

# AIA Japan Equity Fund

August 2023

## Investment Objective

This fund seeks to achieve long-term capital appreciation through investment primarily in equities and equity-related securities of Japanese companies.

## Key Fund Facts

(As of 31 August 2023)

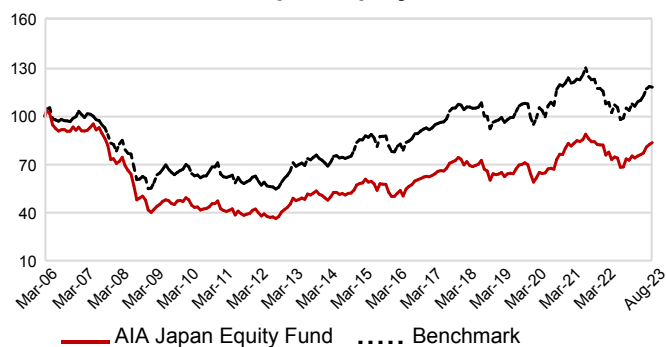
<b>Launch Date</b>	9 March 2006	<b>Subscription</b>	Cash, CPF(OA) and SRS
<b>Launch Price</b>	SGD 1.000	<b>Pricing Frequency</b>	Daily
<b>Manager of ILP Sub-Fund</b>	Nikko Asset Management Asia Limited	<b>Management Fees</b>	1.50% p.a. of Net Asset Value
<b>Name of Underlying Fund(s)</b>	Nikko AM Shenton Japan Fund	<b>Bid</b>	SGD 0.794
<b>Manager(s) of Underlying Fund(s)</b>	Nikko Asset Management Asia Limited	<b>Offer</b>	SGD 0.836
<b>Risk Classification</b>	Higher Risk	<b>Fund Size</b>	SGD 21.8M

## Performance

(As of 31 August 2023)

Period	1 Month	3 Months	6 Months	1 Year	3 Year <sup>^</sup>	5 Year <sup>^</sup>	10 Year <sup>^</sup>	Since Inception <sup>^</sup>
<b>Fund (bid-to-bid)</b>	1.40%	8.32%	12.78%	12.94%	7.51%	3.55%	5.61%	-1.02%
<b>Benchmark</b>	-0.31%	4.84%	11.12%	12.03%	3.49%	2.26%	6.28%	1.70%

## AIA Japan Equity Fund



Notes (1) Performance of the fund is in SGD on a bid to bid basis with net dividends reinvested, without taking into consideration the fees and charges payable through deduction of premium or cancellation of units (2) ^ denotes annualised returns (3) Current Manager: Nikko Asset Management Asia Limited (w.e.f 27 June 2011) (4) Current benchmark: TOPIX\* Index (w.e.f 1 July 2011) \* W.e.f 1 May 2017 net total return index methodology is used, prior to 1 May 2017, price index methodology was used. (5) Previous benchmark: MSCI Japan DTR Net (Inception to 30 June 2011)

Past Performance is not necessarily indicative of future performance.

Source: AIA Singapore

## Sector Allocation (%)

(As of 31 August 2023)



Source: Nikko Asset Management Asia Limited, Information from the underlying Nikko AM Shenton Japan Fund

## Top Holdings

(As of 31 August 2023)

	Holdings (%)
TOYOTA MOTOR CORP.	4.00
SONY GROUP CORPORATION	3.80
MITSUBISHI UFJ FINANCIAL GROUP, INC.	3.40
NINTENDO CO., LTD.	3.10
HITACHI, LTD.	2.90
SUMITOMO MITSUI FINANCIAL GROUP, INC.	2.50
MITSUMI & CO., LTD.	2.20
KAWASAKI HEAVY INDUSTRIES LTD.	1.90
FUJIFILM HOLDINGS CORP.	1.80
KUBOTA CORPORATION	1.80
<b>TOTAL</b>	<b>27.40</b>

Source: Nikko Asset Management Asia Limited, Information from the underlying Nikko AM Shenton Japan Fund

## Manager's Commentary

(As of 31 August 2023)

The Japanese equity market was mixed in August. The market was initially bearish until mid-month due to a major rating agency downgrading US debt and concerns regarding an economic slowdown in China. Subsequently, Japanese stocks rebounded to an extent as excessive anxieties surrounding US monetary tightening dissipated following Fed Chair Powell's speech at the Jackson Hole Economic Symposium, which was largely in line with expectations. Of the 33 Tokyo Stock Exchange sectors, 24 sectors rose, with Marine Transportation, Mining, and Oil & Coal Products posting the strongest gains. In contrast, 9 sectors declined, including Precision Instruments, Electric Appliances, and Air Transportation.

The Fund outperformed the benchmark's monthly return of -0.31% in SGD terms. Sector allocation and stock selection both contributed positively to performance during the month. In terms of sector allocation, the underweight in Pharmaceuticals and Foods and the overweight in Nonferrous Metals detracted from performance, while the underweight in Precision Instruments, as well as the overweight in Transportation Equipment and Mining contributed positively to performance.

In terms of individual stocks, detractors included electronics and game/entertainment conglomerate Sony Group, electronic component maker Rohm, nonferrous metals smelter Sumitomo Metal Mining, fishing equipment maker Globeride, and outdoor apparel and gear maker Snow Peak as their share prices declined on-month. Positive contributors included sportswear manufacturer Asics, homebuilder Sumitomo Forestry, glass fibre maker Nitto Boseki, marine products company Nippon Suisan, and major confectionary maker Morinaga & Company.

Global equity markets continue to climb, behind expectations for strong global economic growth and rising anticipation for a Goldilocks scenario. A correction could be likely in the near term due to seasonal factors, but share prices should continue trending upwards in the medium term. Market conditions (including Japan's positive yield being anticipated to become steeper) also appear highly likely to remain favourable to value stocks for now.

Source: Nikko Asset Management Asia Limited

Please refer to the Product Summary applicable to the investment-linked policy which you have purchased or intend to purchase for these applicable fees and charges.

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