



AIA INVESTMENT FUNDS

AIA US HIGH YIELD BOND FUND

For Institutional Investors only*.

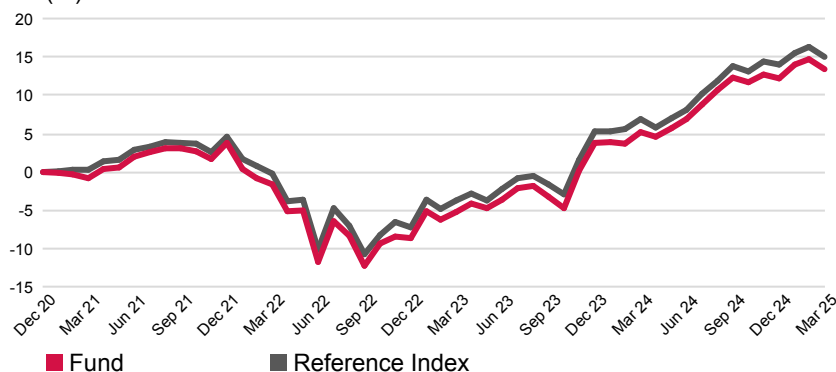
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INVESTMENT OBJECTIVE and POLICY

The Sub-Fund aims to maximise long-term total return, consistent with preservation of capital and prudent investment management by investing in a diversified fixed income portfolio consisting primarily of high yield 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 a diversified portfolio of high yield fixed income securities denominated in USD that are rated lower than Baa3 by Moody's, or lower than BBB- by S&P or equivalently rated by Fitch.

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

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.

Fixed Income Transferable Securities Debt securities are subject to both actual and perceived measures of creditworthiness. The "downgrading" of a rated debt security or its issuer or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market. In certain market environments this may lead to investments in such securities becoming less liquid, making it difficult to dispose of them. A Sub-Fund may be affected by changes in prevailing interest rates and by credit quality considerations. Changes in market rates of interest will generally affect a Sub-Fund's asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise. Prices of shorter-term securities generally fluctuate less in response to interest rate changes than do longer-term securities. An economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, a Sub-Fund may experience losses and incur costs. Issuers of non-investment grade or unrated debt may be highly leveraged and carry a greater risk of default. In addition, non-investment grade or unrated securities tend to be less liquid and more volatile than higher rated fixed-income securities, so that adverse economic events may have a greater impact on the prices of non-investment grade debt securities than on higher rated fixed-income securities. Such securities are also subject to greater risk of loss of principal and interest than higher rated fixed-income securities.

Interest Rate Risk The performance of a Sub-Fund may be influenced by changes in the general level of interest rates.

Liquidity Risk In difficult market conditions, the Sub-Fund may not be able to sell a security for full value or at all. This could affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares.

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

Asset class	Fixed Income
ISIN (Class Z)	LU2182890298
Bloomberg ticker (Class Z)	AFHYZUC
Total Fund Size	137,300,814.24
Fund base currency	USD
Share class currency (Class Z)	USD
Net asset value (Class Z)	11.80
Inception date (Class Z)	08-Sep-20
Domicile	Luxembourg
Fund type	UCITS
[^] Ongoing charges	0.13%
Performance Fee	None

[^]Data as of 31 December 2024. 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 US HIGH YIELD BOND 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 Z	-1.13	1.00	1.00	7.81	4.82	-	-	3.71
^Benchmark	-1.07	0.96	0.96	7.68	4.91	-	-	4.26
Relative Return	-0.06	0.04	0.04	0.13	-0.09	-	-	-0.56

^ICE BofAML US High Yield Constrained Index

Benchmark Performance represents the following: Sep 08 2020 to Jan 09 2022 - (ICE BofAML BB-B US High Yield Constrained Index); Jan 10 2022 onwards - (ICE BofAML US High Yield Constrained Index)

Past performance is not a guide to future performance.

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

TOP 10 HOLDINGS (%)

1.	Nationstar Mortgage Holdings Inc 5.75% 15/11/2031	0.9
2.	Clydesdale Acquisition Holdings 8.75% 15/04/2030	0.8
3.	Carnival Corp 5.75% 15/03/2030	0.8
4.	CCO Holdings LLC 4.5% 15/08/2030	0.7
5.	American Airlines IncAAAdvantage 5.75% 20/04/2029	0.7
6.	Nexstar Media Inc 4.75% 01/11/2028	0.7
7.	CHSCommunity Health Systems Inc 6% 15/01/2029	0.6
8.	Gap IncThe 3.625% 01/10/2029	0.6
9.	1261229 BC Ltd 10% 15/04/2032	0.6
10.	Amer Sports Co 6.75% 16/02/2031	0.6

COUNTRY WEIGHTS (%)

USA	87.1
Canada	4.1
United Kingdom	1.9
France	1.8
Germany	1.0
Luxembourg	0.9
Netherlands	0.6
Finland	0.6
Italy	0.5
Other Countries	1.6

DURATION WEIGHTS (%)

0 - 1 Year	4.2
1 - 3 Years	26.0
3 - 5 Years	53.5
5 - 10 Years	16.1
10+ Years	0.2

SECTOR WEIGHTS (%)

Consumer, Cyclical	18.0
Consumer, Non-cyclical	17.1
Communications	16.1
Financial	13.7
Energy	13.7
Industrial	11.1
Technology	5.7
Basic Materials	2.8
Utilities	1.1
Other Sectors	0.8

RATING WEIGHTS (%)

