



A Prudential plc company 

April 2025

Eastspring Investments Asian Low Volatility Equity MY Fund ("Fund")

invested in a smoother ride

Capitalise on Asia Pacific ex Japan's growth opportunities with a resilient strategy that protects on the downside and also participates on the upside.



Insights into why low volatility stocks have the potential to outperform

Traditional finance theory suggests that investors need to take higher risks to achieve higher returns. However, low volatility stocks have been observed to outperform high volatility stocks over the long term.¹ This pattern is evident across global equity markets.

The reasons for this are largely linked to investor behaviour. Investors often overpay for volatile stocks, hoping for a substantial payoff. They also tend to view high volatility stocks as the next big success stories and overestimate their ability to predict the market. Low volatility stocks, with their more predictable cash flows, are less influenced by these investor biases. Consequently, low volatility stocks can add stability to portfolios, which is especially beneficial in volatile markets.

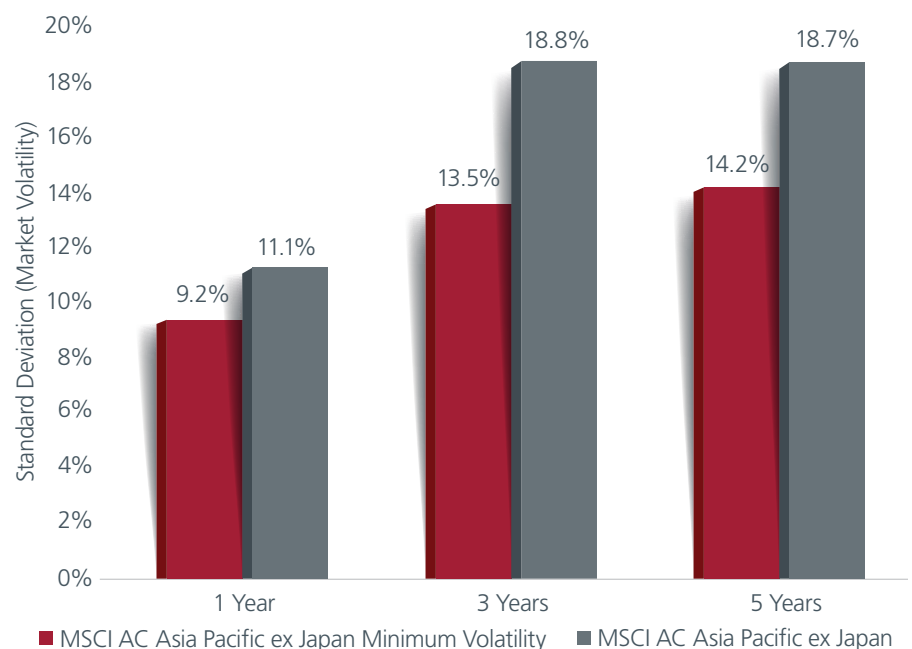
The case for an Asian Low volatility strategy

1

Capture Asia's upside potential with lower volatility

Asia Pacific ex-Japan equities benefit from the region's long-term positive outlook and attractive valuations. Asia Pacific ex-Japan equity markets tend to be less efficient – this potentially presents more investment opportunities albeit with greater volatility. A lower volatility strategy aims to tap these opportunities whilst minimising the effects of market fluctuations.

Fig 1 – Less volatile than the broader market



Source: Eastspring Investments, as of 28 February 2025. The use of indices as proxies for the past performance of any asset class/sector is limited and should not be construed as being indicative of the future or likely performance of the Fund.

