



December 2024

MONTHLY FUND PERFORMANCE UPDATE**AIA GLOBAL EQUITY FUND** (previously known as AIA International Small Cap Fund)**Investment Objective**

The Fund aims to provide long-term investment growth through exposure to a diversified portfolio of global equities and equity-related securities that exhibit various investment factor characteristics.

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

Fund Details

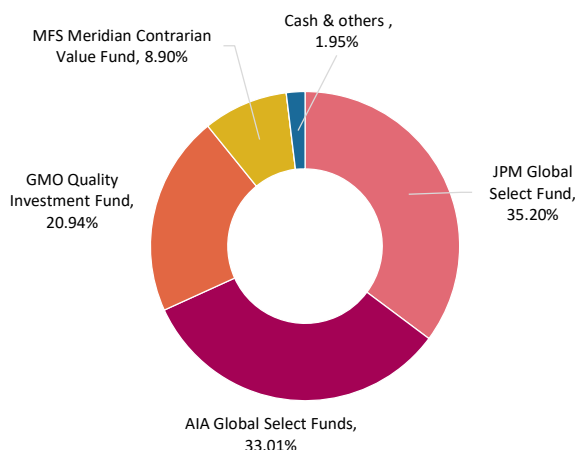
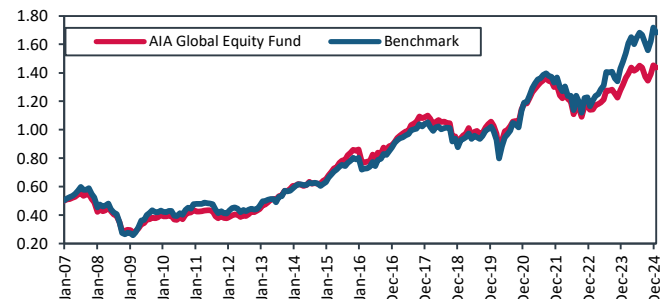
Unit NAV (31 December 2024)	: RM 1.43613
Fund Size (31 December 2024)	: RM 499.640 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 15 January 2007
Offer Price at Inception	: RM 0.50
Fund Management Charge	: 1.50% p.a.
Investment Manager	: AIA Bhd.
Fund Type	: Fund-of-Funds
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

Underlying Fund Details

Name	: AIA Global Select Equity Funds GMO Quality Investment Fund MFS Meridian Contrarian Value Fund JPMorgan Global Select Equity Fund
Investment Manager	: AIA Investment Management Private Ltd. JP Morgan Asset Management GMO & Co LLC MFS Investment Management

Top Fund Holdings

1	JPM Global Select Fund	35.20%
2	AIA Global Select Funds	33.01%
3	GMO Quality Investment Fund	20.94%
4	MFS Meridian Contrarian Value Fund	8.90%

Fund Allocation**Historical Performance**

Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	-1.18%	-0.93%	9.11%	9.83%	35.83%	187.23%
Benchmark*	-2.10%	0.08%	13.85%	23.15%	64.74%	236.63%
Excess	0.93%	-1.01%	-4.75%	-13.32%	-28.91%	-49.40%

~ 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.

* 100% MSCI World Index (Source: Bloomberg)

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

Market Review

Global equities fell in December 2024. Market sentiment was tempered by mixed economic data and hawkish signals from the U.S. Federal Reserve ("Fed"), which unnerved global markets and curbed U.S. investor enthusiasm for the pro-business policies of the incoming U.S. administration. The Fed and European Central Bank ("ECB") simultaneously lowered interest rates by 25 basis points ("bps"). However, their forward guidance diverged significantly; the Fed's Summary of Economic Projections ("SEP") indicated a slower pace of easing in 2025, amid a cautious stance on inflation, while ECB President Christine Lagarde signaled a dovish outlook as economic growth and inflation projections continued to weaken. Several other central banks followed suit, reducing policy rates, including Canada, Switzerland, and Mexico, while Brazil ratcheted rates higher for the second consecutive month, by 100 bps. The Bank of Japan ("BOJ") and Bank of England ("BOE") held rates steady. In France, François Bayrou was named the new prime minister after a no-confidence motion ousted Prime Minister Michel Barnier after just three months into his new administration. The South Korean National Assembly passed a bill to impeach President Yoon Suk Yeol following his declaration of martial law earlier in the month which was rescinded only hours later. In Syria, Bashar al-Assad's regime collapsed after rebels captured the capital of Damascus.

Performance Review/Outlook

The outlook for equities over the medium term remains constructive. On the fundamentals front, the US economy remains resilient and earnings growth in 2025 is expected to be higher than that of 2024. On monetary policy, liquidity conditions are expected to be supportive as central banks around the globe are easing monetary policy. The Fed is on a rate cut cycle. In addition, Chinese policy makers have also embarked on monetary easing and the Politburo has indicated plans to increase public spending to support economic growth.

Investors have enjoyed 2 years of double digit returns in equity markets. The Underlying Manager' view remain in an equity bull market though the pace of increase in 2025 is expected to be more muted compared to the previous 2 years. While the past 2 years has seen Magnificent 7 stocks dominate the stock market, the earnings growth differential between the Magnificent 7 stocks and the rest of the stock market is expected to decline in 2025. This could provide the setup for the stock market advance to be more broad-based and less concentrated. As 2025 unfolds, volatility could rise in view of the uncertainty on the policy measures that the new US Administration would embark on as President-elect Trump begins his second term as US President.

**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