AIA Bhd. 200701032867 (790895-D)

November 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.

<u>Notice</u>: Please refer to the Fund Fact Sheet for more information about the Fund.

Fund Details

Unit NAV (30 Nov 2023)	:	RM 1.02474
Fund Size (30 Nov 2023)	:	RM 243.578 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

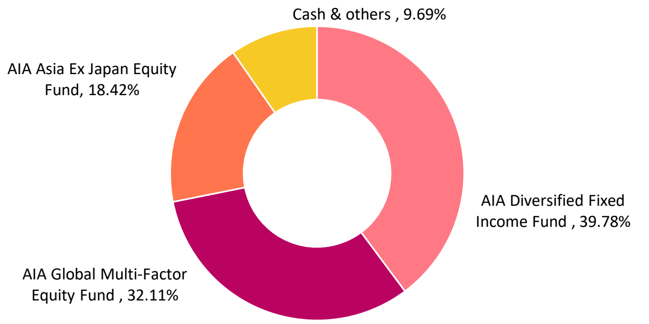
Underlying Fund Details

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.

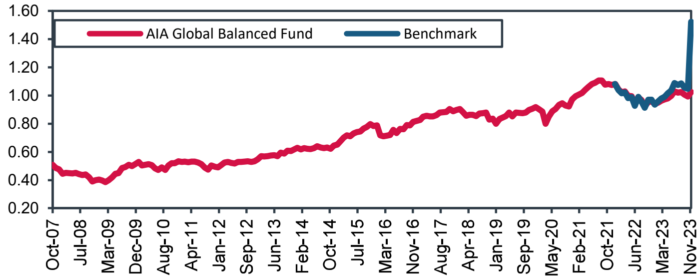
Top Fund Holdings

1	AIA Diversified Fixed Income Fund	39.78%
2	AIA Global Multi-Factor Equity Fund	32.11%
3	AIA Asia Ex Japan Equity Fund	18.42%

Fund Allocation



Historical Performance



Historical Performance *(cont'd)*

Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	3.22%	2.65%	6.87%	5.39%	22.54%	104.95%
Benchmark*	5.44%	6.76%	14.08%	N/A	N/A	N/A
Excess	-2.22%	-4.11%	-7.21%	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.*

<u>Notice</u>: Past performance of the Fund is not an indication of its future performance.

Market Review

Markets closed November 2023 in a positive mood thanks to tentative signs of economic moderation in the US and falling inflation across developed markets ("DM"). After 3 months of consecutive losses, the MSCI World surged 9.4% over November 2023. The corresponding 8.9% recovery in the S&P 500 ranks as the 7th largest monthly move on record. That left global equities in touching distance of the year-to-date ("YTD") highs observed in June 2023. Similar large moves were observed outside of equities. The US Dollar ("USD") recorded an extremely weak month. Credit spreads tightened while the bond market also had its best month since 1985. Broad-based positivity was driven by a growing sense that the US Federal Reserve ("Fed") may just have delivered the impossible, taming inflation, without a material increase in unemployment and a contraction in the US economy. November 2023 saw this growing narrative underpinned by softer than expected inflation data, evidence of easing labour market conditions and a notably dovish inflection in the tone of policy makers. Cooler-than-expected inflation in October 2023, measured by US Consumer Price Index ("CPI"), showed the decline was driven by lower energy, gasoline, travel, and hotel costs. Despite belief in peak policy rates, the November 2023's Federal Open Market Committee ("FOMC") minutes indicated the Fed's commitment to elevated rates. The UK experienced a larger-than-expected drop in inflation potentially allowing the Monetary Policy Committee ("MPC") to hold rates, and Eurostat's November 2023 CPI for Europe showed declines in both headline and core inflation. The entire fixed income market benefited from lower yields and more rate cuts expected in 2024. Investment grade bonds gained, and rising hopes for a soft landing supported high yield bonds where spreads tightened.

For the fixed income market, investor optimism driven by the increased expectations of a soft-landing economic scenario led to strong returns across risk assets in November 2023. The Bloomberg Aggregate Index posted one of its best monthly returns since 1985 while the S&P 500 registered its strongest monthly return since July 2022. Supporting these results was a sharp rally in interest rates with the constant maturity 10-year Treasury yield declining by 66 basis points ("bps"). Bolstering strong returns across risk assets was the latest inflation data, with closely watched indicators suggesting a downward trajectory. Annualized CPI fell from 3.7% to 3.2%, while core CPI decelerated from 4.1% to 4%. While these figures are still above the Fed's target, the readings are at their lowest in the past two years. Likewise, the producer price index – a measure of domestic prices that tracks inflation before it hits consumers – had its largest decline since April 2020. The decline across inflation metrics has strengthened investor views that the Fed is done hiking rates. The Fed held its current policy rate range at 5.25% to 5.5% for the 3rd consecutive meeting in November 2023. FOMC minutes signalled that, while the Fed's aggressive hiking cycle could be in its final phase, restrictive financial conditions are likely to be held well into the new year. Despite prevailing tight financial conditions, the US economy and labor market have remained resilient. Third-quarter Gross Domestic Production ("GDP") figures were revised up to 5.2% from 4.9% on the back of increasing business capital accumulation. Total nonfarm payroll employment increased by 150,000 in the month prior, while the unemployment rate held at 3.9%. New filings for unemployment benefits fell by mid-month. Existing home sales hit their lowest resale point since October 2010, with most homeowners shielded from prevailing higher rates by fixed mortgages locked in during the COVID-19 pandemic. Against this backdrop, the Bloomberg US Investment Grade tightened by 22 bps in November 2023 to 97 bps, resulting in a monthly excess return of 183bps.

Market Outlook

With the Fed pausing their rate hike cycle and the resilient labor market conditions despite the earlier rate hike, it is very likely that a soft landing scenario can be achieved. With this in mind, the Underlying Manager favors factors such as low volatility, small size, quality and value over growth dividend and momentum factors.

Currently, the Fixed Income portion is maintaining a short beta and a neutral duration compared to the benchmark. With current valuations at their year-to-date ("YTD") lowest, it advised caution regarding the future of Investment Grade spreads, predicting a period of little movement over the next few months, as it anticipates a volatile year in 2024.

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