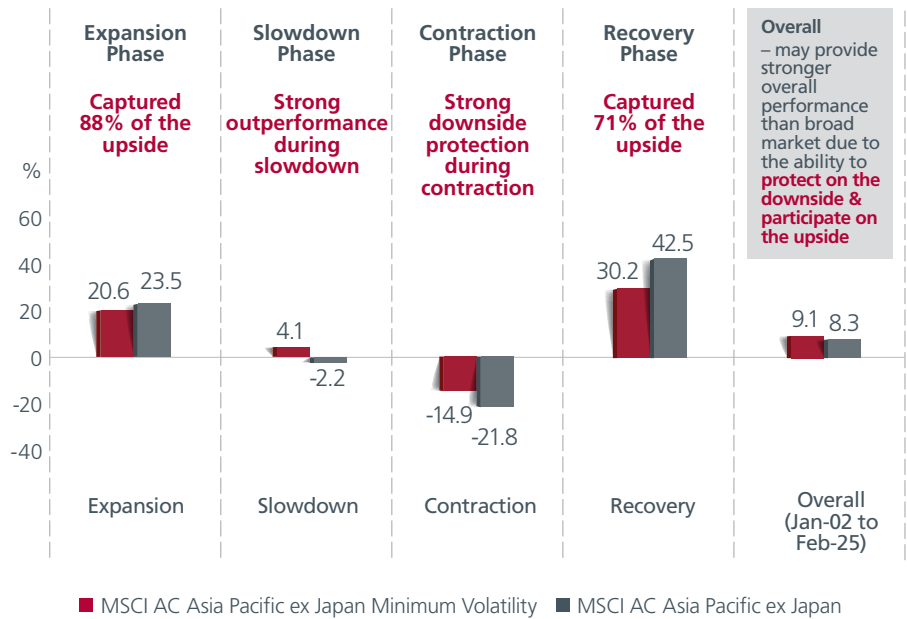
¹Baker, Malcolm P. and Bradley, Brendan and Wurgler, Jeffrey A., Benchmarks as Limits to Arbitrage: Understanding the Low Volatility Anomaly (March 2010).

2

Tends to outperform over an economic cycle

A low volatility strategy in Asia Pacific ex-Japan has been able to participate in the market's upside while providing downside protection through various stages of the economic cycle. Historically, this has resulted in stronger overall performance over a complete economic cycle.

Fig 2 – Performance over an economic cycle



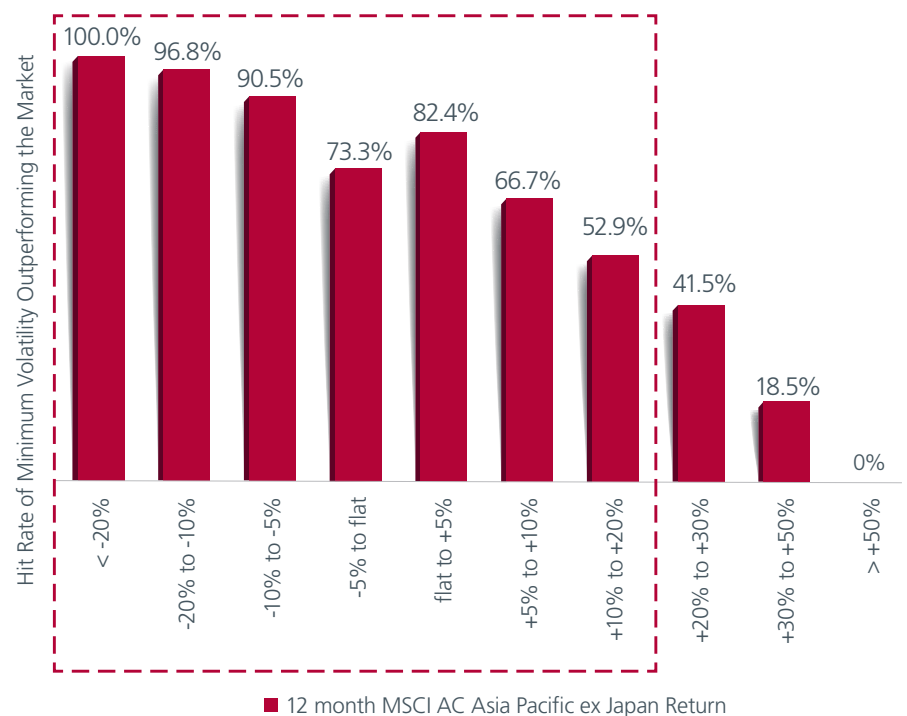
Source: Eastspring Investments, Bloomberg, OECD (G20) for business cycles, data from January 2002 to February 2025. The use of indices as proxies for the past performance of any asset class/sector is limited and should not be construed as being indicative of the future or likely performance of the Fund. Past performance, any projection or forecast is not necessarily indicative of the future or likely performance of the Fund.

