

AIA Global Dynamic Income-Paying Fund - Peso

April 30, 2024

Fund Description

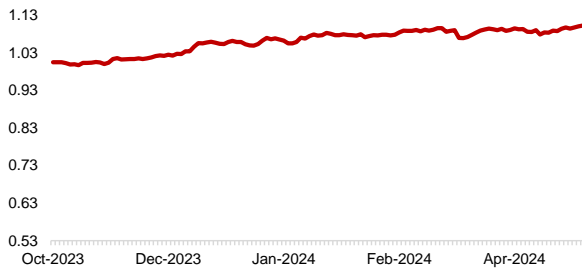
The AIA Dynamic Income Fund seeks to provide regular target income and total return over the long term by investing in variety of income generating asset classes including but not limited to fixed income securities, equities, covered call options and collective investments. Indirect exposure to these 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 Performance¹

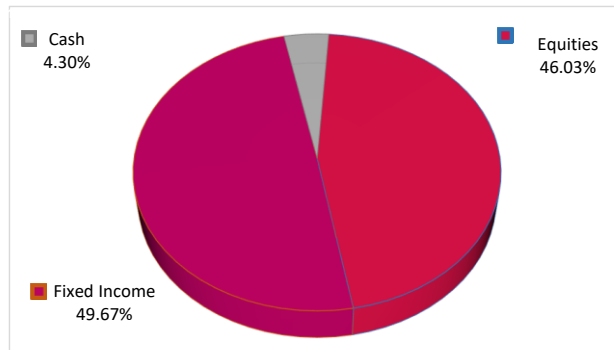


¹ Returns are net of fees. Past performance is not indicative of future returns

Net Asset Value Per Unit (NAVPU) Graph



Fund Allocation



Key Figures and Statistics

NET ASSET VALUE PER UNIT (NAVPU)	1.0979
INCEPTION DATE	20 October, 2023
FUND CLASSIFICATION	Multi Asset Fund
RISK PROFILE	Moderately Adventurous
FUND CURRENCY	Philippine Peso
DOMICILE	Philippines

Top Holdings

Top 5 (Equities)	% of Portfolio
Microsoft Corp	3.15%
NVIDIA Corp	2.27%
Amazon.com Inc	2.07%
Alphabet Inc	1.85%
Apple Inc	1.41%

Top 5 (Fixed Income)	% of Portfolio
United States Treasury Bond 2.875% 30/04/2029	1.13%
United States Treasury NoteBond 3.75% 15/04/2026	1.01%
eBay Inc 3.45% 01/08/2024	0.98%
Morgan Stanley 1.164% VRN 21/10/2025	0.97%
Equinix Inc 2.625% 18/11/2024	0.92%

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HEALTHIER, LONGER,
BETTER LIVES

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Commentary:

Macro Review

Macro Review

The pace of job creation in the US and average hourly earnings slowed in April 2024, though remained positive. Q1 2024 GDP for the US also slowed. In addition, April 2024 saw both the US manufacturing sector and services sector PMI dip down to contractionary territory. Citi's Economic Surprise Index for the US decreased in April 2024 though still remained in positive territory. US inflation for March 2024 continued to pick up and remained above the target inflation rate. The Federal Reserve held rates steady at the May 2024 FOMC meeting.

In April 2024, the Eurozone manufacturing PMI continued to languish in contraction territory while the services PMI remained in expansionary territory. Citi's Economic Surprise Index for Eurozone continued to remain positive over the course of April 2024. Inflation in Eurozone for April 2024 remained at a level similar to March 2024. This paves the way for looser monetary policy for Eurozone.

China's manufacturing held in positive territory for the second consecutive month in April 2024 after previously having been in contractionary territory for five months. Consumer inflation in China in April 2024 continued to be positive for the third consecutive month, after four months of negative reading previously. However, producer price inflation continued to be negative in April 2024. Broadly, China's economic releases came in better than consensus estimates as Citi's Economic Surprise Index for China came in positive in April 2024.

Market Review

Global equities declined in April 2024, halting a run of five consecutive months of positive returns. For the month ending April 2024, Utilities, Energy and Consumer Staples led while the Information Technology, Consumer Discretionary, Consumer Staples and Health Care lagged. Small cap equities underperformed large cap equities in April 2024. In terms of investment styles, Value, High Dividend and Minimum Volatility led while Momentum and Growth lagged. Across the major geographic regions, China equities outperformed and delivered positive returns, while Japan equities lagged.

The fixed income markets were also down in April 2024. Treasuries, Investment Grade and High Yield indices delivered negative returns in April 2024. Treasuries index was down as US 10-year yield surged in April 2024 and has also increased in three out of the last four months. Credit spreads of Investment Grade Corporate Bonds tightened in April compared to March while credit spreads of High Yield Corporate Bonds expanded in April compared to in March.

In contrast to equities and fixed income, the broad commodities benchmark advanced in April 2024. Oil, Copper and Gold were all up in April 2024. The US Dollar appreciated against both DM currencies and Asia currencies in April 2024.

Portfolio Review

- The fund delivered positive returns for the month of April 2024 and inception to date period
- In terms of absolute performance for the month, AIA Equity Income Fund, AIA Diversified Fixed Income Fund and AIA High Yield Bond Fund delivered negative returns
- In terms of relative performance, AIA Equity Income Fund, AIA High Yield Bond Fund and AIA Diversified Fixed Income Fund outperformed their respective benchmarks

Outlook

Fundamentals continue to hold up with both macro growth and earnings growth poised to continue their positive trajectory. The outlook for equities over the medium term remains constructive, although there could be short term adjustment due to headwinds emanating from stronger USD, higher oil prices and higher bond yields. Dips in equity markets could present buying opportunities. For a more sustainable equities rally, it would need to broaden out further. Risk taking for the fund is calibrated and we continue to apply bi-directional risk management.

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