

# AIA Regional Equity Fund

March 2023

## Investment Objective

This fund is managed to provide long-term capital appreciation by investing in equity securities of Asian (ex Japan) companies. The fund may invest in listed equities, warrants, options, convertible bonds and other equity-linked instruments.

## Key Fund Facts

(As of 31 March 2023)

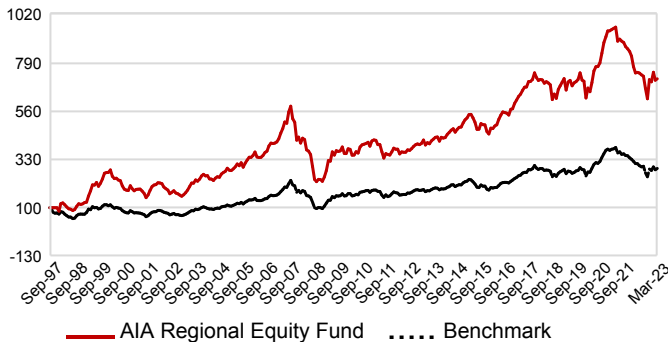
<b>Launch Date</b>	2 September 1997	<b>Subscription Pricing Frequency</b>	Cash, CPF(OA) and SRS
<b>Launch Price</b>	SGD 1.000	<b>Management Fees</b>	Daily
<b>Manager of ILP Sub-Fund</b>	FIL Investment Management (Singapore) Limited	<b>Bid Offer Fund Size</b>	1.25% p.a. of Net Asset Value SGD 6.775 SGD 7.132 SGD 1,420.4M
<b>Name of Underlying Fund(s)</b>	Fidelity Funds – Sustainable Asia Equity II Fund		
<b>Manager(s) of Underlying Fund(s)</b>	FIL Fund Management Limited		
<b>Risk Classification</b>	Higher Risk		

## Performance

(As of 31 March 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>	0.95%	2.06%	6.69%	-7.45%	4.67%	0.23%	5.96%	7.99%
<b>Benchmark</b>	2.20%	3.43%	7.65%	-10.50%	4.53%	0.35%	4.65%	4.21%

## AIA Regional Equity Fund



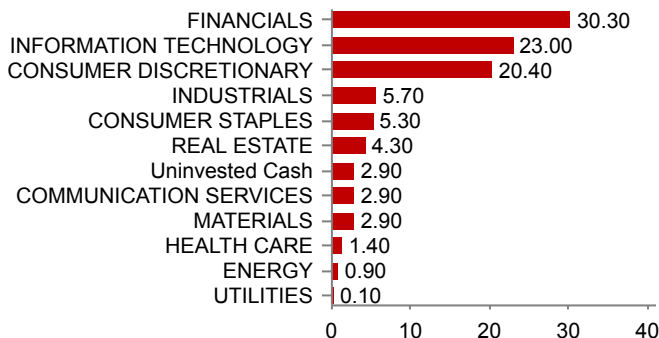
Notes (1) Performance of the fund is in SGD on a bid to bid basis with net dividends reinvested, without taking into consideration the fees and charges payable through deduction of premium or cancellation of units (2) <sup>^</sup> denotes annualised returns (3) Current Manager: FIL Investment Management (Singapore) Limited (wef 27 June 2011) (4) Current benchmark: MSCI All Country Asia ex Japan Index (w.e.f 1 October 2014) (5) Previous benchmark: MSCI All Country Far East Free ex Japan DTR Net Index (Inception to 30 September 2014)

Past Performance is not necessarily indicative of future performance.

Source: AIA Singapore

## Sector Allocation (%)

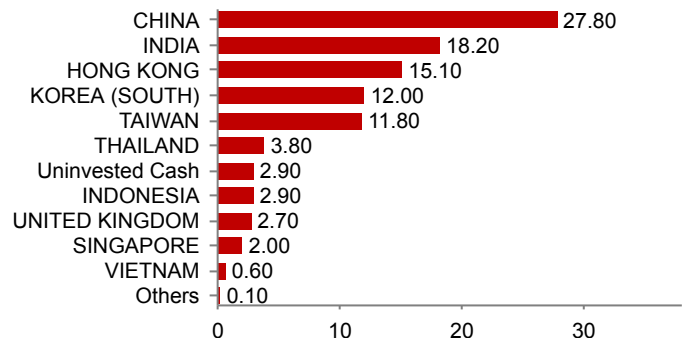
(As of 31 March 2023)



Source: FIL Investment Management (Singapore) Limited, Information from the underlying Fidelity Funds – Sustainable Asia Equity II Fund

## Country Allocation (%)

(As of 31 March 2023)



## Top Holdings

(As of 31 March 2023)

	Holdings (%)
SAMSUNG ELECTRONICS CO LTD	10.00
TAIWAN SEMICONDUCTOR MFG CO LTD	9.00
AIA GROUP LTD	8.40
AXIS BANK LTD	4.60
ICICI BANK LTD	4.40
ALIBABA GROUP HOLDING LTD	2.90
MEITUAN	2.80
PRUDENTIAL PLC	2.70
CHINA RES LD LTD	2.60
TENCENT HLDGS LTD	2.20
<b>TOTAL</b>	<b>49.60</b>

Source: FIL Investment Management (Singapore) Limited, Information from the underlying Fidelity Funds – Sustainable Asia Equity II Fund

## Manager's Commentary

(As of 31 March 2023)

### Market Review:

Equities positive returns in March. Global market sentiment towards the financials sector remained subdued following the collapse of Silicon Valley Bank (SVB) in March and the subsequent failure of Credit Suisse in Europe, which led to a major sell-off in the financial sector worldwide. Nevertheless, these events had a limited spill-over effect on Asian financials and overall regional indices in Asia.

### Performance Review:

The fund underperformed the index over the month. An underweight stance in the communication services sector, the best performing sector over the quarter, weighed on performance. A bias against, gaming company Tencent Holdings undermined returns as its shares advanced in light of receding regulatory headwinds. The lack of exposure to Singapore based leading online gaming firm SEA detracted from relative returns as its shares advanced on the back of strong financial results. The holding in Hong Kong-based insurer AIA Group slid. Investors took profits in the company following a strong rally in its share price in recent months. The company also reported a small miss in its value of new business for FY22, mainly due to its mainland business amid the resurgence of COVID-19 cases in December. Nonetheless, with a differentiated business strategy and proven track record in terms of its management and execution, AIA is well positioned to recover strongly from the return of mainland China visitors in Hong Kong. On a positive note, positions in the information technology sector, notably semiconductor names, advanced strongly as concerns over a slowdown receded. We think that an anticipated slowdown in the semiconductor space in the first half of 2023 appears to be priced in and investors are looking forward to a recovery in the second half of the year. Shares in semiconductor chip-maker Samsung Electronics and semiconductor manufacturers MediaTek and Taiwan Semiconductor Manufacturing Company (TSMC) advanced amid a market-wide rally.

### Outlook:

The general backdrop remains somewhat challenging. Nevertheless, we are seeing many high quality & resilient companies where stocks prices have come down. From a sustainability perspective, Asian companies will continue to improve ESG-related disclosures and improve their sustainability practices to catch-up to the standards demonstrated by their developed market peers. This structural trend will continue to create investment opportunities as we pick such companies early in their sustainability evolution to generate alpha.

Source: FIL Investment Management (Singapore) 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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