



January 2025

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 January 2025) | : RM 3.11179 |
| Fund Size (31 January 2025) | : RM 147.277 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 |

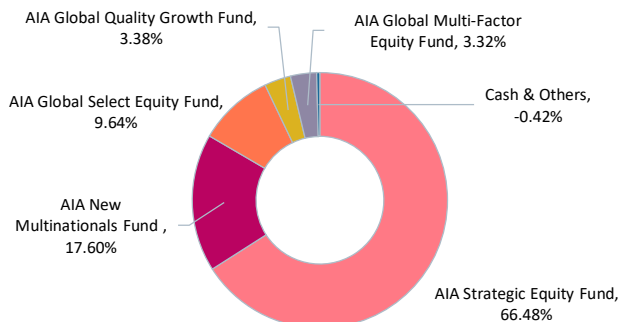
Underlying Fund Details

| | |
|--------------------|---|
| 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. |

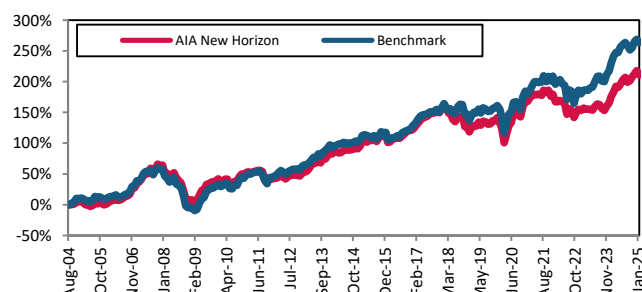
Top Holdings

| | | |
|---|-------------------------------------|--------|
| 1 | AIA Strategic Equity Fund | 66.48% |
| 2 | AIA New Multinationals Fund | 17.60% |
| 3 | AIA Global Select Equity Fund | 9.64% |
| 4 | AIA Global Quality Growth Fund | 3.38% |
| 5 | AIA Global Multi-Factor Equity Fund | 3.32% |

Fund Allocation



Historical Performance



Historical Performance (cont'd)

| Cumulative Performance | 1-Mth | 6-Mth | 1-Year | 3-Year | 5-Year | Since Inception |
|------------------------|--------|-------|--------|--------|--------|-----------------|
| Fund~ | -2.11% | 1.44% | 12.69% | 16.34% | 33.21% | 211.18% |
| Benchmark* | -1.30% | 0.02% | 10.23% | 22.85% | 42.45% | 263.86% |
| Excess | -0.82% | 1.43% | 2.47% | -6.51% | -9.24% | -52.69% |

~ 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") fell 5.2% Month-on-Month ("MoM") to close at 1,556.92 points in January 2025. The Index underperformed the MSCI Asia ex Japan Index, which rose by 0.3% MoM in Malaysian Ringgit ("MYR") terms over the same period. Foreign investors remained net sellers of Malaysian equities amounting to MYR3.1 billion while local institutions remained net buyers amounting to MYR1.2 billion during the month. Bursa Malaysia's average daily transaction value ("ADTV") grew 5.8% MoM to MYR2.7 billion in January 2025. During the month, Celcom Digi (+3.6%), Petronas Dagangan (+1.6%) and Maybank (+1.0%) were the key gainers while key detractors were YTL Power (-29.2%), YTL Corp (-28.5%) and Gamuda (-14.8%). Sector wise, REIT (+0.4%) and Energy (+0.1%) were the key performers, while Construction (-13.5%), Technology (-10.5%) and Utilities (-9.9%) were the key detractors. Major news during the month included Malaysia and Singapore formalizing an agreement to establish the Johor-Singapore Special Economic Zone ("JS-SEZ") at their border and setting a target of 50 projects within five years, the Biden administration proposing new rules governing the export of advanced AI chips and technologies to about 120 countries, Bank Negara Malaysia keeping interest rates unchanged citing sustained growth and manageable inflation, and Gateway Development Alliance announcing that it had secured enough shares to delist and privatize Malaysia Airports Holdings.

Global equities advanced in January 2025. European equities rallied strongly as investors took advantage of attractive valuations and the European Central Bank ("ECB") further reduced borrowing costs. US stocks also rose but gains were capped by weakness in technology companies following Chinese start-up Deepseek's AI success as well as the US Federal Reserve ("Fed") pausing of its interest rate cutting cycle. After financial markets had mostly shut on 31 January 2025, President Trump announced significant trade tariffs on Canada, Mexico and China. The January CBOE Volatility Index ("VIX") closed at 17.4, down 0.9% month on month. (A VIX reading below 20 is widely viewed as an indicator of market stability.) Most sectors of the MSCI All Country World Index ("ACWI") were higher, led by Communication Services, Healthcare and Financials. Conversely, Information Technology was the only sector in negative territory. The AIA Global Select Equity Fund returned 4.73% over the month compared with the MSCI All Country World Index's ("ACWI") return of 3.36%.

Market Outlook

Locally, we are cautiously optimistic of the equity market in the near term. Volatility is likely a recurring theme in the near term given the uncertainty over macro conditions, geopolitics, and investors' positioning. Investors are now watching the macro data closely to gauge the extent of the US economic slowdown, recession risks and the quantum of interest rate cut going forward. 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 growth initiatives and a rising foreign direct investment. The execution of the already announced economic initiatives such as the National Energy Transformation Roadmap ("NETR"), Malaysia My Second Home ("MM2H"), Special Economic Zone ("SEZ"), National Semiconductor Strategy ("NSS"), infrastructure projects rollout and the much-anticipated petrol and diesel subsidies rationalization will be watched closely.

Globally, 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. Our assessment is that we 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