December 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 December 2024)	:	RM 1.48493
Fund Size (31 December 2024)	:	RM 897.572 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

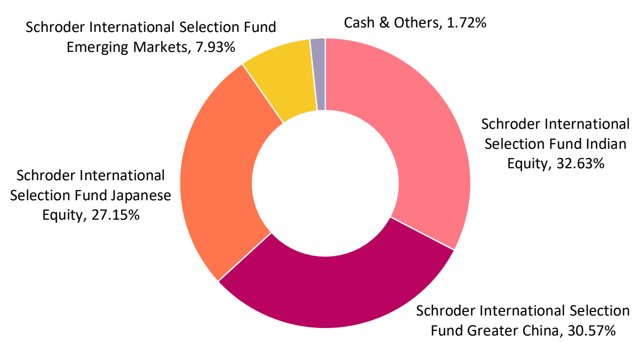
Underlying Fund Details

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

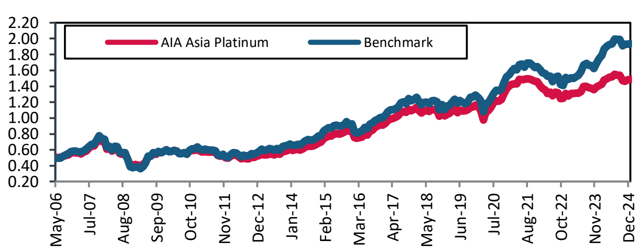
Top Fund Holdings

1	Schroder International Selection Fund Indian Equity	32.63%
2	Schroder International Selection Fund Greater China	30.57%
3	Schroder International Selection Fund Japanese Equity	27.15%
4	Schroder International Selection Fund Emerging	7.93%

Fund Allocation



Historical Performance



Historical Performance *(cont'd)*

Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	0.12%	-4.35%	5.33%	1.71%	27.48%	196.99%
Benchmark*	0.43%	-2.92%	10.72%	17.53%	50.19%	287.32%
Excess	-0.31%	-1.43%	-5.39%	-15.82%	-22.71%	-90.33%

~ 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 fell over the quarter. Donald Trump's US presidential election victory in November 2024 acted as a headwind. Share prices weakened in the face of investor concerns about the impact of Trump's intended tariffs, particularly on China. The US Federal Reserve ("Fed") cut interest rates by 25 basis points ("bps") at its December 2024 meeting but indicated that ongoing persistent inflation may mean there are fewer cuts in 2025 than previously anticipated. The US Dollar ("USD") and US bond yields rallied, creating further pressure on Chinese markets.

MSCI India registered a decline in December 2024, and performance lagged relative to the broader Asian region. In terms of sector performance, health care and technology recorded fewer negative returns, while energy and utilities lagged. Net foreign investors flow turned positive in December 2024 but saw USD 11.9 billion net outflow.

The Japanese equity market gained momentum in December 2024, generating a return of 4.0% for the TOPIX Total Return in Japanese Yen ("JPY") terms. The strength of the US market, along with the weakness of the JPY against the USD, supported the Japanese market, particularly benefiting large-cap exporters. Toyota Motor, Japan's largest company by market capitalization, indicated a mid-term target of 20% Return on Equity ("ROE"), and news of a merger between two major car manufacturers, Honda and Nissan, also boosted auto stocks. Another significant corporate action was Nidec's hostile or unsolicited takeover bid for the mid-cap machinery company, Makino Milling Machine. These developments are energizing the push towards industry consolidation in Japan. The rally driven by large-cap stocks suggested that global investors' appetite for Japanese shares has gradually improved, largely influenced by the strong US market and economy. The implications of a "Trump 2.0" presidency remain uncertain; however, the market appeared reasonably well-prepared for the new regime. At the very least, the robust US economy and strong USD have provided support to corporate profits for Japanese companies. The Bank of Japan ("BOJ") decided not to raise interest rates at its December 2024 policy meeting, with BOJ Governor Ueda adopting a less hawkish stance compared to his speech in July.

Emerging market ("EM") equities fell in USD terms in December 2024 in the face of a stronger USD and higher US bond yields.

Brazilian shares were the weakest among EM as the local currency fell amid rising concerns over the country's fiscal outlook. South Korea posted losses on the back of political instability after President Yoon Suk Yeol was impeached following his imposition of martial law early in the month. India and South Africa delivered negative returns and lagged the index.

Market Outlook

Looking ahead for China, the return of Trump is likely to bring about greater uncertainty to emerging markets, given tariff threats, higher inflation risks and likely upward pressure on the USD and interest rates. On the flip side, Underlying Manager expects the heightened geopolitical tensions to help accelerate localization and improve self-sufficiency in China, which should lead to new investment opportunities. Domestically, Underlying Manager continues to look for more effective fiscal policy support from the authorities to enhance macroeconomic fundamental improvements. Specifically, domestic consumption and investment demand must pick up, and the property market will need to stabilize, for the economy to bottom out. Longer-term, effective structural reform and economic restructuring are needed for the China market to shake off its prolonged weakness.

In India, consensus expects Nifty Index earnings to grow 5% in FY25 (ending March'25), pulled down by muted earnings growth for banks and consumer staples. Next year, consensus expects Nifty earnings growth to normalize back to 15% trajectory. Nifty index is trading at a Price-to Book ("P/B") ratio of 3.1x and a Price-to-Earnings ("P/E") multiple of 20x based on FY26 earnings, which are above historical average. Slowdown in economic momentum, weaker-than-expected earnings, and expectations of stimulus in China has led to significant foreign outflows of close to USD 12 billion in Q4 2024. However, flows into domestic funds continue to remain strong, and have helped mitigate the impact of foreign selling on markets. Overall, Underlying Manager remains constructive on the market and will be using periods of market weakness for entry opportunities in select areas of domestic economy.

After concluding a record year in 2024 with a strong return of 20% for the TOPIX Total Return in JPY terms, the Japanese equity market has begun 2025 in a somewhat lackluster state mainly due to lack of catalysts or news flow. The JPY remains weak against the USD, which should continue to support Japanese corporate earnings. Japanese companies are set to announce their earnings for the October-December 2024 quarter in late January and February 2025, and these results are expected to remain solid. The ongoing improvement in domestic demand, particularly in consumption, also supports the earnings of domestic-oriented sectors. However, cost increases appear to have accelerated, and some companies are struggling to maintain or improve their margins.

Donald Trump's fiscal policies may be supportive of US growth in the short term and, consequently, positive for the rest of the world, including EM. The technology cycle is also providing support for EM and, although now advanced, it should continue to improve into 2025, driven by ongoing AI-related demand. However, Trump's policies may put upward pressure on domestic inflation, affecting US monetary policy, the yield curve and the USD in ways likely to be broadly unhelpful for EM. The potential for a broad-based application of tariffs on imports to the US, with a particularly significant rise in tariffs on China, is the most notable risk for EM. However, Underlying Manager expects a more nuanced and asymmetric approach to tariff application than suggested by Trump's rhetoric.

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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