

**Fund Objective**

A fund which invests in a mixture of equities, fixed income securities and money market instruments in Malaysia and companies that have significant business operations in Asia. There is flexibility in asset allocation as this fund may invest solely in fixed income securities or equities. Collective investment schemes such as unit trusts, mutual funds and exchange-traded funds which invest in such underlying asset classes may be considered. The fund seeks to maximize capital appreciation over the medium to long-term while reducing risks and/or enhancing returns through timely and dynamic switching of asset classes in different markets at any given point in time.

**Investment Strategy**

This fund shall be actively managed, investing in a mixture of equities and fixed income securities based in Asia and Malaysia to achieve a well-diversified portfolio. The fund aims to provide stable medium to long-term return. The fund will include portfolio hedges to better manage its risk exposures.

The fund uses top-down approach by adopting a disciplined macroeconomic framework to identify major turning points in global financial markets to determine long term assets allocation decisions.

**Asset Allocation**

Malaysian Equities / Fixed Income Securities: 0% - 75%

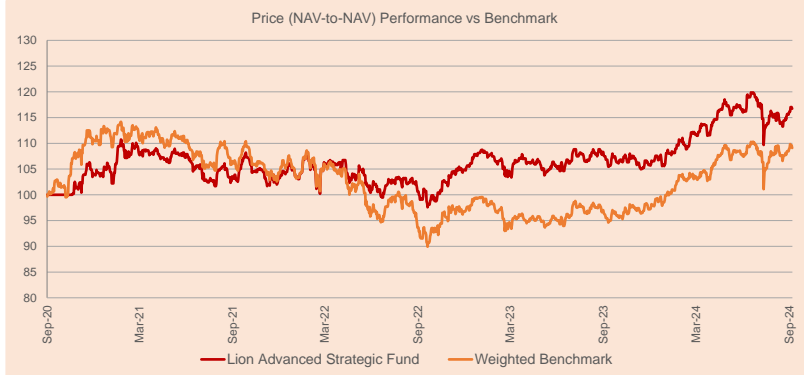
International Equities / Fixed Income Securities: Up to 35%

Remaining: Cash & Cash Equivalent

**Top 5 Holdings (as at 30-Sep-2024)**

Name	% of NAV
CIMB Group Holdings Bhd	7.8%
Public Bank Bhd	7.5%
Malayan Banking Bhd	6.2%
Tenaga Nasional Bhd	5.8%
Malaysia Government Bond	4.1%

**Performance from 23 September 2020 - 30 September 2024**



**Notice:**

Actual return is based on net basis (net of tax and charges). Past Performance of the fund is not an indication of its future performance. This is strictly the performance of the unit fund, and not the returns earned on the actual premiums paid of the Investment-Linked insurance product.

**Percentage Return (NAV to NAV)**

	YTD	1-Mth	6-Mth	1Y	3Y	5Y	Since Inception
<b>Lion Advanced Strategic Fund</b>	9.6%	0.7%	4.0%	9.3%	12.9%	n/a	16.7%
<b>Weighted Benchmark*</b>	11.4%	(0.3%)	5.6%	14.3%	3.2%	n/a	9.7%

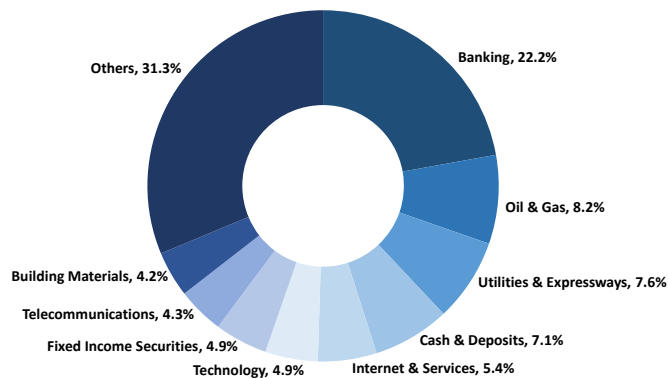
\* Weighted benchmark derived from 70% weight on FBM Kuala Lumpur Composite Index (KLCI) return and 30% weight on MSCI AC Asia ex Japan Index return.

Source: Bloomberg - FBMKLCI - Bursa Malaysia and MXASJ - Morgan Stanley Capital International (MSCI)

**Fund Info (as at 30-Sep-2024)**

<b>Inception Date</b>	23 September 2020	<b>For Single Pricing Product</b>	
<b>Fund Size (RM mil)</b>	69.7	<b>NAV per unit (RM)</b>	1.109
<b>Management Fee</b>	1.35% p.a. on NAV	<b>For Dual Pricing Product</b>	
<b>Other Charges</b>	Nil	<b>Bid Unit Price (RM)</b>	1.109
<b>Fund Manager</b>	GELM Investment	<b>Offer Unit Price (RM)</b>	1.167
<b>Valuation</b>	Daily based on market prices	<b>Risk Profile</b>	High

**Sector Allocation (as at 30-Sep-2024)**



The fund performance updates presented by Great Eastern Life Assurance (Malaysia) Berhad ("the Company") are to be used as an information source only.

Please read and understand the contents of the fund fact sheet before investing. The fund performance updates should be read in conjunction with the fund fact sheet, product brochure, Product Disclosure Sheet, sales illustration, and policy contract.

There can be no assurances that the fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Customers should consider the fees and charges involved.

