

# AIA PHILAM LIFE ELITE ADVENTUROUS FUND

May 31, 2024

## Fund Description

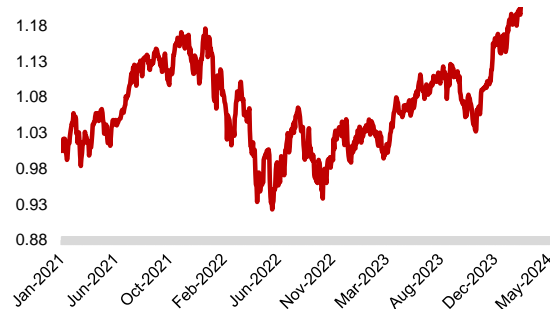
The AIA Philam Life Elite Adventurous Fund seeks long-term total return (combination of capital growth and income) with higher risk by investing in a portfolio of mostly equities and a small proportion of fixed income securities. The ILP Sub-Fund's expected average direct and indirect exposure to equities will be approximately 90% over the long-term, however this exposure may vary from time to time. The other 10% will be invested in fixed income or money market instruments.

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

6MOS	1YR	3YRS	5YRS	YTD	Since Inception
18.31%	22.29%	24.96%	-	11.74%	29.61%

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

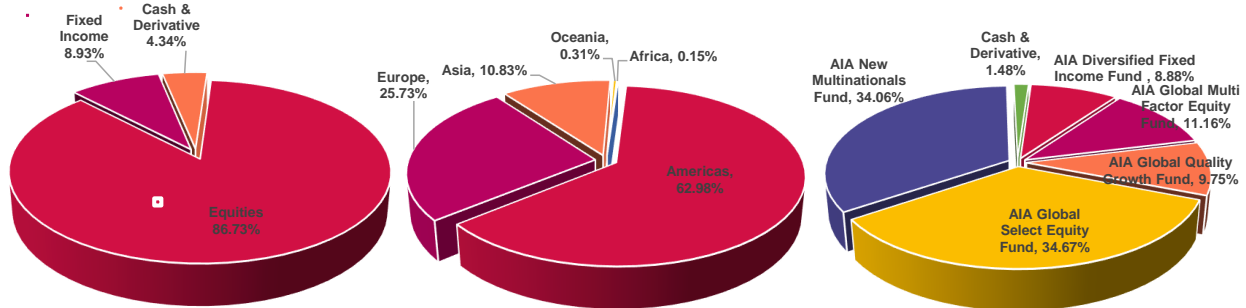
## Net Asset Value Per Unit (NAVPU) Graph



## Key Figures and Statistics

NET ASSET VALUE PER UNIT (NAV)	1.2961
INCEPTION DATE	18 January, 2021
FUND CLASSIFICATION	Equity Fund
RISK PROFILE	Aggressive
FUND CURRENCY	Philippine Peso
DOMICILE	Philippines

## Regional & Asset Allocation



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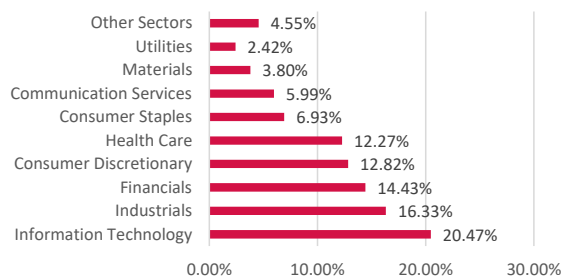
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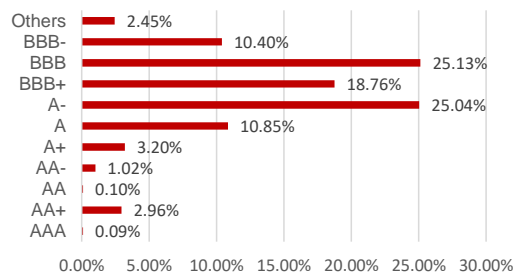
HEALTHIER, LONGER,  
BETTER LIVES

## AIA PHILAM LIFE ELITE ADVENTUROUS FUND May 31, 2024

### Equity: Sector Allocation



### Fixed Income: Ratings Allocation



### Top Holdings

#### Top 5 (Equities)

Microsoft Corp	3.97%
Taiwan Semiconductor Manufacturing Co Ltd	2.12%
Texas Instruments Inc	1.77%
Recruit Holdings Co Ltd	1.67%
DBS Group Holdings Ltd	1.50%

#### Top 5 (Fixed Income)

eBay Inc 3.45% 01/08/2024	0.13%
Morgan Stanley 1.164% VRN 21/10/2025	0.13%
Equinix Inc 2.625% 18/11/2024	0.12%
UnitedHealth Group Inc 3.7% 15/12/2025	0.11%
TMobile USA Inc 5.375% 15/04/2027	0.09%

### Commentary:

#### Macro Review

In May 2024, nowcast for the US GDP continued to show positive growth, though slowing from levels reached earlier in the year. May 2024 saw the US manufacturing sector continue in contractionary territory for the second consecutive month. Citi's Economic Surprise Index for the US continued to decrease in May 2024 and has fallen to negative territory. US inflation for May 2024 continued to remain above the target inflation rate.

In May 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 in May 2024. Inflation in Eurozone picked up slightly in May 2024. ECB lowered the key deposit rate by 25bps during their June policy meeting but did not offer any clear guidance on the monetary policy trajectory in the Eurozone.

There were mixed signals in China's economic releases for May 2024. China's manufacturing PMI dipped into contractionary territory in May 2024 although the non-manufacturing PMI continued to remain in expansionary territory. Consumer inflation in China continued to remain positive in May 2024 and was positive for the fourth consecutive month, after four consecutive months of negative reading. However, producer price inflation continued to be negative in May 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 May 2024 and ended negative.

#### Market Review

Global equities bounced back in May 2024, recovering the losses in April 2024. For the month ending May 2024, Information Technology, and Communication Services led while Energy, Consumer Discretionary and Consumer Staples lagged. In terms of investment styles, Quality and Growth led while Minimum Volatility and High Dividend Yield lagged. Across the major geographic regions, Europe equities outperformed, while China equities lagged.

The fixed income markets delivered positive returns in May 2024. Treasuries, Investment Grade and High Yield indices delivered positive returns in May 2024. Corporate Bonds outperformed Treasuries. Treasuries index was up as US 10-year yield declined in May 2024. Investment Grade credit spread tightened while High Yield Corporate Bond credit spread widened slightly in May 2024.

The broad commodities benchmark also advanced in May 2024. Copper was up but Oil was down in May 2024. The US Dollar fell against DM currencies and Asia currencies in May 2024.

#### Portfolio Review

##### Elite Adventurous Fund:

- The fund delivered positive returns for the month, underperforming its benchmark

##### SICAV funds

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

#### Outlook

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. It is likely that the rate hike cycle is behind us and that removes a headwind to risk assets. Dips in equity market seen in April saw a rapid recovery, which is a typical characteristic of an equity bull market. The outlook for equities over the medium term remains constructive. Risk taking for the Elite Funds is calibrated and we continue to apply bi-directional risk management.

On the intra asset level, Elite's equity sub-portfolio is anchored by AIA New Multinationals Fund and AIA Global Select Equity Fund, which offer a blend of investment styles. The Elite equity sub-portfolio also has exposure in the value investment style which could do well should the equity rally broaden out to include sectors and investment styles which have lagged.

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