3

Tends to outperform when markets fall or rally moderately

A low volatility strategy has been able to outperform the broader market more than 50% of the time except during euphoric market conditions when the MSCI AC Asia Pacific ex Japan Index gains more than 20% over a 12-month rolling period.

Fig 3 – Probability of a low volatility index outperforming the market



Source: Eastspring Investments, Bloomberg, data from May 2001 to February 2025. The use of indices as proxies for the past performance of any asset class/sector is limited and should not be construed as being indicative of the future or likely performance of the Fund.

R.I.D.E with Eastspring Investments Asian Low Volatility Equity MY Fund

The Fund is an equity fund that feeds into the Eastspring Investments – Asia Low Volatility Fund (“Target Fund”), managed by Eastspring Investments Singapore. It aims to provide investors with capital appreciation in the long-term with lower volatility.



Achieve **resilient** returns amid market ups and downs

The Target Fund demonstrates lower volatility compared to its peers by falling less during market downturns. This encourages investors to stay invested, not miss the market's best days and benefit from compounding.(Fig. 4)



Enjoy regular **income**

The Target Fund's* regular payouts offer stable income amid falling interest rates and help cushion against market volatility. As of ex-date 2 December 2024, the Target Fund* made a distribution payout[^] of 6.00% p.a.**



Gain from our **differentiated** investment style

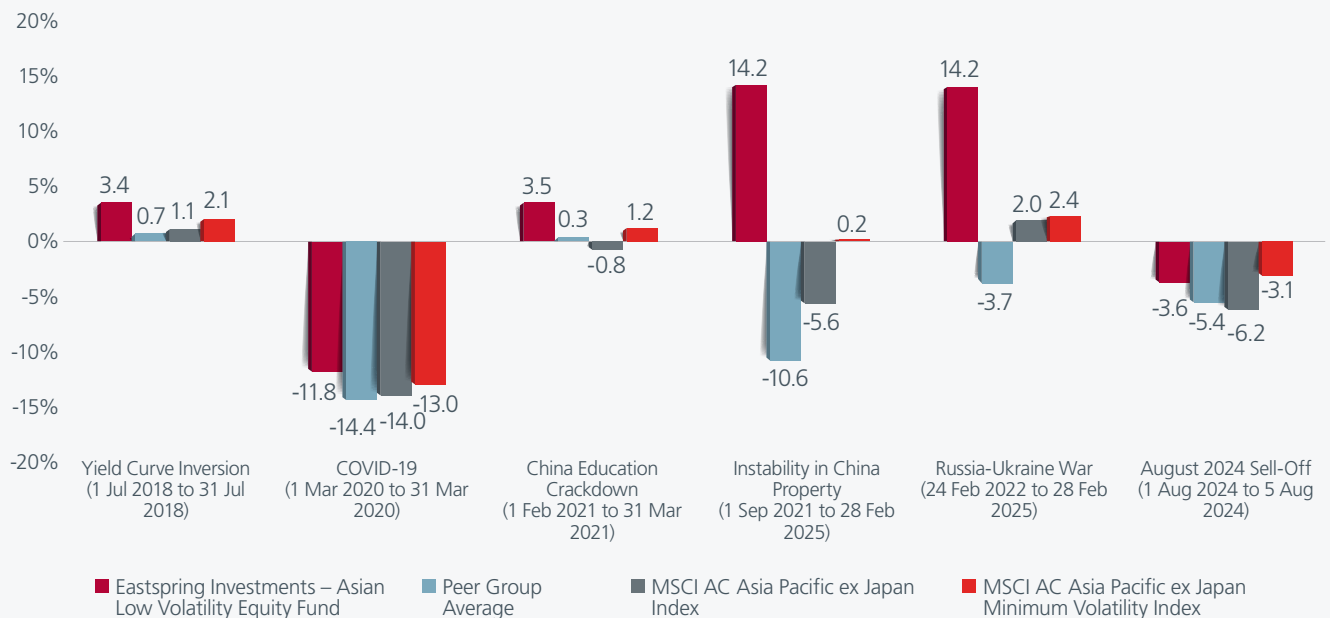
From a broad universe which provides a larger opportunity set, the Target Fund selects stocks based on multiple factors, not just low volatility, to create a well-diversified and attractively valued portfolio. (Fig. 5)



Benefit from our **investment expertise**

The Target Fund is managed by an experienced team, which has been managing Low Volatility strategies since 2013, with an AUM of USD 603 million as of 30 November 2024.

