



December 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 Dec 2023)	: RM 2.65708
Fund Size (31 Dec 2023)	: RM 130.931 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

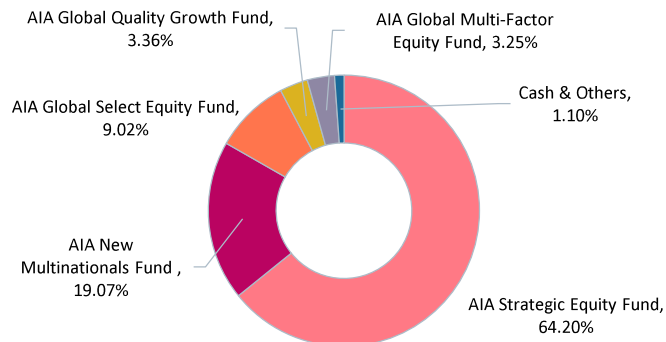
Underlying Fund Details

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.

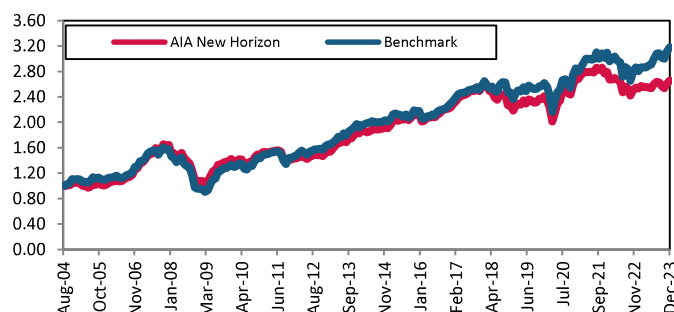
Top Holdings

1	AIA Strategic Equity Fund	64.20%
2	AIA New Multinationals Fund	19.07%
3	AIA Global Select Equity Fund	9.02%
4	AIA Global Quality Growth Fund	3.36%
5	AIA Global Multi-Factor Equity Fund	3.25%

Fund Allocation



Historical Performance



Historical Performance (cont'd)

Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	2.00%	2.25%	4.90%	-0.89%	21.61%	165.71%
Benchmark*	2.11%	6.15%	13.53%	11.70%	34.46%	218.13%
Excess	-0.11%	-3.90%	-8.64%	-12.60%	-12.86%	-52.43%

~ 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") rose 0.13% Month-on-Month ("MoM") to close at 1,454.66 pts in December 2023. The Index underperformed the MSCI Asia Ex Japan Index, which rose 1.73% MoM in Malaysian Ringgit ("MYR") terms over the same period. Foreign investors stayed net buyers of Malaysian equities amounting to MYR0.3 billion in December 2023 while local institutions stayed net sellers with net sell flow of MYR56.2 million. Bursa Malaysia's average daily transaction value ("ADTV") rose 7.5% MoM to MYR2.3 billion in December 2023. During the month, YTL Corp (+21.9%), YTL Power (+7.2%) and Telekom Malaysia (+5.3%) were the key gainers while key detractors were Nestle (Malaysia) (-6.2%), Celcom Digi (-6.0%) and MR DIY (-5.2%). Sector wise, Utilities (+7.3%), Healthcare (+6.9%) and Construction (+3.3%) were the key performers while Energy (-1.4%), Consumer (-1.3%) and Plantation (-0.5%) were the key detractors. Major news during the month included Prime Minister Datuk Seri Anwar Ibrahim's reshuffling of his cabinet and YTL Power confirming the company's collaboration with Nvidia on data centre for AI infrastructure. Malaysia's Gross Domestic Product ("GDP") grew 3.9% Year-on-Year ("YoY") in 9M23.

Global equities rose in December 2023, ending the year with a 22.2% gain. The U.S Federal Reserve (Fed) surprised markets by signalling lower interest rates in 2024, sparking a stock rally that rippled across the globe and increasing speculation about sharp reductions in policy rates across developed markets in 2024. The Fed's policy shift was accompanied by steeper declines in inflation across many economies and a precipitous drop in bond yields, which significantly eased financial pressures on companies, households, and governments. More emerging market (EM) countries began to reduce interest rates during the month, while the European Central Bank (ECB) and the Bank of England (BOE) pushed back against market forecasts of sizable interest-rate cuts next year despite concerns about weak economic growth. The Bank of Japan (BOJ) gave no clear signals on the timing of its shift away from negative interest rates as board members were divided on the country's progress toward a sustainable 2% inflation rate. China's government faced greater pressure to intensify its policy support as the country's economic recovery remained hampered by ongoing turmoil in the property sector and lackluster consumer demand. A series of attacks by Iran-backed Houthi rebels on commercial ships in the Red Sea escalated tensions in the Middle East, heightening pressure on the U.S and other countries to protect trade and keep the conflict from expanding into a larger regional war.

Market Outlook

We are cautiously optimistic of the equity market in the near term. We believe that US interest rates may have peaked but developed markets equity valuation has yet to fully reflect the soft landing or mild recession (if any) in the US and Euro land. Investors are now watching the macro data closely to gauge the timing of a possible rate cut going forward. Over in Asia, China's policy easing is gaining momentum given the earlier-than-expected policy rate cut, less restrictions on house ownership policy, and efforts to revitalize the capital market and stabilize foreign trade and investment. Domestically in Malaysia, we expect a brighter outlook given the lower political risk premium amidst a more stable unity government coupled with stronger corporate earnings upside arising from the implementation of the government's pump priming initiatives as well as launching of mega energy renewal and infrastructure projects. Downside risks to the market could stem from a hard landing US recession, worsening geopolitical tension, and weak China's economy.



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