

# AIG EMERGING EUROPE EQUITY FUND

31 October 2009

## OBJECTIVE

AIG Emerging Europe Equity Fund ('the Fund') seeks to achieve capital growth by investing in companies primarily based in emerging European markets.

## FUND FACTS

<b>Domicile &amp; Type</b>	Ireland / Sub-fund of UCITS III Umbrella Open-ended Unit Trust
<b>Inception Date of Class</b>	7 Apr 2006
<b>Inception Date of Predecessor Class</b>	1 Sep 1994 *
<b>Benchmark</b>	MSCI EM Europe 10/40 Equity DTR Net (see footnote)
<b>Base Currency</b>	USD
<b>Class</b>	Y
<b>Class Currency</b>	USD
<b>Minimum Investment</b>	USD 1 million
<b>Management Fee</b>	1.00% since 9 Nov 2001
<b>Listing &amp; Dealing</b>	Irish Stock Exchange / Daily
<b>Distribution Policy</b>	Income and capital gains may be distributed
<b>ISIN Number</b>	IE0003893678
<b>Portfolio Manager(s)</b>	David Molnar
<b>Investment Manager(s)</b>	AIG Global Investment Corp. & AIG Investments Europe Ltd.
<b>Legal Manager</b>	AIG Investments Fund Management Ltd.
<b>Authorised for Public Distribution In</b>	Belgium, Finland, France, Germany, Hong Kong, Italy, Luxembourg, Netherlands, Singapore, Spain, Sweden, Taiwan (ROC), United Kingdom
<b>Regulated By</b>	Financial Regulator in Ireland
<b>Morningstar Rating™</b>	★★★

\*Refer to footnotes

## COMMENTARY

### Market Review

- An abundance of liquidity led emerging European markets to outperform global developed and emerging markets over the month, specifically led by the outperformance in Poland and Russia.

### Fund Activity

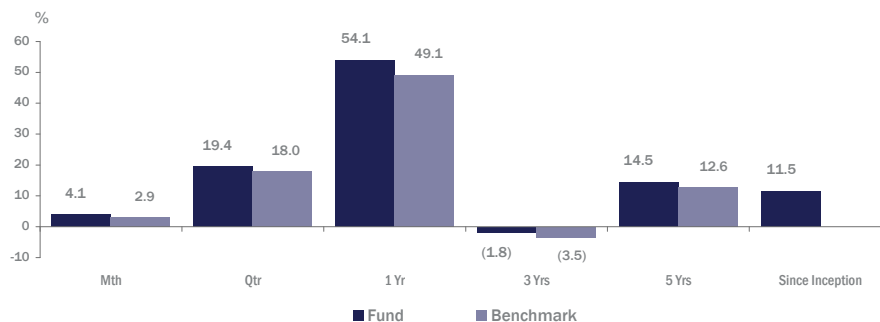
- We reversed our long held underweight in Poland through the addition of the real estate company, GTC, and IT service provider, Asseco Poland. We participated in the IPO of state run Polish utility, PGE.
- We brought Russia to overweight through the purchase of independent gas producer, Novatek, and oil producer, Gazpromneft, due to positive growth drivers for the companies and an improved outlook on oil prices.

### Outlook

- Economic data remains weak across the region although there may be improvements in the short term due to base effects. Third quarter results are expected to be solid, although top line growth may disappoint. An abundance of liquidity is expected to support continued solid performance through to year end.

## PERFORMANCE

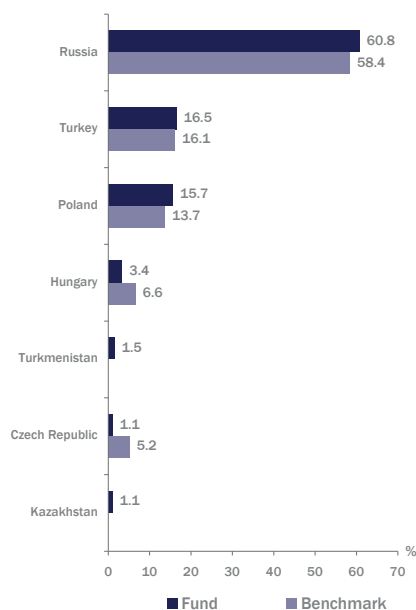
For periods ending 31 October 2009



Calendar Year	Fund %	Benchmark %	Difference %
2009 YTD	81.5	77.8	3.7
2008	(66.4)	(66.8)	0.4
2007	38.4	34.1	4.3
2006	35.8	41.7	(5.9)
2005	55.2	48.0	7.2

