



## AIA PAM – Moderate Fund

### Investment Objective

The Fund seeks to provide returns through a combination of income\* and capital growth.

*\*Income will be reinvested in additional Units in the Fund*

### Investment Strategy

The Fund will invest in equities that are trading below their fair value and equities offering a dividend yield above the market average. The Fund will invest in local and foreign markets. The Fund will also invest at least 35% of its NAV in local fixed income instruments with a minimum credit rating of "BBB3" or "P2" by RAM or equivalent rating by MARC.

### Fund Details

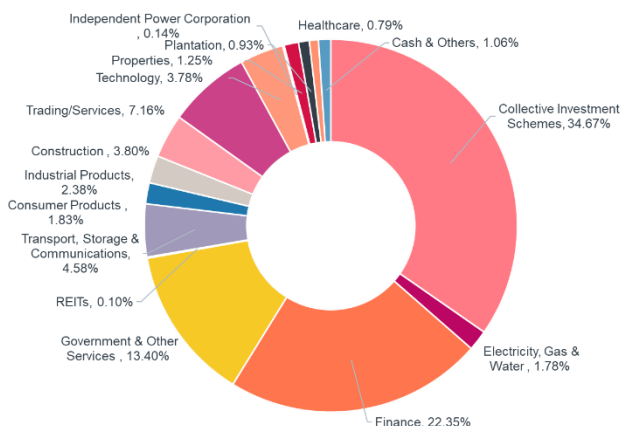
Unit NAV (31 July 2024)	: RM 1.4376
Fund Size (31 July 2024)	: RM 201.5 million
Fund Currency	: Ringgit Malaysia
Fund Launch	: May 16, 2013
Fund Inception	: June 05, 2013
Fund Management Charge	: up to 1.50% p.a

Investment Manager	: AIA Pension and Asset Management Sdn. Bhd.
Basis of Unit Valuation	: Net Asset Value (NAV)
Frequency of Unit Valuation	: Daily
Benchmark	: 25% FBM100 Index + 15% MSCI AC Asia ex Japan Index + 40% Quant Shop MGS All Bond Index + 20% MSCI World Index

### Top Five Holding

1.	SCHRODER ISF GLOBAL SUSTAINABLE GROWTH	10.94%
2.	FIDELITY FUNDS-GLOBAL FOCUS FUND	10.62%
3.	SCHRODER ISF SUSTAINABLE ASIAN EQUITY	5.20%
4.	FIDELITY FUNDS-ASIA PACIFIC OPPORTUNITIES FUND	4.77%
5.	FIDELITY FUNDS SUSTAINABLE ASIA EQUITY FUND	3.14%

### Sector Allocation



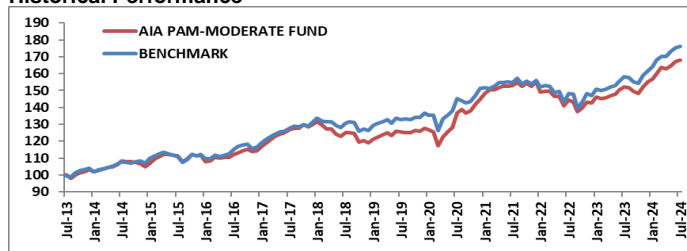
### Risk

General investment risks involve market risk, fund manager risk, inflation risk and liquidity risk. Specific risks of the Fund involve credit/default risk, interest rate risk, particular security risk, country risk and currency risk.

### Risk Management

Investment Manager aims to reduce investment risks through structured and disciplined investment process, rigorous and disciplined credit research and analysis, portfolio diversification and strict and frequent stock evaluation to minimize company specific risk.

### Historical Performance



%	1 Mth	1-Year	^5-Year	^10-Year	^Since Inception
Fund	0.64%	10.68%	34.10%	55.47%	68.14%
Index	0.56%	11.40%	32.65%	63.67%	76.34%
Excess	0.08%	-0.72%	1.45%	-8.19%	-8.20%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg as at 31 July 2024  
^ Cumulative returns. The performance is calculated on NAV-to-NAV basis. Past performance is not an indicative of future performance.

