

AIG GLOBAL BOND FUND

31 October 2009

OBJECTIVE

AIG Global Bond Fund ("the Fund") seeks to achieve income and capital appreciation by investing in a portfolio of fixed income securities denominated in a broad range of currencies.

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	31 Dec 2001 *
Benchmark	Citigroup World Govt Bond (Unhedged)
Base Currency	USD
Class	A
Class Currency	USD
Minimum Investment	USD 1,000
Management Fee	1.10% since 1 Jul 2002
Listing & Dealing	Unlisted / Daily
Distribution Policy	Income and capital gains may be distributed
ISIN Number	IE0031295045
Portfolio Manager(s)	Anthony King / Hachidai Ueda
Investment Manager(s)	AIG Investments Europe Ltd. / AIG Investments Japan Co., Ltd. & AIG Global Investment Corp.
Legal Manager	AIG Investments Fund Management Ltd.
Authorised for Public Distribution In	Germany, Hong Kong, Sweden, Taiwan (ROC), United Kingdom
Regulated By	Financial Regulator in Ireland
Morningstar Rating™	★★★

*Refer to footnotes

COMMENTARY

Market Review

- Global bond yields were higher in October, broadly reflecting firmer economic conditions.
- In FX, the Australian dollar and Norwegian Krone appreciated as their respective central banks raised policy rates.
- Credit spreads continued to tighten albeit at a slower pace.

- We reduced the corporate credit exposure in the Fund during the month but maintained an overweight versus the index.

Outlook

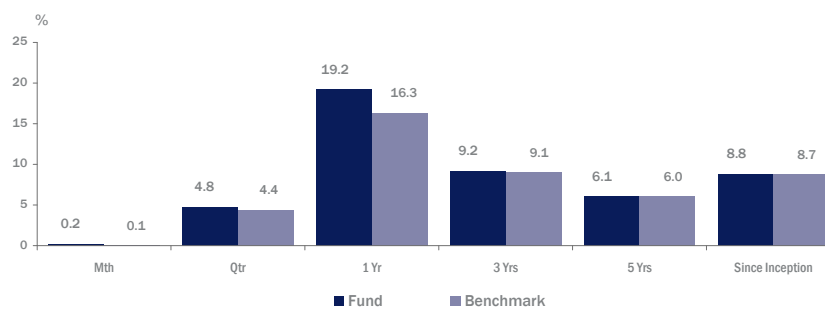
- While we expect long term average growth and inflation rates to remain low, the actual withdrawal of various exit policies is likely not imminent.
- We continue to see high quality credit as attractive, primarily in the US.

Fund Activity

- A tactical underweight duration strategy in the US was compensated for in the eurozone, therefore maintaining a neutral duration overall. Minor yield moves resulted in a neutral contribution to performance.
- We implemented an underweight UK sterling position based upon our expectations for a prolonged QE policy program pressurizing the GBP. We also maintained an overweight in the Canadian dollar versus the euro and an underweight in the UK sterling versus the euro and US dollar.

PERFORMANCE

For periods ending 31 October 2009

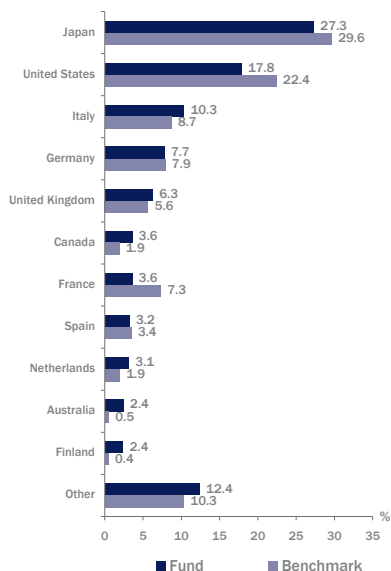


Calendar Year	Fund %	Benchmark %	Difference %
2009 YTD	6.6	4.7	1.9
2008	9.8	10.9	(1.1)
2007	10.1	10.9	(0.8)
2006	6.2	6.1	0.1
2005	(6.7)	(6.9)	0.2

Fund: AIG Global Bond Fund Class 'A' Units
 Benchmark: Citigroup World Govt Bond (Unhedged)
 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.

