

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%

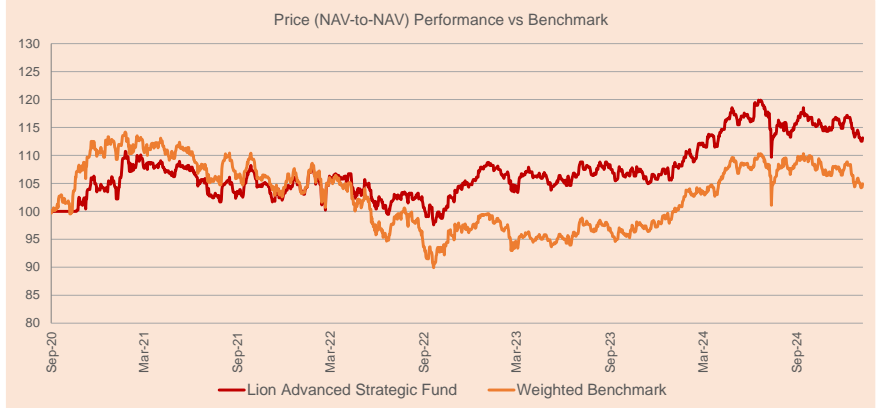
International Equities / Fixed Income Securities: Up to 35%

Remaining: Cash & Cash Equivalent

Top 5 Holdings (as at 31-Jan-2025)

Name	% of NAV
Malayan Banking Bhd	8.3%
CIMB Group Holdings Bhd	7.8%
Public Bank Bhd	7.1%
Tenaga Nasional Bhd	4.8%
Malaysia Government Bond	3.6%

Performance from 23 September 2020 - 31 January 2025



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
Lion Advanced Strategic Fund	(3.4%)	(3.4%)	(3.8%)	4.8%	9.8%	n/a	13.2%
Weighted Benchmark*	(3.6%)	(3.6%)	(3.2%)	5.1%	1.7%	n/a	5.6%

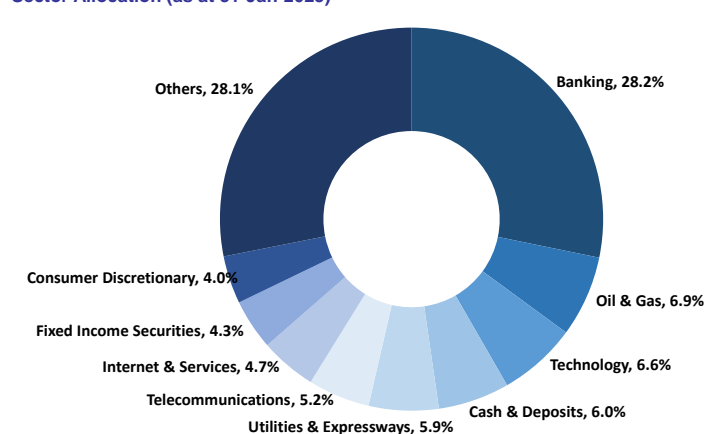
* Weighted benchmark derived from 70% weight on FBM Kuala Lumpur Composite Index (KLCI) return and 30% weight on MSCI AC Asia ex Japan Index return.

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

Fund Info (as at 31-Jan-2025)

Inception Date	23 September 2020	<u>For Single Pricing Product</u>	
Fund Size (RM mil)	79.1	NAV per unit (RM)	1.075
Management Fee	1.35% p.a. on NAV	<u>For Dual Pricing Product</u>	
Other Charges	Nil	Bid Unit Price (RM)	1.075
Fund Manager	GELM Investment	Offer Unit Price (RM)	1.132
Valuation	Daily based on market prices	Risk Profile	High

Sector Allocation (as at 31-Jan-2025)



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 5.2% MoM to end at 1,557. MSCI MY underperformed MSCI APxJ by 6.3% in January (vs. December's 7.3%). MYR strengthened 0.3% MoM at 4.46, while 10Y MGS declined 1 bps to 3.81%. Meanwhile, Brent crude oil rose 2.8% MoM to US\$77/bbl. Foreign equities recorded RM3.1 billion net outflow in January 2025, compared to a net outflow of RM2.9 billion in December 2024. Malaysia's bond market recorded -0.5% MoM net foreign outflow in December 2024. Foreign holdings of MGS decreased by RM2 billion MoM to RM205 billion, which is equivalent to 32% of total outstanding MGS. CelcomDigi has increased 3.6% MoM while YTL declined -29.2% MoM due to the DeepSeek-led selloff and heightened uncertainties for its AI DC forays from U.S. advanced chip export controls.

