

31 MARCH 2024

Dollar Flexi Asia Dividend-Paying Bond Fund

FUND DETAILS:

Inception Date	11-Dec-17	Latest NAVPU	0.547670
Fund Manager	Allianz Global Investors (AGI)	Initial NAVPU	1.000000
Fund Currency	USD	Highest NAVPU (12.11.2017)	1.000000
Fund Size	USD 21.3 Million	Lowest NAVPU (11.07.2022)	0.515532
Management Fee	1.85% p.a.	Pricing / Valuation	Daily

Risk Classification

The Fund is suitable for investors who take medium to long - term views. As a marked -to-market Fund, its net asset value and total return may fall or rise as a result of interest rates movements. On redemption of units, a policyholder may receive an amount less than the original amount invested. Prior to investment in the Fund, the policyholder shall undergo a client suitability assessment procedure to determine whether the Fund is appropriate for him considering his investment objective, risk tolerance, preferences and experience.

Market Commentary

Asian credits performed well in March again. Returns were supported by interest accrual, lower US Treasury yields and spread compression for both investment grade (IG) and high yield (HY) credits. In March, JACI composite returned 1.1%, with the IG sub-index returning 0.9% and HY bonds returning 1.8%. Year-to-date, JACI composite has delivered 1.4% total return, mainly driven by the firm 6.8% total return of Asia HY credits.

JACI IG delivered a positive performance in March, in line with other regional markets – US and Europe IG, in USD terms. Stable fundamentals, attractive yields and limited supply had supported further compression of Asia IG credit spreads by 7 basis points (bps). Within Asian IG, all sectors provided positive returns. Following the smooth elections in February, Indonesian sovereign and quasi-sovereigns were amongst the top contributors for the month. Hong Kong Financials also performed well as demand for new issues was strong and led to repricing of the existing curves. In China, the National People's Congress meeting was a non-event as the major policy targets such as gross domestic product (GDP) growth and budget deficit were in line with expectations. March was also an eventful month for global central banks as the Bank of Japan (BoJ) ended the negative interest rate and yield curve control policies, while the Swiss National Bank was the first G10 central bank to cut rates. The new issue market picked up in March with diversified supply across sectors and countries amounting to USD 10.8 billion, bringing year-to-date supply to USD 40.6 billion. Supply was well absorbed although issuers tried to price close to or even tighter than the secondary curve.

Market Outlook

Asia credit markets have performed well at the composite level on a year-to-date basis. We expect this to continue given favourable growth and inflation dynamics in the region, well-positioned credit cycle, as well as strong market technicals with expected negative net supply. While Asia IG spreads are fair at best, total yield level remains attractive versus historical average and should continue to attract buyers into the market. Limited supply in Asian IG space will limit the extension of spread widening should global risk sentiment turn. We do not see any near-term catalyst for aggressive spread widening and continue to like the carry in Asia IG credits.

Asia HY has outperformed other credit markets year-to-date by a large margin and remains reasonably attractive considering its higher rating composition. The favourable credit cycle of most of the sectors in Asian HY space gives us comfort to build our core holdings with stable carry, while normalisation of default rate in China offers spread compression and credit repricing opportunities. That said, as certain sectors and corporates are navigating the downcycle, credit selection in those sectors is still key to outperformance.