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## Equity

### Market Review

The KLCI declined 1.8% MoM to end at 1,649. MSCI MY underperformed MSCI APxJ Index by 9.4% in September (vs. August's 3.8%). MYR strengthened 4.8% MoM at 4.12, while 10Y MGS declined 6 bps to 3.71%. Meanwhile, Brent crude oil fell 8.9% MoM to US\$72/bbl. Foreign equities recorded RM0.86 billion net inflow in Sept 2024, compared to a net inflow of RM2.5 billion in Aug 2024. Malaysia's bond market recorded 3.2% MoM net foreign inflow in Aug 2024. Foreign holdings of MGS increased by RM6.2 billion MoM to RM216 billion, which is equivalent to 34.9% of total outstanding MGS. IHH Healthcare has rallied 14.2% MoM on the back of optimism following the news that Japan's Mitsui & Co LTD, together with local institutional shareholders and private equity fund are exploring an option to strengthen their grip on IHH Healthcare. Meanwhile, Petronas Dagangan declined -15.3% MoM due to market correction after the company rallied 18.8% in Aug 2024 after reported marginal improvement in earnings.

### Market Outlook

The MSCI Asia ex Japan index closed September +8.2% MoM boosted by rallies in HK, China, and Thailand which were up 17%, 23.8%, and 11.8% respectively. The 50bps Fed rate cut led to a soft Dollar and boosted Asia equities in the month, with the market anticipating further cuts in November. HK and China were boosted by policy support measures to stabilise the economy. Thailand rebounded on a strengthening Baht, the new government's stimulus measure, and investors buying ahead of the Vayupak fund deployment in October. Korea was the key laggard, down 3.6% MoM led by weakness in the memory space. Other laggards were India/Indonesia/Taiwan which posted MoM returns of +2.2%/+1.4%/+1.4%.

The KLCI fell 1.8% MoM to end September at 1,649 pts. By sector, Energy/Technology/Telecommunications/Financials underperformed whilst Healthcare/Construction/Property outperformed. Foreign investors continued to be net buyers in September. YTD September 2024 saw a cumulative foreign net inflow of RM3.6 billion. The KLCI remains the best performing market in ASEAN with a YTD gain of +13.4% in local currency terms.

Going forward, the key factor influencing the market going forward is uncertainty surrounding the quantum of easing of monetary policy by the U.S. Federal Reserve as well the U.S. elections in November. The prospect of Federal Reserve rate cuts is positive for ASEAN given its low inflation, resilient domestic sector, improving trade outlook, and attractive valuations. For Malaysia, with subsidy rollbacks still pending even as a salary hike for civil servants is announced, meeting deficit targets will be important to watch. Key market drivers will be earnings and policy.

## Fixed Income

### Market review

U.S. Federal Reserve (Fed) kicked-off its easing cycle by cutting 50 basis points (bps) of the Fed funds rate to 4.75%-5.00% on 18 September 2024 Federal Open Market Committee (FOMC) meeting. It was the first rate cut since March 2020. U.S. Treasury yield curve bull-steepened in the run-up to the decision, driven by weak economic data releases, which increased bets of Fed cutting more aggressively.

Despite FED cutting its policy rate, domestic markets reaction was relatively muted. Malaysian Government Securities (MGS) yield curve flattened MTD, with 1-2y yields increased by 1-2bps while 3-30y yields dropped by 1-6bps. 10y yields moved the most, declining by 6 bps. In the month of August, foreign holdings of MGS increased from 34.2% to 34.6%, while GII holdings increased from 9.3% to 9.5% of total outstanding. August YTD, Malaysia saw a net foreign inflow of RM16.0bn for MGS and GII combined.

After strong auction results during the first 8 months of the year, Malaysian government bond and sukuk drew relatively weaker demand in September. There were three auctions in the month of September, namely 20-year Malaysian Government Investment Issue (MGII), 7-year MGS, and, 30-year MGII, with average bid-to-cover ratio of less than 2x. Notable primary issuances include Alliance Bank, Johor Plantations Group, Mercedes-Benz Services Malaysia, RHB Bank, and Prasarana.

The Malaysian Ringgit (MYR) strengthened further against the US Dollar. MYR strengthened by 4.56% to 4.1235. Meanwhile, oil price dropped, Brent price decreased 8.9% m-o-m to USD 71.77 per barrel end of September.

### Market outlook

FED cut its rate in view of the softening inflationary data and weakening labour market conditions, reiterating future adjustments will depend on incoming data, the evolving outlook, and balance of risks. In conjunction with the rate cut, the central bank revealed its latest economic forecasts. Core inflation projections were lowered to 2.6% for 2024 (from 2.8%) and 2.2% for 2025 (from 2.3%), signalling its confidence that inflation is moving towards the 2% target. Despite the eventual pivot by the FED to ease monetary policy, escalating geopolitical tensions may keep volatility in the global bond market elevated, on top of the U.S. Presidential Election in November. Intensified wars in the Middle East could drive oil prices higher, causing supply chain disruptions, renewing upward pressure on inflation, after much effort by central banks around the globe to tame it.

On domestic front, Bank Negara Malaysia (BNM) kept its benchmark interest rate at 3% at the latest Monetary Policy Meeting on 05 September 2024. It cited sustained strength in economic activity was mainly driven by resilient domestic expenditure and higher export activity. The spillovers from the diesel price adjustment to inflation have been muted, as evidenced by the Malaysia's inflation numbers. Headline inflation eased from 2.0% to 1.9% in August 2024.

Looking ahead, all eyes will be at the 2025 Budget which is expected to be presented in Parliament on 18 October 2024. Hopefully more clarity would be provided on RON95 subsidy rationalisation implementation, coupled with other fiscal disciplines in order to fulfil its pledge on fiscal consolidation effort.