AAA	0.0
AA+	0.4
AA	0.0
AA-	0.0
A+	0.0
A	0.0
A-	0.0
BBB+	0.0
BBB	0.0
BBB-	0.4
Others	99.1
Derivatives	0.0

AIA US HIGH YIELD BOND 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
Z	USD	AFHYZUC	LU2182890298	2020-09-08	Up to 5%	0%.	USD 10	Up to 1%	USD20m	USD100,000	USD100,000	USD20m	N/A	NA	NA
IDQ	USD	AFHYIUQ	LU2182890025	2020-09-11	Up to 5%	Up to 0.75%	USD 10	Up to 1%	USD10m	USD100,000	USD100,000	USD10m	Quarterly	2025-03-14	0.112093

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 charges and expenses of the prospectus of the UCITs, which is available at : 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)
Z									
Fund	USD	-1.13	1.00	1.00	7.81	4.82	-	-	3.71
^Benchmark	USD	-1.07	0.96	0.96	7.68	4.91	-	-	4.26
Relative Return	USD	-0.06	0.04	0.04	0.13	-0.09	-	-	-0.56
IDQ									
Fund	USD	-1.17	0.87	0.87	7.27	4.30	-	-	3.25
^Benchmark	USD	-1.07	0.96	0.96	7.68	4.91	-	-	4.27
Relative Return	USD	-0.10	-0.09	-0.09	-0.41	-0.61	-	-	-1.02

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Past performance is not a guide to future performance.

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

COMMENTARY

Commentary Sources

1. AIA Investment Management Pte Ltd
2. AIA Investment Funds
2. PIMCO Asia Pte Ltd

U.S. trade policy amplified global market volatility and economic uncertainty in March, as developed market bond yields broadly rose. In the U.S., further tariffs imposed on Canada, Mexico, and China, and the threat of reciprocal tariffs on global trade partners weighed on sentiment. In Europe, Germany announced new fiscal measures on defence and infrastructure spending, while amending the constitutional debt brake rule which had previously restricted government borrowing. The U.S. 2year (y) yield fell 11 basis points (bps) to 3.88%, while the United Kingdom (UK) 2y yield rose 2bps to 4.19%. The U.S. 10y yield remained unchanged at 4.21%, while the UK 10y yield rose 19bps to 4.67%. In Germany, the 2y yield rose 2bps to 2.05%, while the 10y rose 33bps to 2.74%. Within credit spreads, USD investment grade widened 9bps to 97bps, while EUR investment grade widened 5bps to 95bps. USD high yield spreads widened 68bps to 355bps, while EUR high yield spreads widened 39bps to 336bps. In the equities space, U.S. stocks experienced losses as the S&P 500 returned -5.6% while the Russell 2000 fell -6.8%. European equities also lost ground, with the EuroStoxx 50 returning -4.0%.

In the monetary space, global trade uncertainty weighed on central banks across developed markets. The Federal Reserve maintained its target rate for the federal funds rate at 4.25%-4.50%, while also revising its U.S. growth forecast downward and raising its inflation projection. The Bank of England maintained the Bank Rate at 4.50%, with guidance broadly unchanged, noting that a “gradual and careful” approach to cutting rates remains appropriate, and that monetary policy will have to remain “restrictive for sufficiently long”. The Bank of Japan followed the same path by keeping its policy rate unchanged amid “high uncertainties” on the global trade policy front. The European Central Bank reduced its benchmark interest rate by 25bps to 2.50% while also indicating a potential slowdown in its rate-cutting cycle and revising downward the growth forecast. The Bank of Canada lowered its policy rate by 25bps to 2.75%, the lowest since 2022. Governor Tiff Macklem noted that tariffs will weigh on growth, but there are competing downward and upward pressures on inflation.

Regarding macro prints, U.S. non-farm payrolls printed at +151 (vs. +160k expected). Meanwhile, the U.S. unemployment rate rose to 4.1% (above expectations of 4.0%). U.S. core consumer price index (CPI) fell to 3.1%yoy (below expectations) and headline CPI also fell, printing at 2.8%yoy (below expectations). In the UK, core CPI fell to 3.5%yoy (below expectations), and headline CPI fell as well to 2.8%yoy (vs. 2.9% expected). Euro Area core inflation fell to 2.6%yoy, in line with expectations, while headline inflation printed below expectations at 2.3% year-over-year (yoy). Finally, the Eurozone and UK flash composite purchasing managers’ index (PMIs) printed at 50.4 and 52.0, respectively, in March.

Global investment grade credit posted positive returns for the month, underperforming like-duration government bonds, as spreads widened in February. Investment grade credit spreads widened as tariff uncertainty impacted consumer and business sentiment, though total returns were supported by a decline in yields.

Global high yield delivered positive returns with CCC-rated bonds outperforming B-rated bonds and BB-rated bonds from a total return perspective. High yield credit benefitted from solid corporate earnings results, supportive technicals and declining yields.

In March, the AIA US High Yield Fund returned -1.13%, underperforming the benchmark by 6bps. Key detractors to Fund's performance include security selection in both Food & Beverage and Building Materials. Key contributors to Fund's performance include security selection in both Healthcare and Retail.

The Fund favors U.S. high yield as it has a broader and more diverse buyer base and offers greater liquidity and higher yields on an absolute level. In sectors, the Fund continues to focus on industries perceived to have strong asset coverage, manageable leverage levels, favourable secular and cyclical trends. It is cautious on industries facing meaningful secular challenges. The Fund continues to look for credits that may be acquisition targets and those that may benefit from early refinancing situations. Overall, the Fund is cautiously optimistic and are focused on maintaining sufficient liquidity in the portfolio.

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