AGI RISK AND REWARD INDICATOR

Lower Risk Lower Rewards ● ● ● ○ ○ ○ Higher Risk Higher Rewards

3/7 as of as of 03/05/2024

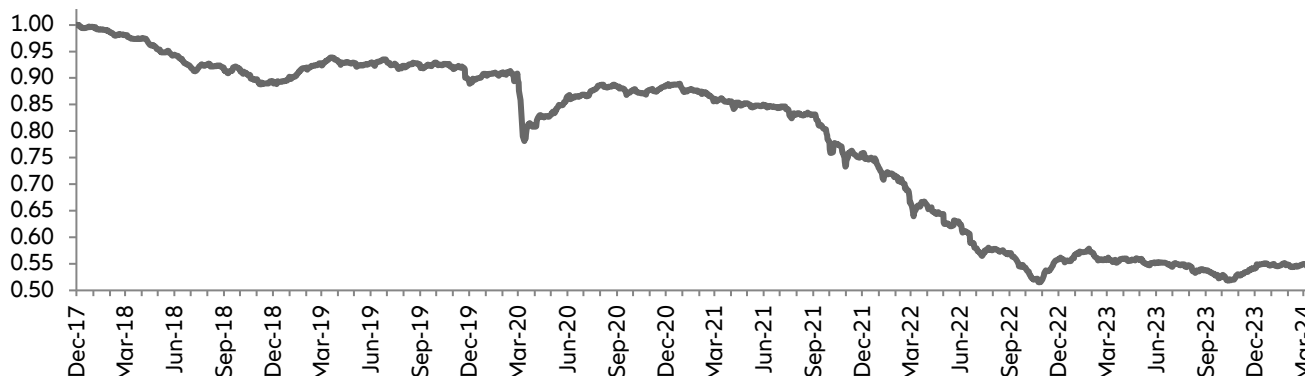
Investment Objective

To achieve long-term capital appreciation and income, investing primarily in EUR, USD, GBP, JPY, AUD, NZD or any Asian currency denominated debt markets, with the focus on Asian countries

Performance Overview

Performance History	Year To Date	1 Year (YoY)	3 Years (YoY)	5 Years (YoY)	Since Inception
Absolute	-0.61%	-1.05%	-35.95%	-41.63%	-45.23%
Annualized	N/A	-1.05%	-13.80%	-10.21%	-9.12%

NAVPU Since Inception

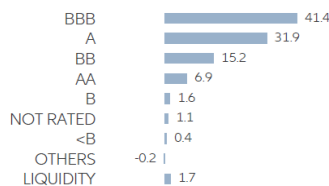


Portfolio Analysis

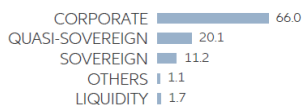
Asset Allocation



Credit Rating Allocation (%)



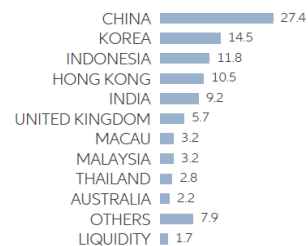
Bond Type Allocation (%)



Currency Allocation (%)



Country/Location Allocation (%)



Top 10 Holdings ³

	Country/Location	%
REPUBLIC OF INDONESIA FIX 4.650% 20.09.32	INDONESIA	2.7
REPUBLIC OF INDONESIA FIX 5.650% 11.01.53	INDONESIA	1.8
REPUBLIC OF INDONESIA FIX 2.150% 28.07.31	INDONESIA	1.1
PT PERTAMINA (PERSERO) REGS FIX 4.175% 21.01.50	INDONESIA	1.0
GEELY AUTOMOBILE PERP FIX TO FLOAT 4.000% 09.06.2198	CHINA	0.9
AIA GROUP LTD GMTN PERP FIX TO FLOAT 2.700% 07.10.2198	HONG KONG	0.9
TALENT YIELD INTNTNL FIX 2.000% 06.05.26	CHINA	0.9
STANDARD CHARTERED PLC REGS FIX TO FLOAT 2.608% 12.01.28	UNITED KINGDOM	0.9
REPUBLIC OF INDONESIA FIX 3.550% 31.03.32	INDONESIA	0.9
ALLIANZ SGD INCOME-W H2 USD	OTHERS	0.8
Total		11.9

Statistics Summary

Average Coupon	3.96%
Average Credit Quality ⁴	BBB+
Effective Maturity	6.67 years
Effective Duration	4.58 years
Yield to Maturity	6.66%

IMPORTANT NOTICE:

This document is for information purposes only. This does not constitute an offer or a solicitation to buy or sell any investment referred to in this document. The information in this publication is based on carefully selected sources believed to be reliable but we do not make any representation as to its accuracy or completeness. Any opinions herein reflected are good as of this date but may be subject to change without prior notice. Investment or participation in the Fund is subject to risk and possible loss of principal, and is not insured by the Philippine Deposit Insurance Corporation (PDIC). Losses, if any, shall be for the account and risk of the Trustor/Participant. Past performance is not indicative of future performance.