



# AIA INVESTMENT FUNDS

## AIA DIVERSIFIED FIXED INCOME FUND

For Institutional Investors only\*.

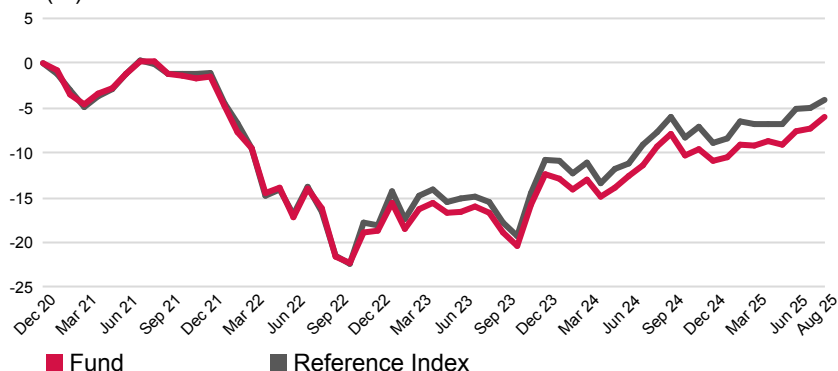
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### INVESTMENT OBJECTIVE and POLICY

The Sub-Fund aims to maximise long-term return by investing in a diversified fixed income portfolio consisting primarily investment grade bonds and other debt securities denominated in USD. In order to achieve its investment objective, the Sub-Fund will invest primarily, i.e. at least 50% of the Sub-Fund's Net Asset Value, in USD-denominated fixed or floating rate fixed income securities issued by government, agencies and companies globally. The Sub-Fund may invest in a full spectrum of fixed income securities including corporate bonds, emerging markets debt instruments, collateralized loan obligations (CLOs), asset backed securities (ABS), commercial mortgage backed securities (CMBS), taxable municipals, US government or agency obligations, as well as cash and commercial paper. Investments in collateralized loan obligations (CLOs), commercial mortgage backed securities (CMBS), asset backed securities (ABS) and emerging market securities shall not exceed 20% of the net assets of the Sub-Fund.

### PERFORMANCE

Return (%)



Lower risk

Higher risk

typically lower rewards

typically higher rewards



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Sub-Fund.

The risk and reward category shown is not guaranteed and may change over time.

The lowest category does not mean a risk free investment.

The Sub-Fund is rated 4 due to the nature of its investments which include the risks listed below.

These factors may impact the value of the Sub-Fund's investments or expose the Sub-Fund to losses.

#### MAIN RISKS

**Counterparty Risk** The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Sub-Fund to financial loss.

**Credit Risk** The risk of loss arising from default that may occur if an issuer fails to make principal or interest payments when due. This risk is higher if the Fund holds low-rated, non-investment-grade securities.

**Source:** Please refer to Section 5 of the prospectus for other risk factors.

Asset class	Fixed Income
ISIN (Class I)	LU1982194364
Bloomberg ticker (Class I)	ADFDIUC
Total Fund Size	596,487,917.18
Fund base currency	USD
Share class currency (Class I)	USD
Net asset value (Class I)	10.77
Inception date (Class I)	05-Jul-19
Domicile	Luxembourg
Fund type	UCITS
<sup>^</sup> Ongoing charges	0.57%
Performance Fee	None

<sup>^</sup>Data as of 30 June 2025. This figure may vary from year to year. It excludes portfolio trade-related costs, except costs paid to the depository at any entry charge paid to an underlying collective investment scheme (if any). Please refer to Page 3 of factsheet for fees of each share class.

### IMPORTANT INFORMATION

Prior to investing, Investors should read the Prospectus and Key Investor Information Document (KIID).

# AIA DIVERSIFIED FIXED INCOME FUND

## PERFORMANCE

	Cumulative Returns (%)				Annualised Returns (%)			
	1 m	3 m	YTD	1 y	3 y (p.a)	5 y (p.a)	10 y (p.a)	Since Inception (p.a)
Class I	1.31	3.35	5.42	3.57	3.88	-0.60	-	1.21
<sup>A</sup> Benchmark	1.01	2.97	5.30	3.91	4.79	-0.20	-	1.79
Relative Return	0.30	0.38	0.12	-0.34	-0.90	-0.40	-	-0.58

<sup>A</sup>BBG Barclays US Corporate Bond Index

Benchmark Performance represents the following: Before 1 Jun 2023 - (AIA Diversified Fixed Income Blended BBG/Barclays/JPM Benchmark); 1 Jun 2023 onwards - (BBG Barclays US Corporate Bond Index)

Past performance is not a guide to future performance.

