



December 2023

**MONTHLY FUND PERFORMANCE UPDATE****AIA GLOBAL EQUITY INCOME FUND** (previously known as AIA International High Dividend Fund)**Investment Objective**

The Fund aims to provide both income and capital growth through a portfolio of global equities and equity-related securities with a covered call strategy to enhance income generation. In order to achieve its investment objective, the Fund will invest primarily, i.e. at least 50% of the Fund's Net Asset Value, in equity securities and equity-related securities issued by companies globally selected for their income and / or growth potential and call options writing.

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

**Fund Details**

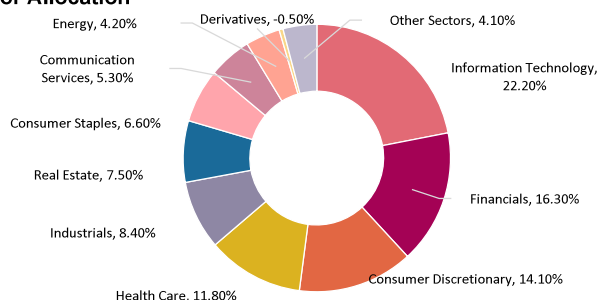
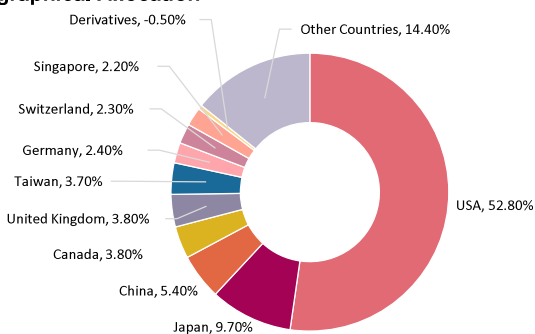
Unit NAV (31 Dec 2023)	RM 1.06991
Fund Size (31 Dec 2023)	RM 243.919 million
Fund Currency	Ringgit Malaysia
Fund Inception	31 July 2006
Offer Price at Inception	RM 1.00
Fund Management Fee	1.50% p.a.
Investment Manager	AIA Bhd.
Fund Type	Feeder Fund
Basis of Unit Valuation	Net Asset Value
Frequency of Unit Valuation	Daily

**Underlying Fund Details**

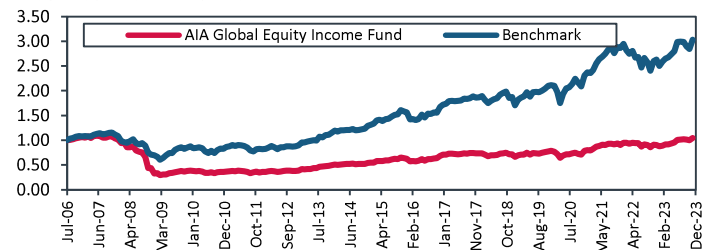
Name	AIA Equity Income Fund
Investment Manager	Wellington Management Co. LLP

**Top Holdings\***

1	Microsoft Corp	3.30%
2	Apple Inc	2.50%
3	Amazon.com Inc	2.10%
4	Broadcom Inc	1.60%
5	NVIDIA Corp	1.60%

**Sector Allocation\*****Geographical Allocation\***

\*Underlying fund data

**Historical Performance**

Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	2.48%	6.28%	22.23%	33.89%	61.02%	6.99%
Benchmark*	3.25%	4.81%	25.27%	32.18%	83.71%	213.39%
Excess	-0.77%	1.47%	-3.04%	1.72%	-22.69%	-206.39%
Underlying (^)	4.75%	10.05%	22.28%	N/A	N/A	8.18%

~ 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 World 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**

Global equities rose in December 2023, ending the year with a 22.2% gain. The U.S Federal Reserve ("Fed") surprised markets by signaling 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.

**Outlook & Fund Positioning**

Looking ahead, we see growth weakness, falling inflation rates and central banks that are willing to cut interest rates deeply embedded in consensus expectations. In our view, any evidence that the global economy is on a different trajectory could likely lead to significant volatility and asset price correction. Any further upside in equity markets in the short-term will largely depend on whether the global economy can continue to recover at a modest pace as long as downside surprises on inflation data continue. From an income perspective, there is strong potential for outperformance by dividend-paying stocks and dividend growth relative to wider equity markets, with relative valuations looking very attractive. The team believes dividend growth has the potential to surprise to the upside as payout ratios remain low; even in a sluggish growth scenario dividend growth is expected to be mildly positive for 2024. There continues to be opportunities to generate attractive options income.

From a positioning perspective, the Fund moved from overweight to underweight the Consumer Staples and Utilities sectors and decreased its underweight exposure to the Information Technology sector over the period. It increased its overweight to the Real Estate sector, which continues to be the largest overweight. The Fund also increased its underweight exposure to the materials sector, which now is the largest underweight. With regards to regional positioning, the Fund increased its overweight exposure to Developed Asia Pacific ex Japan and decreased its underweight exposure to North America, which continues to be the largest underweight. The Fund also decreased its overweight exposure to Developed EU & Middle East ex UK and Emerging Markets, which continues to be the largest overweight exposure.

**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)