

# AIA Elite Balanced Fund

March 2025

## Investment Objective

The ILP Sub-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.

## Key Fund Facts

(As of 31 March 2025)

<b>Name of ILP Sub-Fund</b>	AIA Elite Balanced Fund	<b>Name of ILP Sub-Fund</b>	AIA Elite Balanced Fund (USD)
<b>Launch Date</b>	19 July 2019	<b>Launch Date</b>	19 July 2019
<b>Launch Price</b>	SGD 1.000	<b>Launch Price</b>	USD 1.000
<b>Manager of ILP Sub-Fund</b>	AIA Investment Management Private Limited	<b>Manager of ILP Sub-Fund</b>	AIA Investment Management Private Limited
<b>Pricing Frequency</b>	Daily	<b>Pricing Frequency</b>	Daily
<b>Subscription</b>	Cash and SRS	<b>Subscription</b>	Cash and SRS
<b>Fund Risk Classification</b>	Medium to High Risk	<b>Fund Risk Classification</b>	Medium to High Risk
<b>Management Fees</b>	1.25% p.a. of Net Asset Value	<b>Management Fees</b>	1.25% p.a. of Net Asset Value
<b>Bid Price</b>	SGD 1.271	<b>Bid Price</b>	USD 1.383
<b>Fund Size</b>	SGD 512.1M	<b>Fund Size</b>	USD 22.7M

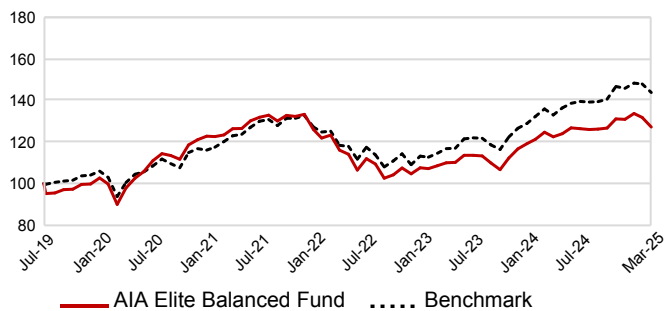
## Performance

(As of 31 March 2025)

### AIA Elite Balanced Fund

Period	1 Month	3 Months	6 Months	1 Year	3 Year^	5 Year^	Since Inception^
<b>Fund (bid-to-bid)</b>	-3.49%	-2.83%	0.79%	2.01%	1.04%	7.17%	4.31%
<b>Benchmark</b>	-2.79%	-1.39%	3.15%	5.78%	4.72%	8.94%	6.58%

### AIA Elite Balanced Fund



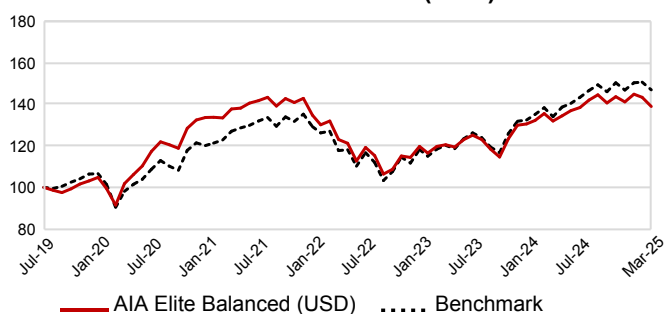
Notes (1) Performance of the fund is in SGD on a bid to bid basis with net dividends reinvested, without taking into consideration the fees and charges payable through deduction of premium or cancellation of units (2) ^ denotes annualised returns (3) Current benchmark: 60% MSCI World Total Net Return Index & 40% Bloomberg Barclays Global Aggregate Corporate Total Return Index

Past Performance is not necessarily indicative of future performance.  
Source: AIA Singapore

### AIA Elite Balanced (USD)

Period	1 Month	3 Months	6 Months	1 Year	3 Year^	5 Year^	Since Inception^
<b>Fund (bid-to-bid)</b>	-3.08%	-1.57%	-3.89%	2.44%	1.72%	8.71%	5.89%
<b>Benchmark</b>	-2.45%	0.08%	-1.62%	6.21%	4.96%	10.20%	6.96%

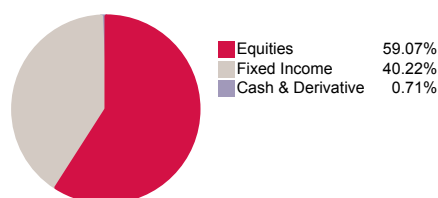
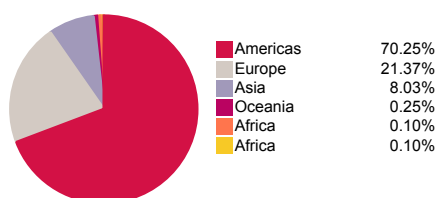
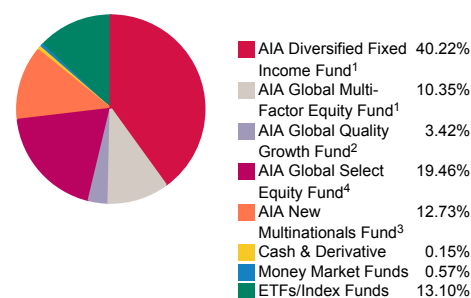
### AIA Elite Balanced (USD)



