



## MONTHLY FUND PERFORMANCE UPDATE A-DANA BALANCED

### Investment Objective

The fund objective is to maximize total returns with reasonable safety of principal and is suitable for participants who are willing to take moderate risk in order to achieve a reasonable return.

**Notice:** Please refer to the Fund Fact Sheet for more information about the Fund.

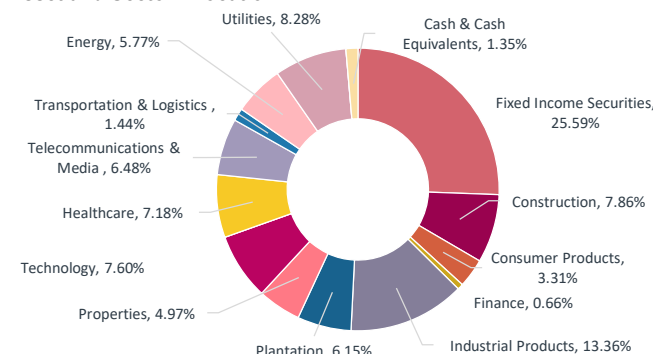
### Fund Details

Unit NAV (28 February 2025)	: RM 1.71813
Fund Size (28 February 2025)	: RM 172.499 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 8 August 2011
Offer Price at Inception	: RM1.00
Fund Management Charge	: 1.20% p.a.
Investment Manager	: AIA Bhd.
Takaful Operator	: AIA PUBLIC Takaful Bhd.
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

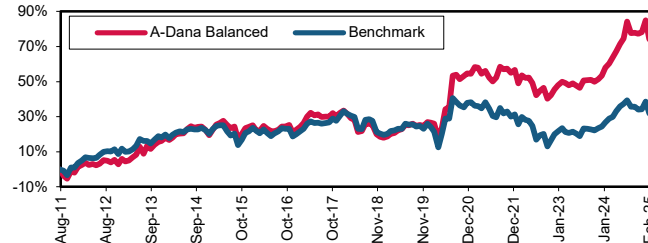
### Top Holdings

1	TENAGA NASIONAL BHD	7.98%
2	AEON CREDIT SERVICE M BHD	5.79%
3	TELEKOM MALAYSIA BHD	4.83%
4	GAMUDA BHD	4.77%
5	IHH HEALTHCARE BHD	4.69%

### Asset and Sector Allocation



### Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund <sup>a</sup>	-1.47%	-3.29%	7.20%	11.92%	36.51%	71.81%
Benchmark <sup>a</sup>	-1.84%	-4.47%	0.68%	-0.15%	6.75%	29.70%
Excess	0.37%	1.19%	6.52%	12.07%	29.76%	42.11%

<sup>a</sup> Calculation of past performance is based on NAV-to-NAV. This is strictly the performance of the investment fund, and not the returns earned on the actual premiums/contributions paid of the investment-linked product.

\* 70% FBM Emas Shariah (Source: Bursa Malaysia) + 30% GII ALL Index (Source: RAM QuantShop @www.quantshop.com)

**Notice:** Past performance of the Fund is not an indication of its future performance.

### Market Review

The FBMS ("Index") fell 2.8% Month-on-Month ("MoM") to close at 11,411.79 in February 2025. The Index underperformed the MSCI Asia ex Japan Index which rose 1.07% MoM in Malaysian Ringgit ("MYR") terms over the same period. Foreign investors remained net sellers of Malaysian equities amounting to MYR2.2 billion while local institutions remained net buyers amounting to MYR1.2 billion during the month. Bursa Malaysia's average daily transaction value ("ADTV") fell 4.6% MoM to MYR2.5 billion in February 2025. During the month, Gamuda (+7.9%), QL Resources (+6.1%) and Sunway (+6.0%) were the key gainers while key detractors were Petronas Chemicals (-20.0%), MR.DIY (-17.9%) and PPB Group (-10.2%). Sector wise, Plantation (+3.7%) and Construction (+1.9%) were the key performers, while Technology (-13.1%), Healthcare (-10.4%) and Energy (-8.3%) were the key detractors. Major news during the month included the Trump administration announcing plans for 25% tariffs on imports from Canada and Mexico, Deepseek's revelation that questioned the global hyperscalers' spending into training clusters and upending the AI trade, and the removal of Genting Malaysia & Inari from the MSCI Emerging Market Index.

