AIA Bhd. 200701032867 (790895-D)

March 2025

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 (31 March 2025)	:	RM 2.32761
Fund Size (31 March 2025)	:	RM 141.580 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

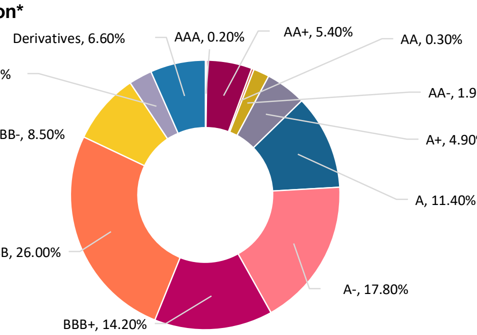
Underlying Fund Details

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

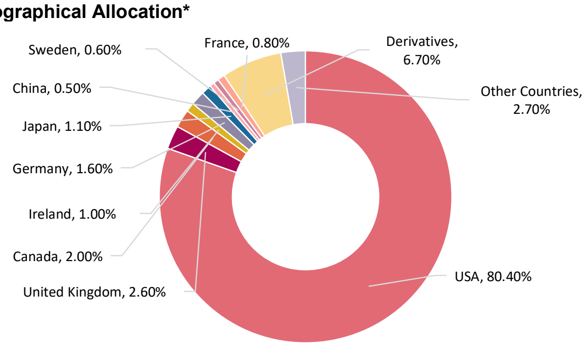
Top Holdings*

1	CBT US 5yrs NOTE (CBT) Jun25	4.50%
2	CBT US Long Bond (CBT) Jun25	2.50%
3	CBT US 2yrs NOTE (CBT) Jun25	2.50%
4	United States Treasury NoteBond 4.25% 15/11/2034	1.20%
5	Bank of America Corp 4.979% VRN 24/01/2029	0.90%

Rating Allocation*

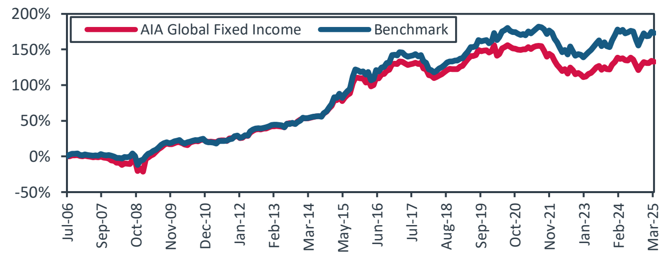


Geographical Allocation*



**Underlying fund data*

Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund~	-0.61%	5.32%	-2.04%	3.73%	-3.48%	132.76%
Benchmark*	-0.85%	6.76%	-1.65%	8.04%	3.61%	172.78%
Excess	0.23%	-1.43%	-0.39%	-4.31%	-7.09%	-40.02%
Underlying (^)	-0.07%	-1.16%	4.97%	8.30%	N/A	-3.04%

~ 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.

** Benchmark will be revised from 100% AIA Diversified Fixed Income Blended BBG/ Barclays/ JPM Benchmark to 100% Bloomberg Barclays U.S. Corporate Bond Index, effective 1 October 2023. (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 strengthened against the USD by 0.54% in March 2025.

Market Review

In March 2025, economic challenges driven by tariff policy and growth concerns led the Federal Reserve ("Fed") to keep rates unchanged during their March Federal Open Market Committee ("FOMC") meeting. Chair Powell stated at the time, "Uncertainty around the economic outlook has increased. The committee would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the committee's goals." Uncertainty was exacerbated by President Trump's global tariff policy, which affected both manufacturing and consumer confidence. US manufacturing fell back into contraction territory this month, affected by a tariff-related increase in materials costs, while the service sector outlook worsened.

The S&P Global flash March 2025 factory index dropped nearly 3 points to 49.8 from its highest level since mid-2022, with figures below 50 indicating contraction. Additionally, US consumer confidence declined in March 2025 to its lowest level in 4 years due to concerns about higher prices and the economic outlook amidst the Trump administration's tariff escalation and trade war. The Conference Board's gauge of confidence also decreased by 7.2 points to 92.9 and retail sales rose 0.2% in February 2025, less than the market expectation of +0.6%. Consumers anticipate that prices will increase at an annual rate of 3.9% over the next 5 to 10 years, which is a 0.4% rise from the previous month and the highest rate in over 3 decades. Jobs data also showed a softening in the labour market, with US nonfarm payrolls increasing 151,000 in February 2025 after a downward revision to the prior month and the unemployment rate rising to 4.1%.

Against this backdrop, the option-adjusted spread for the US Investment Grade Credit Index widened by 6 bps in March 2025 to 89 bps. Primary market supply for March 2025 was about USD203.3 billion, including USD168.9 billion in corporates and USD34.5 billion in non-corporates. In respect to performance, the best-performing sectors were Supranational, Foreign Agencies, Health Insurance, Construction Machinery and Environmental. The worst-performing were Transportation Services, Media Entertainment, Supermarkets, Chemicals and Oil Field Services. AA+ fared the best across the investment grade quality spectrum, while Crossover-rated bonds fared the worst.

Performance Review

The Underlying Fund returned -0.12% for the month, outperforming the benchmark by 0.17%. The Underlying Fund has been covering some of its underweight spread duration contribution through Financials over the last month. The intent of keeping carry in the portfolio through active security selection contributed 4.5 bps of performance to the portfolio, mainly coming from Utilities (Electric). The outlook on positioning has remained consistent over the past few months. There are cracks in the macroeconomic growth outlook, primarily driven by Trump's tariff agenda, which have put pressure on risk premiums over the last week. The Underlying Fund Manager expects that credit spreads have likely peaked for this cycle, although ongoing policy uncertainty is anticipated to continue weighing on capital expenditure and consumer activity. US Exceptionalism is fading quickly, and it leaves less cushion for exogenous shocks to the fundamental picture. As a result, the Underlying Fund continues to be neutral duration.