Notes (1) Performance of the fund is in USD on a bid to bid basis with net dividends reinvested, without taking into consideration the fees and charges payable through deduction of premium or cancellation of units (2) ^ denotes annualised returns (3) Current benchmark: 60% MSCI World Total Net Return Index & 40% Bloomberg Barclays Global Aggregate Corporate Total Return Index

Past Performance is not necessarily indicative of future performance.  
Source: AIA Singapore

Source: AIA Singapore

**Asset Allocation (%)****Regional Allocation (%)****Underlying Fund Allocation (%)**

Source: AIA Investment Management Private Limited, based on the SGD-denominated fund

<sup>1</sup> Sub-managed by BlackRock Financial Management, Inc.

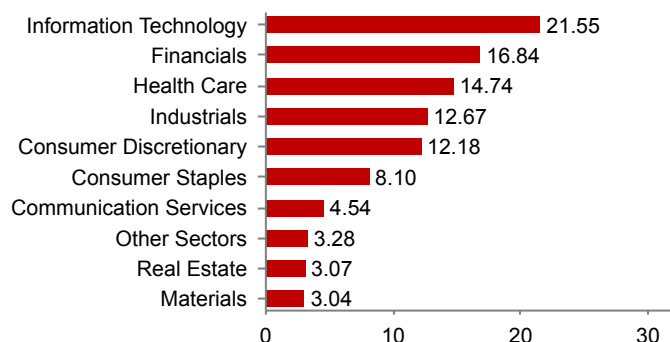
<sup>2</sup> Sub-managed by Baillie Gifford Overseas Limited

<sup>3</sup> Sub-managed by Wellington Management Company LLP

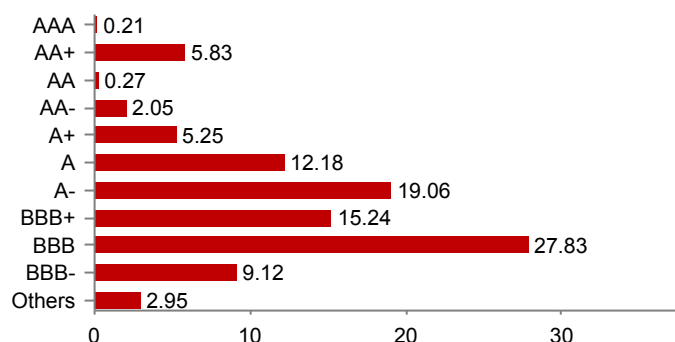
<sup>4</sup> Sub-managed by Capital International, Inc

**Equity: Sector Allocation**

(As of 31 March 2025)

**Fixed Income: Ratings Allocation**

(As of 31 March 2025)

**Top Holdings**

(As of 31 March 2025)

Top 5 (Equities)	Holdings (%)
Microsoft Corp	3.10
Taiwan Semiconductor Manufacturing Co Ltd	1.74
Visa Inc	1.74
L'Oreal SA	1.43
ASML Holding NV	1.34
TOTAL	9.35

Source: AIA Investment Management Private Limited, based on the SGD-denominated fund

Top 5 (Fixed Income)	Holdings (%)
United States Treasury NoteBond 4.25% 15/11/2034	0.48
Bank of America Corp 4.979% VRN 24/01/2029	0.35
Principal Life Global Funding II 4.8% 09/01/2028	0.34
Deutsche Bank AG New York NY 5.414% 10/05/2029	0.32
United States Treasury NoteBond 3.875% 31/03/2027	0.32
TOTAL	1.81

**Macro Review**

The US labor market continued to create jobs in March 2025 and unemployment rate crept up slightly from the previous month. The US manufacturing sector fell into contractionary territory in March 2025 after starting the first 2 months of 2025 in expansionary territory. The US Services sector remained in expansionary territory in March 2025. Citi's Economic Surprise Index continued to be in negative territory in March 2025. US inflation for March 2025 remained positive albeit lower than the reading in the first 2 months of 2025.

In March 2025, the Eurozone manufacturing continued to stay sluggish in contractionary territory. Eurozone manufacturing has been in contractionary territory for more than 2 years. In contrast, Eurozone Services PMI was in expansionary territory in March 2025 for the fourth consecutive month. Citi's Economic Surprise Index for Eurozone declined in March 2025 but still ended the month in positive territory. Eurozone inflation continued to be positive in March 2025, though dipped slightly from the reading in February 2025.

