Kenanga Investors

November 2025
Market Review and Outlook

Equity (Asia) Market Review

Global equities continued to advance in October, led by the US as the Dow Jones, S&P500 and Nasdaq indices rose 2.5%, 2.3% and 4.7% month-on-month (MoM), respectively. This growth was driven by strong earnings from AI mega-cap companies. Microsoft, Amazon, Meta, and Google all announced increased spending on AI and datacentre infrastructure for 2025-2026 compared to previous plans, reinforcing the strength of the global AI value chain and infrastructure buildouts. The US Federal Reserve (Fed) implemented a 25 basis points (bps) rate cut, lowering the Fed Funds Rate to 3.75%–4.00%. This marked the second cut of the year, prompted by softer inflation print and a cautious economic outlook. Fed Chair Jerome Powell reiterated a data-dependent approach, noting that further cuts are "not a given". Additionally, the Fed announced an early end to quantitative tightening by December, citing tightening liquidity conditions. However, the US is currently experiencing limited official data availability due to a government shutdown at the start of the fourth quarter.

European equities EuroStoxx50 rose 2.4% in October, supported by "goldilocks" growth, cooling inflation, and fiscal support. On 30 October, the European Central Bank (ECB) maintained its key deposit rate at 2%, for the third straight meeting, as inflation is near target and growth resilient. The European Commission announced new measures to lower energy prices on 21 October, following US sanctions on major Russian oil suppliers related to the Ukraine war, aiming to provide relief for both industry and households.

In Asia, MSCI Asia ex Japan Index increased by 4.5% in October, fueled by AI enthusiasm. Samsung and SK Hynix reported strong results and projected sustained AI-related growth, while TSMC and other major chipmakers reached or approached record highs. Weakness in China, reflected by a 3.5% decline in the Hang Seng Index due to profit taking, was offset by strength in Korea (KOSPI +19.9%), Taiwan (+9.3%) and parts of ASEAN (MSCI ASEAN +1.1%). During the Fourth Plenum held from 20-23 October, China laid the groundwork for its 15th Five-Year Plan (2026–2030), emphasizing "self-reliance" in science and technology, domestic demand, service consumption, and social safety net reforms for pensioners, and youth unemployment.

Commodity prices eased, with Brent crude falling 2.9% MoM to USD 65.1 per barrel. driven by potential supply increases from OPEC+ and ongoing demand concerns. Crude palm oil (CPO) prices declined 3.3% MoM to RM 4,207/MT, weighed down by expectations of higher production and weaker prices for other edible oils in China.

Equity (Asia) Market Outlook

The US-China trade truce has lifted global sentiment, with both side agreeing to a one-year trade deal that pauses steeper US tariffs and limit China's export controls on rare earth minerals – a critical component in the AI supply chain. The ongoing strength and sustainability of the AI and datacentre build-out theme remain a principal driver of global equities.

Equity (Asia) Fund Strategy

The trade truce between US and China should alleviate the overhang on Chinese equities. Meanwhile, the Chinese government is continuing its ongoing efforts to support the economy via stimulus policies. The Fourth Plenum included support for strategic science and technology based industries, alongside already running monetary easing and targeted measures to boost consumption. Additionally, the 'anti-involution' campaign aimed at curbing excessive price competition should also be broadly positive for corporate margins. Overall, we prefer companies that will benefit from the technological advancement in AI and potential stimulus policies, particularly in consumption, internet, technology, and manufacturing. As such, we remain constructive on tech companies in North Asia which are leveraged to the AI boom.

Kenanga Asia Pacific Total Return Fund

November 2025

kenanga
Kenanga Investors

3-year Fund Volatility
12.5
High
Lipper Analytics
14 Oct 2025

FUND OBJECTIVE

Aims to provide capital appreciation over the long-term (over 5 years) by investing in equities and equity related securities of companies in the Asia Pacific region.

Fund Category/Type
Equity / Growth

Launch Date
11 July 2013

Trustee
RHB Trustees Berhad

Benchmark
Compounded Return of 10% p.a.