Please refer to Section 5 of the prospectus for other risk factors.

## TOP 10 HOLDINGS (%)

1.	CBT US LONG BOND(CBT) Dec25	2.9
2.	United States Treasury NoteBond 4.25% 15/05/2035	2.8
3.	CBT US 10YR NOTE (CBT)Dec25	2.2
4.	CBT US 5YR NOTE (CBT) Dec25	1.9
5.	United States Treasury NoteBond 3.875% 31/07/2030	1.8
6.	CBT US 2YR NOTE (CBT) Dec25	1.2
7.	United States Treasury NoteBond 4.75% 15/05/2055	1.2
8.	United States Treasury NoteBond 3.875% 15/07/2028	1.1
9.	Bank of America Corp 4.979% VRN 24/01/2029	1.1
10.	Deutsche Bank AGNew York NY 5.414% 10/05/2029	1.0

## COUNTRY WEIGHTS (%)

USA	82.7
United Kingdom	2.3
Canada	2.0
Japan	1.6
Germany	1.2
Mexico	1.2
Sweden	0.8
Belgium	0.7
Netherlands	0.6
Derivatives	4.4
Other Countries	2.7

## DURATION WEIGHTS (%)

0 - 1 Year	1.8
1 - 3 Years	23.1
3 - 5 Years	22.2
5 - 10 Years	28.4
10+ Years	24.5

## SECTOR WEIGHTS (%)

Financial	31.4
Consumer, Non-cyclical	12.5
Communications	9.1
Government	8.7
Industrial	8.1
Utilities	8.1
Energy	6.6
Technology	4.8
Consumer, Cyclical	3.9
Derivatives	4.4
Other Sectors	2.5

## RATING WEIGHTS (%)

AAA	0.2
AA+	7.8
AA	0.1
AA-	2.1
A+	2.8
A	10.9
A-	19.6
BBB+	13.4
BBB	26.1
BBB-	9.5
Others	3.2
Derivatives	4.4

Note: Due to rounding limitations, the summation of (%)s might not be an exact 100%.

# AIA DIVERSIFIED FIXED INCOME FUND

## SHARE CLASS DETAILS

Share class	Currency	Bloomberg ticker	ISIN	Inception date	Initial sales charges % (max)	Annual management fee% (max)	Initial Offer Px	Redemption Fee / Conversion Fee	Minimum initial investment	Minimum subsequent investment	Minimum Redemption Amount	Minimum Holding Amount	Distribution frequency	Ex-date	Dividend per share
I	USD	AFDFIUC	LU1982194364	2019-07-05	Up to 3%	Up to 0.50%	USD 10	Up to 1%	USD10m	USD100,000	USD100,000	USD10m	NA	NA	NA
Z	USD	AFDFZUC	LU1982194794	2020-05-06	Up to 3%	0%	USD 10	Up to 1%	USD20m	USD100,000	USD100,000	USD20m	NA	NA	NA
IDQ	USD	AFDFIUQ	LU2209052336	2020-09-11	Up to 3%	Up to 0.50%	USD 10	Up to 1%	USD10m	USD100,000	USD100,000	USD10m	Quarterly	2025-06-16	0.089211
K	USD	AFDFKUC	LU2289846128	2021-07-02	Up to 3%	Up to 0.50%	USD 10	Up to 1%	USD10m	USD100,000	USD100,000	USD10m	NA	NA	NA

Distributions are not guaranteed and may fluctuate. Past distributions are not necessarily indicative of future trends, which may be lower. Distribution payouts and its frequency are determined by the Board of Directors and should not be confused with the Fund's performance, rate of return or yield. Any payment of distributions may result in an immediate decrease in the net asset value per share. Please refer to Section 7.2 of the prospectus for dividend distribution policy.

For more information about charges, please see section 9 (fees and expenses) of the prospectus, which is available at : [www.aia.com/en/funds-information](http://www.aia.com/en/funds-information)

