



Jul 2023

MONTHLY FUND PERFORMANCE UPDATE AIA ASIA PLATINUM FUND

Investment Objective

By investing in equity and equity-related securities of companies in three regional markets i.e. Greater China, India and Japan, this Fund is aimed at providing long-term capital growth. From time to time, this Fund may invest in global Emerging Markets' securities in times of adverse investment climate in any of these three regional markets. The investment in global Emerging Markets will be allocated across markets which include but are not limited to Central & Eastern Europe, Southeast Asia, Latin America and Africa.

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

Fund Details

Unit NAV (31 Jul 2023)	: RM 1.39804
Fund Size (31 Jul 2023)	: RM 774.430 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 29 May 2006
Offer Price at Inception	: RM 0.50
Fund Management Charge	: 1.50% p.a.
Investment Manager	: AIA Bhd.
Fund Type	: Fund-of-Funds
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

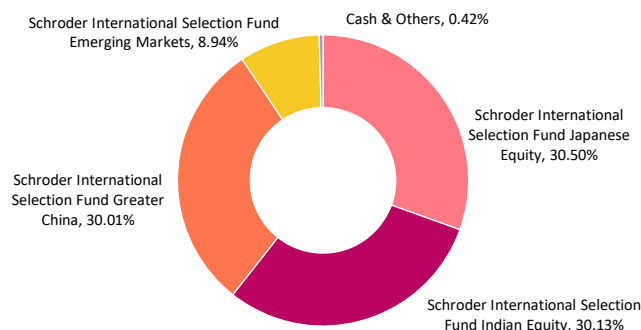
Underlying Fund Details

Name	: Schroder International Selection Fund Indian Equity Schroder International Selection Fund Japanese Equity Schroder International Selection Fund Greater China Schroder International Selection Fund Emerging Markets
Investment Manager	: Schroder International

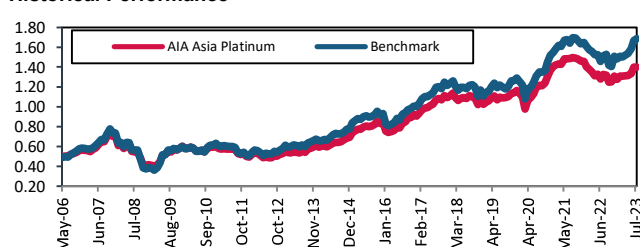
Top Fund Holdings

1	Schroder International Selection Fund Japanese Equity	30.50%
2	Schroder International Selection Fund Indian Equity	30.13%
3	Schroder International Selection Fund Greater China	30.01%
4	Schroder International Selection Fund Emerging Markets	8.94%

Fund Allocation



Historical Performance



Historical Performance (cont'd)

Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	-0.06%	6.60%	5.44%	16.59%	25.73%	179.61%
Benchmark*	0.98%	11.67%	11.29%	28.67%	38.52%	237.11%
Excess	-1.04%	-5.07%	-5.85%	-12.08%	-12.79%	-57.50%

~ 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.

* 30% MSCI AC Golden Dragon DTR Net + 30% MSCI India DTR Net + 30% Tokyo Stock Exchange First Section TR Index + 10% MSCI Emerging Market DTR Net (Source: Bloomberg)

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

Market Review

Chinese equities rallied strongly and outperformed other emerging and developed world markets in July 2023. They were supported by the government's announcement that it was resolved to shore up the country's flagging economy with new consumption initiatives. The Hong Kong and Taiwan markets also rose, but underperformed mainland Chinese equities.

The Japanese equity market continued to rise modestly in July 2023 with the TOPIX Total Return index up by 1.5% in local terms. The market was driven by mid and small cap stocks, which had lagged during the June 2023 rally, and that trend resulted in a weaker return from the Nikkei 225 which was slightly down by -0.1%. For the most of period during July 2023, the market moved sideways and waited for quarterly earnings results and the Bank of Japan ("BOJ") policy meeting. While BOJ Governor Kazuo Ueda took moderate action by tweaking the current so-called Yield Curve Control ("YCC") policy on 28 July 2023, its impact on the market, including currency, was limited.

MSCI India delivered 3.0% return for the month buoyed by the continued strong inflows from foreign and domestic investors. The foreign investors have bought almost US\$15bn worth of Indian equities this calendar year after outflows of US\$16.5bn in 2022. All sectors except consumer staples delivered positive returns with domestic oriented sectors like utilities, real estate and industrials leading the pack along with energy and healthcare sectors.

Emerging market (EM) equities rallied in July 2023, outperforming developed markets ("DM"), as the Chinese authorities indicated further economic support for the real estate sector and household consumption. Stronger commodity prices were also beneficial for some EMs.

Market Outlook

Business activity in China rebounded in early 2023 amid multiple policy pivots. However, the easy part of the post-Covid economic recovery appears to be over, as economic data softened in the second quarter despite a low comparison base. In addition to the dimmer fundamental outlook, Chinese equity markets were also depressed by the slowdown in developed market ("DM") growth, ongoing US-China tensions, and the local-government financing vehicles ("LGFV") debt issue.

Nevertheless, these macroeconomic risks seem priced in, as market valuations have now pulled back below long-term average levels and are at a steep discount to global equities. We believe a renewed rally in China's stock markets is possible as it is still early in the recovery cycle. Additionally, we remain optimistic that consumption, and hence corporate profitability, can continue to improve as business picks up. More policy support following the recent Politburo meeting will also be very helpful in reviving the economic recovery.

In India, given the potential risk of global economic slowdown, portfolio positioning remains in favour of domestic oriented companies with Fund maintaining its largest overweight position in the Financial sector. Fund continues to maintain an underweight position in global cyclical sectors like Commodities and IT services. The other overweight sectors for the Fund are in the areas of domestic investment, defence, utilities and healthcare related sectors.

Indian companies in the Nifty index reported 11% earnings growth in financial year ending ("FYE") March 2023 which was largely in line with expectation. Consensus expects 14% earnings growth for FYE 2024 (March 2024) which appears reasonable. Nifty Index after recent gains is trading at price/book ratio of 3.1x and a P/E multiple of 20x based on FYE 2024, higher than the historic averages. Foreign liquidity is rotating back into India supported by long term structural growth outlook for investment and consumption growth. We will be using periods of market weakness for entry opportunities in select areas of domestic economy.

Japan's macro outlook has been supported by positive outcomes of various economic measures including wage growth, business sentiment, and capex projections. While risk of US and global recession remains, domestic demands are expected to boost the Japanese economy. Inbound tourism are also on the track of recovery and consumptions by tourists are sharply picking up. This all provides solid base for earnings growth of domestic oriented companies.

Aggregate EM valuations remain somewhat mixed. On a price-earnings basis, EMs are slightly above the historical mean (since 1995). The price-book ratio is close to the historical mean, while on a dividend yield basis EMs look cheap. Growth stocks overall continue to be rich, and Value's discount to Growth is towards the top of its long-term range. EM yields and currencies are broadly at attractive levels.



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