

AIG ASIA BALANCED FUND

31 January 2010

OBJECTIVE

AIG Asia Balanced Fund ('the Fund') seeks to achieve income and capital appreciation by investing primarily in equity and fixed income securities based in Asia.

FUND FACTS

Domicile & Type	Ireland / Sub-fund of UCITS III Umbrella Open-ended Unit Trust
Inception Date of Class	29 Jul 2005
Inception Date of Predecessor Class	2 Jan 1998 *
Benchmark	70% MSCI AC Asia exJapan DTR Net/30% HSBC Asian US Dollar Bond TR (see footnote)
Base Currency	USD
Class	L
Class Currency	USD
Minimum Investment	No minimum
Management Fee	1.25%
Listing & Dealing	Unlisted / Daily
Distribution Policy	Income and capital gains may be distributed
ISIN Number	IE0003895053
Portfolio Manager(s)	Cheri Wong / Cathy Sin
Investment Manager(s)	AIG Global Investment Corporation (Asia) Ltd.
Legal Manager	AIG Investments Fund Management Ltd.
Authorised for Public Distribution In	Hong Kong, United Kingdom
Regulated By	Financial Regulator in Ireland

*Refer to footnotes

COMMENTARY

Market Review

- All Asia ex Japan equity markets except Indonesia started 2010 with single digit monthly decline in January, as China and India both raised reserve requirements for banks to curb lending growth and dampen inflation.
- After an initial rally in the beginning of 2010, Asian credits turned visibly weaker as the month progressed. High grade cash bonds suffered more with spreads 15-17 bps wider in both Hong Kong and Korea space.

Fund Activity

- In the equity portion of the Fund, we decreased our weighting in Singapore and added exposure to Hong Kong and China. We also increased the Fund's position in Digital China Holdings Ltd. as the company's earnings will likely be driven by China's rebound in IT spending and the extension of the rural subsidy program.

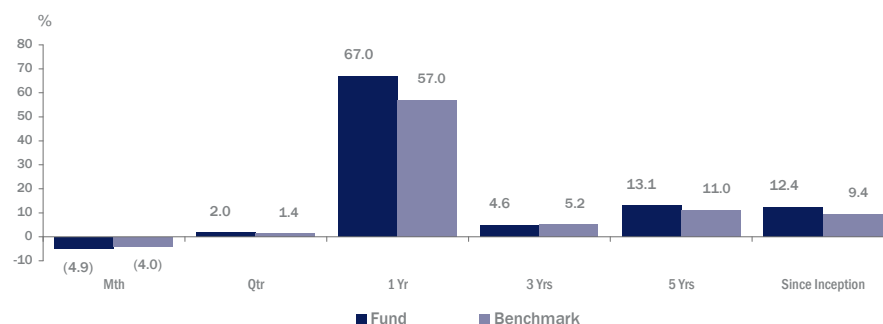
- In the fixed income portion of the Fund, we sold out of US \$0.5 million INDON'37, using the proceeds to switch to the newly issued Vietnam'20 for relative value.

Outlook

- We believe Asia is still in a secular bull market but a short term correction is inevitable given the powerful rally in 2009. That said, valuations for Asian markets are near normalized levels, so investment opportunities still exist.
- Fundamentals, valuations and technicals are still supportive of credit spread tightening in the coming year, though the upside potential looks more limited compared to 2009.

PERFORMANCE

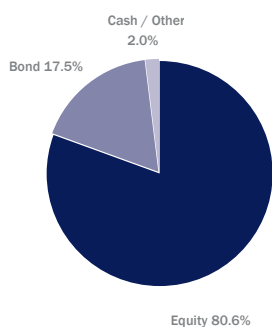
For periods ending 31 January 2010



Calendar Year	Fund %	Benchmark %	Difference %
2010 YTD	(4.9)	(4.0)	(0.9)
2009	67.7	57.5	10.2
2008	(46.6)	(41.0)	(5.6)
2007	34.6	29.2	5.4
2006	33.6	25.2	8.4

Fund: AIG Asia Balanced Fund Class 'L' Units
 Benchmark: 70% MSCI AC Asia exJapan DTR Net/30% HSBC Asian US Dollar Bond TR (see footnote)
 Indicative gross performance before fees and all charges. 1, 3, 5 Yrs and since inception returns are annualised. Past performance is not indicative of future results. Refer to footnotes.

