



January 2025

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.

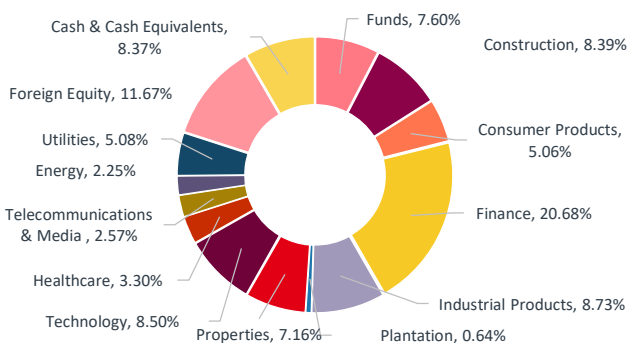
Fund Details

Unit NAV (31 January 2025)	: RM 1.69360
Fund Size (31 January 2025)	: RM 1,442.471 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

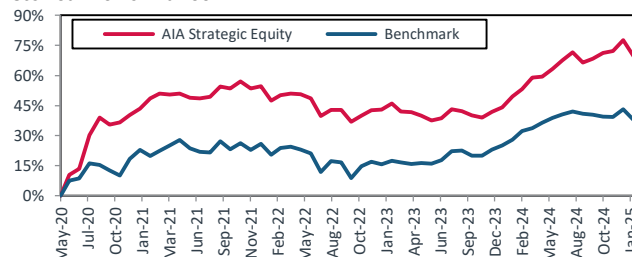
Top Holdings

1	MALAYAN BANKING BHD	6.73%
2	CIMB GROUP HOLDINGS BHD	6.06%
3	TENAGA NASIONAL BHD	5.08%
4	GAMUDA BHD	4.08%
5	AIA GLOBAL SELECT EQUITY FUND	3.40%

Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund ^A	-4.67%	-1.23%	13.20%	14.81%	N/A	69.36%
Benchmark ^A	-3.71%	-2.95%	7.69%	14.40%	N/A	37.78%
Excess	-0.97%	1.72%	5.52%	0.41%	N/A	31.58%

^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.

^B 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.

^C 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 5.2% Month-on-Month ("MoM") to close at 1,556.92 points in January 2025. The Index underperformed the MSCI Asia ex Japan Index, which rose by 0.3% 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 MYR1.2 billion during the month. Bursa Malaysia's average daily transaction value ("ADTV") grew 5.8% MoM to MYR2.7 billion in January 2025. During the month, Celcom Digi (+3.6%), Petronas Dagangan (+1.6%) and Maybank (+1.0%) were the key gainers while key detractors were YTL Power (-29.2%), YTL Corp (-28.5%) and Gamuda (-14.8%). Sector wise, REIT (+0.4%) and Energy (+0.1%) were the key performers, while Construction (-13.5%), Technology (-10.5%) and Utilities (-9.9%) were the key detractors. Major news during the month included Malaysia and Singapore formalising an agreement to establish the Johor-Singapore Special Economic Zone ("JS-SEZ") at their border and setting a target of 50 projects within five years, the Biden administration proposing new rules governing the export of advanced Artificial Intelligence ("AI") chips and technologies to about 120 countries, Bank Negara Malaysia keeping interest rates unchanged citing sustained growth and manageable inflation, and Gateway Development Alliance announcing that it had secured enough shares to delist and privatise Malaysia Airports Holdings.

The United States ("US") equity market ended higher in January 2025. While developments out of Washington dominated headlines this month, the US market continued to benefit from deregulations dynamics, corporate buybacks and some rate reprieve. The AI-growth narrative faced a setback as China's seemingly affordable DeepSeek AI model triggered a selloff in AI-related stocks. While initial shock was jarring, it does appear as though the cost savings were overblown and the breakthrough DeepSeek discovered are repeatable for other players which can still benefit from having a large compute advantage. Moving to the US Federal Reserve ("Fed"), the January 2025 Federal Open Market Committee ("FOMC") meeting resulted expectedly in no changes to the benchmark rates which remained at 4.25-4.50%. MSCI Asia ex Japan rose 0.62% MoM in US Dollar ("USD") terms in January 2025. China and Hong Kong market fluctuated on expectations regarding US-China relations and China's potential growth trajectory in 2025. The Trump administration's imposition of a 10% tariff on Chinese imports prompted concerns over potential retaliatory measures and their impact on China's export-driven economy. Enthusiasm surrounding advancements in artificial intelligences, especially related to China's AI company DeepSeek, contributed to a rally in the technology sector and offset some of the negative sentiment stemming from the US-China trade dispute. Korea and Taiwan closed higher amid holiday-shortened month. India saw broad declines amid weakening market sentiment, depreciating Indian Rupee ("INR") and domestic growth concerns.

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 USD 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 Deep Seek by the Chinese.



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