



October 2023

## MONTHLY FUND PERFORMANCE UPDATE AIA NEW HORIZON FUND

### Investment Objective

By investing in equity and equity-related securities of companies in both local and global markets permissible by prevailing regulations, the goal of this Fund is to provide medium to long-term capital growth on your investment.

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

### Fund Details

Unit NAV (31 Oct 2023)	: RM 2.53693
Fund Size (31 Oct 2023)	: RM 125.179 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 16 August 2004
Offer Price at Inception	: RM 1.00
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

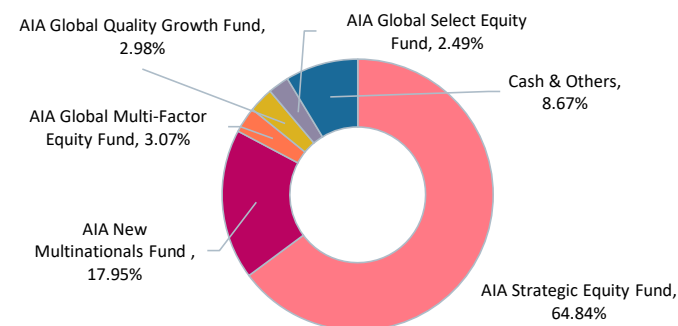
### Underlying Fund Details

Name	: AIA Strategic Equity Fund AIA Global Quality Growth Fund AIA New Multinationals Fund AIA Global Multi-Factor Equity Fund
Investment Manager	: AIA Bhd. AIA Investment Management Private Ltd.

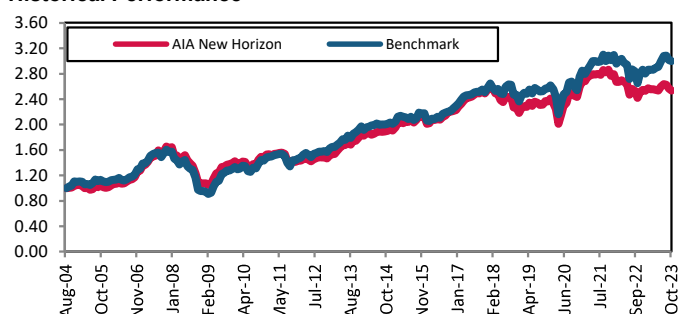
### Top Holdings

1	AIA Strategic Equity Fund	64.84%
2	AIA New Multinationals Fund	17.95%
3	AIA Global Multi-Factor Equity Fund	3.07%
4	AIA Global Quality Growth Fund	2.98%
5	AIA Global Select Equity Fund	2.49%

### Fund Allocation



### Historical Performance



### Historical Performance (cont'd)

Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	-1.12%	-0.42%	1.04%	4.23%	11.83%	153.69%
Benchmark*	-0.44%	3.68%	6.95%	18.06%	21.60%	200.16%
Excess	-0.68%	-4.10%	-5.90%	-13.83%	-9.76%	-46.46%

~ 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.

\* 50% FBM 100 + 50% MSCI AC World DTR Net (Source: Bloomberg)

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

### Market Review

The FBMKLCI ("Index") rallied 1.26% Month-on-Month ("MoM") to close at 1,442.12 pts on 31 October 2023. The Index outperformed the MSCI Asia Ex Japan Index, which fell 2.47% Month-on-Month ("MoM") in Malaysian Ringgit ("MYR") terms over the same period. Foreign investors turned net sellers of Malaysian equities amounting to MYR2.2 billion in October 2023 while local institutions turned net buyers with net buy value of MYR2.3 billion. Bursa Malaysia's average daily transaction value ("ADTV") fell by 12.3% MoM to MYR2.0 billion in October 2023. During the month, CIMB (+5.2%), Press Metal (+4.5%) and Westports (+4.0%) were the key gainers while key detractors were Axiata (-12.4%), Genting Bhd (-3.4%) and CelcomDigi (-3.2%). Sector wise, Finance (+2.1%), Construction (+0.9%) and Industrial Production (+0.5%) were the key performers while Property (-3.2%), Energy (-2.8%) and Technology (-2.7%) were the key detractors. Major news during the month included the tabling of Budget 2024 by the Prime Minister on 13 October 2023, appointment of Sultan of Johor as the new Yang di-Pertuan Agong and the Malaysia-Singapore Leaders' Retreat which saw agreements in various fields including SME development, intellectual property rights and tackling cross border crime. Malaysia's headline inflation fell to 1.9% Year-on-Year ("YoY") in September 2023 (August 2023: 2.0%).

Global market fell in October 2023 amid worries that US interest rates may remain higher for longer given still strong inflation. The US economy expanded at an annualized rate of 4.9% in Q3 2023, exceeding market forecast of 4.3% growth, which was largely driven by strong consumer spending. Asia equities fell in October 2023, with almost all index market ending the month in negative territory. There was a broad sell-off as concerns over rising interest rates and geopolitics weakened sentiment. Pressure on equities has been exacerbated by the conflict in the Middle East, which has driven a flight towards asset perceived as safe havens. Indonesia and South Korea were the weakest index markets in October 2023. Indonesia market was dragged by surprise rate hike and weakness in foreign exchange ("FX"). In South Korea, chip makers and battery names were under pressure amid investors' fears of global economic slowdown. Chinese shares were weaker on economic slowdown and on concerns over ongoing US-China tensions.

### Market Outlook

We are cautiously optimistic on the equity market in the near term. We are of the view that we have already seen the peak of Fed's hawkishness and equities valuation has been partially adjusted downwards accordingly. Investors are now watching the macro data closely to gauge the extent of future rate hike in the US and the timing of a rate cut going forward. Over in Asia, China's policy easing is gaining momentum with the earlier-than-expected policy rate cut, housing policy adjustment, and efforts to revitalize the capital market and stabilize foreign trade and investment. The increasing pace of policy easing is encouraging and important to contain the risk of a downward spiral in economic activity. Domestically in Malaysia, we expect a better outlook given the lower political risk premium with a relatively more stable unity government coupled with corporate earnings recovery from the implementation of government initiatives and mega projects. Downside risks to the market could stem from a prolonged deep US recession, worsening geopolitical tension, weak China economic recovery and domestic politics.



### 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](http://www.lipperleaders.com)