Aug 2023

MONTHLY FUND PERFORMANCE UPDATE
AIA GLOBAL BALANCED FUND *(previously known as AIA Eleven Plus Fund)*

Investment Objective

The primary goal of this Fund is to provide long-term total return (combination of capital growth and income) with moderate risk by investing through exposure in a diversified portfolio of global equities and fixed income securities. It is also flexible by allowing investments in newer funds launched in the future. The Fund adopts a relatively balanced approach towards equities and bond exposure with the aim of providing stable growth of your investment. The Fund's expected average exposure to equities will be approximately 60% over the long term, however this exposure may vary from time to time and can go up to 80%. The balance is invested in the fixed income or money market instruments.

Notice: Please refer to the Fund Fact Sheet for more information about the Fund.

Fund Details

Unit NAV (31 Aug 2023)	:	RM 1.02517
Fund Size (31 Aug 2023)	:	RM 237.811 million
Fund Currency	:	Ringgit Malaysia
Fund Inception	:	25 October 2007
Offer Price at Inception	:	RM 0.50
Fund Management Charge	:	1.50% p.a.
Investment Manager	:	AIA Bhd.
Fund Type	:	Fund-of-Funds
Basic of Unit Valuation	:	Net Asset Value
Frequency of Unit Valuation	:	Daily

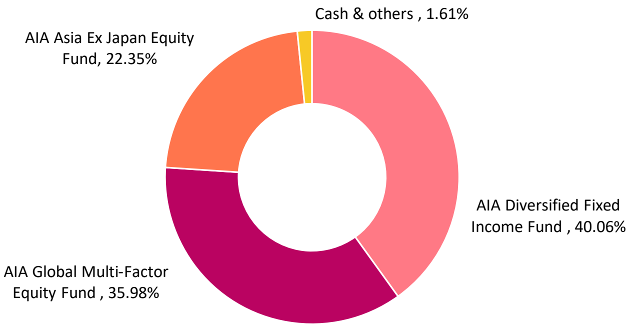
Underlying Fund Details

Name	:	AIA Global Multi-Factor Equity Fund AIA Diversified Fixed Income Fund AIA Asia Ex Japan Equity Fund AIA Greater China Equity Fund AIA India Equity Fund
Investment Manager	:	AIA Investment Management Private Ltd.

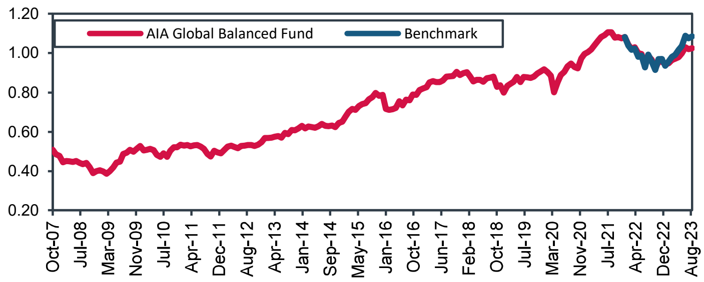
Top Fund Holdings

1	AIA Diversified Fixed Income Fund	40.06%
2	AIA Global Multi-Factor Equity Fund	35.98%
3	AIA Asia Ex Japan Equity Fund	22.35%

Fund Allocation



Historical Performance



Historical Performance *(cont'd)*

Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	0.49%	6.27%	5.99%	8.33%	17.07%	105.03%
Benchmark*	0.91%	10.73%	13.49%	N/A	N/A	N/A
Excess	-0.42%	-4.46%	-7.50%	N/A	N/A	N/A

~ Calculation of past performance is based on NAV-to-NAV. This is strictly the performance of the investment fund, and not the returns earned on the actual premiums/contributions paid of the investment-linked product.

** Prior to fund restructuring effective from January 2022, there was no benchmark available. Post restructuring the benchmark is 60.0% MSCI World Price Index + 40.0% Barclays Global Aggregate Corporate Total Return Index (Source: Bloomberg). Calculation of the benchmark since inception performance is based on the date the fund restructuring exercise was completed which is 31 January 2022. Meanwhile, calculation of the Fund's since inception performance is based on the Fund's inception date of 25 October 2007.*

Notice: Past performance of the Fund is not an indication of its future performance.

