



May 2025

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.

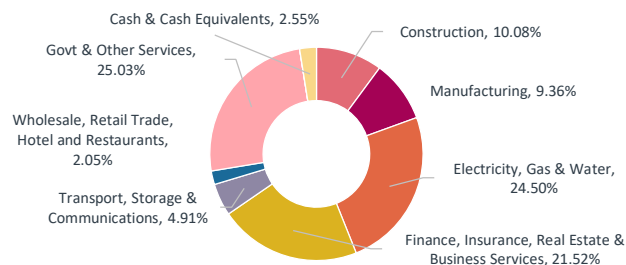
Fund Details

Unit NAV (31 May 2025)	: RM 1.03942
Fund Size (31 May 2025)	: RM 339.541 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

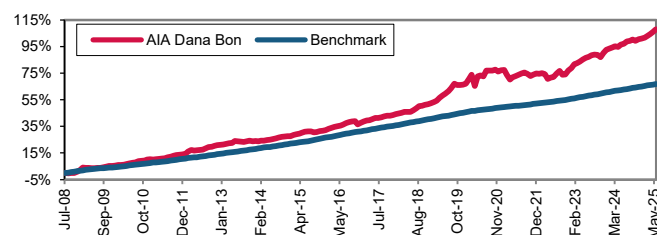
Top Holdings

1	MALAYSIA GOVERNMENT SECURITIES	22.21%
2	YINSON HOLDINGS BHD	7.53%
3	TNB POWER GENERATION SDN BHD	6.63%
4	AMANAT LEBUHRAYA RAKYAT BHD	4.09%
5	PENGURUSAN AIR SPV BHD	3.93%

Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund ^a	0.94%	3.77%	5.89%	21.05%	20.02%	107.88%
Benchmark ^a	0.22%	1.32%	2.71%	8.75%	13.13%	66.75%
Excess	0.72%	2.45%	3.18%	12.30%	6.89%	41.13%

^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 Issue ("GII") yield curve bull-steepened in May 2025. US trade policies under the new Trump administration continued to influence global rates as US Treasury yields sharply rose during the month. The de-escalation of trade tensions between the U.S. and China boosted investor confidence, prompting a shift away from safe-haven assets like Treasuries toward riskier investments. Domestically, the market was boosted by a dovish signal by Bank Negara Malaysia ("BNM"). Although BNM kept the overnight policy rate ("OPR") on hold at the May 2025 Monetary Policy Committee ("MPC") meeting, the statement reflected heightened uncertainty on economic growth. Additionally, BNM cut the statutory reserve ratio ("SRR") by 100 bps to inject liquidity into the banking system and support financial stability. On the currency front, Malaysia ringgit ("MYR") strengthened against the US dollar ("USD") by 1.36% to MYR4.2568. GII levels as at end May 2025 were: 3Y at 3.17% (-13 bps), 5Y at 3.29% (-12 bps), 7Y at 3.40% (-13 bp), 10Y at 3.53% (-10 bps), 15Y at 3.70% (-8 bps) and 20Y at 3.79% (11 bp).

Fixed income foreign flows registered a net inflow of MYR10.2 billion in April 2025 (March 2025: +MYR3.2 billion). Foreign holdings in Malaysian Government Securities ("MGS") and GII rose to 21.4% in April 2025 (March 2025: 20.9%).

There was 1 government security auction during the month: The 20Y GII 5/45 new issue auction with a tender size of MYR3.0 billion with a MYR2.0 billion private placement drew a bid-to-cover ("BTC") ratio of 3.318x at an average yield of 3.775%.

On the economic data front, Malaysia's foreign reserves increased to USD119.1 billion as of 15 May 2025 (31 April 2025: USD118.7 billion). The reserves position is sufficient to finance 5.0 months of imports of goods and services and is 0.9 times the total short-term external debt. In April 2025, headline inflation remained unchanged at 1.4% Year-on-Year ("YoY") (March 2025: 1.4% YoY), while core inflation edged higher to 2% YoY (March 2025: 1.9% YoY). Higher core inflation was contributed by core components including mobile communication services, jewellery and watches, as well as air passenger transport. Gross exports grew by 16.4% YoY (March 2025: 6.8% YoY) mainly due to continued strong expansion of electrical and electronic ("E&E") exports, further supported by a rebound in non-E&E and commodities exports. Imports expanded by 20% YoY (March 2025: -2.9% YoY), amidst a sharp growth of capital imports. As a result, trade surplus narrowed to MYR5.2 billion. Industrial production index for March 2025 grew 3.2% YoY (February 2025: 1.5% YoY). Growth was supported by the manufacturing and mining sectors which grew 4.0% YoY and 1.9% YoY, respectively.

On the primary corporate bond space, notable issuances included MYR1.0 billion Maybank Islamic IMTN, MYR880 million Intiaz II IMTN and MYR750 million Maybank Subordinated Sukuk. On rating actions, MARC Ratings has upgraded its rating on Grand Sepadu (NK) Sdn Bhd's MYR210 million Sukuk Murabahah to AA from AA-, citing strengthened financial profile, driven by ongoing debt reduction, consistent traffic demand and cash flow generation. Additionally, MARC Ratings affirmed its ratings on WCT Holdings Berhad's ("WCT") sukuk programmes, and revised the ratings outlook to positive from stable, citing potential improvement in the group's balance sheet from WCT's disposal of three mall assets into Paradigm REIT.

Market Outlook

Despite the recent de-escalation of trade tensions between China and the US where additional tariffs were put on hold for 3 months, there is still much uncertainty on the potential economic impact of the trade war as negotiations continue between the US and its trade partners. Domestically, Malaysia's growth will likely be weighed by weakening external demand. Inflation impact would likely be muted, barring any upside risks to inflation from subsidy reform measures. Against this backdrop, BNM is expected to cut the policy rate in 2H2025 which should be supportive for the MGS market. However, we continue to expect volatility in the immediate term as the market reacts to further developments on US trade tariffs and key economic data releases.



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.