April 2023

MONTHLY FUND PERFORMANCE UPDATE
AIA GLOBAL BOND FUND 8

Investment Objective

The AIA Global Bond Fund 8 ("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.

Fund Details

Unit NAV (28 Apr 2023)	:	RM 0.85678
Fund Size (28 Apr 2023)	:	RM 1.786 million
Fund Currency	:	Ringgit Malaysia
Fund Inception	:	6 May 2013
Offer Price at Inception	:	RM0.950
Fund Management Charge	:	1% p.a. of NAV
Investment Manager	:	AIA Bhd.
Fund Type	:	Feeder Fund
Basis of Unit Valuation	:	Net Asset Value
Frequency of Unit Valuation	:	Daily

Underlying Fund Details

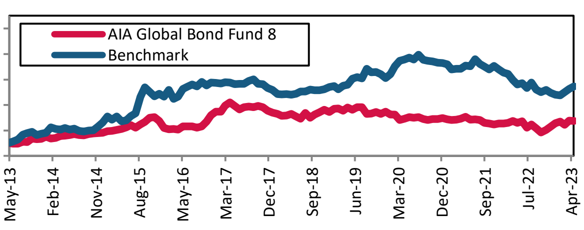
Name	:	Templeton Global Bond Fund Class A (Mdis) SGD-H1
Type	:	Global Bond Fund
Investment Manager	:	Franklin Advisers, Inc.

Top Holdings

1	Indonesia Treasury Bond, BONDS, Unsecured, FR96, 7.00%, 2/15/33	4.60%
2	Brazil Letras do Tesouro Nacional, BILLS, Unsecured, LTN, 1/01/25	3.87%
3	Korea Treasury Bond, BONDS, Sr Unsecured, 2803, 3.25%, 3/10/28	3.65%
4	Korea Treasury Bond, senior note, .875%, 12/10/23	3.50%
5	Government of Australia, senior bond, Reg S, 4.25%, 4/21/26	3.31%

**Underlying fund data*

Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund^	-0.39%	6.37%	1.34%	-1.58%	-4.59%	17.38%
Benchmark*	1.26%	1.77%	-1.16%	-12.68%	4.64%	44.49%
Excess	-1.65%	4.60%	2.50%	11.10%	-9.23%	-27.11%
Underlying (~)	-0.91%	8.76%	-3.67%	-9.11%	-14.13%	38.29%

^ 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.

<u>Notice</u>: 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 0.5% in April 2023.

Market Review

While many market participants remained wary of the banking industry after the turmoil in March 2023, April 2023 was relatively quiet on that front. On the economic front, while inflation rates remain near multi-year highs and above target across much of the globe, there are increasing signs they have peaked in many countries. The global monetary policy cycle is still showing some divergence, but the softer trends of more moderate interest-rate hikes or pausing in rate cycles are gaining more traction across regions. Global growth data remains generally lacklustre; although worst-case outcomes seem to have been avoided, there may be some dampening effects arising from the banking turmoil and consequent tighter credit conditions.

Global growth indicators are softening somewhat, though most countries still seem on track for positive growth rates this year. The International Monetary Fund ("IMF") revised its projections of global growth down slightly in its April 2023 World Economic Outlook, to 2.8% in 2023 and 3.0% in 2024. Emerging market and developing economies, and especially Asia, are still anticipated to significantly outperform developed economies. Recent data in the US confirms signs of moderation, including in the labour market, although the latter remains tight. Globally, there is still wariness about the banking industry and the potential for tighter credit conditions to further dampen growth.

Headline inflation seems to have peaked across a range of countries as energy and food prices have eased, though it has continued to rise in a few. However, core inflation measures have generally been sticky due to services prices. It is likely to be some time before inflation returns to target levels across a range of countries and regions. US headline Consumer Price Index ("CPI") slowed further to 5.0% Year-on-Year ("YoY") in March 2023 (February 2023: 6.0% YoY), though core inflation edged higher to 5.6% YoY from 5.5% YoY in February 2023. In Europe, preliminary euro area ("EA") inflation for April 2023 ticked higher to 7.0% YoY, from 6.9% YoY in March 2023. In the United Kingdom, annual CPI remained in double digits, at 10.1% YoY in March 2023. In Asia, inflation rates have generally remained lower than elsewhere, albeit relatively elevated compared to their own historical trends; but this region too is now largely showing signs of inflation having peaked. Inflation rates in Asia include India at 5.7% YoY, Singapore at 5.5% YoY, Indonesia at 4.3% YoY, South Korea at 3.7% YoY, Malaysia at 3.4% YoY, Thailand at 2.7% YoY, Japan at 3.2% YoY and China at just 0.7% YoY.

There was no Federal Open Market Committee ("FOMC") meeting of the US Federal Reserve ("Fed") in April 2023. In March 2023, the Fed had raised rates by 25 bps. There was no European Central Bank ("ECB") meeting in April 2023. The ECB had raised rates another 50 bps at its March 2023 meeting, putting the repo rate at 3.5%. ECB officials' commentary has tended towards indicating continued rate increases, but support for continued 50 bps moves seems to be dwindling.

