



October 2024

MONTHLY FUND PERFORMANCE UPDATE AIA DANA BON

Investment Objective

The primary goal of this Fund is to provide a steady stream of income returns through investments in Islamic fixed income securities and Islamic money market instruments. The secondary goal of the Fund is to provide medium to long-term capital appreciation whilst preserving the capital invested.

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

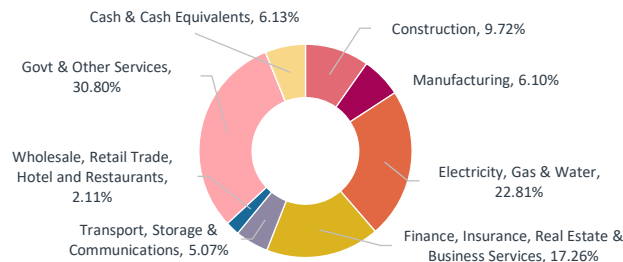
Fund Details

Unit NAV (31 October 2024)	: RM 0.99658
Fund Size (31 October 2024)	: RM 322.738 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 22 July 2008
Offer Price at Inception	: RM0.50
Fund Management Charge	: 0.50% p.a.
Investment Manager	: AIA Bhd.
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

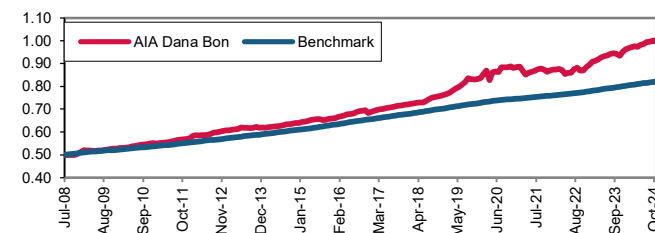
Top Holdings

1	MALAYSIA GOVERNMENT SECURITIES	27.90%
2	TNB POWER GENERATION SDN BHD	6.77%
3	YINSON HOLDINGS BHD	6.25%
4	DANAINFRA NASIONAL BHD	5.41%
5	AMANAT LEBUHRAYA RAKYAT BHD	4.23%

Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund ^a	-0.41%	2.35%	6.61%	15.36%	20.14%	99.32%
Benchmark ^a	0.23%	1.39%	2.86%	8.34%	13.40%	64.22%
Excess	-0.64%	0.97%	3.75%	7.02%	6.75%	35.10%

^a 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.

^a 12-month Maybank General Investment Account (Islamic) Tier 1 Rate (Source: Maybank)

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

Market Review

Government Investment Issues ("GII") yields surged in October 2024, tracking the move in US treasury ("UST") yields. Stronger-than-expected US economics and labour market data, as well as hawkish comments from US Federal Reserve ("Fed") chairman Jerome Powell at the start of the month led to some repricing of Fed rate cut expectations. The market then shifted focus from US economic data to the increasing odds of not just a Trump presidency, but also a Republican sweep of the Congress in the upcoming US election. This led to another round of sell-off in UST on concerns of higher fiscal deficit and reduced scope of US rate cuts going forward due to the likelihood of inflationary pressures from the imposition of tariffs and reduction in taxes, among others. The US dollar index ("DXY") hit 103.98 from 100.78 at end September 2024, while the Malaysia Ringgit ("MYR") depreciated 6.2% against the US Dollar ("USD") to close at 4.3780. GII levels as at end October 2024 were: 3Y at 3.45% (+13 bps), 5Y at 3.65% (+15 bps), 7Y at 3.91% (+22 bps), 10Y at 3.95% (+20 bps), 15Y at 4.02% (+11 bps), 20Y at 4.17% (+12 bps) and 30Y at 4.20% (+1 bps).

Fixed income foreign flows registered a net inflow of MYR1.0 billion in September 2024 (August 2024: MYR9.0 billion), bringing Year-to-Date ("YTD") net foreign inflows to MYR18.7 billion. Foreign holdings in Malaysian Government Securities ("MGS") and GII dipped slightly to 22.6% in Sep 2024 (Aug 2024: 22.7%).

There were 2 government securities auctions during the month: The 10Y GII 11/34 reopening auction with a tender size of MYR4.5 billion drew a BTC ratio of 1.602x at an average yield of 3.832% and 7Y MGII 10/31 reopening auction with a tender size of MYR5 billion drew a BTC of 1.997x at an average yield of 3.914%.

On the economic data front, Malaysia's foreign reserves increased to USD119.6 billion as of 15 October 2024 (30 September 2024: USD119.7 billion). The reserves are sufficient to finance 4.8 months of retained imports and 0.9x of short-term external debt. Malaysia's September 2024 headline inflation moderated to 1.8% Year-on-Year ("YoY") (August 2024: +1.9% YoY), tempered by cheaper transportation, personal items, alcoholic beverages & tobacco products, information & communication equipment, and household equipment amid stable food prices. On trade data, September 2024 exports contracted 0.3% YoY (August 2024: +12.1% YoY) while imports grew 10.9% YoY (August 2024: +26.2% YoY). The contraction in exports was led by declines in the Manufacturing and Mining sectors, while the growth in imports was led by increases across intermediate, capital and consumption goods. Trade surplus widened to MYR13.2 billion (August 2024: MYR5.7 billion). Malaysia's Industrial Production for August 2024 grew 4.1% YoY (July 24: +5.3% YoY). The moderation was driven by a growth slowdown in the manufacturing sector to 6.5% YoY (July 24: +7.7% YoY) and electricity sector to 4.1% YoY (July 24: +7.0% YoY). The output of the mining sector declined by 6.4% YoY in August 2024 (July 24: -5.0% YoY) on the back of a decrease in natural gas and crude oil & condensate productions. 3Q24 advanced Gross Domestic Product ("GDP") growth was 5.3% YoY. The slower estimated growth compared to 2Q24's 5.9% growth was due to a more modest expansion in the services and agriculture sectors and weaker mining sector.

On the primary corporate sukuk space, notable issuances included MYR700 million YTL Power iMTN, MYR600 million UEM Olive iMTN and MYR500 million Imliaz II iMTN. On rating actions, RAM placed Sepang Bay Power's MYR575 million sukuk rating of AA1 on Rating Watch with a negative outlook. Separately, MARC downgraded Tan Chong Motor's iMTN rating to AIS from A+IS with a negative rating outlook. The rating action reflected the negative impact on Tan Chong Motor's credit profile from declining vehicle sales over the years.

Market Outlook

Although recent US economic data releases have surprised on the upside, the trend for a moderation in inflation and a softening in the labour market remains intact. As the Fed finally embarked on an easing cycle, Fed Chair Powell has signalled that the outsized move is a recalibration to preserve the currently strong labour market from downside risk and a commitment not to fall behind the curve. We maintain our view that market volatility would persist as the Fed and the market would remain reactive to data releases and developments in key geopolitical events, central banks' monetary policy decisions as well as implications from a Trump presidency.



Lipper Leader Fund for:

1. Total Return
2. Consistent Return

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

This document is for informational use only. Investments are subject to investment risks including the possible loss of the principal amount invested. The value of the units may fall as well as rise. Past performance of the fund is not an indication of its future performance. This is not a pure investment product such as unit trust and please evaluate the options carefully and satisfy that the Investment-Linked Insurance / Takaful plan chosen meets your risk appetite. Please refer to the Fund Fact Sheet for more information about the fund.