Government Investment Issue ("GII") yield curve mildly bull-steepened in February 2025. GII yields traded in a relatively tight range despite the strong rally in US treasuries ("UST") where yields tumbled aggressively amidst safe-haven demand and heightened concerns on the impact of President Trump's trade policy on US economic growth. Domestically, ample liquidity from domestic investors continued to support the market at current levels. Foreign inflows spurred buying activity towards the end of the month but was quickly met with profit taking pressure which capped any meaningful movements in terms of yields. Additionally, domestic sentiment was also supported by a positive macro environment, boosted by a stronger-than-expected 4Q2024 Gross Domestic Product ("GDP") growth print and stable Consumer Price Index ("CPI") data in January 2025. On the currency front, Malaysian Ringgit ("MYR") weakened against the US Dollar ("USD") by 0.05% to MYR4.4625. GII levels as at end February 2025 was: 3Y at 3.52% (-), 5Y at 3.59% (-3 bps), 7Y at 3.78% (+1 bp), 10Y at 3.82% (-), 15Y at 3.92% (-3 bps), 20Y at 4.08% (-) and 30Y at 4.20% (+1 bp).

Fixed income foreign flows registered a net inflow of MYR1.2 billion in January 2025 (December 2024: -MYR1.4 billion). Foreign holdings in Malaysian Government Securities ("MGS") and Government Investment Issue ("GII") dipped to 21.1% in January 2025 (December 2024: 21.2%).

There were 2 government security auctions during the month: The 7Y GII 10/31 reopening auction with a tender size of MYR5.0 billion drew a BTC of 2.867x at an average yield of 3.785% and GII 8/30 new issue with a tender size of MYR5.5 billion drew a BTC of 3.165x at an average yield of 3.635%.

On the economic data front, Malaysia's foreign reserves increased to USD117.7 billion as of 15 February 2024 (31 January 2025: USD116.4 billion). The reserves are sufficient to finance 5.0 months of retained imports and 0.9x of short-term external debt. Malaysia's January 2025 headline inflation was unchanged at 1.7% Year-of-Year ("YoY") (December 2024: +1.7% YoY), supported by softening in information and communication services and clothing & footwear components. Core inflation was also steady at 1.8% YoY in January 2025 (December 2024: +1.8% YoY). Malaysia's exports moderated to 0.3% YoY in January 2025 (December 2024: +1.6% YoY) while imports grew 6.2% YoY (December 2024: +11.9% YoY). As a result, trade balance narrowed to MYR3.6 billion in January 2025 (December 2024: MYR19.1 billion). The Industrial Production Index for Malaysia increased by 4.8% YoY in December 2024 (Nov 24: 3.6% YoY), driven by expansion across all sectors. The final reading of Malaysia's 4Q2024 GDP growth came in at 5.0% YoY (3Q24: 5.4% YoY), bringing the 2024 full year figure to 5.1% YoY (2023: 3.6% YoY). GDP growth was driven by strong domestic demand and a recovery in exports.

On the primary corporate sukuk space, notable issuances included MYR300 million Orkim Sdn Bhd iMTN, MYR250 million PKNS iMTN and MYR150 million WCT Holdings Bhd iMTN. On rating actions, RAM upgraded Malayan Cement Bhd's RM5.0 billion Sukuk Murabahah Programme to AA1 from AA3. RAM also upgraded the outlook on the credit rating for YTL Power International Bhd from AA1 - Stable to AA1 - Positive.

### Market Outlook

Moving into 2025, we are cautiously optimistic about the equity market, though volatility is expected in the near term due to uncertainties due to US President Trump's tariff policies which are expected to stoke inflationary pressure and hurt global growth. We expect performance divergence between developed and emerging markets, including currencies, with a positive outlook for the US market due to pro-domestic growth policies. In Asia, geopolitical tensions and a strong US dollar may weigh on Asian equities. China is focusing on fiscal stimulus to support domestic growth and stabilize property markets, though structural challenges remain. In Malaysia, while our optimism on equities has moderated, we remain positive due to strong corporate earnings, government initiatives, and rising foreign direct investment. The successful implementation of key initiatives, such as the National Energy Transformation Roadmap ("NETR"), Malaysia My Second Home ("MM2H"), and infrastructure projects, will be crucial. We opine that investment in data centres in Malaysia will slow but not contract despite the implementation of the US Artificial Intelligence Diffusion Policy and the disruption caused by the discovery of DeepSeek by the Chinese.

With recent US economic data releases coming in mixed, the trend for a moderation in inflation and a softening in the labour market has somewhat slowed. At the most recent US Federal Open Market Committee ("FOMC") meeting, the US Federal Reserve ("Fed") kept the interest rate unchanged, citing concerns on the progress of inflation and potential risks from fiscal and trade policies by President Trump's administration. With these uncertainties ahead, we maintain our view that market volatility would persist as the Fed and the market would remain reactive to data releases and developments in key geopolitical events, central banks' monetary policy decisions as well as implications from President Trump's trade policies.