FACTSHEET

COUNTRY ALLOCATION



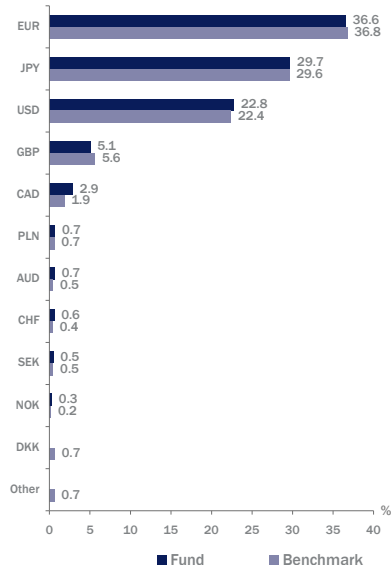
TOP 10 HOLDINGS

Percentage	Security	Yield
0.80%	Japan (Government Of) 20/Mar/2013 (JP)	4.9
2.10%	Japan (Government Of) 20/Mar/2027 (JP)	4.7
1.70%	Japan (Government Of) 20/Sep/2017 (JP)	3.8
3.75%	Italy (Republic Of) 01/Aug/2016 (IT)	3.5
4.25%	Italy (Republic Of) 01/Sep/2019 (IT)	3.5
1.40%	Japan (Government Of) 20/Dec/2015 (JP)	3.4
3.15%	Spain (Kingdom Of) 31/Jan/2016 (ES)	3.2
1.10%	Japan (Government Of) 20/Mar/2011 (JP)	3.2
1.60%	Japan (Government Of) 20/Jun/2014 (JP)	2.8
4.25%	Treasury 7/Mar/2036 (GB)	2.7
Total		35.7

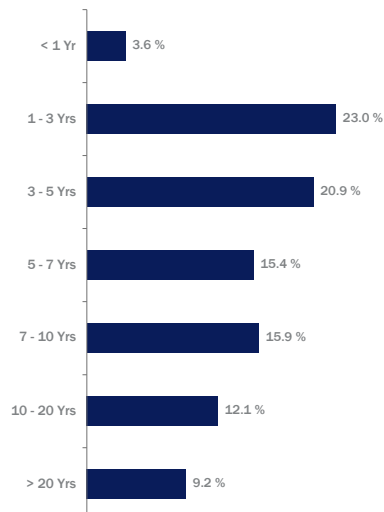
FUND STATISTICS

Fund Size	USD 84,471,587
NAV per Unit	USD 21.0403
Number of Securities	78
Average Coupon (%)	2.9
Average Duration	6.2
Average Yield to Maturity	2.4
Standard Deviation (3yr)	8.8
Information Ratio (3yr)	0.1
Tracking Error (3yr)	1.0
Alpha	(0.2)
Beta	1.0
R-Squared	98.8

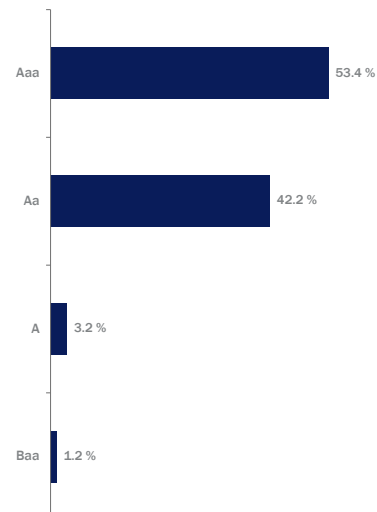
CURRENCY ALLOCATION



MATURITY PROFILE



PORTFOLIO QUALITY



Fund: AIG Global Bond Fund
 Benchmark: Citigroup World Govt Bond (Unhedged)
 Asset allocations as at month end.

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 Global Bond 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 Global Bond Fund plc ("the Company") following a scheme of amalgamation with the Company and was launched on 29 July 2005. AIG Investments Europe 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 'A' in U.S. Dollars of the Company up to 29 July 2005, 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 DOLLAR GLOBAL BOND 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.

