AIA PHILAM LIFE
ELITE BALANCED FUND

August 30, 2024

Fund Description

The AIA Philam Life Elite Balanced Fund seeks long-term total return (combination of capital growth and income) with moderate risk by investing in a portfolio of equities and fixed income securities. The ILP Sub-Fund's expected average direct and indirect exposure to equities will be approximately 60% over the long-term, however this exposure may vary from time to time. The other 40% will be invested in fixed income or money market instruments.

Historical Performance[1]

6MOS	1YR	3YRS	5YRS	YTD	Since Inception
7.38%	14.57%	12.15%	-	10.80%	**22.21%**

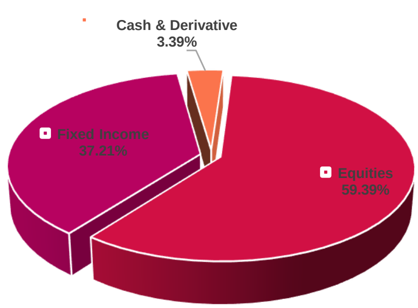
[1] Returns are net of fees. Past performance is not indicative of future returns

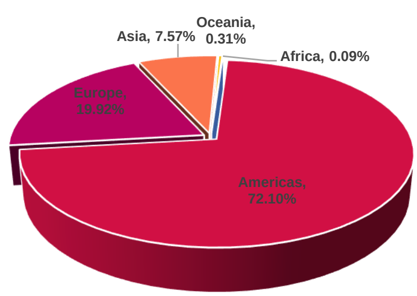
Net Asset Value Per Unit (NAVPU) Graph

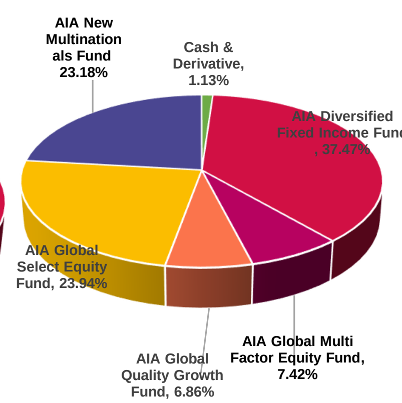
Key Figures and Statistics

NET ASSET VALUE PER UNIT (NAV	1.2221
INCEPTION DATE	18 January, 2021
FUND CLASSIFICATION	Balanced Fund
RISK PROFILE	Moderate
FUND CURRENCY	Philippine Peso
DOMICILE	Philippines

Regional & Asset Allocation

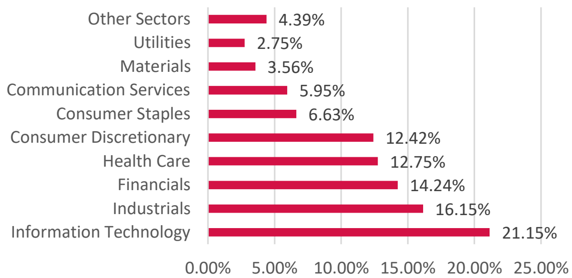




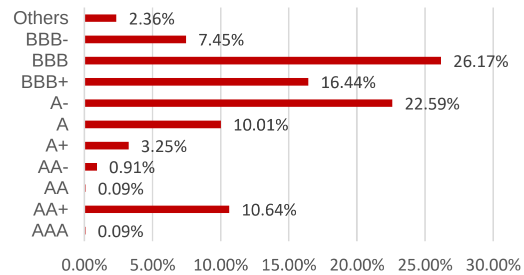


AIA PHILAM LIFE
ELITE BALANCED FUND
August 30, 2024

Equity: Sector Allocation



Fixed Income: Ratings Allocation



Top Holdings

Top 5 (Equities)	
Microsoft Corp	2.84%
Taiwan Semiconductor Manufacturing Co Ltd	1.58%
Texas Instruments Inc	1.12%
Visa Inc	0.98%
Deere & Co	0.96%

