



May 2019

MONTHLY FUND PERFORMANCE UPDATE AIA MEDIUM CAP FUND

Investment Objective

The Fund seeks medium to long-term growth of capital and income through investment in a diversified portfolio of stocks. Focus will be on small and medium sized enterprises and growth stocks with market capitalization of less than RM6 billion. The Fund is suitable for high risk tolerance equity investors.

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

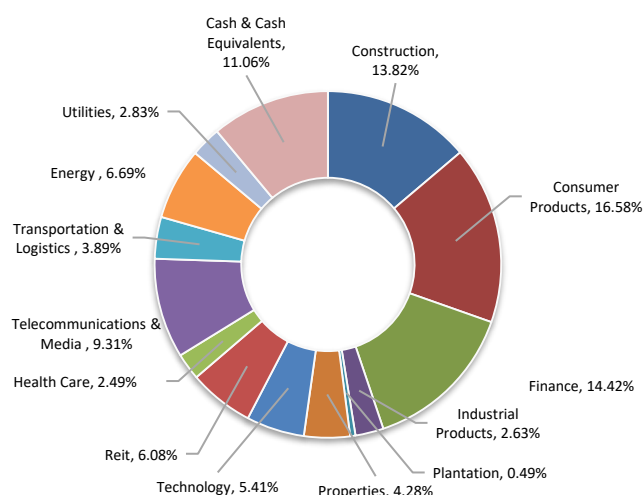
Fund Details

Unit NAV (31 May 2019)	: RM 4.65662
Fund Size (31 May 2019)	: RM 427.531 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 1 July 2001
Offer Price at Inception	: RM1.00
Fund Management Charge	: 1.475% p.a
Investment Manager	: AIA Bhd.
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

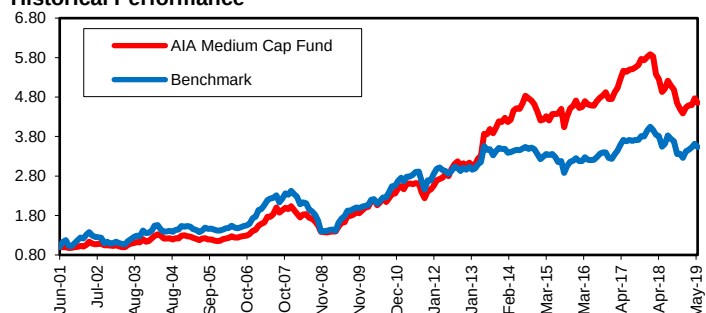
Top Holdings

1	GAMUDA BHD	5.65%
2	SERBA DINAMIK HOLDINGS BHD	4.51%
3	TIME DOTCOM BHD	4.48%
4	SYARIKAT TAKAFUL MALAYSIA KELUARGA BHD	4.22%
5	MISC BHD	3.89%

Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund [^]	-2.34%	3.42%	-5.57%	1.54%	3.46%	365.66%
Index*	-2.19%	5.00%	-0.29%	10.29%	2.33%	253.47%
Excess	-0.15%	-1.58%	-5.28%	-8.75%	1.13%	112.19%

[^] 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.

* 95% FBM 70 (Source: Bursa Malaysia) + 5% 1-month KLIBOR (Source: Bank Negara Malaysia)

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

Market Review

The FBMKLCI ("Index") rose 0.52% mom in May, lifted by foreign buying in the last few days of the month as foreign investors saw Malaysia as a more defensive market vs the region. The KLCI Index outperformed the MSCI Asia Ex-Japan Index, which fell 7.95% in MYR terms over the same period. However, foreigners were again net sellers of the local market in May with a net outflow of MYR2.0 billion, bringing year-to-date net outflow to MYR4.9 billion. In terms of sector performance in May, Healthcare, Telecommunication and REIT outperformed. The Healthcare Index gained 0.2% during the month, buoyed by glove counters that rose on weakening MYR. Sector laggards were Technology, Energy and Plantation. On the corporate front, key news included the proposed merger announcement of Axiata and Telenor which could potentially involve a non-cash merger of their Asia operations under a new entity as well as YTL Cement's offer to acquire LafargeHolcim Ltd's 51% stake in Lafarge Malaysia for MYR1.6 billion cash.

Market Outlook

Locally, we see any market weakness due to the trade war uncertainty as an opportunity to accumulate fundamentally solid companies with good earnings visibility. Despite the current volatility, we expect the equity market to gradually recover over the long run, underpinned by Malaysia's strong macroeconomic fundamentals. We expect the local market to deliver mid-single digit returns for 2019, driven by still positive earnings growth and further certainty over the government's policy direction over time. We will remain vigilant to the constantly evolving market conditions and will adjust our strategy accordingly.