



HEALTHIER, LONGER,  
BETTER LIVES

## AIA Global Dynamic Income-Paying Fund - Peso

February 28, 2025

### Fund Description

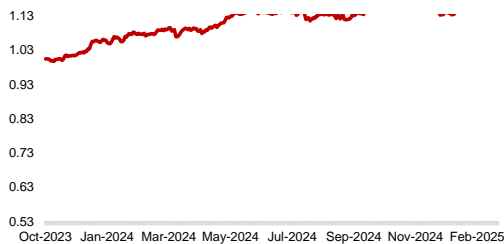
The AIA Dynamic Income Fund seeks to provide regular target income and total return over the long term by investing in variety of income generating asset classes including but not limited to fixed income securities, equities, covered call options and collective investments. Indirect exposure to these asset classes will be achieved primarily through investments in units or shares of the Collective Investment Schemes established by AIA including AIA Investment Funds that are managed either by AIA Investment Management or reputable third-party investment managers with proven track records and a disciplined systematic security selection approach to deliver long-term capital growth.

### Historical Performance<sup>1</sup>

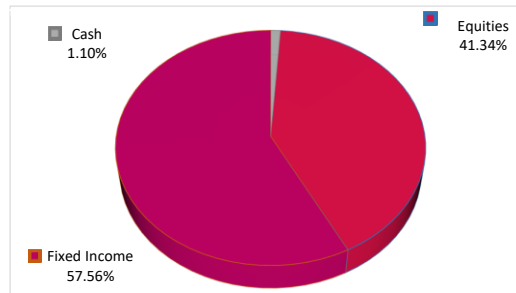


<sup>1</sup> Returns are net of fees. Past performance is not indicative of future returns

### Net Asset Value Per Unit (NAVPU) Graph



### Fund Allocation



### Top Holdings

Top 5 Holdings (Equities)		% of Portfolio
Apple Inc		1.99%
NVIDIA Corp		1.60%
Microsoft Corp		1.59%
Amazon.com Inc		1.10%
Meta Platforms Inc		0.95%
Top 5 Holdings (Fixed Income)		% of Portfolio
United States Treasury NoteBond 4.25% 15/11/2034		0.73%
United States Treasury NoteBond 4.25% 30/11/2026		0.60%
United States Treasury Bill 0% 01/05/2025		0.55%
Bank of America Corp 4.979% VRN 24/01/2029		0.39%
Principal Life Global Funding II 4.8% 09/01/2028		0.39%

### Key Figures and Statistics

NET ASSET VALUE PER UNIT (NAVPU)	1.144
INCEPTION DATE	20 October, 2023
FUND CLASSIFICATION	Multi Asset Fund
RISK PROFILE	Moderately Adventurous
FUND CURRENCY	Philippine Peso
DOMICILE	Philippines

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**Commentary:**

**Macro Review**

The US economy remained resilient with the labor market resilient and unemployment rate anchored. The US manufacturing sector continued to remain in expansionary territory in February 2025. The US Services sector was also in expansionary territory in February 2025. Citi's Economic Surprise Index trended down in February 2025 and ended in negative territory. US inflation for February 2025 cooled off slightly for the first time since September 2024.

In February 2025, the Eurozone manufacturing continued to stay sluggish in contractionary territory. Eurozone manufacturing has been in contractionary territory for more than 2 years. In contrast, Eurozone Services PMI was in expansionary territory in February 2025 for the third consecutive month. Citi's Economic Surprise Index for Eurozone rebounded further in February 2025 and ended the month in positive territory. Eurozone inflation cooled off slightly but remained above the target rate in February 2025.

In February 2025, China's manufacturing PMI rebounded to expansionary territory, recovering from the contractionary reading in January 2025. China's non-manufacturing PMI was also in expansionary territory in February 2025. Inflation in China declined to a negative reading in February 2025. Producer price inflation also continued to be negative in February 2025 and has been in deflation since October 2022. Citi's Economic Surprise Index for China dipped and ended in negative territory in February 2025.

**Market Review**

Global equities dipped in February 2025 giving back some of the gains made in January 2025. For the month ending February 2025, Consumer Staples, Energy, and Financials led while Consumer Discretionary, Communication Services and Information Technology lagged. For February 2025, in terms of investment styles, Value outperformed Growth. For February 2025, across the major geographic regions in USD terms, Europe equities led, while Japan equities lagged.

The fixed income markets rose in February 2025. US Treasuries, Investment Grade and High Yield indices were all up in February 2025. US 10-year yield dipped for the second consecutive month in February 2025. High yield and investment grade credit spreads widened in February 2025.

The commodities markets were mixed in February 2025. Gold and Copper were up in February 2025 but Oil was down. The US Dollar depreciated against both DM currencies and Asia currencies in February 2025.

**Portfolio Review**

- The fund delivered negative PHP returns for the month of February 2025. For the month, there was some equity market volatility around month-end closing prices.
- In terms of currency movements, USD depreciated against the PHP for the month.
- In terms of absolute performance for the month of February 2025, AIA Equity Income Fund, AIA Diversified Fixed Income Fund and AIA High Yield Bond Fund delivered negative USD returns.
- In terms of relative performance for the month of February 2025, AIA Equity Income Fund, AIA Diversified Fixed Income Fund and AIA High Yield Bond Fund underperformed their respective benchmarks.

**Outlook**

Uncertainty around US tariffs catalysed a sharp sell-off in broad equity markets in recent weeks. Within the equity complex, the sell off is led by the leaders in 2023 and 2024 such as Magnificent 7 stocks as well as US tech-related stocks.

Drawdowns to the tune of what has been experienced thus far in markets are par for the course of investing in equities. Larger equity drawdowns typically happen in an environment of tightening liquidity or sharp rise in inflation. The current investment landscape is instead one where bond yields are not rising, while both USD and oil price are falling.

The outlook for equities over the medium term remains constructive. On the fundamentals front, the US economy remains resilient with steady job growth, rising wages and positive consumer sentiment. Analysts are also projecting double-digit earnings growth for US companies in 2025. On the policy front, most major central banks are easing monetary policy. Chinese policy makers have indicated plans to increase public spending to support economic growth.

In-line with our constructive view on risk assets on the medium term, the Fund has calibrated exposure to equities. We continue to closely monitor and assess the markets and would apply bi-directional risk management to the Fund.

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