

FWD ASIAEQUITY FUND

May 2024

Investment Objective

To achieve consistent, above average capital appreciation and reasonable income over the medium to long term by investing in a balanced portfolio of quality investments in Malaysia and Asia excluding Japan.

Investor Profile

The Fund is suitable for investors who are willing to accept risk for returns presented by the stock markets of Malaysia and Asia (excluding Japan) and have a medium to long term investment horizon.

Investment Strategy & Approach

The Fund is suitable for investors who are seeking medium-to-long term capital appreciation on their investments; have a high-risk tolerance; and want to have exposure to investments in Asia companies (ex-Japan).

Fund Details

Unit NAV	RM0.7306
Fund Size	RM46.7 million
Inception Date	4 August 2005
Management Fee	1.50% per annum

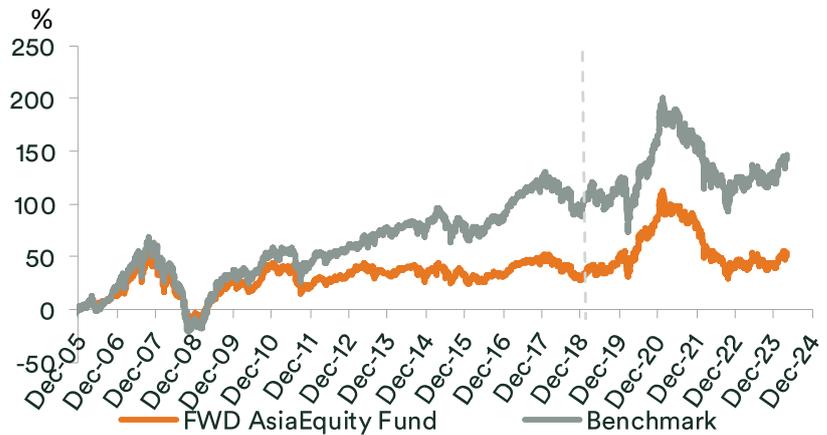
Top 5 Holdings *

Taiwan Semiconductor	9.9%
Samsung Electronics	7.3%
Tencent Holdings	5.0%
Quanta Computer	2.8%
Unimicron	2.5%

*Holdings in AHAM Select Asia (ex Japan) Opportunity Fund

Data as at 30 April 2024

Cumulative Performance Since Inception as at 30 April 2024



Performance Table as at 30 April 2024

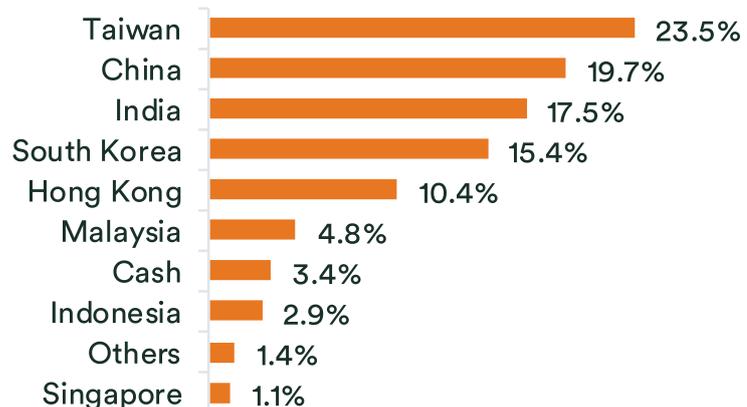
	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since inception
Fund	0.7%	8.1%	11.5%	7.2%	9.7%	-22.0%	8.7%	53.8%
Benchmark	2.1%	10.1%	14.1%	7.3%	12.3%	-12.7%	13.0%	146.2%

- With effect from 7th Jan 2019, the Fund was changed to feeder fund structure. To reflect the mandate change, the benchmark was changed from 50% FBM Emas Index + 50% MSCI AC Far East Ex Japan Index (MYR) to MSCI AC Asia Ex Japan Index (MYR).
- Source: Bloomberg & FWD Insurance Berhad
- Past performance is not indicative of future performance and the performance of the fund is not guaranteed.
- 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.
- The above returns are calculated using NAV to NAV prices, with any income or dividends reinvested, according to this formula:

$$\frac{\text{Net Asset Value Per Unit At Current Period}}{\text{Net Asset Value Per Unit At Previous Period}} - 1$$

Portfolio Composition of AHAM Select Asia (ex Japan)

Opportunity Fund as at 30 April 2024



Source: AHAM Asset Management Berhad

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Manager's Comment

The Fund underperformed the benchmark in the month of April 2024. Key detractors during the month include Quanta Computer, Samsung Electronics and Unimicron Technology.

MARKET REVIEW

MSCI Asia ex-Japan gained approximately 2.1% (in MYR terms), in the month of April 2024 as China staged a market recovery during the last week of April. Technology and artificial intelligence (AI) were subdued in April given the higher 10-year US Treasury (UST) yields rising to 4.6% with the Dollar also remaining high. The US "higher for longer" outlook acted as the main market driver as the US March inflation data surprised to the upside for a third straight month, leading the market to price in just over one Fed rate cut for 2024 (from as high as seven in late December 2023). The 48 basis points move higher in UST 10yr yields was the largest since September 2022 and helped Value or Financials names broadly outperform in Asia.

Within Asia Pacific, China led in returns thanks to Internet and Property. Positive earnings growth, new capital market guidelines, and anticipation for further property policy support during the 30 April politburo meeting, all lent support to the rally. The April politburo meeting noted "more efforts to coordinate the study of policy measures to digest existing housing inventory and to optimize new housing development".

MARKET OUTLOOK AND STRATEGY

For Fund strategy, we continue to favour Technology stocks in Taiwan and South Korea markets, which benefit from the bottoming of the semiconductor cycle and the AI theme. We are gradually closing our underweight on China as the market turns more responsive towards stocks which have shown earnings recovery, which may be a sign of a bottoming market. To fund the China position, we gradually underweighted India due to high valuation multiples. We continue to like Malaysia within ASEAN on better political stability, attempts at fiscal reform and the multiple themes available such as infrastructure, renewable energy and AI data centers.

Fund invested level is around 98%. Stocks with cyclical growth prospect makes up c.42% of invested positions, and around 37% and 7% are invested in secular growth stocks and dividend yielders respectively. Tactical positions make up the remainder of the portfolio's investment.

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