### Market Review

The Malaysian Government Securities ("MGS") yield curve bull steepened in July 2024. Trading sentiment turned bullish as optimism built up for a dovish signal at July's US Federal Open Market Committee ("FOMC") meeting following easing US inflation and labour market data. Expectations are now for the US Federal Reserve ("Fed") to cut the federal funds target rate in the upcoming September FOMC meeting. On the domestic front, Bank Negara Malaysia ("BNM") kept the overnight policy rate ("OPR") unchanged at 3.00%. In its monetary policy statement, BNM highlighted that inflation will trend higher in 2H24 amid the recent rationalisation of diesel subsidies. Nevertheless, it added that inflation will remain manageable given the mitigation measures to minimise the cost impact on businesses. Growth outlook is expected to be driven by the ongoing global tech upcycle, tourist arrivals, sustained household spending as well as ongoing progress of multi-year projects and implementation of initiatives under the national master plans, among others.

Foreign flow for Ringgit bonds surged to MYR7.8 billion, the highest in a year (June 2024: -MYR 0.6 billion). Expectation of Fed easing strengthened the conviction of Ringgit, drawing large bond inflows.

Global market closed with a positive note in July 2024 with S&P500 and MSCI Europe rose by 1.22% and 1.20% respectively. In the US, July earnings season continued with more than two thirds of the S&P reporting companies beaten analysts' expectations, suggesting resilient US economy is contributing to a broadening of earnings. Meanwhile, Chinese equity markets continued to see challenges in the real estate sector and the spillover effects on the broader economy with MSCI China Index fell by 1.2% in USD terms in July.

The FBMKLCI ("Index") rose 2.23% Month-on-Month ("MoM") to close at 1625.57 pts in July 2024. The Index outperformed the MSCI Asia ex Japan Index, which declined by 3.22% MoM in Malaysian Ringgit ('MYR') terms over the same period. Foreign investors reversed their positions from net selling in June 2024 to a net buy position in July 2024, recording a YTD cumulative net inflow of MYR500 million.

### Market Outlook

Recent US economic data releases are suggestive of a moderation in inflation. Although the labour market and services sectors remain resilient, recent data has pointed towards some softening in these sectors. In the latest US FOMC meeting, the federal fund target rate was maintained at the range of 5.25-5.50%, with Fed Chair Powell finally signalling that the first cut could come in September 2024. Domestically, Bank Negara Malaysia may keep its Overnight Policy Rate unchanged in the coming meetings as it observes the domestic inflation trend. These factors are supportive of the domestic bond market while the market observes developments on global central banks' monetary policy decisions, geopolitical risks, and the US presidential elections. We are cautiously optimistic on the equity and fixed income market in the near term.



---

## Disclaimer

This fund fact sheet has not been reviewed by the Securities Commission Malaysia ("SC") and Federation of Investment Managers Malaysia ("FIMM"). The SC and FIMM are not liable for this fund fact sheet and are not in any way associated with this fund fact sheet. The SC and FIMM are not responsible for the contents herein and do not make any representation on the accuracy or completeness of this fund fact sheet, either in whole or in part. A copy of the Third Replacement Disclosure Document dated 31 August 2023 ("Disclosure Document") and the Product Highlights Sheet ("PHS") have been registered and lodged with the SC. The registration of the Disclosure Document and lodgement of the PHS to the SC do not amount to nor indicate that the SC has recommended or endorsed the Private Retirement Scheme ("PRS"). A PHS highlighting the key features and risks of the PRS is available and investors have the right to request for a copy of the PHS and Disclosure Document from our office, authorised distributors, consultants, representatives or at [www.aia-prs.com.my](http://www.aia-prs.com.my). Investors are advised to obtain, read and understand the Disclosure Document and the PHS before making a contribution, and to compare and consider the fees, charges and costs involved prior to making a contribution. Any issue of units to which the Disclosure Document relates will only be made on receipt of an application form. The price of units and distributions payable, if any, may go down as well as up. This fund fact sheet is prepared for information purposes only. The past performance of the PRS should not be taken as an indication of its future performance. Investments are subject to investment risk and that there can be no guarantee that any investment objectives will be achieved. Specific risks and general risks for the PRS are elaborated in the Disclosure Document. Investors are advised to understand the risks involved in the PRS and make your own risk assessment and seek professional advice, where necessary and should not make an investment decision solely based on this fund fact sheet.

The blended returns are calculated by AIA Company Limited using end of day index level values licensed from MSCI ("MSCI Data"). For the avoidance of doubt, MSCI is not the benchmark "administrator" for, or a "contributor", "submitter" or "supervised contributor" to, the blended returns, and the MSCI Data is not considered a "contribution" or "submission" in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation or international standards. MSCI Data is provided "AS IS" without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking or otherwise utilizing any MSCI Data, models, analytics or other materials or information.

Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.