AIA INVESTMENT FUNDS
AIA US HIGH YIELD BOND FUND

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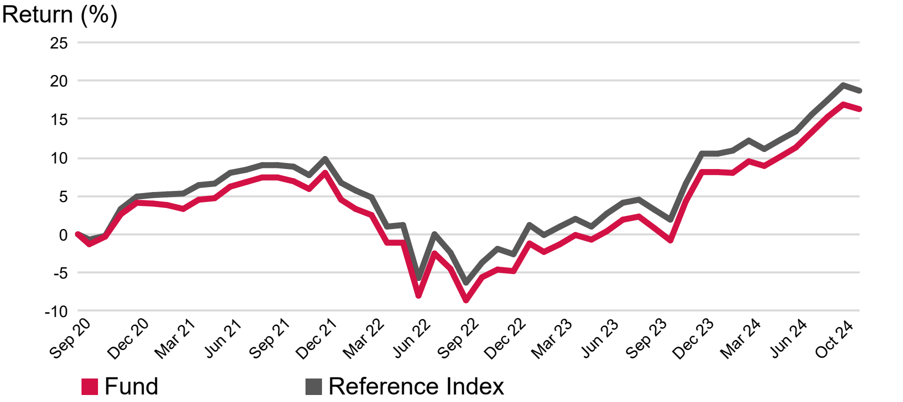
INVESTMENT OBJECTIVE and POLICY

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



Asset class	**Fixed Income**
ISIN (Class Z)	**LU2182890298**
Bloomberg ticker (Class Z)	**AFHYZUC**
Fund size	**59,970,890.40**
Fund base currency	**USD**
Share class currency (Class Z)	**USD**
Net asset value (Class Z)	**11.6267**
Inception date (Class Z)	**08-Sep-20**
Domicile	**Luxembourg**
Fund type	**UCITS**
^Ongoing charges	**0.17%**
Performance Fee	**None**

^The ongoing charges figure is based on an estimate calculated during the launch phase. 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).

Lower risk — Higher risk

typically lower rewards — typically higher rewards

1	2	3	**4**	5	6	7

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.

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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	-0.57	2.65	7.59	17.19	2.84	-	-	3.70
^Benchmark	-0.55	2.70	7.50	16.57	3.02	-	-	4.28
Relative Return	-0.02	-0.05	0.09	0.63	-0.18	-	-	-0.57

^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.	United States Treasury Bill 0% 09/01/2025	1.8
2.	Bausch Lomb Escrow Corp 8.375% 01/10/2028	1.1
3.	Valaris Ltd 8.375% 30/04/2030	1.0
4.	Nationstar Mortgage Holdings Inc 5.75% 15/11/2031	1.0
5.	Allegiant Travel Co 7.25% 15/08/2027	1.0
6.	goeasy Ltd 9.25% 01/12/2028	0.9
7.	TreeHouse Foods Inc 4% 01/09/2028	0.8
8.	Rockcliff Energy II LLC 5.5% 15/10/2029	0.8
9.	amsOSRAM AG 12.25% 30/03/2029	0.8
10.	Encore Capital Group Inc 9.25% 01/04/2029	0.8

COUNTRY WEIGHTS (%)

USA	84.3
Canada	5.7
United Kingdom	1.9
Germany	1.4
France	1.4
Luxembourg	1.1
Netherlands	0.8
Austria	0.8
Australia	0.7
Other Countries	1.9

DURATION WEIGHTS (%)

0 - 1 Year	5.0
1 - 3 Years	27.4
3 - 5 Years	53.8
5 - 10 Years	13.8
10+ Years	0.0

SECTOR WEIGHTS (%)

Consumer, Non-cyclical	18.4
Consumer, Cyclical	16.6
Financial	14.9
Communications	14.6
Energy	13.1
Industrial	10.2
Technology	6.1
Basic Materials	3.4
Government	2.0
Other Sectors	0.9

RATING WEIGHTS (%)

