

AIG ASIA BALANCED FUND

31 October 2009

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

- October saw strong buying interest in equity markets in Hong Kong, China and Malaysia, which largely offset declines in most other Asian markets.
- The earnings season saw results beating expectations, with encouraging numbers from Chinese financials, techs in Taiwan and Korea, and consumers in India.
- The Asian credit markets underperformed on supply pressures, which seem to just keep mounting.
- While the risk aversion triggered by a series of weak economic releases has virtually reversed following better-than-expected US GDP figures, the primary issuances queue should continue to exert some technical pressure on the secondary market.

- We decreased the Fund's equity weighting in Hong Kong and increased its exposure to China, Indonesia and Singapore.
- There were no new purchases to the fixed income portion of the Fund during the month.

Outlook

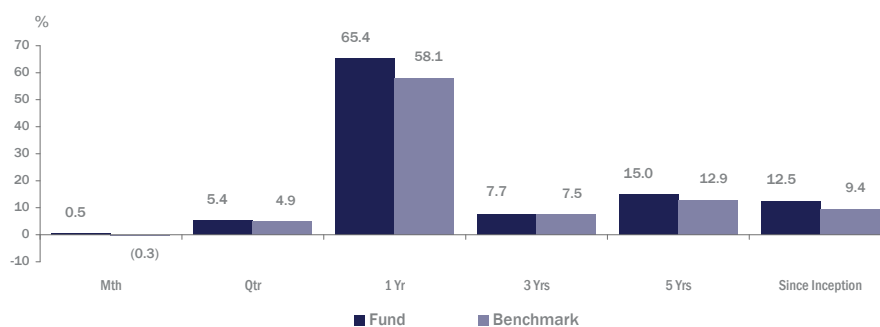
- We expect Asian corporates to continue to deliver positive earnings results, which will underpin performance in the region's stockmarkets.
- The large new supply pipeline is weighing on the fixed income market and is expected to negatively impact technicals in the near term. New issues are coming at increasingly tight levels and resulting in mixed performance.

Fund Activity

- During October the equity portion of the Fund benefited from positions in China Gas Holdings, China Merchants Bank Co. and Sembcorp Marine.

PERFORMANCE

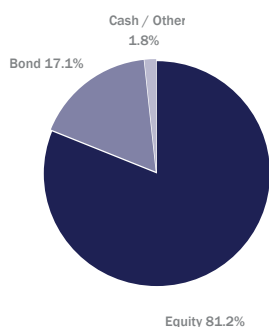
For periods ending 31 October 2009



Calendar Year	Fund %	Benchmark %	Difference %
2009 YTD	56.4	49.2	7.2
2008	(46.6)	(41.0)	(5.6)
2007	34.6	29.2	5.4
2006	33.6	25.2	8.4
2005	21.8	17.9	3.9

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)	4.9
China Life Insurance Co (CN)	3.0
China Mobile Ltd (CN)	2.8
Shree Cement (IN)	2.6
Cnooc Limited (CN)	2.2
China Construction Bank (CN)	2.1
Industrial & Commercial Bank of China (CN)	2.1
Hon Hai Precision Industry Co (TW)	2.0
6.25% HKCG Finance Limited 07/Aug/2018 (HK)	2.0
City Developments Ltd (SG)	2.0
Total	25.7

FUND STATISTICS

Fund Size	USD 54,757,384
NAV per Unit	USD 328.8823
Number of Securities	80
Risk Free Rate	0.0
Sharpe Ratio (3yr)	0.2
Standard Deviation (3yr)	27.1
Information Ratio (3yr)	0.1
Tracking Error (3yr)	4.6
Alpha	0.3
Beta	1.1
R-Squared	97.6

www.aiginvestments.com

All information as of 31 Oct 2009 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.