		Cumulative Returns (%)				Annualised Returns (%)			
Share class	Currency	1 m	3 m	YTD	1 y	3 y (p.a)	5 y (p.a)	10 y (p.a)	Since Inception (p.a)
I									
Fund	USD	1.31	3.35	5.42	3.57	3.88	-0.60	-	1.21
^Benchmark	USD	1.01	2.97	5.30	3.91	4.79	-0.20	-	1.79
Relative Return	USD	0.30	0.38	0.12	-0.34	-0.90	-0.40	-	-0.58
Z									
Fund	USD	1.35	3.48	5.77	4.09	4.40	-0.11	-	1.28
^Benchmark	USD	1.01	2.97	5.30	3.91	4.79	-0.20	-	1.32
Relative Return	USD	0.34	0.51	0.47	0.18	-0.38	0.10	-	-0.04
IDQ									
Fund	USD	1.31	3.35	5.42	3.58	3.88	-	-	-0.70
^Benchmark	USD	1.01	2.97	5.30	3.91	4.79	-	-	-0.26
Relative Return	USD	0.30	0.39	0.13	-0.33	-0.91	-	-	-0.45
K									
Fund	USD	1.34	3.43	5.65	3.91	4.22	-	-	-0.93
^Benchmark	USD	1.01	2.97	5.30	3.91	4.79	-	-	-0.74
Relative Return	USD	0.32	0.47	0.35	0.00	-0.57	-	-	-0.19

^BBG Barclays US Corporate Bond Index

Benchmark Performance represents the following: Before 1 Jun 2023 - (AIA Diversified Fixed Income Blended BBG/Barclays/JPM Benchmark); 1 Jun 2023 onwards - (BBG Barclays US Corporate Bond Index)

Past performance is not a guide to future performance.

Please refer to Section 5 of the prospectus for other risk factors.

## COMMENTARY

### Commentary Sources

1. AIA Investment Management Pte Ltd
2. AIA Investment Funds
3. BlackRock Financial Mgmt, Inc

August saw mixed economic data ahead of the U.S. Federal Reserve's much-anticipated September Federal Open Market Committee (FOMC) meeting. Signs of labour market weakness emerged as applications for U.S. unemployment benefits rose to their highest level since June, with continuing claims also climbing. Toward the end of the month, attention turned to the Jackson Hole conference, where investors looked for clues from Chairman Powell on the Fed's September policy stance. In his remarks, Powell cautiously signalled the possibility of a rate cut next month, citing rising risks to the labour market despite ongoing inflation concerns. His comments prompted investors to raise their expectations that the FOMC may lower rates in September. In remarks prior to Jackson Hole, Federal Reserve Bank of Chicago President Austan Goolsbee said he would like to see at least one more inflation report to be sure persistent price pressures aren't picking up. Against this backdrop, the option-adjusted spread for the U.S. Investment Grade Credit Index widened by 3 basis points (bps) in August, to 75bps, resulting in a monthly excess return of negative 4bps. Over the month, primary market supply was about \$119 billion (bn), including \$93.2bn in corporates and \$25.8bn in non-corporates. In respect to performance, the best-performing sectors were Sovereigns, Oil Field services, Health Insurance, foreign local government and refining while the worst-performing were Lodging, Wirelines, Food & Beverage, Wireless and Midstream.

In August, the AIA Diversified Fixed Income Fund returned 1.31%, outperforming the benchmark by 30 bps, driven mainly by curve positioning as the yield curve steepened. Security selection added value through underweight positions in Consumer Non-cyclicals and Electric. The Fund maintained its underweight exposure to corporates, aligning with expectations of spread widening. Despite soft payroll data and large downward revisions, 2025 GDP growth expectations remain steady at 1%, supported by resilient consumer activity and limited tariff impact. Inflation is elevated in some categories due to tariffs, but services inflation is easing. The market has priced in a September rate-cut cycle, influenced by a more dovish FOMC following Fed Governor Kugler's resignation and the upcoming Chair transition. Spreads reached cycle tightness last seen in 1998 and are expected to stay rangebound between 70–95bps through Q3, though uncertainty remains. The yield environment will be key as markets absorb a September supply wave.

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Investments in AIAIF are not obligations of, deposits in, guaranteed or insured by AIAIF nor any of its affiliates and are subject to investment risks, including the possible loss of the principal amount invested. **Prospective investors are invited to further consider the risk warnings section of the Prospectus and the relevant KIID.** This document is solely for information and does not have any regard to the specific investment objectives, financial or tax situation and the particular needs of any specific person who may receive this document. No investment strategy or risk management strategy techniques can guarantee returns or eliminate risks in any market environment.

Please refer to the offering documents (including, but not limited to the current Prospectus and the KIID) of AIAIF for details on fees and charges, dealing & redemption, product features, risk factors and seek professional advice before making any investment decision.

The value of shares in any sub-fund of AIAIF and the income accruing to the shares, if any, may fall or rise. Where an investment is denominated in a currency other than the base currency of a sub-fund of AIAIF, exchange rates may have an adverse effect on the value price or income of that investment. Investors should not make any investment decision solely based on this document. In the event that an investor may choose not to seek advice from a financial adviser, the latter should consider carefully whether an investment into a sub-fund of AIAIF in question is suitable for him.

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