AAA	0.0
AA+	2.0
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	97.7
Derivatives	0.0

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

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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	2024-09-16	0.162942

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	-0.57	2.65	7.59	17.19	2.84	-	-	3.70
^Benchmark	USD	-0.55	2.70	7.50	16.57	3.02	-	-	4.28
Relative Return	USD	-0.02	-0.05	0.09	0.63	-0.18	-	-	-0.57
IDQ									
Fund	USD	-0.61	2.52	7.14	16.61	2.32	-	-	3.26
^Benchmark	USD	-0.54	2.70	7.50	16.57	3.02	-	-	4.28
Relative Return	USD	-0.07	-0.18	-0.36	0.04	-0.70	-	-	-1.03

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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 Sources

1. AIA Investment Management Pte Ltd

2. AIA Investment Funds

2. PIMCO Asia Pte Ltd

COMMENTARY

In October, both fixed income and equity markets experienced disappointing results. Global bond yields rose on the back of fiscal policy concerns surrounding the upcoming U.S. elections and the UK government's budget. Additionally, stronger-than-expected macroeconomic data prompted investors to reassess their expectations for interest rate cuts.

Markets observed a recalibration in rate cut expectations, as well as multiple policy decisions across central banks. The European Central Bank (ECB) cut its deposit facility rate by 25bps to 3.25% with ECB President Christine Lagarde reiterated that the next steps in the rate path will continue to be data-dependent and that more recent weakening in economic activity indicated there is probably more downside risk than upside risk for inflation. Moreover, the People's Bank of China initiated its new 500-billion-yuan swap facility aimed at encouraging stock purchases. It also maintained the one-year medium-term lending facility at 2.0% and cut the one-year and five-year loan prime rate each by 25bps, to 3.1% and 3.6%, respectively. The Bank of Canada cut interest rates by 50bps, lowering its policy rate to 3.75% as Governor Tiff Macklem said he anticipates cutting the policy rate further, while also highlighting that their main focus is to maintain low and stable inflation. Finally, on the 31st of the month, the BoJ kept its policy rate unchanged at 0.25%.

The U.S. labour market continues to remain strong, with non-farm payrolls printing at +254k (vs +140k expected), with the unemployment rate at 4.1% (below the 4.2% expected). On the other hand, U.S. core Consumer Price Index (CPI) printed at 3.3% year-on-year, exceeding expectations while headline CPI fell, printing at 2.4%yoy (vs 2.3%yoy expected). Global investment grade credit posted negative returns of -1.57% for the month, outperforming like-duration government bonds by 0.46%, as spreads tightened 7bps in October. The supportive technical backdrop for investment grade credit continued to underpin tighter spreads, as government bond yields moved higher during the month. Global high yield delivered negative returns of -0.24% with the least rate-sensitive segment of the high yield market, CCC-rated bonds (+0.46%), outperforming BB-rated (-0.43%) and B-rated (-0.21%) bonds from a total return perspective. Positive risk sentiment from generally solid earnings results was offset by volatility stemming from election uncertainty and rates.

The AIA US High Yield Fund returned -0.61% for October, underperforming its benchmark by 7 bps.Key contributors to portfolio performance include security selection in Transportation, Retail, and Information Technology sectors. On the other hand, key detractors to portfolio performance include security selection in Consumer Products and Food & Beverage sectors.

The Fund continues to favor U.S. high yield as it believes that the U.S. market benefits from a broader and more diverse buyer base and offers greater liquidity and higher yields on an absolute level. In terms of sectors, it continues to favor defensive, non-cyclical sectors with relatively stable cash flows, and remains broadly underweight to more cyclical sectors and/or those which is perceived to be in secular decline as a result of changing market or customer dynamics, although the Fund is finding opportunities where fundamental-adjusted valuations are compelling. It continues to focus on industries perceived to have strong asset coverage, manageable leverage levels, and favourable secular and cyclical trends while being 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.

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