September 2022

MONTHLY FUND PERFORMANCE UPDATE
AIA GLOBAL BOND FUND 4

Investment Objective

The AIA Global Bond Fund 4 ("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 Sep 2022)	:	RM 0.80893
Fund Size (30 Sep 2022)	:	RM 2.921 million
Fund Currency	:	Ringgit Malaysia
Fund Inception	:	12 October 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

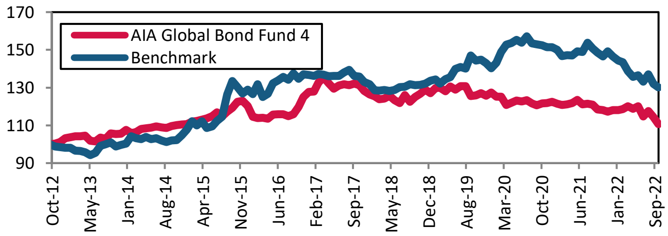
Name	:	Templeton Global Bond Fund Class A (Mdis) SGD-H1
Type	:	Global Bond Fund
Investment Manager	:	Franklin Advisers, Inc.

Top Holdings

1	Korea Monetary Stabilization Bond, SR UNSECURED, Sr Unsecured, 2304, .905%, 4/02/23	8.07%
2	Korea Treasury Bond, senior note, .875%, 12/10/23	4.96%
3	Government of Norway, 144A, Reg S, 3.00%, 3/14/24	4.86%
4	Brazil Letras do Tesouro Nacional, BILLS, Unsecured, LTN, 1/01/25	4.41%
5	Brazil Letras do Tesouro Nacional, BILLS, Unsecured, LTN, 7/01/24	3.57%

**Underlying fund data*

Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund^	-3.22%	-7.92%	-6.63%	-12.10%	-16.29%	10.62%
Benchmark*	-1.44%	-6.24%	-12.47%	-9.93%	-4.51%	30.04%
Excess	-1.78%	-1.68%	5.84%	-2.17%	-11.78%	-19.42%
Underlying (~)	-5.08%	-13.53%	-12.45%	-19.11%	-20.80%	28.08%

^ 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 1.22% in September.

Market Review

September marked yet another month in which hawkish central banks spurred a rise in most developed market sovereign bond yields. The tighter monetary policy cycle has become increasingly synchronised across the globe, both in terms of the number of central banks hiking, as well as the magnitude and frequency of rate hikes gathering pace. The 10Y US Treasury ("UST") note ended the month at a yield of 3.83%, 64bps above its end-August level.

On the monetary policy front, hawkish commentary by a number of US Federal Reserve ("Fed") officials and Fed Chairman Jay Powell at the annual symposium at Jackson Hole in late August was followed by more of the same during September. A third consecutive rate increase of 75bps implemented at the September Federal Open Market Committee ("FOMC") meeting was therefore largely in line with market expectations. The Fed funds target range is now 3.00% - 3.25%. This move also followed the higher-than-expected US August Consumer Price Index ("CPI") outcome and higher inflation forecasts by the Fed. While the move itself was in line with expectations, the dot plots were more hawkish than expected, with the median projected Fed funds rate now at 4.4% by end-2022 and 4.6% in 2023, before easing to 3.9% in 2024. Powell noted at the news conference following the FOMC meeting that they were moving the policy stance purposefully to a level restrictive enough to return inflation to 2%. Fed officials' commentary over the remainder of September following the meeting continued to drum a hawkish beat.

The European Central Bank ("ECB") increased all three of its policy rates by 75bps in September. The main refinancing operations rate is now 1.25%. This followed a 50bps move at its 21 July meeting, which was its first increase in 11 years. Both these rate moves had been at the more hawkish end of market expectations. The ECB said that inflation remains far too high and is likely to stay above target for an extended period. Its staff projections now show inflation is expected to average 8.1% in 2022, 5.5% in 2023 and 2.3% in 2024. The Bank of Japan ("BOJ") had continued to stand apart from the global policy trend, retaining an unchanged stance at its September meeting. It has made no changes to policy this year, keeping the overnight interest rate at -0.1% and maintaining the yield target on the 10Y Japanese government bond at 0.0%. However, there was a change in the tone of the commentary as the BOJ noted that it expects underlying inflation pressure to increase following an improvement in the output gap and on the back of increased wages and inflation expectations.

Performance Review

For the month, the Fund's A (Mdis) USD shares returned -4.89%, and its benchmark, the JP Morgan Global Government Bond Index, returned -4.88%.

The Fund's positions in the South Korean won ("KRW"), Japanese yen ("JPY"), Indonesian rupiah ("IDR"), Chinese yuan ("CNY"), Indian rupee ("INR"), New Zealand dollar ("NZD"), Singapore dollar ("SGD"), Brazilian real ("BRL"), Chilean peso ("CLP") and Colombian peso ("COP") detracted from absolute fund performance. The fund's cross-currency positions against the euro ("EUR") also detracted from absolute results, particularly the Norwegian krone ("NOK") and Canadian dollar ("CAD"). Duration exposures in Brazil and Argentina contributed to absolute fund performance, while duration exposure in Ghana detracted.

Market Outlook

The Russia-Ukraine war continues to generate uncertainty in global growth and financial markets. While the Underlying Manager expects moderation in the pace of global growth, the conflict in Ukraine is likely to have heterogeneous impacts on economic momentum in different regions and countries. Substantial disruptions to the flow of food, energy, and other commodities through Europe will have material impacts on its economic growth, with varying ripple effects for other parts of the world. On the rates front, the global monetary tightening cycle continues to press forward as inflation pressures broaden. While some developed market central banks have moved more aggressively in recent months to tighten policy, it's likely the rate hike cycle will have to continue for longer given low starting policy rates and persistent, above-target inflation. Developed market sovereign bonds are thus likely to face continued headwinds. In contrast, certain emerging markets that have been able to stay ahead of the curve by maintaining already high rates or hiking rates ahead of others (such as areas of Latin America) should be in a stronger position to weather the global tightening cycle and might even be able to start easing earlier. Others appear more vulnerable to persistent inflation and weaker fundamentals that may impede the ability to keep pace. Heterogeneity in fundamental conditions and monetary policy should create relative valuation opportunities amongst countries. The Underlying Manager views that the greatest areas of value in the sovereign bond markets can be found in specific local-currency emerging markets. Specific emerging market assets that have already been priced for high inflation and rate hikes provide attractive risk-adjusted yields and should benefit when domestic inflation eventually peak and begin to moderate. On a regional basis, areas of Asia continue to stand out from the emerging market pack, as the Underlying Manager expects Asia to remain an important driver for global growth.

This document is for informational use only. Investments are subject to investment risks including the possible loss of the principal amount invested. The value of the units may fall as well as rise. Past performance of the fund is not an indication of its future performance. This is not a pure investment product such as unit trust and please evaluate the options carefully and satisfy that the Investment-Linked Insurance / Takaful plan chosen meets your risk appetite. Please refer to the Fund Fact Sheet for more information about the fund.