



January 2025

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 January 2025)	: RM 0.30559
Fund Size (31 January 2025)	: RM 103.918 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

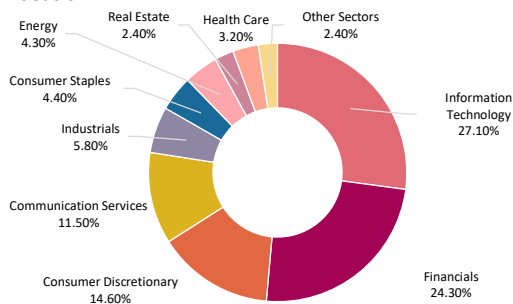
Underlying Fund Details

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

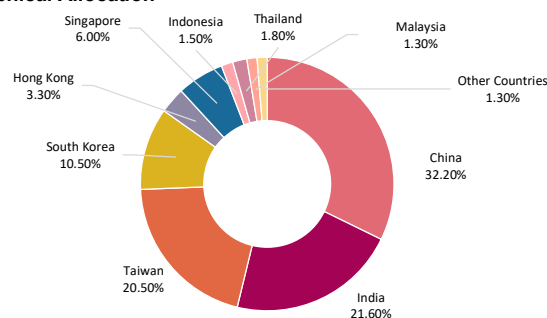
Top Holdings*

1	Taiwan Semiconductor Manufacturing Co Ltd	9.60%
2	Tencent Holdings Ltd	5.80%
3	Samsung Electronics Co Ltd	3.40%
4	Alibaba Group Holding Ltd	3.00%
5	Reliance Industries Ltd	2.10%

Sector Allocation*

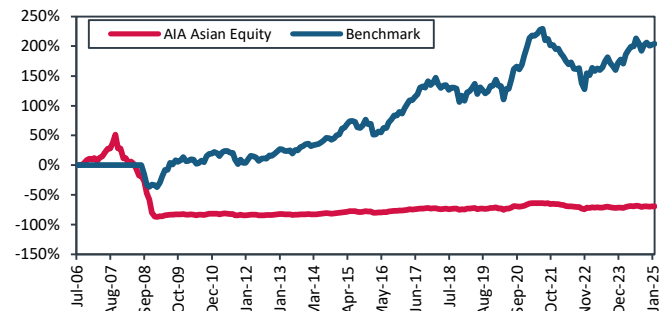


Geographical Allocation*



*Underlying fund data

Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	0.06%	-1.31%	8.20%	-8.39%	12.20%	-69.44%
Benchmark*	0.43%	-0.16%	12.42%	5.54%	30.21%	204.12%
Excess	-0.37%	-1.15%	-4.22%	-13.93%	-18.01%	-273.56%
Underlying (^)	0.65%	2.62%	17.85%	N/A	N/A	-10.48%

~ 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

The MSCI Asia ex Japan Index ("MXASJ") registered a total return of +0.76% in January 2025. The month commenced with continued declines in Chinese equities, driven by tariff concerns, a strengthening US Dollar ("USD") (influenced by tariff risks and higher interest rates), and a rebound in US-oriented Artificial Intelligence ("AI") supply chains across Asia. These trends subsequently reversed at various points during the month. Mid-January 2025, Chinese equities reached oversold levels, coinciding with a less severe than anticipated US tariff stance on China (less than the feared 60%), marking a bottom for the MXASJ and triggering a significant recovery in Chinese equities. The US Dollar Index ("DXY") reached a peak of 110 following robust US labour market data 10th January 2025 but subsequently eased, particularly after lower-than-expected December 2024 Consumer Price Index ("CPI") figures 15th January 2025 and a softer tariff tone at the US Presidential inauguration on 20th January 2025. However, this dynamic shifted again towards the end of the month as the US outlined 25% tariffs on Mexico and Canada, prompting renewed dollar strength late in the month and into early February 2025. Finally, sentiment surrounding AI underwent a significant realignment following investor familiarization with Deepseek's R1 model launch on 20th January 2025. Concerns regarding a potential decline in data centre capital expenditure and hardware demand triggered a sharp downturn in AI hardware stocks, while simultaneously fuelling a rally in AI application/software companies and China's AI supply chain. South Korea (+6.9%) experienced mean reversion from lows reached at the end of the previous year, though internal dynamics persisted, with Technology and Materials sectors continuing to lag while Industrials, supported by the defence industry, led the market. Despite no trading activity in the final week of January 2025, China (+1.0%) and Taiwan (+3.5%) delivered positive returns for the month. However, both markets are likely to face challenges following their February 2025 reopening, stemming from tariffs and the DeepSeek impact, respectively. ASEAN (-0.3%) markets underperformed their North Asian counterparts in January 2025. US chip export restrictions and the DeepSeek disruption particularly affected ASEAN data centre stocks. India (-3.5%) experienced broad declines amid weakening market sentiment, a depreciating Indian Rupee ("INR"), and domestic growth concerns. Foreign investors were substantial net sellers of Indian equities.

Market Outlook

MXASJ closed at 12.6x forward twelve months Price-to-Earnings ratio ("FTM P/E"): Korea's FTM P/E further derated to 7.8x (-1.6 standard deviation ("SD")). India and Taiwan are trading at 21.9x and 16.6x FTM P/E, respectively, which is around 1SD above their respective 10-year averages. China and Hong Kong are trading below their respective 10-year averages, with FTM P/E ratios at 10.0x and 11.7x, respectively. ASEAN is generally undervalued. Taiwan (+26.9%) saw the largest forward twelve months earnings per share ("FTM EPS") revision in 2024, and this momentum continued into December 2024. In the last month of 2024, Korea (-6.1%) saw significant downward revisions. Notably, December 2024 marked the fourth consecutive month of downward FTM EPS forecast revisions in Korea, with cuts across almost all sectors. Analysts slightly raised their FTM EPS forecasts for China (+0.4%) and Hong Kong (+0.6%) in anticipation of forthcoming stimulus.