



Jun 2023

MONTHLY FUND PERFORMANCE UPDATE

AIA GLOBAL FIXED INCOME FUND (previously known as AIA Asian Debt Fund)

Investment Objective

The Fund aims to maximise long-term return by investing in a diversified fixed income portfolio consisting primarily of investment grade bonds and other debt securities denominated in USD.

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

Fund Details

Unit NAV (30 Jun 2023)	: RM 2.27131
Fund Size (30 Jun 2023)	: RM 72.274 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 31 July 2006
Offer Price at Inception	: RM 1.00
Fund Management Fee	: 1.00% p.a.
Investment Manager	: AIA Bhd.
Fund Type	: Feeder Fund
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

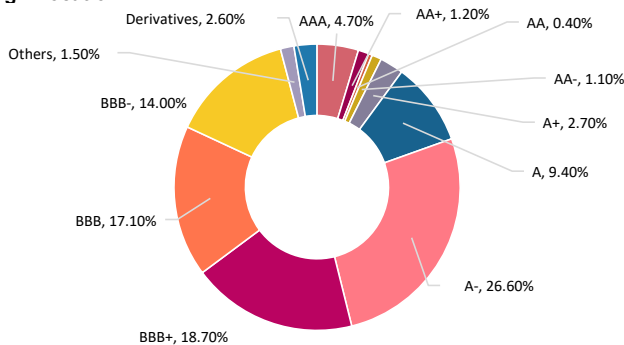
Underlying Fund Details

Name	: AIA Diversified Fixed Income Fund
Investment Manager	: BlackRock Financial Management, Inc.

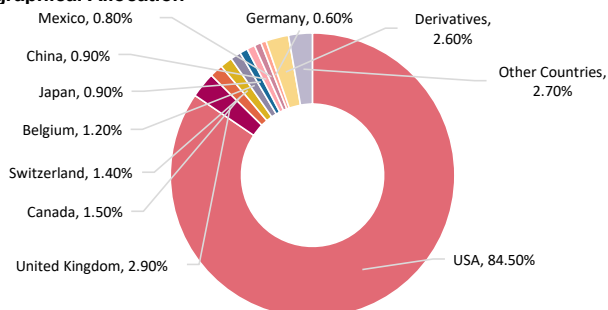
Top Holdings*

1	CBT US ULTRA BOND CBT Sep23	2.10%
2	United States Treasury NoteBond 3.625% 15/05/2026	2.00%
3	eBay Inc 3.45% 01/08/2024	1.50%
4	CBT US 10yr Ultra Fut Sep23	1.50%
5	Equinix Inc 2.625% 18/11/2024	1.40%

Rating Allocation*

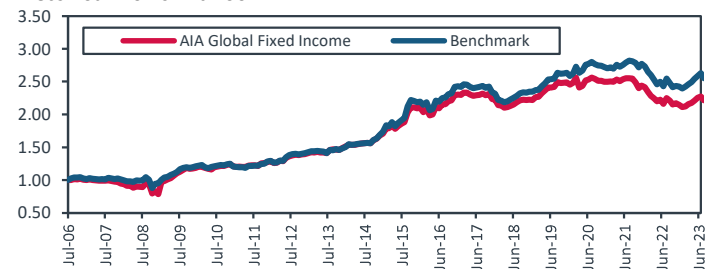


Geographical Allocation*



*Underlying fund data

Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	0.83%	7.56%	5.08%	-10.20%	5.63%	127.13%
Benchmark*	1.60%	9.85%	8.17%	-5.11%	16.70%	162.85%
Excess	-0.77%	-2.29%	-3.09%	-5.09%	-11.07%	-35.72%
Underlying (^)	0.10%	2.87%	1.20%	N/A	N/A	-11.77%

~ 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.

* 100% AIA Diversified Fixed Income Blended BBG/ Barclays/ JPM Benchmark (Source: Bloomberg)

^ Fund underwent the restructuring exercise in the month of January 2022. Calculation of the Underlying Fund's 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 31 July 2006. Underlying fund performance is in USD Term.

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 US dollar ("USD") and therefore, Malaysian ringgit ("MYR") movements against foreign currencies will affect the performance of the Fund. MYR weakened against USD by 1.16% in June 2023.

Market Review

US Investment Grade Credit outperformed duration-adjusted Treasuries by 112bps in June 2023, with the Bloomberg US Credit Index tightening 14bps to end June 2023 at 114bps. The resolution of the debt ceiling crisis continued recovery in regional banks, a Federal Reserve ("Fed") close to a pause in fed rate hikes, and strong demand for yield all contributed to a favourable environment for spreads in June 2023. The market remains highly sensitive to incoming data as strong employment data and resilient growth paint an uncertain outlook when measures of economic activity such as the Institute of Supply Management manufacturing are showing signs of a slowdown. At the June 2023 Federal Open Market Committee ("FOMC") meeting, after 10 consecutive rate hikes over the past 1.5 years, the Fed has decided on their first pause leaving the target range between 5.00% and 5.25%. The market interpreted this as a hawkish skip as the median dot for 2023 implied 2 more rate hikes, and the 2Y Treasury ended June 2023 50 bps higher at 4.90%.

In corporate news, after the second busiest month of primary issuance this year in May 2023, the Underlying Manager saw a bit of a slowdown with USD93 billion of gross new issuances coming to market in June 2023. Notably, the majority of issuance over the month was brought by financials and more specifically regional and Yankee banks, who were able to access the market for the first time following the volatility in March 2023. In credit specific events, the acquisition of Credit Suisse AG by UBS was officially completed in June 2023. Additionally, the Utility space came under pressure after PacifiCorp, a subsidiary of Berkshire Hathaway Energy was found grossly negligent in causing significant damage in the 2020 Labor Day wildfires by an Oregon court. The best-performing sectors were Media Entertainment, Cable Satellite, Oil Field services, Life Insurance and Tobacco. The worst-performing were Supranationals, Construction Machinery, Foreign Local Governments, Electric Utilities and Automotive. BBB rated bonds fared the best across the quality spectrum, while AAA fared the worst.

Performance Review

The Underlying Fund underperformed its benchmark by 35 bps for the month. Security selection was the biggest contributor, primarily driven by its selection in Industrials and Banks. However, this was offset by its underweight allocation to corporates as spreads tightened over the month. The duration positioning also slightly detracted from returns as rates sold off. The Underlying Fund remains short beta and long duration against the benchmark.