



December 2023

## MONTHLY FUND PERFORMANCE UPDATE AIA ASIA OPPORTUNITY FUND

### Investment Objective

AIA Asia Opportunity Fund aims to provide capital appreciation over the medium to long term by investing primarily in equities and equity related instruments in companies with significant business operations in the Asian excluding Japan region.

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

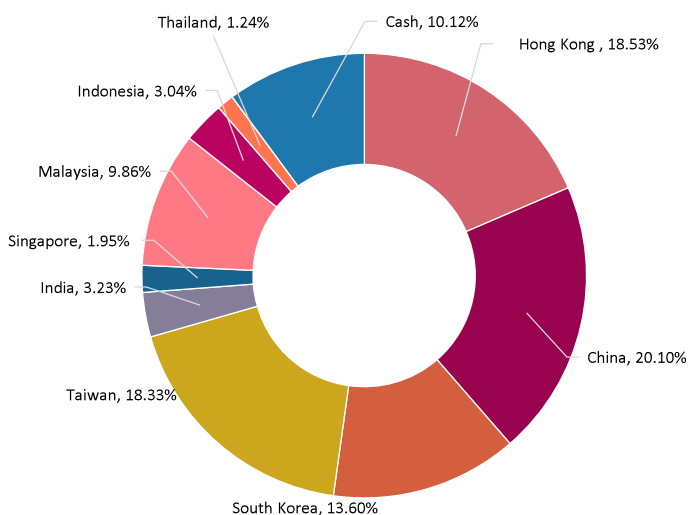
### Fund Details

|                             |                      |
|-----------------------------|----------------------|
| Unit NAV (31 Dec 2023)      | : RM 0.87024         |
| Fund Size (31 Dec 2023)     | : RM 220.493 million |
| Fund Currency               | : Ringgit Malaysia   |
| Fund Inception              | : 30 April 2009      |
| Offer Price at Inception    | : RM 0.50            |
| Fund Management Charge      | : 1.50% p.a.         |
| Investment Manager          | : AIA Bhd.           |
| Basis of Unit Valuation     | : Net Asset Value    |
| Frequency of Unit Valuation | : Daily              |

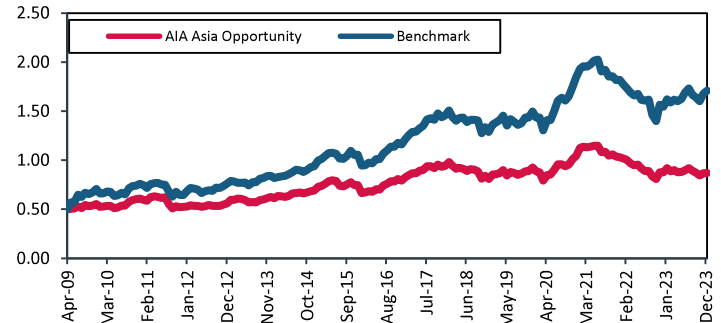
### Top Holdings

|   |                                    |       |
|---|------------------------------------|-------|
| 1 | Taiwan Semiconductor Manufacturing | 8.50% |
| 2 | iShares Core S&P BSE Sensex        | 6.33% |
| 3 | Tencent Holdings Ltd               | 6.27% |
| 4 | Samsung Electronics Co Ltd         | 5.44% |
| 5 | Alibaba Group Holding Ltd          | 4.52% |

### Geographical Allocation



### Historical Performance



| Cumulative Performance | 1-Mth  | 6-Mth  | 1-Year  | 3-Year  | 5-Year  | Since Inception |
|------------------------|--------|--------|---------|---------|---------|-----------------|
| Fund~                  | 0.33%  | -2.97% | -0.71%  | -16.50% | 7.58%   | 74.05%          |
| Benchmark*             | 2.08%  | 1.27%  | 10.55%  | -7.34%  | 32.83%  | 241.74%         |
| Excess                 | -1.75% | -4.25% | -11.26% | -9.17%  | -25.26% | -167.70%        |

~ 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.

\* 100% MSCI AC Asia ex Japan DTR Net Index (Source: Bloomberg)

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

### Market Review

Global equities continued to rally in December 2023 as the US Federal Reserve signalled that interest rate cuts may be on the way for 2024. The annual inflation rate in the US slowed to 3.1% in November 2023, while economic growth for Q3 was revised down to an annualised rate of 4.9% from the previous reading of 5.2%. Minutes from the Federal Open Market Committee ("FOMC")'s latest policy meeting showed policymakers expect rates to end next year at 4.5%-4.75%, down from the current 5.25%-5.5% range. All markets in the MSCI Asia ex Japan Index ended the month in positive territory apart from China, whereas shares fell due to investor concerns over surprise draft gaming regulation and weaker economic growth. India, South Korea, and Singapore were the strongest performing markets, while gains in Malaysia, Thailand and Indonesia were modest.

### Market Outlook

We are cautiously optimistic of the equity market in the near term. We believe that US interest rates may have peaked but developed markets equity valuation has yet to fully reflect the soft landing or mild recession (if any) in the US and Euro land. Investors are now watching the macro data closely to the timing of a possible rate cut going forward. Over in Asia, China's policy easing is gaining momentum given the earlier-than-expected policy rate cut, less restrictions on house ownership policy, and efforts to revitalize the capital market and stabilize foreign trade and investment. Downside risks to the market could stem from a hard landing US recession, worsening geopolitical tension, and weak China's economy.