Top 5 (Fixed Income)	
United States Treasury NoteBond 4.625% 30/06/2026	1.77%
United States Treasury NoteBond 4.625% 15/05/2054	0.57%
United States Treasury NoteBond 4.25% 30-06-2029	0.51%
Morgan Stanley 1.164% VRN 21/10/2025	0.46%
Equinix Inc 2.625% 18/11/2024	0.43%

Commentary:

Macro Review

There are signs that the US economy is still growing, albeit at a slower pace. As of August 2024, nowcasting model by the Federal Reserve forecasts positive real GDP growth in the United States. In August 2024, Nonfarm Payrolls continued to be positive, increasing from the previous month but below consensus estimates. The US manufacturing sector continued to be sluggish and has been in contractionary territory for five consecutive months. However, services PMI stayed in expansionary territory in August 2024 after the dip in June 2024. Citi's Economic Surprise Index for the US continued to languish in negative territory in August 2024. US inflation for August 2024 continued to decrease, though remained above the target inflation rate. Policymakers held rates steady in the August 2024 FOMC meeting.

In August 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 in August 2024 remained firmly in negative territory. Inflation in Eurozone declined in August 2024, though still remained slightly above 2%.

In August 2024, China's manufacturing PMI dipped further in contractionary territory and has been in contractionary territory for the fourth consecutive month. In contrast, the non-manufacturing PMI continued to remain in expansionary territory in August 2024 and increased slightly compared to the previous month. In August 2024, consumer inflation in China increased from the previous month. However, producer price inflation continued to be negative and has been in negative territory since October 2022. Broadly, China's economic releases came in weaker than consensus estimates as Citi's Economic Surprise Index for China ended lower in August 2024 compared to the previous month.

Market Review

Global equities continued to rally in August 2024, recovering strongly from the spike in volatility in earlier in the month. For the month ending August 2024, the defensive sectors of Health Care, Consumer Staples and Utilities led while Energy, Consumer Discretionary and Materials lagged. In terms of investment styles, Minimum Volatility outperformed while Momentum underperformed. Across the major geographic regions, Europe equities led, while China equities lagged.

The fixed income markets also delivered positive returns in August 2024. US Treasuries, Investment Grade and High Yield indices all delivered positive returns in August 2024. Corporate bonds outperformed Treasuries. Treasuries index was up as US 10-year yield declined in August 2024. Credit spreads of High Yield tightened in August 2024 while that of Investment Grade was about flat.

The Commodities markets had mixed performances in August 2024. Gold was up while Oil and Copper were down in August 2024. The US Dollar fell against both DM currencies and Asia currencies in August 2024.

Portfolio Review

Elite Balanced Fund:
• The fund delivered negative returns for the month but positive returns for YTD August 2024, outperforming its benchmark on the month but underperforming YTD August 2024.

SICAV funds
• In terms of absolute performance, AIA New Multinationals Fund, AIA Global Multi-Factor Equity Fund, AIA Global Quality Growth Fund, AIA Global Select Equity Fund and AIA Diversified Fixed Income Fund delivered positive returns for the month.
• In terms of relative performance, AIA New Multinationals Fund, AIA Global Quality Growth Fund, AIA Global Select Equity Fund and AIA Diversified Fixed Income Fund outperformed their respective benchmarks for the month.

Outlook

The outlook for equities over the medium term remains constructive. While the economy is showing signs of slowing, our base case is that an economic recession is not imminent. Real GDP growth in the US remains positive and above levels in previous recessions. Earnings growth remains intact and is poised to continue its positive trajectory. On the inflation front, there are positive developments as inflation is falling and this gives the Federal Reserve the capacity to cut rates to support growth.

The relatively fast pace which the equity markets rebounded in August is an indication that the equity bull market remains intact. However, markets are entering into a seasonally weak period and investors could be circumspect in risk taking due to the upcoming US elections. Indicators remain mixed with equity breadth improving but below highs seen in the year. Risk appetite is also not strong with high beta stocks underperforming low volatility stocks. Looking ahead, there is capacity for the Elite Funds to add risk. To that end, we are carefully analysing the markets and will be guided by our balance-of-indicators approach.