Designated Fund Manager
Lee Sook Yee

Sales Charge
Max 5.50%

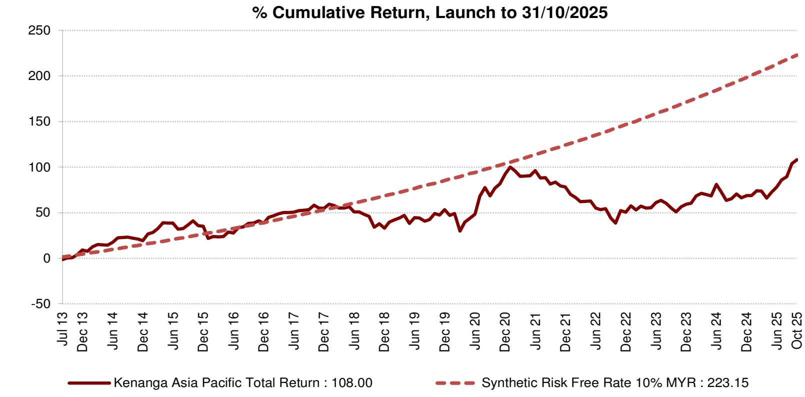
Annual Management Fee
1.75% p.a.

Annual Trustee Fee
0.07% p.a. subject to a minimum of RM16,000

Redemption Charge
Nil

All fees and charges payable to the Manager and the Trustee are subject to the goods and services tax /sales and services tax/other taxes of similar nature as may be imposed by the government or other authorities from time to time.

FUND PERFORMANCE (%)



Source: Novagni Analytics and Advisory

CUMULATIVE FUND PERFORMANCE (%)

Period	Fund	Benchmark
1 month	1.99	0.81
6 months	25.30	4.92
1 year	21.98	10.00
3 years	49.95	33.11
5 years	17.67	61.04
Since Launch	108.00	223.15

 # Source: Novagni Analytics and Advisory; Lipper, 31 October 2025

CALENDAR YEAR FUND PERFORMANCE (%)

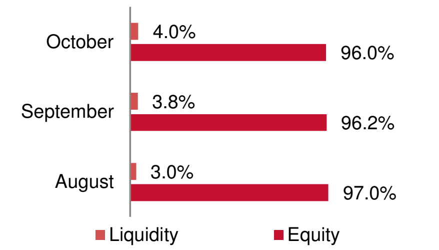
Period	Fund	Benchmark
2024	5.93	10.00
2023	5.73	10.00
2022	-15.51	10.00
2021	-7.33	10.00
2020	25.47	10.00

FUND SIZE *	NAV PER UNIT *
RM 160.26 million	RM 1.8287

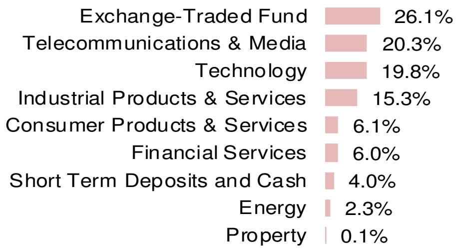
HISTORICAL FUND PRICE *

	Since Inception	Date
Highest	RM 2.2174	17-Feb-21
Lowest	RM 0.9732	28-Aug-13

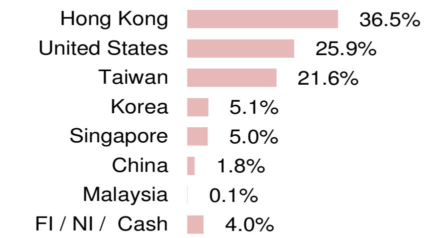
ASSET ALLOCATION (% NAV) *



SECTOR ALLOCATION (% NAV) *



COUNTRY AND CASH ALLOCATION (% NAV) *



TOP EQUITY HOLDINGS (% NAV) *

1	TSMC	10.2%
2	FRANKLIN FTSE INDIA ETF	8.4%
3	TENCENT HOLDINGS LTD	8.0%
4	ISHARES MSCI SOUTH KOREA ETF	7.5%
5	ISHARES MSCI INDIA ETF	7.3%

** Source: Kenanga Investors Berhad, 31 October 2025*

DISTRIBUTION HISTORY *

	Gross Distribution		
Date	RM	Yield (%)	Unit Split
1-Jan-00	0.12 sen	-	-