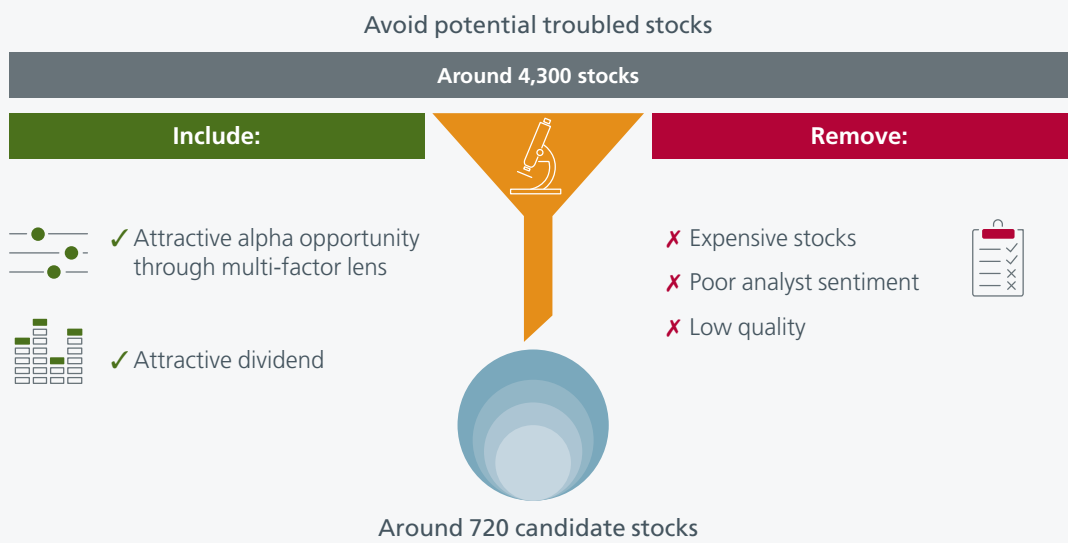
Fig 4 – Relative resilience during volatile periods



Source: Eastspring Investments, Morningstar, as of 28 February 2025. Based on the share class A of the Fund, USD. Performance is calculated on bid-bid (NAV-to-NAV) basis, annualised and with net income reinvested. Peer Group Average is Morningstar Asia Pacific ex Japan Equity. The use of indices as proxies for the past performance of any asset class/sector is limited and should not be construed as being indicative of the future or likely performance of the Fund. Past performance is not necessarily indicative of the future or likely performance of the Fund. For more information, please refer to the Fund Factsheet.

* Target Fund refers to Eastspring Investments – Asian Low Volatility Equity Fund, a Société d'Investissement à Capital Variable (SICAV) managed by Eastspring Investments (Singapore) Limited. The Target Fund was launched on 2 September 2016. *Distributions are not guaranteed and may fluctuate. Distribution payouts can be made out of (a) income; or (b) net capital gains; or (c) capital of the Fund or a combination of any of (a) and/or (b) and/or (c). For further details on historical distributions and their compositions for the last 12 rolling months, please refer to our website. Please refer to the full distributions disclosure at the end. ** For distributing share classes (monthly distribution): ADM, ASDM, ASDM (hedged).

Fig 5 – Stock selection process



Source: Eastspring Investments, as of 31 December 2024. The information provided herein are subject to change at the discretion of the Investment Manager without prior notice.

