AIA Bhd. 200701032867 (790895-D)

November 2021

MONTHLY FUND PERFORMANCE UPDATE
AIA GLOBAL BOND FUND 1

Investment Objective

The AIA Global Bond Fund 1 ("the Fund") will invest fully in a Singapore Dollar denominated underlying fund, namely Franklin Templeton Investment Funds - Templeton Global Bond Fund A (Mdis) SGD-H1 (the "Underlying Fund"). The Underlying Fund aims to maximise total investment return consisting of a combination of interest income, capital appreciation and currency gains by investing principally in a portfolio of fixed or floating rate debt securities and debt obligations issued by government or government-related issuers worldwide.

The Fund intends to make payouts on a quarterly basis. For the first 5 years from the Fund's inception date, the Fund will pay a fixed payout of 5 sen per unit per annum. In the event that payouts received from the Underlying Fund is insufficient to support the fixed payouts, we have the discretion to liquidate a portion of the Fund's investment in the Underlying Fund in order to meet that distribution requirement.

In the subsequent years, payout will be made annually if the Fund's Net Asset Value (NAV) exceeds RM1. The amount of payout declared, if any, may vary from year to year.

If payout is distributed to the policy owner, the NAV of the Fund will be reduced accordingly.

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

Fund Details

Unit NAV (30 Nov 2021)	:	RM 0.92915
Fund Size (30 Nov 2021)	:	RM 1.089 million
Fund Currency	:	Ringgit Malaysia
Fund Inception	:	31 May 2012
Offer Price at Inception	:	RM0.950
Fund Management Charge	:	1% p.a. of NAV
Investment Manager	:	AIA Bhd.
Basis of Unit Valuation	:	Net Asset Value
Frequency of Unit Valuation	:	Daily

Underlying Fund Details

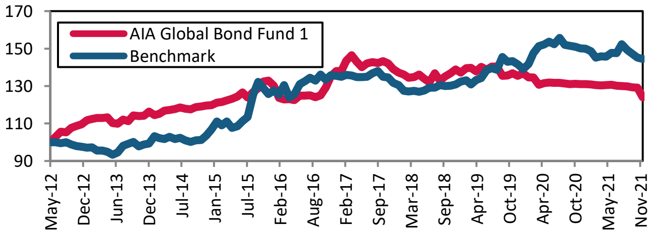
Name	:	Templeton Global Bond Fund Class A (Mdis) SGD-H1
Type	:	Global Bond Fund
Investment Manager	:	Franklin Advisers, Inc.

Top Holdings

1	Korea Monetary Stabilization Bond, Sr Unsecured, 2304, .905%, 4/02/23	7.56%
2	Government of Sweden, 3.50%, 6/01/22	6.23%
3	Government of Norway, 144A, Reg S, 2.00%, 5/24/23	5.41%
4	Korea Treasury Bond, senior note, .875%, 12/10/23	4.73%
5	Government of Norway, 144A, Reg S, 3.00%, 3/14/24	4.70%

**Underlying fund data*

Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund^	-0.20%	-1.40%	-1.70%	-7.23%	-4.66%	28.82%
Benchmark*	1.78%	-0.04%	-1.54%	12.88%	8.83%	47.73%
Excess	-1.98%	-1.36%	-0.16%	-20.11%	-13.49%	-18.91%
Underlying (~)	-0.69%	-3.90%	-4.91%	-10.11%	-4.18%	44.64%

^ 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.
**JP Morgan Global Government Bond Index (MYR Term) (Source: Bloomberg)*
~Underlying fund performance (SGD Term)
Note: The total fund returns are inclusive of the payout, if applicable.

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

Manager's Comments

This Fund is subject to exchange rate fluctuations, mainly against the Singapore dollar ("SGD") and therefore, Malaysian ringgit ("MYR") movements against foreign currencies will affect the performance of the Fund. MYR weakened against the SGD by 0.32% in November.

Market Review

The emergence of the Coronavirus ("COVID-19") Omicron variant in the final days of November 2021 triggered broad-based risk aversion across global financial markets, leading to rallies in perceived safe-haven assets and price declines in several risk assets. Crude oil prices dropped around 20% during the month on global growth concerns, with the bulk of the price adjustments occurring in the wake of the Omicron news. However, inflation figures remained historically high across much of the world. The yield on the 10Y US Treasury ("UST") note finished the month 11 bps lower at 1.45%, and the US dollar ("USD") broadly strengthened, with some notable exceptions.