In March 2025, China's manufacturing sector continued to expand as the China manufacturing PMI was in expansionary territory for the second consecutive month. China's non-manufacturing PMI was also in expansionary territory in March 2025. Both China consumer price inflation and producer price inflation were negative in March 2025. Citi's Economic Surprise Index for China rebounded and ended March 2024 in positive territory.

**Market Review**

Global equities dipped again in March 2025 for the second consecutive month and ended 1Q 2025 in negative territory. For the month ending March 2025, Energy, Utilities, and Materials led while Information Technology, Consumer Discretionary and Communication Services lagged. For March 2025, in terms of investment styles, Minimum Volatility outperformed Growth significantly. For March 2025, across the major geographic regions in USD terms, India equities led, while US equities lagged.

The fixed income markets were mixed in March 2025. US Treasuries were up while US Investment Grade and High Yield indices were down in March 2025. US 10-year yield dipped for the third consecutive month in March 2025. High yield and investment grade credit spreads widened in March 2025, with high yield credit spread expanding significantly more than investment grade credit spread.

The commodities markets were up in March 2025. Gold, Oil and Copper were up in March 2025. The US Dollar depreciated against both DM currencies and Asia currencies in March 2025.

**Portfolio Review**

Elite Balanced Fund (SGD)/ (USD):

- The fund delivered negative SGD / USD returns, underperforming its benchmark for the month of March 2025. For the month, there was some equity market volatility around month-end closing prices.
- In terms of currency movements, USD depreciated against the SGD for the month
- In terms of performance attribution for the month, both asset allocation and security selection detracted. Within security selection, the main detractors were AIA Global Select Equity Fund, AIA New Multinationals Fund and AIA Diversified Fixed Income Fund. Within asset allocation, the main detractors were Fixed Income and Cash (inclusive of fees and expenses).

**Outlook**

Risk assets experienced a sharp sell-off since Liberation Day as the tariffs announcements from the US administration were worse than expected. Equities across geographic regions sold off, credit spreads widened significantly, and commodities fell sharply.

Markets could remain volatile as market participants are assessing whether a new world order has been established, where the previous regime of globalization and free trade has been abruptly displaced by a regime where countries erect trade barriers and protectionism takes precedence.

It is a challenging environment to have conviction in forecasts as uncertainty emanates from 2 sources: First, uncertainty whether the tariffs imposed by US are here to stay & the US administration's policy stance; Second, uncertainty on how the other countries would respond.

Over the short term, we remain vigilant and stay on the sidelines. This is because going into the sharp sell-off, risk taking of the Elite Funds has already been brought down and our assessment is that technical conditions remain challenged, sentiment remain depressed and thus volatility is likely to remain elevated.

Notwithstanding the short-term focus on downside risk management, taking a medium-term perspective, growth conditions were benign prior to Liberation Day with Global PMI signalling steady trend-like growth, and 2025 US earnings forecast in double digits. Supportive growth conditions provide a buffer for the global economy to respond to shocks such as the increased tariffs. Equities are arguably on sale at the point of writing and the investment team is actively looking for better entry points. A rebound in risk assets could be catalysed by policy response as past stress episodes typically see policy makers inject liquidity into the financial system. The key is to stick to a disciplined investment process, carefully weigh medium term upsides returns versus downside risks and not be whipsawed by the volatile market environment.

*Source: AIA Investment Management Private Limited, based on the SGD-denominated fund*

Please refer to the Product Summary applicable to the investment-linked policy which you have purchased or intend to purchase for these applicable fees and charges.

Disclaimer with regard to the above Benchmark: The blended returns are calculated by AIA Investment Management Private Limited using end of day index level values licensed from MSCI ("MSCI Data"). For the avoidance of doubt, MSCI is not the benchmark "administrator" for, or a "contributor", "submitter" or "supervised contributor" to, the blended returns, and the MSCI Data is not considered a "contribution" or "submission" in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation or international standards. MSCI Data is provided "AS IS" without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking or otherwise utilizing any MSCI Data, models, analytics or other materials or information.

AIA Elite Balanced Fund is an investment-linked policy (ILP) fund offered by AIA Singapore Private Limited ("AIA Singapore") and is only available under AIA Investment-Linked Policies. AIA Singapore is the product provider. This fact sheet is prepared by AIA Singapore and the information presented is for informational use only. Investments are subject to investment risks including the possible loss of the principal amount invested. Past performance, as well as the prediction, projection or forecast on the economy, securities markets or the economic trends of the markets are not necessarily indicative of the future or likely performance of the ILP funds. The performance of the ILP funds is not guaranteed and the value of the units in the ILP funds and the income accruing to the units, if any, may fall or rise. A product summary relating to the ILP funds is available and may be obtained from your AIA Financial Services Consultant. A potential investor should read the product summary before deciding whether to subscribe for units in the ILP funds. AIA Singapore does not warrant or make any representations regarding the use or the results of the use of the figures generated in terms of their correctness, accuracy, reliability, or otherwise.

E. & O. E.