Fund: AIG Emerging Europe Equity Fund Class 'Y' Units  
 Benchmark: MSCI EM Europe 10/40 Equity DTR Net (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.

## COUNTRY ALLOCATION



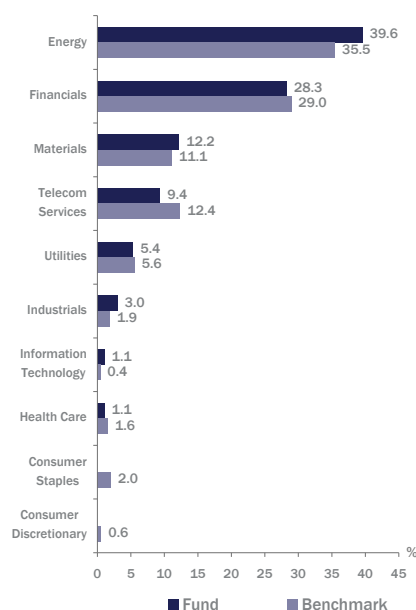
## TOP 10 HOLDINGS

Company	%
Gazprom (RU)	9.5
Sberbank Of Russia (RU)	8.6
Oil Co Lukoil (RU)	8.0
OJSC OC Rosneft (RU)	6.1
Turkiye Garanti Bankasi (TR)	4.4
Bank Pekao SA (PL)	4.0
JSC MMC Norilsk Nickel (RU)	4.0
Turkiye Is Bankasi (TR)	3.9
Mobile Telesystems OJSC (RU)	3.5
Surgutneftegaz (RU)	3.3
<b>Total</b>	<b>55.3</b>

## FUND STATISTICS

Fund Size	USD 132,087,906
NAV per Unit	USD 399.5248
Weighted Avg Mkt Cap (\$ M)	36,021
Number of Securities	39
Risk Free Rate	0.0
Sharpe Ratio (3yr)	(0.1)
Standard Deviation (3yr)	41.0
Information Ratio (3yr)	0.4
Tracking Error (3yr)	3.9
Alpha	1.4
Beta	1.0
R-Squared	99.2

## SECTOR WEIGHTS



Fund: AIG Emerging Europe Equity Fund  
 Benchmark: MSCI EM Europe 10/40 Equity DTR Net (see footnote)  
 Asset allocations as at month end.

[www.aiginvestments.com](http://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 Emerging Europe Equity Fund: From 1 January 1998 to 31 December 1998, the benchmark was MSCI Emerging Europe Monthly Total Return Gross Index (USD); from 01 January 1999 to 31 December 2002 it was the MSCI Emerging Europe DTR Net Index (USD). From 01 January 2003, the benchmark was changed to MSCI EM Europe 10/40 Equity Index DTR Net (USD). AIG Emerging Europe Equity 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 Emerging Europe Equity Fund plc (the "Company") following a scheme of amalgamation with the Company and was launched on 7 April 2006. AIG Global Investment Corp. ("AIGGIC") and AIG Investments Europe Ltd. are the Investment Manager to the Fund and also acted in this capacity for the Company. The performance presented herein is representative of Class 'Y' in U.S. Dollars of the Company up to 7 April 2006, and of the Fund from that date. 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. Morningstar Rating™ Source: Morningstar Essentials™. Copyright © 2009 Morningstar, Inc. All Rights Reserved. Morningstar Rating as of 31 Oct 2009, in the EMERGING EUROPE EQUITY Morningstar Category. 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.