Market Outlook

The MSCI Asia ex Japan index closed January +0.8% MoM. Korea (+6.9%) was the best performer, led by Industrials and IT sectors. Singapore rose 4.9% MoM on strength in Internet, Telcos and Financials whilst Taiwan was up 3.5% MoM on Tech and Healthcare. China (+1.0% MoM) declined at the start of January over US tariff concerns before reversing in the middle of the month together with a softer US tariff tone on China. Meanwhile, ASEAN markets underperformed as the region's close ties to global trade have led to diminished investor appetite, particularly due to uncertainty surrounding US tariff policy and the strength of the US Dollar with Indonesia, Thailand, and Philippines returning +0.1%, -2.3%, and -9.3% respectively. The KLCI fell 5.2% MoM to end January at 1,557pts. By sector, Technology/Construction/Utilities underperformed following the AI/Data Centre related sell-down. Foreign investors remained net sellers in January with net outflows of RM3.1bn. Although some markets may rebound from oversold conditions, we believe a significant turnaround will only occur with greater clarity on US tariffs and their potential impact.

Fixed Income**Market review**

In January, global bond markets witnessed significant volatility in unsettled market dynamics before and after Trump's inauguration, as well as continual divergence in interest rate paths of major world economies. Donald Trump, upon his inauguration as the 47th President of the US on January 20, 2025, brought immediate policy changes, with over 100 executive orders emphasizing his America First agenda. However, market has to brace itself for the ever uncertain ultimate timing and quantum of the tariff implementation since Trump took office. Meanwhile, as ECB continued to cut its deposit rate, PBC shifted to moderately loose monetary policy, and BoJ increased its reference rate by 25bps to 0.5%, the US Federal Reserve (FED) paused and kept the benchmark Fed funds rate unchanged at 4.25%-4.50% in the January Federal Open Market Committee (FOMC) meeting. It also signalled extended pause given the added complications brought about by policy uncertainties and the consequent potential impact to the economy and inflation. This has resulted in rapid change in market expectations within January itself, dominated by fewer rate cuts anticipated in 2025 compared to earlier projections at point of writing. The 10-year U.S. Treasury (UST) yields spiked to 4.792% mid-January before closing the month at 4.539%.

In contrast, the local bond market was relatively calm and steady despite the swings in the UST yields. The Malaysian Government Securities (MGS) yield curve shifted downward marginally by up to 2 basis points (bps). The 10-year MGS yield closed at 3.82% end of January. Meanwhile, foreign holdings data in December 2024 showed an outflow from Ringgit bonds, with foreign holdings of the MGS contracting to 32.3% (Nov: 32.7%) of total outstanding, representing the third consecutive monthly decline.

Demand for Malaysian Government bonds remained robust. In January, there were three auctions: 7-year MGS, 15.5-year Malaysian Government Investment Issue (GII), and 3-year GII. Notably, the new 15.5-year GII auction saw exceptionally strong demand, with a bid-to-cover ratio of 4.289x, one of the highest on record for a long-duration government bond auction.

On currency front, while US Dollar (USD) was anchored by expectation of Fed pausing and policy uncertainties, Ringgit appreciated by 0.27% against the USD to close at 4.4603 at the end of January. Brent oil price rebounded 2.84% month-on-month to USD 76.76 per barrel end of January.

Market outlook

Globally, the fixed income market is expected to remain volatile. The FOMC cited that inflation remains somewhat elevated and progress towards the 2% target has stalled. The FOMC highlighted the need to balance the risks of reducing policy restraint too quickly or too slowly, indicating a cautious approach to future rate adjustments. Bond market volatility is likely to persist, influenced by policy changes under the Trump administration, including tariffs, corporate tax and the widely expected financial deregulations.

At the January Monetary Policy Committee (MPC) meeting, Bank Negara Malaysia (BNM) maintained the Overnight Policy Rate (OPR) unchanged at 3.00%. The central bank emphasized that the current rate is supportive of economic growth and consistent with inflation and growth prospects. BNM remains vigilant to global developments and their impact on the Malaysian economy. The economic outlook remains positive for Malaysia, with GDP growth projected at between 4.5% and 5.5% in 2025. Inflation is expected to stabilize within 2.0% to 3.5%, supported by effective price control policies. On supply-demand dynamics, while the Malaysian bond market is expected to see more long-duration bond supply in the first quarter of 2025, demand from long-term real investors will likely remain strong on portfolio rebuilding activities and healthy liquidity. Nevertheless, given the heightened volatility in the global bond market on the back policy uncertainties and interest rate path divergence in major economies, investors may want to remain vigilant and to adapt their strategies to navigate the evolving market landscape.