



August 2024

MONTHLY FUND PERFORMANCE UPDATE AIA STRATEGIC EQUITY FUND

Investment Objective

The Fund aims to maximize medium to long term growth of capital and income through investments in a diversified portfolio of equity securities listed on local and foreign bourses. The Fund is suitable for investors that are willing to take higher investment risk in return for potential higher returns by diversifying their investments into foreign equities.

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

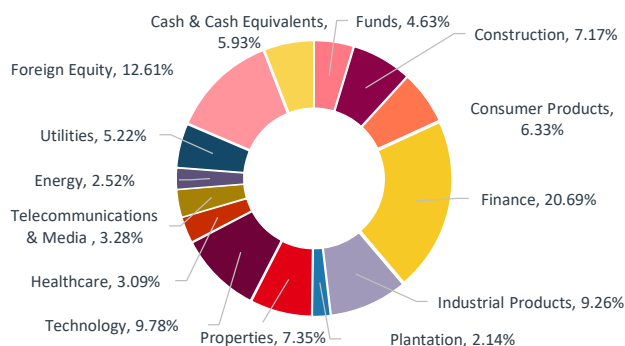
Fund Details

Unit NAV (31 August 2024)	: RM 1.66467
Fund Size (31 August 2024)	: RM 1,252.855 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 6 May 2020
Offer Price at Inception	: RM1.00
Fund Management Charge	: 1.50% p.a.
Investment Manager	: AIA Bhd.
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

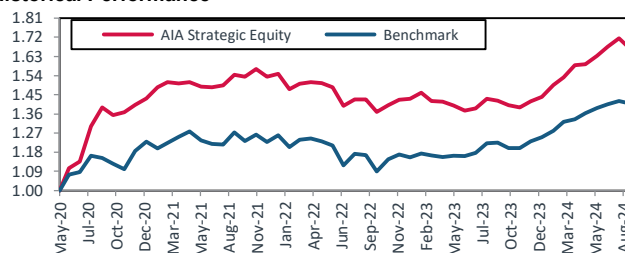
Top Holdings

1	MALAYAN BANKING BHD	7.06%
2	CIMB GROUP HOLDINGS BHD	5.85%
3	TENAGA NASIONAL BHD	5.22%
4	TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	4.81%
5	RHB BANK BHD	3.50%

Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund ^a	-2.92%	8.69%	17.10%	7.86%	N/A	66.47%
Benchmark ^a	-0.79%	6.54%	14.95%	10.67%	N/A	40.85%
Excess	-2.12%	2.14%	2.15%	-2.81%	N/A	25.62%

^a 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.

^a Benchmark will be revised from 70% FBM 100 + 30% MSCI World Index to 70% FBM 100 (Source: Bursa Malaysia) + 25% MSCI Asia ex-Japan Index + 5% MSCI World Index (Source: Bloomberg), effective 1 January 2024.

^a Performance Benchmark is reported on a price return basis from 1st May 2021 (from total return previously)

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

Market Review

The FTSE Bursa Malaysia KLCI ("Index") rose 3.27% Month-on-Month ("MoM") to close at 1678.80 pts in August 2024. The Index outperformed the MSCI Asia ex Japan Index, which declined by 4.30% Month-of-Month ("MoM") in Malaysian Ringgit ("MYR") terms over the same period. Foreign investors were net buyers for the 2nd straight month in August 2024, with a net buy of MYR2.55 billion, raising Year-to-Date ("YTD") net buy to MYR3.1 billion. Bursa Malaysia's average daily transaction value ("ADTV") rose 7.6% MoM to MYR3.7 billion in August 2024. During the month, Petronas Dagangan (+18.8%), Public Bank (+14.5%) and CIMB (+10.4%) were the key gainers while key detractors were YTL Power (-16.7%), YTL Corp (-15.0%) and Genting Berhad (-8.7%). Sector wise, Finance (+8.5%) and Plantation (+1.5%) were the key performers, while Technology (-14.9%), Construction (-10.6%) and Property (-9.1%) were the key detractors. Major news during the month included Malaysia's six main government-linked investment companies pledged a combined MYR120 billion in direct domestic investments over the next five years under a program led by the Finance Ministry, the agreement for the Johor-Singapore Special Economic Zone ("SEZ") is now expected to be finalized by the end of this year from the original September 2024 deadline, and Bank Negara Malaysia reported that the country's economy grew by 5.9% Year-on-year ("YoY") in 2Q24, up from a 4.2% YoY expansion in 1Q24.

The United States ("US") equity market closed higher in August 2024 despite heightened volatility. The unwinding of Japanese Yen ("JPY") carries trade and US recession fears rattled investors in early August 2024. However, the US equity market rebounded and recovered the losses post Bank of Japan ("BoJ")'s commentary to maintain interest rate and the US Federal Reserve ("Fed") pivot at the Jackson Hole address. MSCI Asia ex Japan rose 1.75% MoM in United States Dollar ("USD") terms in August 2024. The Philippines, Indonesia and Malaysia were the best-performing markets while South Korea, India and China were the worst-performing markets in the index. ASEAN market rallied as expectations of a US interest rate cut grew. South Korea was the only market to end the month in negative territory as foreigners sold off technology stocks on concerns about AI peak-out. Shares in Taiwan achieved modest gains but remains the best-performing index market in the year-to-date period. China market was lacklustre as July 2024 activity data generally came in on the weak side. Indian market underperformed the index on mixed macro data.

Market Outlook

We are cautiously optimistic of the equity market in the near term. Volatility likely a recurring theme in the near term given the uncertainty over macro conditions, geopolitics, and investors' positioning. Investors are now watching the macro data closely to gauge the extend of the US economic slowdown, recession risks and the quantum of interest rate cut going forward. Over in Asia, rate cut cycle in a non-recessionary environment is typically positive for equity markets and most currencies. In China, its outlook remains challenging structurally. However, China's policy easing is gaining momentum given more room for monetary easing, less restrictions on house ownership policy, and efforts to revitalize the capital market and stabilize foreign trade and investment. Domestically in Malaysia, we expect a brighter outlook given the lower political risk premium amidst a more stable unity government coupled with stronger corporate earnings upside arising from the implementation of the government's growth initiatives and a rising foreign direct investment. The execution of the already announced economic initiatives such as the National Energy Transformation Roadmap ("NETR"), Malaysia My Second Home ("MM2H"), Special Economic Zone ("SEZ"), National Semiconductor Strategy ("NSS"), infrastructure projects rollout and the much-anticipated petrol and diesel subsidies rationalization will be watched closely. Downside risks to the market could stem from a hard landing US recession, worsening geopolitical tension, weaker than expected China's economy and poor execution of domestic growth initiatives.



Lipper Leader Fund for:

1. Preservation

Lipper uses a ranking system of 1 to 5. A ranking of 5 means the fund is in the top 20% of funds in that category while a ranking of 1 means the fund is in the bottom 20%.
Source: www.lipperleaders.com