



December 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.

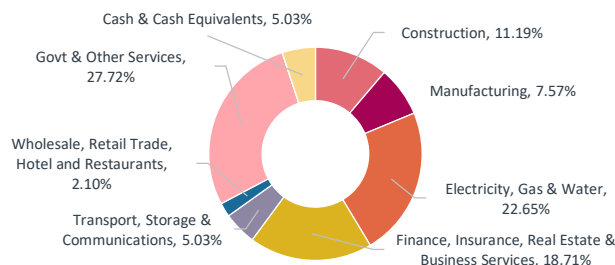
### Fund Details

|                              |                      |
|------------------------------|----------------------|
| Unit NAV (31 December 2024)  | : RM 1.00497         |
| Fund Size (31 December 2024) | : RM 325.577 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              |

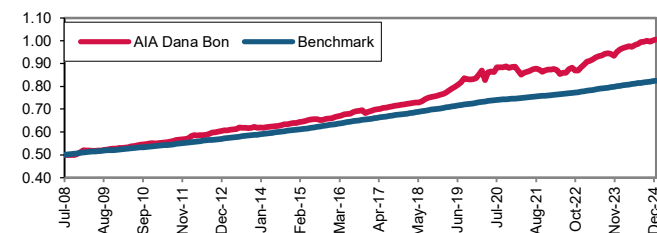
### Top Holdings

|   |                                |        |
|---|--------------------------------|--------|
| 1 | MALAYSIA GOVERNMENT SECURITIES | 24.85% |
| 2 | TNB POWER GENERATION SDN BHD   | 6.74%  |
| 3 | YINSON HOLDINGS BHD            | 6.19%  |
| 4 | DANAINFRA NASIONAL BHD         | 5.43%  |
| 5 | AMANAT LEBUHRAYA RAKYAT BHD    | 4.16%  |

### Sector Allocation



### Historical Performance



| Cumulative Performance | 1-Mth | 6-Mth | 1-Year | 3-Year | 5-Year | Since Inception |
|------------------------|-------|-------|--------|--------|--------|-----------------|
| Fund <sup>a</sup>      | 0.34% | 1.92% | 4.41%  | 15.03% | 20.36% | 100.99%         |
| Benchmark <sup>a</sup> | 0.23% | 1.37% | 2.81%  | 8.46%  | 13.26% | 64.95%          |
| Excess                 | 0.11% | 0.55% | 1.60%  | 6.57%  | 7.09%  | 36.05%          |

<sup>a</sup> 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.

<sup>\*</sup> 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 Issue ("GII") yields traded mixed in the last month of the year as the 3-month KLIBOR climbed 11 basis points ("bps") higher to 3.73% due to year end seasonality effects. As broadly expected, the US Federal Open Market Committee ("FOMC") voted to cut the federal funds target range by 25 bps to 4.25% to 4.50%. US Federal Reserve ("Fed") chairman Jerome Powell's speech leaned towards a hawkish tilt and said that the policy is now entering a new phase where the committee will move more cautiously. The FOMC's summary of economic projections has projected the median 2025 dot plot of only two cuts instead of the four cuts expected in the previous projections in September 2024. On the local side, Bank Negara Malaysia ("BNM") announced unusual changes to this year's auction calendar with the 10Y Malaysian Government Securities ("MGS") reopening has been rescheduled to December 2024 from November 2024, and the 3Y GII auction previously set for December 2024 were cancelled. On the currency front, Malaysia Ringgit ("MYR") weakened against the US Dollar ("USD") by 0.56% to end the year at MYR4.4722. GII levels as at end December 2024 were: 3Y at 3.34% (-2 bps), 5Y at 3.57% (3 bps), 7Y at 3.74% (-2 bps), 10Y at 3.83% (2 bps), 15Y at 3.98% (2 bps), 20Y at 4.08% (-) and 30Y at 4.19% (-).

Fixed income foreign flows registered a net outflow of MYR1.1 billion in November 2024 (October 2024: -MYR11.4 billion), bringing Year-to-Date ("YTD") net foreign inflows to MYR6.2 billion. Foreign holdings in MGS and GII dipped to 21.4% in November 2024 (October 2024: 21.7%).

On the economic data front, Malaysia's foreign reserves decreased to USD118.1 billion as of 13 December 2024 (29 November 2024: USD118.3 billion). The reserves are sufficient to finance 4.6 months of retained imports and 0.9x of short-term external debt. Malaysia's November 2024 headline inflation eased to 1.8% Year-on-Year ("YoY") (October 24: +1.9% YoY), driven by increases in food & beverages and personal care, social protection & miscellaneous, goods and services. Core inflation remained stable at 1.8% YoY in November 2024 (October 2024: 1.8% YoY). Malaysia's exports accelerated to 4.1% YoY in November 2024 (October 2024: 1.6% YoY) driven by higher manufacturing and agriculture growth. Imports growth decelerated further to 1.6% YoY in November 2024 (October 2024: 2.7% YoY), primarily driven by growth in intermediate goods and consumption goods, but this was partially offset by a decline in capital goods. As a result, trade balance widened to MYR15.3 billion in November 2024 (October 2024: MYR11.9 billion). Malaysia's industrial production index increased at a slower rate of 2.1% YoY in October 2024 (September 2024: 2.3% YoY). The electricity and manufacturing indices led the growth by 2.5% YoY and 3.3% YoY respectively, partially offset by the mining sector at -2.8% YoY.

On the primary corporate sukuk space, notable issuances included MYR600 million Suria KLCC Sdn Bhd IMTN and MYR310 million Exsime Capital Resources Berhad IMTN. On rating actions, MARC upgraded UEM Edgenta Berhad's IMTN MYR1.0 billion Sukuk Murabahah Programme to AAIS/stable from AA-IS/positive. Separately, RAM upgraded Press Metal Aluminium Holdings Berhad's MYR5.0 billion IMTN Programme to AA1/stable from AA2/positive and Samalaju Industrial Port Sdn Bhd's MYR950 million Sukuk Murabahah Programme rating to AAA(s)/stable from AA1/positive.

### 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](http://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.