

## FUND INFORMATION

Launch Date	November 10, 2020	Net Asset Value per Unit (NAVPU)	USD 0.871269
Bloomberg Ticker	ILUDDOF PM Equity	Total Fund NAV (Mn)	USD 28.42

**INVESTMENT OBJECTIVE AND STRATEGY** The Dollar Opportunity Fund aims to achieve capital appreciation by investing majority of its assets in a fund principally exposed in equity securities of US companies believed to possess sustainable growth characteristics. These include small, medium, and large capitalization companies across a wide range of sectors that have exceptional growth potential and fast growing, innovative companies within these sectors.

**RISK PROFILE** As an asset class, Equity investments have the highest risk profile in the universe of funds of InLife. In this asset class, the Dollar Opportunity Fund is **highly aggressive** as it seeks to invest in a fund that is exposed to US-based equities that have sustainable growth characteristics across a wide range of sectors. This fund is suitable for investors that are interested in growing their US dollar holdings and have both a high tolerance for risk and a long investment time horizon.

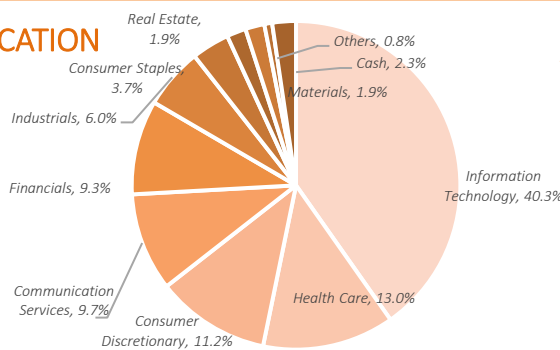
## FUND PERFORMANCE AND STATISTICS

Purely for reference purposes and is not a guarantee of future results



## ASSET ALLOCATION

(Target Fund)



## TARGET FUND'S TOP HOLDING COMPANIES

Amazon.com Inc	Apple Inc
Microsoft Corp	Alphabet Inc
Nvidia Corp	ServiceNow Inc
Mastercard Inc	Eli Lilly & Co
Meta Platforms Inc	UnitedHealth Group Inc

**MARKET REVIEW** After rising over the first half of 2023, broad gauges of US equities declined in the third quarter amidst a significant rise in US Treasury yields and the likelihood that interest rates would be higher for longer than investors had previously expected. Stock market losses for the third quarter were broad-based, with nearly all sectors of a key US index trading lower. The two outliers to the upside were energy, which benefitted from a significant rise in crude oil prices, and communication services. By investment style, small-capitalization stocks suffered the worst declines, followed by mid- and large-cap stocks, with value stocks faring better than growth equities in the small- and mid-cap tiers and growth performing better than value in the large-cap tier.

For the quarter, the Target Fund returned -3.73%.

The Target Fund underperformed the broader S&P 500 Index.

## One-Month Key Performance Drivers

HELPED

Stocks: Apple Inc., Synopsys, Inc., Meta Platforms Inc. Class A

Sectors: Information Technology (Stock Selection)

**HURT**

Stocks: Oddity Tech LTD, Monolithic Power Systems, Inc. Oracle Corporation

Sectors: Consumer Staples (Stock Selection), Health Care (Stock Selection), Utilities In the consumer staples sector

Oddity Tech shares were down for the quarter after a sharp increase following its initial public offering in July. The company issued its first quarterly earnings report as a public company in August that showed good results and does not appear to be a contributing factor to the stock's decline. Oddity Tech is a cosmetics company that uses AI to offer customers personalized experiences and product recommendations. The Target Fund Manager believes there is an opportunity for this type of disruption in the beauty/wellness industry. AI-driven product recommendations are an important differentiator given the challenges associated with converting beauty sales online and the inability to resell returned goods.

In the IT sector, Oracle reported solid fiscal first-quarter 2024 financial results but forecasted a slowdown in growth in the next quarter. The stock has performed strongly year-to-date on the back of its cloud infrastructure business and the Target Fund Manager is optimistic about the generative AI opportunity that lies ahead.

Conversely, semiconductor design and testing company Synopsys was a leading contributor in the IT sector. Chip design activity remains strong for the company and there is increasing demand for its AI products. Synopsys continues to benefit from the digital transformation movement by businesses that include AI to automate tasks.

**OUTLOOK AND STRATEGY** The Target Fund Manager sees recession risks moderating in the United States but anticipate below-trend growth to continue into 2024. Inflation has generally slowed, but economic headwinds persist, including the lagged effects of tighter monetary policy and bank lending standards. However, longer-term equity fundamentals remain constructive, in their analysis, with the prospects for AI potentially supporting US equities. The Fund Manager believes the best-positioned companies are those with healthy balance sheets, strong competitive positions, and the ability to generate high free cash flow. Their focus remains on investing in what they consider to be high-quality businesses with sustainable growth drivers that may not be reflected in current valuations. Many of these investments are levered to secular growth themes, such as AI, which is causing significant disruption in multiple industries while spurring new growth. In their view, there are opportunities for companies to increase productivity, lower costs and ultimately drive competitiveness in this era of generative AI. They are still in the early stages of this technology, and challenges are ahead of them, making a greater case for active management.

The Target Fund Manager also sees investment opportunities in other areas, such as health care, which is backed by multidecade demand trends from an aging population worldwide. Innovative trends include the development of robotic surgery systems that have served as an extension of a surgeon's hands and eyes, effectively reducing variation in surgical outcomes and enabling more procedures to be done with fewer complications.

Active management allows the Target Fund Manager to pursue opportunities that can potentially deliver positive long-term results, even in an environment of elevated interest rates. To do this, they rely on their bottom-up, fundamental research capabilities and leverage their in-house team of analysts to uncover high-quality companies they view as capable of becoming market leaders. The Target Fund invests in quality growth businesses that, in the Target Fund Manager's analysis, have robust competitive positions, strong pricing power, and healthy financials. Their focus on major secular themes, like digital transformation and healthcare innovation, leads them to both established and emerging growth players in various sectors. In terms of portfolio positioning, they have been working to move the Target Fund up the quality ladder with a focus that is less on absolute growth and more on profitability, margins, cash flows, and revenue/earnings visibility. Currently, their largest sector exposure is in IT, where they prefer software companies, particularly those shaping the future of AI. Healthcare and consumer discretionary are their next largest sector allocations.