Fund information

Fund category/ Type	Feeder fund (equity) / Growth	Key risk of the Target Fund¹	<ul style="list-style-type: none"> • Concentration risk • Derivatives risk • Foreign currency/exchange risk • Political/regulatory risk • Specific risk considerations in relation to low volatility securities • Volatility and liquidity risk
Launch date	15 April 2025	Investor's profile	<p>This Fund is suitable for investor who:</p> <ul style="list-style-type: none"> • seek capital appreciation; • want to participate in the Asia Pacific ex Japan equity market; • have a high risk tolerance; and • have long term investment horizon.
Initial offer price	RM0.5000	Sales charge	Up to 5.50% of the initial offer price during the initial offer period and thereafter, of the NAV per Unit
Base currency	USD	Repurchase charge	Nil
Class of units	RM Hedged-class	Annual management fee	Up to 1.25% of the Fund's NAV per annum
Fund objective	The Fund seeks to provide investors with capital appreciation in the long-term.	Annual trustee fee	Up to 0.065% of the Fund's NAV per annum, subject to a minimum of RM15,000 per annum
Investment strategy	<p>The Fund will be investing a minimum of 85% of the Fund's NAV in the Target Fund¹ and a maximum of 15% of the Fund's NAV in money market instruments and/or deposits.</p> <p>The Target Fund aims to generate total returns in line with Asia Pacific ex Japan equity markets, via a combination of capital growth and income, but with lower volatility. The Target Fund will invest primarily² in equities and equity-related securities of companies which are incorporated, listed in, or have their area of primary activity in the Asia Pacific ex-Japan region. The Target Fund may also invest in depository receipts including ADRs and GDRs, debt securities convertible into common shares, preference shares and warrants.</p>	Trustee	Deutsche Trustees Malaysia Berhad
Asset allocation	<ul style="list-style-type: none"> • Minimum of 85% of the Fund's NAV in the Target Fund; and • Maximum of 15% of the Fund's NAV in money market instruments and/or deposits. 	Minimum initial investment	<ul style="list-style-type: none"> • Lump Sum: RM1,000³ • Regular Investment: RM100
Performance benchmark	MSCI AC Asia Pacific ex Japan Minimum Volatility Index	Minimum additional investment	<ul style="list-style-type: none"> • Lump Sum: RM100 • Regular Investment: RM100
Income distribution policy	Distribution of income, if any, will be on incidental basis, after deduction of taxation and expenses.	Cooling-off period	The period of six (6) business days from the date of your creation of direct debit e-mandate (online submission) or from the date the Eastspring Investments Berhad receives the transaction form – regular investment (manual submission). A cooling-off right is only given to a qualified investor as specified in the Fund's Prospectus.
Key risk of the Fund	<ul style="list-style-type: none"> • Collective Investment Scheme ("CIS") risk • Country risk • Currency risk • Derivatives risk • Fund management of the CIS risk • Liquidity risk • Related party transaction risk • Suspension of redemption request risk 		

¹ Target Fund refers to Eastspring Investments - Asian Low Volatility Equity Fund, a Société d'Investissement à Capital Variable (SICAV) managed by Eastspring Investments (Singapore) Limited. The Target Fund was launched on 2 September 2016.

² "primarily" refers to at least 66% of the assets of the Target Fund.

³ Unit Holders may be able to invest at a lower minimum initial investment and/ or minimum additional investment amount than the above for investments made via the digital platforms available online subject to the respective digital platforms' terms and conditions for investments. The Manager reserves the right to change the minimum redemption and minimum holding units of the Fund from time to time.

