2024 USD	As at 30 June 2024 USD
ASSETS		
Cash and cash equivalents	290,202	28,295
Amount due from brokers	-	-
Amount due to from Manager		
- creation of units	-	-
- management fee rebate receivable	-	-
Interest receivable	901	230
Financial assets at fair value		
through profit or loss	489,513	933,687
Dividend receivable	40	96
Prepayments and other assets	-	-
TOTAL ASSETS	780,656	962,308
LIABILITIES		
Amount due to brokers	12,955	-
Amount due to Manager		
- management fee	3,762	4,049
Amount due to Trustee	646	562
Incentive fee payable	-	1,030
Auditors' remuneration payable	1,356	786
Fund accounting fee payable	-	248
Tax fee payable	256	466
Financial liabilities at fair value		
through profit or loss	28,917	142,502
FS preparation fee payable	-	2,057
Subscriptions pending	-	-
Dividend payable	-	122
Interest payable	-	-
Deferred tax provision	-	-
Other payables and accruals	-	-
TOTAL LIABILITIES	47,892	151,822
NET ASSET VALUE OF THE FUND	732,764	810,486
EQUITY		
Unitholders' capital	1,416,765	1,416,765
Capital activities	(511,581)	(487,031)
Retained earnings	(128,726)	(128,726)
Accumulated gains / (losses)	(43,694)	9,478
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	732,764	810,486
NUMBER OF UNITS IN CIRCULATION	1,720,600	1,774,790
NET ASSET VALUE PER UNIT (USD)	0.42587681	0.45666530

PERFORMA BALANCED CROSS-ASSET FUND

STATEMENT OF CHANGES IN NET ASSET VALUE

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	Unitholders' capital	Retained Earnings / Accumulated losses	NAV attributable to Unitholders
	USD	USD	USD
Balance as at 30 June 2024	929,734	(119,248)	810,486
Total comprehensive gain/(loss) for the financial period	-	(53,171)	(53,171)
Movement in unitholders' capital:			
Creation of units arising from applications	-	-	-
Cancellation of units	(24,551)	-	(24,551)
Balance as at 30 September 2024	905,183	(172,419)	732,764

TRUSTEE'S REPORT

TO THE UNIT HOLDERS ON PERFORMA BALANCED CROSS-ASSET FUND

We have acted as Trustee of Performa Balanced Cross-Asset Fund ("the Fund") for the period ended 30 September 2024. 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
Pacific Trustees Berhad [Company No: 199401031319 (317001-A)]



Razak Bin Ahmad
Chief Executive Officer

Kuala Lumpur, Malaysia
29th November 2024

MANAGER'S STATEMENT

TO THE UNIT HOLDERS OF PERFORMA BALANCED CROSS-ASSET FUND

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
29th November 2024