

## 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.

**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**

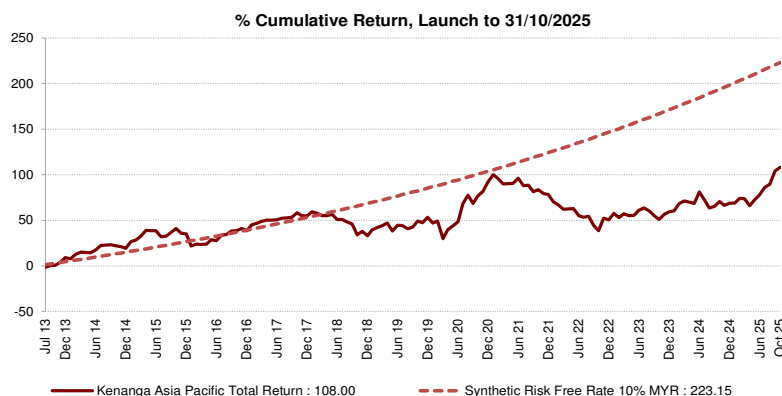
0.07% p.a. subject to a minimum of RM16,000

**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 (%)**



**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: Novagmi 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 \***

RM 160.26 million

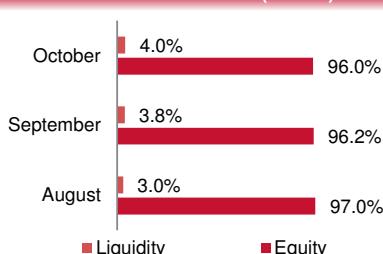
**NAV PER UNIT \***

RM 1.8287

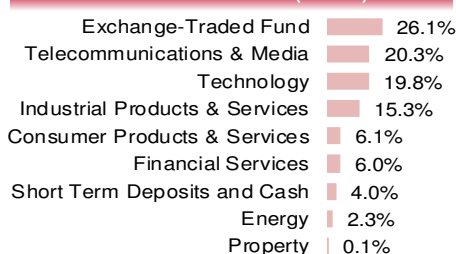
**HISTORICAL FUND PRICE \***

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

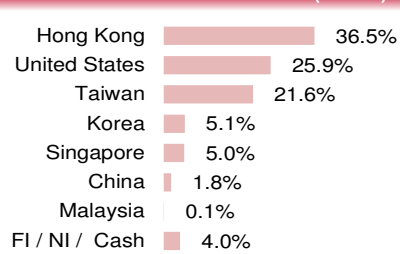
**ASSET ALLOCATION (% NAV) \***



**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%

**DISTRIBUTION HISTORY \***

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

\* Source: Kenanga Investors Berhad, 31 October 2025

Based on the fund's portfolio returns as at 14 October 2025, the Volatility Factor (VF) for this fund is 12.51 and is classified as "High". (Source: Lipper). "High" includes funds with VF that are above 10.695 and less than or equal to 14.435 (source: Lipper). The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC. The Master Prospectus dated 29 March 2019 and the Supplemental Prospectus (if any), its Product Highlights Sheets ("PHS") or Supplemental Disclosure Document ("SDD") (if any) have been registered with the Securities Commission Malaysia, who takes no responsibility for its contents. The fund fact sheet has not been reviewed by the SC. A copy of the Master Prospectus, Supplemental Prospectus (if any), SDD (if any) and the PHS are obtainable at our offices. Application for Units can only be made on receipt of application form referred to in and accompanying the Master Prospectus and/or Supplemental Prospectus (if any), SDD (if any) and PHS. Investors are advised to read and understand the Master Prospectus, its PHS and any other relevant product disclosure documents involved before investing. Investors are also advised to consider the fees and charges before investing. Unit prices and distributions may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV. Where a unit split is declared, investors should note that the value of their investment in Malaysian Ringgit will remain unchanged after the distribution of the additional units. A Fund's track record does not guarantee its future performance. Investors are advised to read and understand the contents of the unit trust loan financing risk disclosure statement before deciding to borrow to purchase units. Kenanga Investors Berhad is committed to preventing Conflict of Interest between its various businesses and activities and between its clients/directors/shareholders and employees by having in place procedures and measures for identifying and properly managing any apparent, potential and perceived Conflict of Interest by making disclosures to Clients, where appropriate. The Manager wishes to highlight the specific risks of the Fund are equity and equity-related risk, currency risk, country risk, settlement risk and warrant and convertible loan stock risk. Kenanga Investors Berhad 199501024358 (353563-P)