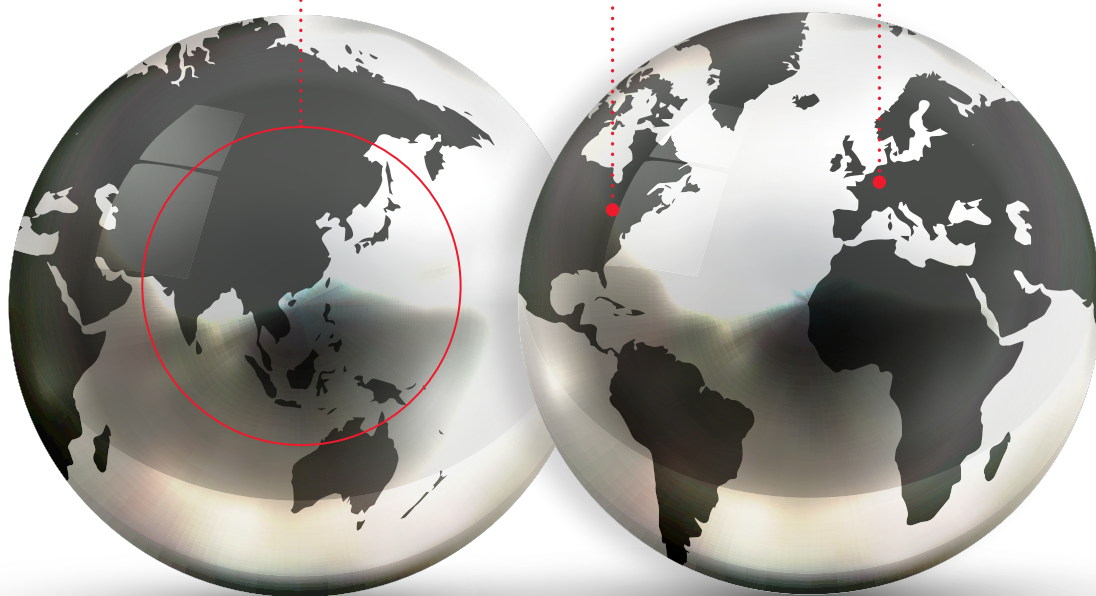
Asian DNA with global perspective

Eastspring Investments, part of Prudential plc, is a leading Asia-based asset manager that manages a total of USD 271 billion (as of 30 September 2024). Operating since 1994, we have built an unparalleled on-the-ground presence in 11 Asian markets, as well as distribution offices in North America and Europe.

- ◉ Japan
- ◉ Indonesia
- ◉ Malaysia
- ◉ Singapore
- ◉ South Korea
- ◉ Taiwan
- ◉ Thailand
- ◉ Vietnam
- ◉ Hong Kong*
- ◉ China*
- ◉ India*

◉ Luxembourg

◉ United States



◉ Sales office ◉ Sales and investment office ◉*Joint venture



Target Fund's Manager Awards

2025 House Awards by Fund Selector Asia

Asset Manager of the Year, Singapore and
Equity House of the Year, Singapore
Eastspring Investments

2025 Best of the Best Awards by Asia Asset Management

Best Fund Performance, Asia Pacific
Equity ex-Japan (3 years), Regional

2025 Asian Private Banker Asset Management Awards for Excellence

Highly Commended - Asia Pacific Equity
Eastspring Investments

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Investors are advised to read and understand the contents of the Eastspring Investments Asian Low Volatility Equity MY Fund ("Fund") Prospectus dated 15 April 2025 ("Prospectus") and the Fund's Product Highlights Sheet ("PHS") before investing. The Prospectus and PHS are available at offices of the Manager or its authorised distributors and investors have the right to request for a copy of the Prospectus and PHS.

The Prospectus has been registered with the SC who takes no responsibility for its contents. The registration of Prospectus with the SC does not amount to nor indicate that the SC has recommended or endorsed the product. Units will only be issued upon receipt of the application form accompanying the Prospectus. Past performance of the Manager is not an indication of the Manager's future performance. Unit prices and distributions payable, if any, 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 Net Asset Value ("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 are advised that the value of their investment in Malaysian Ringgit will remain unchanged after the issue of the additional units.

Investments in the Fund are exposed to collective investment scheme ("CIS") risk, country risk, currency risk, derivatives risk, fund management of CIS risk, liquidity risk, related party transaction risk, suspension of redemption request risk, while the target fund is associated with concentration risk, derivatives risk, foreign currency/exchange risk, specific risk considerations in relation to low volatility securities as well as volatility and liquidity risk. Investors are advised to consider these risks and other general risks as elaborated in the Prospectus, as well as the fees, charges and expenses involved before investing. Investors may also wish to seek advice from a professional adviser before making a commitment to invest in units of any of our funds.

Eastspring Investments is an ultimately wholly owned subsidiary of Prudential plc. Prudential plc, is incorporated and registered in England and Wales. Registered office: 1 Angel Court, London EC2R 7AG. Registered number 1397169. Prudential plc is a holding company, some of whose subsidiaries are authorized and regulated, as applicable, by the Hong Kong Insurance Authority and other regulatory authorities. Prudential plc is not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America or with the Prudential Assurance Company Limited, a subsidiary of M&G plc, a company incorporated in the United Kingdom.



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eastspring.com/my

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