November 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.

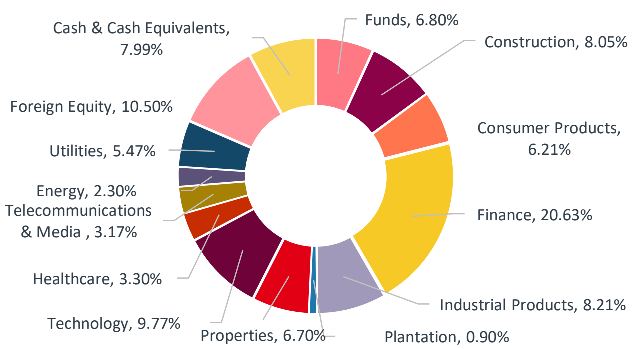
Fund Details

Unit NAV (30 November 2024)	:	RM 1.72170
Fund Size (30 November 2024)	:	RM 1,400.283 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

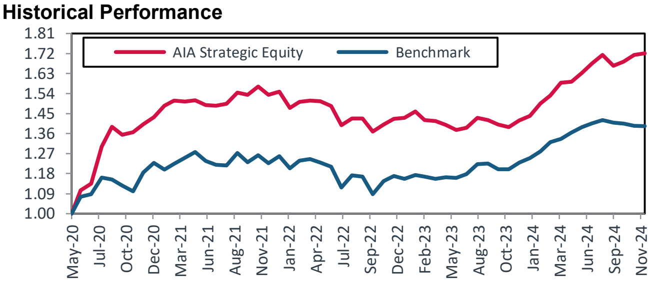
Top Holdings

1	MALAYAN BANKING BHD	6.47%
2	CIMB GROUP HOLDINGS BHD	6.25%
3	TENAGA NASIONAL BHD	5.47%
4	RHB BANK BHD	3.44%
5	GAMUDA BHD	3.41%

Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund^	0.51%	5.41%	21.32%	12.17%	N/A	72.17%
Benchmark*	-0.12%	0.43%	13.23%	13.50%	N/A	39.35%
Excess	0.63%	4.99%	8.09%	-1.33%	N/A	32.82%

^ 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.

** 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.*

** 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 FBMKLCI ("Index") fell 0.5% Month-on-Month ("MoM") to close at 1,594.29 points in November 2024. The Index outperformed the MSCI Asia ex Japan Index, which declined 3.4% MoM in Malaysian Ringgit ("MYR") terms over the same period. Foreign investors remained net sellers of Malaysian equities amounting to MYR3.1 billion while local institutions remained net buyers amounting to MYR3.3 billion during the month. Bursa Malaysia's average daily transaction value ("ADTV") grew 6.5% MoM to MYR2.7 billion in November 2024. During the month, Sunway Bhd (+11.0%), YTL Power (+9.3%) and Petronas Dagangan (+9.0%) were the key gainers while key detractors were Mr DIY (-17.4%), Petronas Chemicals (-14.0%) and PBB Group (-6.0%). Sector wise, Healthcare (+5.3%), Plantation (+3.8%) and Utilities (+3.6%) were the key performers, while Telecom (-3.1%), Energy (-2.7%) and Industrial Production (-2.2%) were the key detractors. Key news during the month include Bank Negara Malaysia kept Overnight Policy Rate ("OPR") unchanged at 3.0%, Malaysia's Gross Domestic Product ("GDP") expanding by 5.3% Year-on-Year ("YoY") in the third quarter of 2024, Malaysia government announcing plans to implement a two-tier pricing mechanism for targeted RON95 petrol subsidy, Donald Trump being elected as the 47th president of the United States and the U.S Federal Reserve cutting its benchmark interest rate by 25 basis points to 4.5-4.75%.

The United States ("US") equity market rallied in November 2024 following Trump's election win, with expectations of interest rates staying higher for longer. MSCI Asia ex Japan fell 3.4% in US Dollar ("USD") terms in November 2024 as investors pricing in more pessimism from a Trump administration. China and Hong Kong market fell as US President-elect proposed additional tariff hikes on Chinese exports. Meanwhile, the National People's Congress (NPC) meeting announcement of a RMB6 trillion government debt swap was below expectations as investors were also hoping for additional property and consumption stimulus. Taiwan and Korea also fell on concerns over US-China trade tensions and uncertainty regarding potential sanctions or tariffs on semiconductor exports. India, a market relatively less affected by trade wars outperformed its regional peers. Singapore market also traded higher with DBS and UOB announced share buyback plans alongside the release of their 3Q24 results which excited the market. On the policy front, the Bank of Korea unexpectedly cut interest rate by 25 basis points in response to downward GDP growth pressure, while central banks in India, Indonesia, Malaysia, and Thailand held rates steady.

Market Outlook

We are cautiously optimistic about the equity market, though volatility is expected in the near term due to uncertainties around geopolitics, Trump's policies, and macroeconomic conditions. Investors are closely monitoring global tariff policies for signs of inflationary pressure and its impact on global growth. We also expect performance divergence between developed and emerging markets, including currencies, whilst maintaining a positive outlook for the US market, post US-election, due to pro-domestic growth policies. In Asia, geopolitical tensions and a strong dollar may weigh on Asian equities. Interest rate cut cycle in a non-recessionary environment is typically positive for equity markets and most currencies. The Chinese government continues to roll out fiscal stimulus, with a focus on supporting capital markets, consumer consumption and stabilising the property prices. Its outlook remains challenging structurally. For Malaysia equities, although 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 imperative for continuous GDP growth. 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 National Semiconductor Strategy ("NSS"), infrastructure projects rollout and the much-anticipated petrol 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 stimulus measures, and poor execution of domestic growth initiatives.

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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