AIA Bhd. 200701032867 (790895-D)

Aug 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, South East Asia, Latin America and Africa.

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

Fund Details

Unit NAV (31 Aug 2023)	:	RM 1.38257
Fund Size (31 Aug 2023)	:	RM 770.937 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

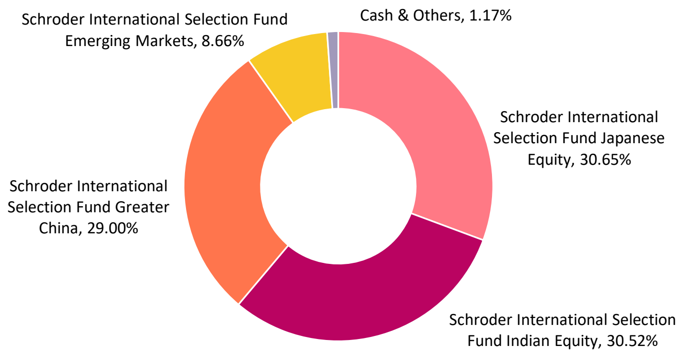
Underlying Fund Details

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

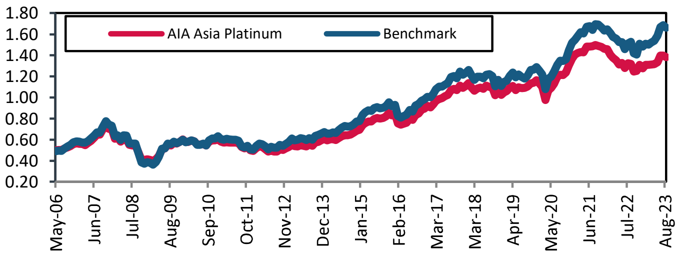
Top Fund Holdings

1	Schroder International Selection Fund Japanese Equity	30.65%
2	Schroder International Selection Fund Indian Equity	30.52%
3	Schroder International Selection Fund Greater China	29.00%
4	Schroder International Selection Fund Emerging Markets	8.66%

Fund Allocation



Historical Performance



Historical Performance *(cont'd)*

Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	-1.11%	5.58%	4.75%	13.67%	25.46%	176.51%
Benchmark*	-1.28%	10.73%	8.87%	23.21%	36.25%	232.78%
Excess	0.17%	-5.15%	-4.12%	-9.54%	-10.79%	-56.27%

~ 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 and Hong Kong equities experienced sharp declines in August 2023 and underperformed both developed and emerging markets in aggregate. This was largely due to ongoing weakness in the Chinese economy and concerns about the property sector. Taiwan declined, but outperformed China and Hong Kong, as it benefited from strong export growth in July 2023, driven by technology products.

The Japanese equity market saw a slight increase with the TOPIX Total Return index going up by only 0.4% in local terms. However, the Nikkei 225 went down by 1.7%, indicating weakness in large cap growth stocks. The Bank of Japan's policy adjustment at the end of July 2023 caused a modest rise in Japanese Government Bond yield, which led to the market selling off large cap growth stocks. On the other hand, thanks to the increasing expectation of inbound tourism, domestic-oriented stocks in the mid and small cap space performed well. The Japanese yen ("JPY") continued to weaken, staying around the level of 147 against the US dollar ("USD"). However, there was also speculation in the market about currency market intervention by the Japanese government, which prevented the market from moving to its extreme level.

MSCI India declined by 2% for the month while outperforming the regional market, with small and mid-cap outperforming the large cap segment of the market. All sectors except technology, consumer discretionary and industrials ended the month in the negative territory. Foreign investor flows continued to be positive but have slowed from the previous month.

Emerging market ("EM") equities fell sharply in August 2023 against a backdrop of deteriorating risk sentiment. Much of this was related to concerns that the strength in the US economy will keep interest rates higher for longer. Ongoing weakness in the Chinese economy and concerns about the property sector also contributed. EMs underperformed global equities, with nearly all markets posting declines in the month.

Market Outlook

Ongoing US-China tensions and the local government debt issues also remain a serious overhang to the market. Faced with the weak outlook, international investors have reduced or sold positions in local markets. Nevertheless, these macroeconomic risks seem to be well discounted, as share prices in China are close to levels seen last year at the height of Covid restrictions, when the outlook was far more uncertain. Given this mismatch in valuations against fundamentals and the current low investor expectations, the Underlying Manager continues to see attractive opportunities on a bottom-up basis. Despite the structural headwinds in China, the Underlying Manager still believes there is room for the authorities to surprise positively with well-coordinated policy support for the economy. The Underlying Manager also expects the better-managed businesses with stronger franchises to deliver growth despite softer economic trends. In Taiwan, the market has delivered strong returns recently on optimism about the technology cycle bottoming out and enthusiasm over the AI theme. Despite the Underlying Manager's constructive view on the Taiwanese semiconductor sector in the medium-to-long term, the Underlying Manager believes the market may have overdelivered and could consolidate as valuations are highly elevated.

The Japanese equity market has remained strong despite some summer breaks and has weathered a couple of key events without disruption. Corporate earnings also remain solid, with a positive revision index. The Underlying Manager is expecting an increase in earnings from current estimates for this fiscal year, and this may become more apparent in the coming weeks upon the end of September 2023, which marks the end of the first half of the Japanese fiscal year.

The market valuation looks fair with a 14x Price-to-Earnings ("P/E") ratio, and the Underlying Manager is expecting an increase in earnings growth. However, the Underlying Manager will be able to see an expansion in valuation as well if the market sentiment towards Japan continues to improve.

Portfolio positioning remains in favour of domestic oriented companies in India with the Fund maintaining its largest overweight position in the financial sector. The other overweight sectors for the Fund are in the areas of domestic investment, defence, utilities, select autos and healthcare related sectors. The Fund continues to maintain an underweight position in global cyclical sectors like Commodities and IT services given the weak global economic outlook.

Consensus expectation are for 13-15% earnings growth for Financial Year ("FY") ending March 2024 as well as FY2025, which appears reasonable. Nifty Index after recent gains is trading at price/book ratio of 3.3x and a P/E multiple of 21x based on FY2024, higher than the historic averages. Foreign liquidity has rotated back into India, supported by long term structural growth outlook for investment and consumption growth. The Underlying Manager will be using periods of market weakness for entry opportunities in select areas of domestic economy.

For emerging markets, the outlook for global growth has seen a relative improvement in recent months. However, the lagged impact of monetary policy tightening from major global central banks continues to feed through. Headline inflation is falling across most developed markets, but the uncertainty around growth outcomes.

The faltering recovery in China's economy is beginning to cast a shadow on the outlook. Additionally, stresses in the real estate sector appear to be growing again. A run of soft activity indicators since April is now stoking deflationary concerns. The Underlying Manager continues to expect moderate and targeted support measures from the authorities, rather than a major stimulus programme. The environment of weak global trade remains a drag on the growth for the most cyclical and export-oriented EM economies. More positively, inflation continues to fall across most EMs, with the exception of Egypt and Turkey, enabling central banks to begin to loosen monetary policy from elevated levels.

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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