ASSET ALLOCATION



Fund: AIG Asia Balanced Fund
Asset allocations as at month end.

TOP 10 HOLDINGS

Company Name	%
Samsung Electronics Co (KR)	5.4
Shree Cement (IN)	3.1
China Life Insurance Co (CN)	2.9
China Mobile Ltd (CN)	2.8
Hon Hai Precision Industry Co (TW)	2.1
Cnooc Limited (CN)	2.1
City Developments Ltd (SG)	2.1
PT Astra Intl (ID)	2.0
6.25% HKCG Finance Limited 07/Aug/2018 (HK)	2.0
5.13% KT Corp 11/Apr/2012 (CN)	1.9
Total	26.4

FUND STATISTICS

Fund Size	USD 54,393,269
NAV per Unit	USD 334.1494
Number of Securities	78
Risk Free Rate	0.0
Sharpe Ratio (3yr)	0.1
Standard Deviation (3yr)	27.1
Information Ratio (3yr)	(0.1)
Tracking Error (3yr)	4.6
Alpha	(0.4)
Beta	1.1
R-Squared	97.6

www.aiginvestments.com

All information as of 31 Jan 2010 unless noted otherwise. Portfolio Structure may vary over time. Holdings are subject to change. We are not soliciting or recommending any action based on this material. This document should be read in conjunction with the Prospectus (including defined terms) and is subject at all times to the terms and conditions as set out therein. AIG Asia Balanced Fund (the "Fund") is a sub-fund of AIG Global Funds, an Irish domiciled UCITS III umbrella fund, authorized and regulated by the Financial Regulator in Ireland. The Fund was formed as a successor fund to AIG Asia Balanced Fund plc (the "Company") following a scheme of amalgamation with the Company and was launched on 29 July 2005. AIG Global Investment Corp. (Asia) Ltd. is the Investment Manager to the Fund and also acted in this capacity for the Company. The performance presented herein is representative of Class 'L' in U.S. Dollars of the Company up to 29 July 2005, and of the Fund from that date. The benchmark is 70% MSCI All Country Asia ex-Japan Total Return Index and 30% HSBC Asian US Dollar Bond Total Return Index; since 1 July 2005. Prior to that date, from 01 January 2000 to 30 June 2005, the fixed income index used was a blended index: 20% Lehman Emerging Asia / 5% HSBC HK bond / 5% UOB Government bond Index. From inception to 31 December 1999, the index was 70% MSCI All Country Far East ex-Japan Total Return Index and 30% HSBC Asian USD Bond Total Return Index. The price of units and the income from them may fall as well as rise and investors may not get back the full amount originally invested. This document is intended for distribution only to existing and prospective investors for whom it is suitable and does not constitute an offer of units. Its general circulation may be restricted by law in certain jurisdictions. The Fund is not available for investment in the United States or to or for the account of U.S. Persons. AIG Investments Europe Limited is authorised and regulated by the Financial Services Authority ("FSA"). In the UK this communication is a financial promotion solely intended for professional clients as defined in the FSA Handbook and has been approved by AIG Investments Europe Limited. Copies of the Prospectus, the Simplified Prospectus and the most recent financial statements may be obtained free of charge in Ireland from AIG Investments Fund Management Ltd., and in Germany from BHF-BANK AG, Bockenheimer Landstraße 10, 60323 Frankfurt. Unless otherwise noted, all information is sourced from AIG Investments internal data. AIG Investments comprises a group of international companies which provide investment advice and market asset management products and services to clients around the world. Services and products are provided by one or more affiliates of American International Group, Inc. ("AIG"). AIG Investments is a registered mark of AIG. Issued by: AIG Investments Fund Management Ltd, 30 North Wall Quay, IFSC, Dublin 1, Ireland. Phone: 353-1-6720222. Facsimile: 353-1-6720267.

