



October 2024

## 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 October 2024)	: RM 1.46398
Fund Size (31 October 2024)	: RM 877.804 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

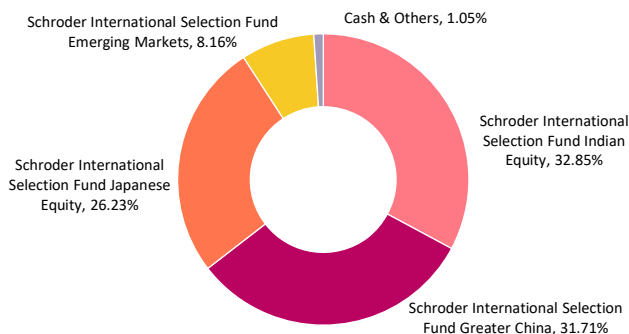
### Underlying Fund Details

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

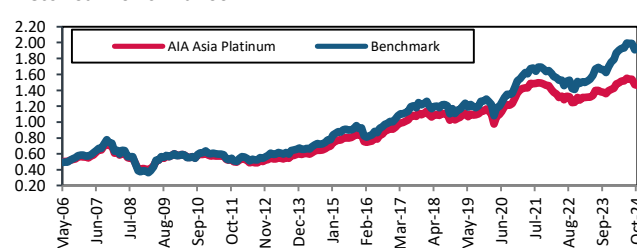
### Top Fund Holdings

1	Schroder International Selection Fund Indian Equity	32.85%
2	Schroder International Selection Fund Greater China	31.71%
3	Schroder International Selection Fund Japanese Equity	26.23%
4	Schroder International Selection Fund Emerging	8.16%

### Fund Allocation



### Historical Performance



### Historical Performance (cont'd)

Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	-0.55%	-3.39%	7.90%	-1.03%	29.21%	192.80%
Benchmark*	0.91%	0.18%	18.75%	15.83%	53.02%	285.85%
Excess	-1.46%	-3.57%	-10.85%	-16.86%	-23.82%	-93.05%

~ 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 consolidated in October 2024 after the sharp rally last month, as the latest policies from the authorities appeared to prioritize risk mitigation overgrowth stimulation, which disappointed the market. Investors also appeared to price in rising odds of a Donald Trump presidential victory and the expected resulting higher tariffs against Chinese exports. Taiwan produced a positive return and outperformed the benchmark, owing to continued strength in the technology sector.

MSCI India registered a decline of -8.3% in October 2024, and performance lagged relative to the region. In terms of sector performance, all sectors fell with energy and consumer-related leading the decline, while health care, financials and technology saw less decline. Foreign investors rotated to sell with around USD 12.0 billion net outflow.

The Japanese equity market continued to experience higher volatility but rebounded to generate a positive return of 1.9% for TOPIX Total Return index in yen terms. The Nikkei 225 rose more strongly, by 3.1%, indicating that the market's rise was primarily driven by large cap stocks. The weakness of the yen supported large cap exporters such as technology, autos, and machinery stocks. Financial stocks also rebounded after a setback in the summer.

Recent political turmoil in Japan had both positive and negative impacts on financial markets. Initially, the market reacted negatively to the news that Mr. Ishiba had unexpectedly won the leadership election of the Liberal Democratic Party ("LDP"), the ruling party. Ishiba immediately called a snap election upon his appointment as prime minister, raising concerns about further instability of the Japanese political situation. The LDP and its coalition lost their majority in the general election held on 27 October 2024. However, this news had already been priced in before the election. The market regained momentum toward the end of the month, anticipating an expansionary policy direction because of the general election while Ishiba's administration will remain in place.

### Market Outlook

Apart from concerns about economic stimulus and a Trump presidency, investors were also nervous ahead of the National People's Congress standing committee meeting in November 2024, hoping for greater policy clarity from the meeting. In addition, the latest Federal Open Market Committee meeting coincides with the US election in early November 2024. Clearly, investors are reluctant to take a bet at this juncture as the near-term path and sustainability of the market recovery could be very different depending on the outcomes of these major events.

Nevertheless, we still see solid downside protection at the current level. Valuations for Chinese stocks remain reasonable despite the recent recovery. Additionally, the improved demand/supply dynamics, thanks to more share buybacks, the central bank's additional funding for investors and investors' light positioning are supportive factors.

In India, Consensus expects Nifty Index earnings to grow 5% in FY25 (March'25) pulled down by muted earnings growth for banks and consumer staples. Consensus expects earnings growth to normalize to 15% next year. Nifty Index is trading at price-to-book ("P/B") ratio of 3.5x and a price-to-earnings ("P/E") multiple of 21x based on forward earnings (FY26) which are above historical averages. Expectation of stimulus driven economic recovery in China has led to significant foreign outflows in October 2024. However, flows into domestic funds continue to remain strong. We remain constructive on the market overall and will be using periods of market weakness for entry opportunities in select areas of domestic economy.

We maintain a positive outlook on Japanese equities; however, we must brace ourselves for increased volatility moving forward, particularly due to the unpredictability surrounding President Trump. The short-term reaction appears favorable for equity markets globally, but we are uncertain about the sustainability of this trend. The instability in Japan's political situation also weighs on investor sentiment toward Japanese equities.

The key takeaway is that the Trump administration is likely to adopt a pro-business and pro-market stance while taking a tough approach to trade and immigration. Fiscal policy is expected to become expansionary, a trend that may also be mirrored in Japan following its recent political turmoil. Additionally, inflation levels in both the US and Japan are likely to remain elevated. We think Japan is relatively well positioned during the Trump era.



### 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](http://www.lipperleaders.com)