Market Review

August 2023 proved to be an unusually eventful month for the fixed income market, characterized by a prevailing risk-off sentiment driven largely by higher yields, robust economic data, and the expectation that the US Federal Reserve ("Fed") would maintain higher interest rates for an extended duration. The month kicked off with Fitch downgrading US Treasuries to AA+ from AAA representing the first downgrade of US debt since S&P's downgrade in 2011. Fitch's rationale for the downgrade centered on anticipated fiscal deterioration over the next three years and a substantial and escalating government debt burden. In respect to economic data, while indicators like nonfarm payrolls and consumer price index ("CPI") pointed towards a moderation in labor strength and inflation, other data releases indicated the continued robustness of the US economy. Specifically wage growth trended higher, retail sales expanded at a rate nearly twice that of the market's expectations, industrial production exceeded projections and economists revised third quarter gross domestic product ("GDP") growth estimates higher across the board. While credit spread volatility remained relatively subdued over the month, interest rates moved sharply higher driven by heavy Treasury issuance, the resilient economic data, and statements from the Federal Open Market Committee ("FOMC") minutes reinforcing the expectations of prolonged higher interest rates. Against this backdrop, the Bloomberg US Investment Grade Credit Index widened by 5 basis points ("bps") to 109bps, resulting in a monthly excess return of -6bps. Primary issuance over the month was USD78.9 billion, a level that represents one of the slowest Augusts since 2015. Notably, companies continued to favor issuing in the intermediate part of the yield curve relative to previous years, partly due to increased funding costs and a Treasury curve inversion. In other developments, both S&P and Moody's took ratings actions against US banks. Several regional banks were downgraded, with both agencies putting other institutions on negative watch indicating the possibility of further rating actions. These downgrades were motivated by funding pressures, concerns about profitability, and risks associated with commercial real estate exposure. In respect to performance, the best-performing sectors were Foreign Government Local Currency Bonds, Oil Field Services, Railroads, Media Entertainment, and P&C insurance. The worst-performing were Gaming, Automotive, Metals and Mining, Lodging, and Supermarkets. AAA rated bonds fared the best across the investment grade quality spectrum, while A rated bonds fared the worst.

Seasonally low liquidity compounded escalating concerns over a slowing Chinese economy has put the market a pause for breath over August 2023 for the global equity market. Global core inflation and higher interest rates drove the weaker sentiment. The effect of higher interest rates renewed the prospect of a hard landing triggering a sell off at the beginning of the month. Despite the weaker equity market performance, positive macro data points showed easing in the labour market and strong retail sales numbers highlighting the resilience in the economy. In contrast to June and July 2023, gains were led by the short leg of the style. This saw shares in several year-to-date tech leaders come under pressure as the inverse relationship between (rising) real yields and valuation multiples re-established. Meanwhile, another round of artificial intelligence led block-buster earnings from Nvidia helped the broader tech sector keep touch with the falling market.

Market Outlook

As far as equity style investment is concerned, defensive factors outperformed over the month. The top performing factors were Quality Factor, Momentum Factor and Minimum Volatility Factor. Value Factor and Size Factor underperformed over the month. The outperformance of the defensive factors highlights that August can be defined as risk off. The heightened volatility early in the month favoured lower beta factor (i.e.: Minimum Volatility Factor) and likewise Quality Factor tends to have a reduced beta compared to the broader market. Momentum Factor outperformed due to sector positioning, namely underweights to Financials and Utilities were beneficial.

For fixed income, the Underlying Fund continues to remain short beta and long duration against the benchmark.

Lipper Leader Fund for:

1. Total Return
2. Consistent Return

Lipper uses a ranking system of 1 to 5. A ranking of 5 means the fund is in the top 20% of funds in that category while a ranking of 1 means the fund is in the bottom 20%.
Source: www.lipperleaders.com