

AIA Global Dynamic Income-Paying Fund - Peso

June 28, 2024

Fund Description

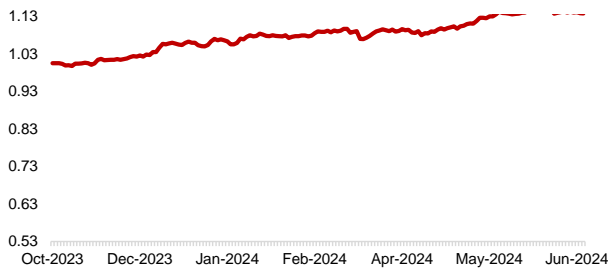
The AIA Dynamic Income Fund seeks to provide regular target income and total return over the long term by investing in variety of income generating asset classes including but not limited to fixed income securities, equities, covered call options and collective investments. Indirect exposure to these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

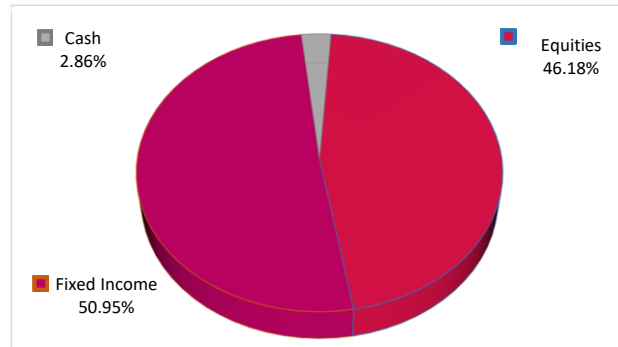


¹ Returns are net of fees. Past performance is not indicative of future returns

Net Asset Value Per Unit (NAVPU) Graph



Fund Allocation



Top Holdings

Key Figures and Statistics

NET ASSET VALUE PER UNIT (NAVPU)	1.1327
INCEPTION DATE	20 October, 2023
FUND CLASSIFICATION	Multi Asset Fund
RISK PROFILE	Moderately Adventurous
FUND CURRENCY	Philippine Peso
DOMICILE	Philippines

Top 5 (Equities)	% of Portfolio
Microsoft Corp	3.48%
NVIDIA Corp	3.34%
Apple Inc	2.62%
Amazon.com Inc	2.12%
Alphabet Inc	1.90%

Top 5 Holdings (Fixed Income)	% of Portfolio
eBay Inc 3.45% 01/08/2024	0.94%
Morgan Stanley 1.164% VRN 21/10/2025	0.93%
Equinix Inc 2.625% 18/11/2024	0.87%
UnitedHealth Group Inc 3.7% 15/12/2025	0.75%
TMobile USA Inc 5.375% 15/04/2027	0.66%

Readership: This document is intended solely for the addressee(s). Its content may be legally privileged and/or confidential. This material is only valid if distributed in the Philippines.

Opinions: Any opinions expressed in this document may be subject to change without notice. We are not soliciting or recommending any action based on this material.

Risk Warning: Past performance is not indicative of future results. Our investment management services relate to a variety of investments, each of which can fluctuate in value.

The value of portfolios we manage may fall as well as rise, and the investor may not get back the full amount originally invested. The investment risk vary between different types of instruments. For example, for portfolios denominated in foreign currencies, changes in the rate of exchange may cause the value of investments, and consequently the value of the portfolio, to increase or decrease. In the case of a higher portfolio volatility, the realized loss upon redemption may be high, as the investment's value may decline substantially.

In making an investment decision, prospective investors must rely on their own examination of the merits and risks involved. Unless otherwise noted, all information contained herein is sourced from AIA Philippines Group internal data. The content included herein has been shared with various in-house departments within the member companies of AIA Group, in the ordinary course of completion. All AIA Philippines Group member companies comply with the confidentiality requirements of their respective jurisdictions. Parts of this presentation may be based on information received from sources we consider reliable.



