



Jul 2023

MONTHLY FUND PERFORMANCE UPDATE AIA ASIAN EQUITY FUND

Investment Objective

The Fund invests in a diversified portfolio of shares issued by companies incorporated in Asia excluding Japan and Australia. It is suitable for very aggressive investors who are willing to take high risk in order to achieve higher potential returns.

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

Fund Details

Unit NAV (31 Jul 2023)	: RM 0.29952
Fund Size (31 Jul 2023)	: RM 85.478 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 31 July 2006
Offer Price at Inception	: RM 1.00
Fund Management Fee	: 1.50% p.a.
Investment Manager	: AIA Bhd.
Fund Type	: Feeder Fund
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

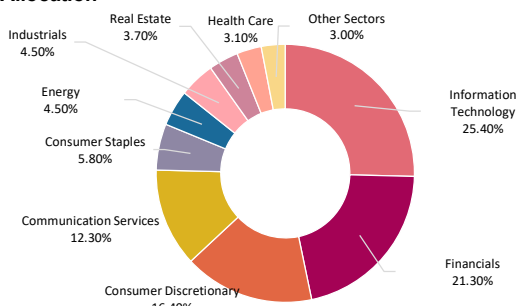
Underlying Fund Details

Name	: AIA Asia Ex Japan Equity Fund
Investment Manager	: AIA Investment Management Private Ltd.

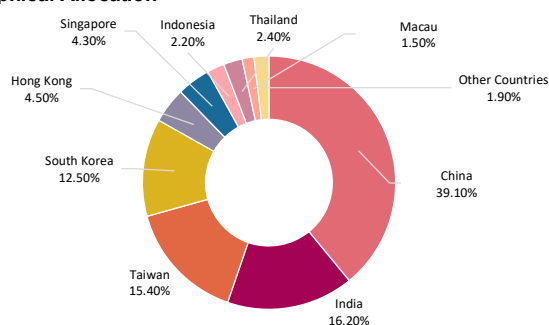
Top Holdings*

1	Taiwan Semiconductor Manufacturing Co. Ltd	9.20%
2	Samsung Electronics Co Ltd	7.30%
3	Tencent Holdings Ltd	6.10%
4	Alibaba Group Holding Ltd	4.50%
5	Reliance Industries Ltd	2.60%

Sector Allocation*

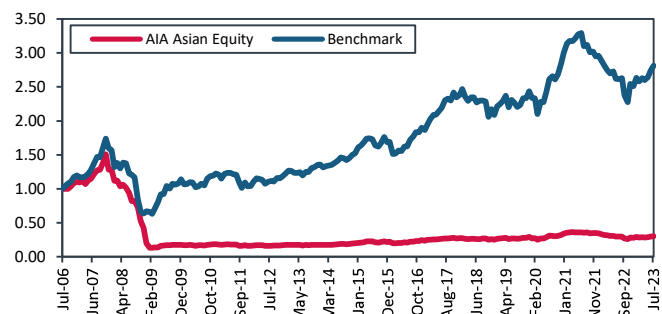


Geographical Allocation*



*Underlying fund data

Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	1.18%	2.61%	0.95%	-3.29%	13.94%	-70.05%
Benchmark*	2.52%	6.80%	7.59%	7.65%	22.27%	181.38%
Excess	-1.34%	-4.19%	-6.64%	-10.94%	-8.33%	-251.43%
Underlying (^)	5.35%	-1.68%	1.77%	N/A	N/A	-15.38%

~ 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 AC Asia ex Japan DTR Net Index (Source: Bloomberg)

^ Fund underwent the restructuring exercise in the month of January 2022. Calculation of the Underlying Fund's since inception performance is based on the date the fund restructuring exercise was completed which is 31 January 2022. Meanwhile, calculation of the Fund's since inception performance is based on the Fund's inception date of 31 July 2006. Underlying fund performance is in USD Term.

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

Market Review

MSCI Asia ex-Japan gained 6.2% in July 2023 (USD total returns), with year-to-date ("YTD") gains standing at 9.6%. Global equities rose 3.4% as hopes for a soft landing supported a broader rally across most geographies. Chinese equities outperformed the region, as the July 2023 Politburo meeting proved more dovish than expected. The Politburo meeting outlined stimulus for consumption, housing (likely relaxations in higher tier cities), capital markets and private enterprises. The regulatory fines of RMB7.1bn on Alibaba's Ant Group as well as RMB3bn on Tencent's Tenpay in July 2023 were also signs of normalization in the fintech sector. Conversely, Taiwan underperformed the region, though the artificial intelligence (AI) thematic continued to drive markets higher, weakness in other verticals (semis, handsets) offset returns. Taiwan Industrials, Energy and Materials underperformed most.

Market Outlook

MSCI Asia ex-Japan has lagged global equities year-to-date, with a 9.6% gain vs MSCI World's 19.4% return, with the largest drag still coming from China. Chinese equities' disappointing performance stemmed from a slower-than-expected post pandemic economic recovery, policy instability, high youth unemployment, real estate woes and local government indebtedness which eroded both business and consumer confidence. While there were recent steps by the Chinese government to support the economy (interest rate cuts, developer loan reliefs, easing home restrictions, tax break extensions for EVs) alongside the reiteration of support for the private economy and capital markets, these measures seem more piecemeal, and more stimulus will be required. Diversification and stock selection will be critical for alpha generation. In Korea and Taiwan, the Fund remains constructive on Information Technology with the view that the tech cycle will turn sooner rather than later, while looking to add on dips names benefitting from the rising AI thematic such as memory and key upstream players. The underweight in India has been reduced on rate hike pause which also coincided with improving macro narrative which support Foreign Institutional Investor ("FII") flows, of which the Financials and Energy sectors are favored. In ASEAN, the Fund remains overweight in Financials on the relatively benign macro backdrop, as well as Communication Services sector in Singapore, and tourism recovery in Thailand.