



September 2024

## 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.

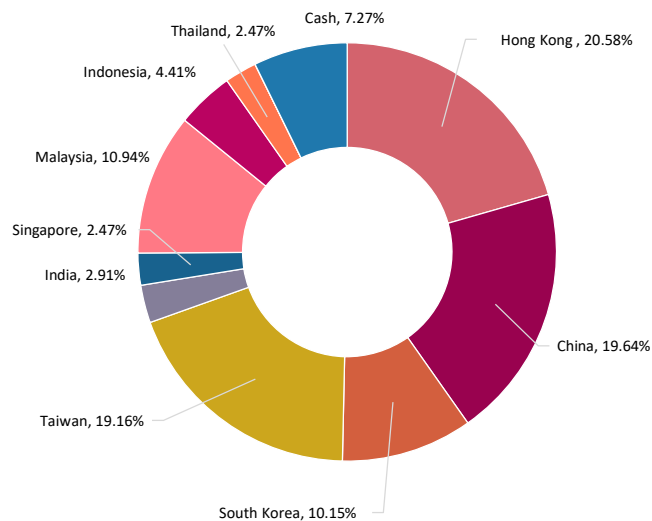
### Fund Details

Unit NAV (30 September 2024)	: RM 0.95605
Fund Size (30 September 2024)	: RM 264.326 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

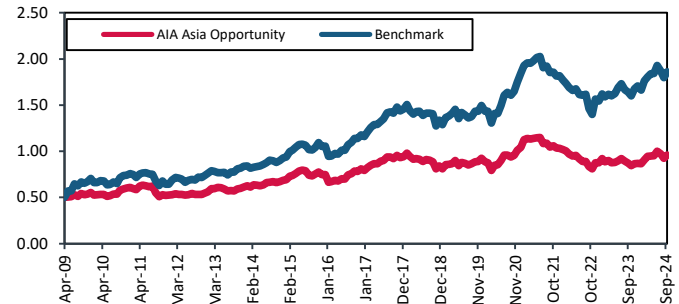
### Top Holdings

1	Taiwan Semiconductor Manufacturing	9.13%
2	Tencent Holdings Ltd	7.30%
3	iShares Core Sensex India ETF	5.52%
4	Alibaba Group Holding Ltd	5.02%
5	Samsung Electronics Co Ltd	3.63%

### Geographical Allocation



### Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	3.42%	1.05%	9.68%	-8.46%	10.66%	91.21%
Benchmark*	3.44%	3.11%	13.24%	0.34%	35.03%	271.56%
Excess	-0.02%	-2.05%	-3.57%	-8.80%	-24.36%	-180.35%

~ 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

The United States ("US") equity market closed higher in September 2024. Investors gained confidence when the US Federal Reserve ("Fed") lowered rates by 50 basis points in September 2024, a decrease that exceeded earlier expectations. US economic data were mixed, with the Consumer Price Index trending lower while payroll data remained strong and jobless claims stabilized. US corporates reported annual earnings growth of 11%, their best figure since the fourth quarter of 2021. MSCI Asia ex Japan rose 8.19% month-of-month ("MoM") in USD terms in September 2024. China surprised investors with aggressive fiscal and monetary stimulus package in September 2024 designed to lift economic growth to its 5.0% target. This boosted investor sentiment and the China and Hong Kong market rose more than 23% and 15% respectively in September 2024. Another year-to-date laggard, Thailand market rose 12% on a strengthening currency and the new government's stimulus progress. Worst performing market was Korea as Samsung Electronics shares fell to March 2023 levels on weaker-than-expected memory recovery. Taiwan market was rather muted in September 2024 given concerns over a slowdown in global technology demand, particularly related to iPhone supply chains.

### Market Outlook

We are cautiously optimistic of the equity market in the near term. Volatility is 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 extent 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, the government is rolling out fiscal stimulus, with a focus on supporting capital markets, consumer consumption and stabilizing the property prices. Its outlook remains challenging structurally. However, China's monetary and fiscal support is gaining momentum given room for monetary easing, and increasingly more commitment to reflate the economy. 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 stimulus measures and poor execution of domestic growth initiatives.