HEALTHIER, LONGER,
BETTER LIVES

AIA Global Dynamic Income-Paying Fund - Peso June 28, 2024

Commentary:

Macro Review

There are signs that the US economy is still experiencing growth, albeit at a slower pace. In June 2024, nowcast for the US GDP continued to reflect positive growth. June 2024 saw the US manufacturing sector continue in contractionary territory for the third consecutive month. Services PMI dipped back to contractionary territory in June 2024 after the bounce in May 2024. Citi's Economic Surprise Index for the US continued to decrease in June 2024 and is firmly in negative territory. US inflation for June 2024 continued to remain above the target inflation rate. Policymakers held rates steady in the June 2024 FOMC meeting.

In June 2024, the Eurozone manufacturing PMI continued to languish in contraction territory while the services PMI remained in expansionary territory though declined from the level in May 2024. Citi's Economic Surprise Index for Eurozone fell in June and ended in negative territory. Inflation in Eurozone fell slightly in June 2024. As widely anticipated, the ECB lowered rates by 25 bps in the June 2024 ECB monetary policy meeting, a departure from the Fed which continued to hold rates steady.

There were mixed signals in China's economic releases. In June 2024, China's manufacturing PMI remained in contractionary territory for the second consecutive month. While the non-manufacturing PMI continued to remain in expansionary territory in June 2024, there was a slight dip compared to the previous month. In June, consumer inflation in China remained modestly positive for the fifth consecutive month. However, producer price inflation continued to be negative in June 2024. Broadly, China's economic releases came in weaker than consensus estimates as Citi's Economic Surprise Index for China retreated over the course of June 2024 and ended negative. Market participants have their eyes on the third plenum in July 2024 and are watching for concrete measures from policymakers to shore up the Chinese economy.

Market Review

Global equities continued to rally in June 2024, building on the recovery in May 2024. For the month ending June 2024, Information Technology, Communication Services and Consumer Discretionary led while Utilities, Materials and Industrials lagged. In terms of investment styles, Growth and Quality led while Value and High Dividend Yield lagged. Across the major geographic regions, Asia equities led, while China onshore equities lagged.

The fixed income markets delivered positive returns in June 2024. Treasuries, Investment Grade and High Yield indices delivered positive returns in June 2024. Treasuries outperformed Corporate Bonds. Treasuries index was up as US 10-year yield declined in June 2024. Credit spreads of Investment Grade widened in June 2024.

The broad commodities benchmark fell in June 2024. Oil was up but Copper was down in June 2024. The US Dollar appreciated against most DM and Asia currencies in June 2024.

Portfolio Review

- The fund was down for the month of June 2024 but delivered positive returns for 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 positive returns
- In terms of relative performance, AIA Diversified Fixed Income Fund and AIA High Yield Bond Fund outperformed their respective benchmarks

Outlook

The outlook for equities over the medium term remains constructive. Fundamentals continue to hold up with earnings growth poised to continue their positive trajectory. There are signs that economic growth could be slowing though unlikely at recessionary levels. While there are signs of breadth divergence, historically such divergence has not been followed by imminent equity sell-off. The equity market rally continues to be narrow though not at extremes seen during the internet bubble. Meanwhile, market participants are selective in risk taking and there are no signs of exuberance other than select sectors. Expectations of upcoming easing from the Fed is expected to keep markets supported. Risk taking for the fund is calibrated and we continue to apply bi-directional risk management.

Readership: This document is intended solely for the addressee(s). Its content may be legally privileged and/or confidential. This material is only valid if distributed in the Philippines.

Opinions: Any opinions expressed in this document may be subject to change without notice. We are not soliciting or recommending any action based on this material.

Risk Warning: Past performance is not indicative of future results. Our investment management services relate to a variety of investments, each of which can fluctuate in value.

The value of portfolios we manage may fall as well as rise, and the investor may not get back the full amount originally invested. The investment risk vary between different types of instruments. For example, for portfolios denominated in foreign currencies, changes in the rate of exchange may cause the value of investments, and consequently the value of the portfolio, to increase or decrease. In the case of a higher portfolio volatility, the realized loss upon redemption may be high, as the investment's value may decline substantially.

In making an investment decision, prospective investors must rely on their own examination of the merits and risks involved. Unless otherwise noted, all information contained herein is sourced from AIA Philippines Group internal data. The content included herein has been shared with various in-house departments within the member companies of AIA Group, in the ordinary course of completion. All AIA Philippines Group member companies comply with the confidentiality requirements of their respective jurisdictions. Parts of this presentation may be based on information received from sources we consider reliable.