New Bank of Japan ("BoJ") Governor Kazuo Ueda took the helm in April 2023. The BoJ again left rates unchanged at its April 2023 meeting, with the overnight interest rate at -0.1% and the yield target on the 10-year Japanese government bond at 0.0%. The BoJ statement about forward guidance after the April 2023 meeting noted the BoJ's commitment to retain the overall current policy framework "as long as it is necessary" for maintaining the 2% inflation target in a stable manner. It also added new language stressing the need to "patiently continue with monetary easing" amidst "extremely high uncertainties surrounding economies and financial markets at home and abroad."

While a few emerging market central banks are still hiking rates, signals of pauses and/or peaks in hiking cycles are now prevalent. In Latin America, Chile, Brazil, Peru and, more recently, Mexico have paused their hiking cycles. Some central banks in Eastern Europe have also paused in April 2023. Asian central banks were later to the hiking cycle last year on the back of a slower inflation increase than elsewhere, but there are now signs that a number of them may also be around the peaks of their hiking cycles. Bank Indonesia has kept interest rates unchanged since its last hike in January 2023, having previously indicated that the current policy rate is sufficient to return inflation to target. The Bank of Korea kept rates unchanged again in April 2023. India unexpectedly kept rates unchanged at 6.5%. Across all regions, central banks who have paused have generally noted that rates may stay high for some time and could increase again if needed.

Yields on developed market sovereign bonds were mixed in April 2023, though generally showed quite modest moves over the month. The 10-year US Treasury note's yield fell by 5 bps to end the month at 3.43%. In Europe, the yield on the 10-year German Bund rose just 2 bps to 2.31%; within the EA, there were mixed movements in bond yields over April 2023, between a decline of 5 bps in Ireland and an increase of 9 bps in France. Moves were more pronounced in the UK, where the 10-year Gilt yield rose by 23 bps to 3.72%. In other developed markets, bond yields fell in Canada (by 6 bps to 2.84%) and New Zealand (by 11 bps to 4.09%) but rose in Australia (by 4 bps to 3.34%). In Japan, the 10-year government bond yield rose by 6 bps to 0.39%, still comfortably below the 0.50% top of the yield curve band.

Emerging market local-currency bond yields were also mixed in April 2023. In Latin America, yields fell in Mexico (by 6 bps to 8.78%) and Brazil (by 47 bps to 12.34%), but they rose in Colombia (by 11 bps to 11.87%) and Chile (by 27 bps to 5.40%). In Asia, 10-year bond yields fell in India (by 17 bps to 7.11%), Indonesia (by 26 bps to 6.51%) and Malaysia (by 18 bps to 3.71%), but they rose in Thailand (by 10 bps to 2.53%). Eastern European markets generally saw bond yields decline over April 2023; 10-year yields fell in Hungary by 75 bps to 7.75%, in Poland by 16 bps to 5.89%, and in Czechia by 6 bps to 4.53%.

Emerging market debt indices rose modestly over the month. The JP Morgan EMBI Global (EMBIG) gained 0.5% over April 2023. Corporate credit markets were also somewhat stronger. The Bloomberg U.S. Corporate Investment Grade Index rose by 0.7% in April 2023, while the lower-credit tier Bloomberg U.S. Corporate High Yield Index was up by 1.0%. European corporate credit indices were also generally higher over the month.

Performance Review

For the month, the fund's A (Mdis) USD shares returned -0.83%, and its benchmark, the JP Morgan Global Government Bond Index, returned 0.17%.

The Fund's positions in the Indonesian rupiah ("IDR") and Brazilian real ("BRL") contributed to absolute fund performance while positions in the Japanese yen ("JPY") and South Korean won ("KRW") detracted from performance. Duration exposures in Indonesia also contributed to absolute fund results.

Market Outlook

Although inflation is expected to generally remain above both historical averages and inflation targets during most of the year, the Underlying Manager broadly expects it to decline over the course of 2023. The global growth outlook still seems to be fairly tepid, with the recent banking turmoil adding to uncertainty. Some of the tightening in financial conditions seen recently is likely due to the effects of the banking turmoil. In the Underlying Manager's view, the probability of a recession in the US later this year has risen as a result of these developments. The Underlying Manager believes the USD bull market that had been in place since mid-2021 will continue the unwinding that began in late 2022. In the Underlying Manager's view, the USD is still at historically stretched levels against selected developed and emerging market currencies. As US GDP slows, growth differentials are moving more in favour of other regions. Interest-rate differentials are also expected to be less supportive of the USD going forward. Market expectations now more closely reflect the likely peak fed funds rate. On a regional basis, areas of Asia continue to stand out. The data indicates that both Japan and China have already started to see positive economic impacts from reopening. The impact on economic activity is expected to have positive spillover effects for regional neighbours too. Emerging Asia is projected to have some of the strongest growth rates in the world in 2023, and the Underlying Manager expects improving growth differentials versus the US to support selected Asian currencies against the USD.