The US Federal Reserve ("Fed") kept the federal funds target rate unchanged (0.00% to 0.25%) at its 3 November meeting and announced the start of tapering its asset purchases in November. UST purchases will be reduced by USD10 billion per month and mortgage-backed securities purchases by USD5 billion per month. At this pace, purchases would end by summer 2022. Committing to these levels of reductions only for November and December, the Fed left the door open to either accelerate or reduce the tapering pace next year, stating that currently the committee judges that similar reductions in the pace of net asset purchases will likely be appropriate each month, but it is prepared to adjust the pace of purchases if warranted by changes in the economic outlook. The Fed's balance sheet reached USD8.7 trillion at the end of November. Fed Chairman Jay Powell had also stressed that the conditions required to begin the process of adjusting the fed funds target rate are more stringent than those used in the tapering decision and that it is likely that the tapering process would be completed prior to raising interest rates. At the end of November, US President Joe Biden renominated Powell for another 4-year term and announced that current Fed Governor Lael Brainard had been nominated for the position of Vice Chair, increasing the likelihood of the continuation of current Fed policies.

There was no European Central Bank ("ECB") policy meeting in November. At the prior meeting on 28 October, the ECB kept monetary policy largely unchanged, leaving the main refinancing operations rate at 0.0% and the main deposit facility rate at -0.5%. ECB President Christine Lagarde had indicated that key rates will likely remain unchanged through 2022. The pandemic emergency purchase programme ("PEPP") was scheduled to conclude in March of 2022, at a total size of EUR1.85 trillion. The ECB had indicated that it will decide by December whether a smaller asset purchase programme will follow in the Q22022 after the PEPP concludes. Meanwhile, there was no Bank of Japan ("BOJ") policy meeting in November. At the prior meeting on 27 October, the BOJ kept monetary policy unchanged, leaving the overnight interest rate at -0.1% and the yield target on the 10Y Japanese government bond at 0.0%. There had been no indications of expected rate adjustments or asset purchase tapering. Japan has struggled against deflationary pressures that have recently persisted since April 2020. Core inflation remained slightly positive in September and October at 0.1% Year-on-Year ("YoY"), the first positive figures since March 2020. Prime Minister Fumio Kishida's Liberal Democrat Party secured a single party majority in the 31 October general election. His government is expected to maintain stability in monetary policy and international policy in the years ahead. Fiscal policy could become more expansionary under Kishida, who had expressed concern over income inequality and some of the consequences of Abenomics.

Performance Review

For the month, the Fund's A (Mdis) USD shares returned -0.71%, and its benchmark, the JP Morgan Global Government Bond Index, returned 0.07%.

The Fund's net-negative exposures to the Australian dollar ("AUD"), the euro ("EUR"), and Chinese yuan ("CNY") contributed to absolute results. The Fund's positions in the Norwegian krone ("NOK"), Swedish krona ("SEK"), Canadian dollar ("CAD") against the EUR detracted from absolute performance, as did positions in the Colombian peso ("COP"), South Korean won ("KRW"), Indonesian rupiah ("IDR"), New Zealand dollar ("NZD") and Argentine peso ("ARS") against the USD. Meanwhile, duration exposures in Brazil, Argentina, Ghana, South Korea and Indonesia contributed to absolute fund performance.

Market Outlook

The Underlying Manager expects the recovery in global economic activity to continue into 2022 as several regions continue to benefit from high vaccination rates and public policy shifts towards living with COVID-19, though risks associated with the emergence of the COVID-19 Omicron variant bear monitoring. While conditions appear broadly supportive of strategic rotations into risk assets, it remains crucial to be highly selective at the sovereign level given significant variations in economic conditions and policy responses, as well as varying vulnerabilities to high inflation and monetary tightening cycles. Structural risks associated with massive fiscal spending and excessive monetary accommodation also remain a medium to longer-term concern in several countries. Debt levels have risen significantly in just about every country. Additionally, financial market overreliance on extraordinary monetary accommodation creates the preconditions for a potential financial market shock when policy begins to normalise. Exiting the pandemic is unlikely to be a completely smooth transition. The Underlying Manager expects inflation figures in many countries to remain elevated into Q12022, driven by a combination of factors that include supply and demand mismatches. The true test will be whether any of these factors become persistent enough to feed into longer-term inflation expectations, which would create self-sustaining price pressures. Many central banks have begun considering when and at what pace to begin normalising policy. Specific emerging markets with inflation concerns have already begun raising rates while other countries are looking towards normalising policy to keep ahead of the curve, given strengthening economic conditions. The Underlying Manager expects a growing divergence on the monetary policy front as certain developed market central banks trend towards policy normalisation while certain emerging market central banks are compelled to tighten policy to contend with rising inflationary pressures.