



October 2024

## 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 October 2024)	: RM 1.07546
Fund Size (31 October 2024)	: RM 269.854 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

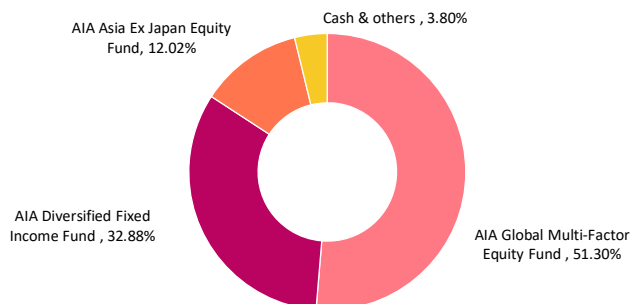
#### Underlying Fund Details

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.

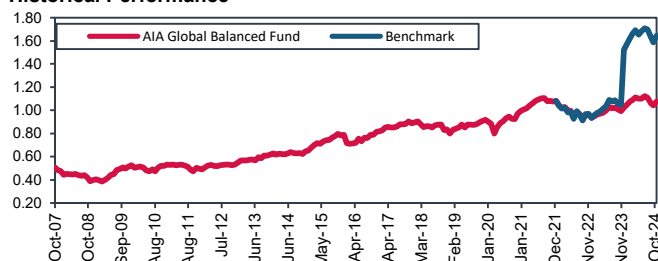
#### Top Fund Holdings

1	AIA Global Multi-Factor Equity Fund	51.30%
2	AIA Diversified Fixed Income Fund	32.88%
3	AIA Asia Ex Japan Equity Fund	12.02%

#### Fund Allocation



#### Historical Performance



#### Historical Performance (cont'd)

Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	3.18%	-2.12%	8.33%	-0.59%	19.88%	115.09%
Benchmark*	3.76%	-0.47%	13.94%	N/A	N/A	N/A
Excess	-0.58%	-1.66%	-5.61%	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

Equities declined as investors awaited key U.S. elections in October 2024 following a strong rally in the first nine months of the year, resulting in market volatility. Investors focused on growth risks, influenced by the approaching U.S. election and potential policy changes related to interest rates and inflation. Additionally, slowing economic growth in Europe and increasing geopolitical tensions in the Middle East impacted market sentiment. Global developed market equities posted a return of -2.0% as growth stocks declined by -1.8% in October 2024 but outperformed value stocks, with earnings remaining generally stable despite some disappointments in the Information Technology sector.

For Fixed Income, October 2024 began with an impressive nonfarm payrolls report, showing 254k jobs added, significantly above the estimated 140k. This is the strongest figure in six months, driven by gains in leisure and hospitality, health care, and government sectors. The ISM services index reached a 19-month high, reflecting the strength of the U.S. consumer, as well as robustness in retail and professional and business services while retail sales also increased solidly, surpassing expectations, and indicating a persistent and resilient consumer. On inflation, headline Consumer Price Index ("CPI") is now at 2.4%, and core inflation is at 3.3%, both slightly higher than market expectations. In the rates market, U.S. Treasuries posted one of their worst months in more than two years amid signs of economic strength, posturing for the U.S. presidential election, and a heavy supply of new notes and bonds. The 2-year and 10-year Treasury yields rose by 61 basis points ("bps") and 53bps respectively ending the month above 4%. Against this backdrop, the option-adjusted spread for the US Investment Grade Credit Index tightened by 5bps to 79bps, resulting in a monthly excess return of 33bps. In respect to performance, the best-performing sectors were supermarkets, airlines, cable satellite, media entertainment, and natural gas, while the worst-performing were sovereigns, health insurance, supranational, foreign agencies, and restaurants. BBB bonds fared the best across the investment grade quality spectrum, while AAA rated bonds fared the worst.

#### Market Outlook

For equities, with the US Federal Reserve ("Fed") easing 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, we favor factors such as low volatility, small size, quality, and value while maintaining neutral positions in growth, dividend, and momentum factors.

For Fixed Income portion, currently, it maintains a slight overweight position on duration while keeping an underweight on spread duration. The Fund's strategy focuses on maintaining portfolio carry through proactive security selection.



#### 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](http://www.lipperleaders.com)