

INVESTOR

AIA Monthly Market and Unit Linked Fund update

What you will find here

- Interest rate movement
- Stock market performance
- Economic highlights

Your fund performance

- Growth fund
- Balanced fund
- Secure fund
- Protected fund
- Stable Money Market fund

Disclaimer:

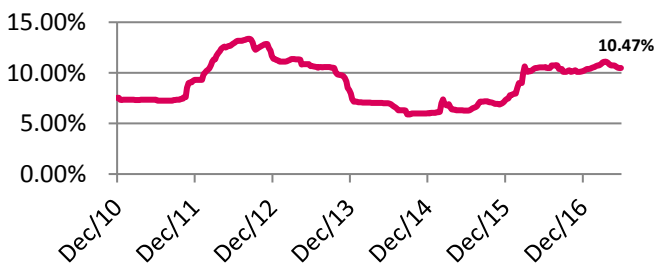
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Market update: Interest rates

For the month of June 2017

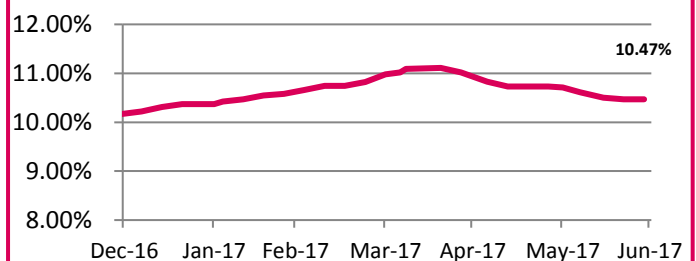
We use the 364 day T- Bill as an indicator of how interest rates move

364-day T-bill : Since 01 Jan 2011



Note: past performance is not an indication of future performance

364-day T-bill : Since 01 Jan 2017

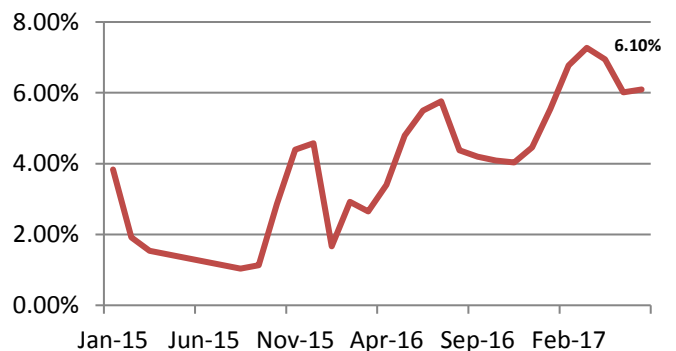


Note: past performance is not an indication of future performance

Major events during June 2017

- Central Bank raised LKR 90 Billion by issuing treasury bills and LKR 45 Billion by issuing treasury bonds.
- Central Bank policy rates play a key role in determining the direction and level of market interest rates. The Central Bank maintained policy rates unchanged during the month, a reflection of its intent.
- Short term interest rates decreased over the month. For example the benchmark 364-day Treasury bill rate decreased to 10.47% from the previous month 10.73%.
- Our opinion is that policymakers would endeavour to maintain interest rates at their current levels over the foreseeable future.

Inflation : Since 01 Jan 2015

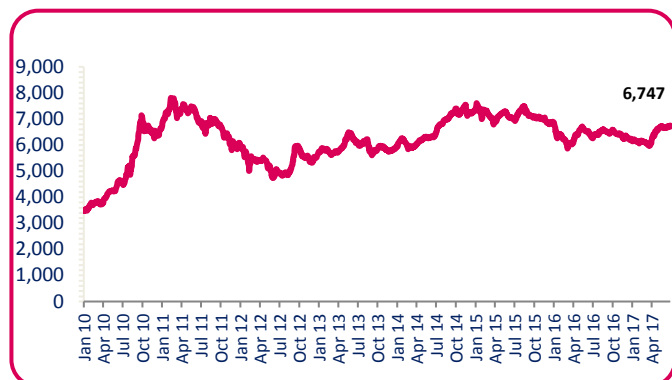


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Market update: Stock market

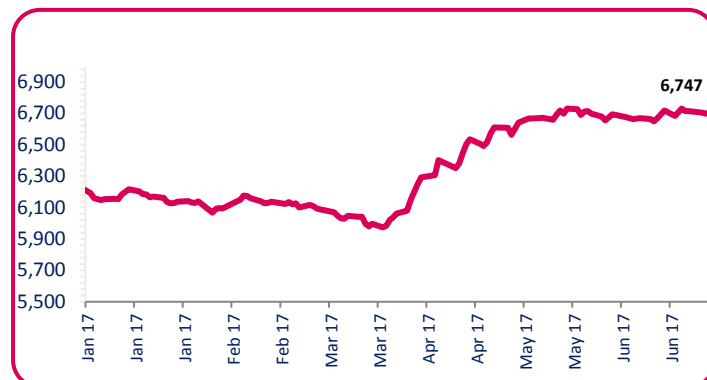
For the month of June 2017

ASPI Movement: Since 01 Jan 2010



Note: past performance is not an indication of future performance

ASPI Movement: Since 01 Jan 2017

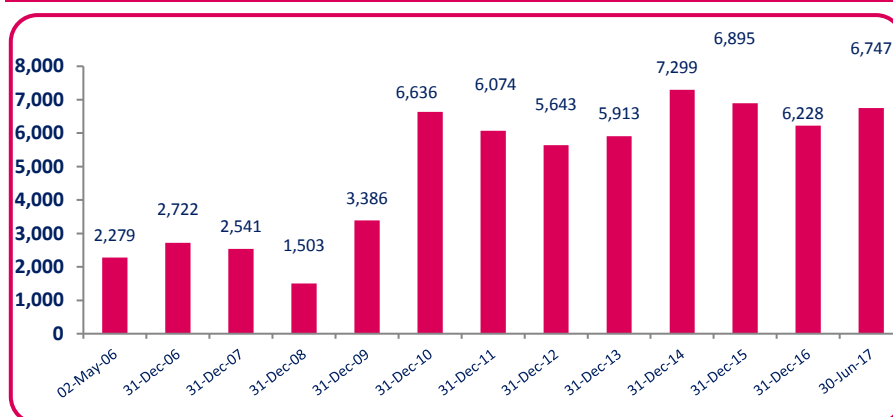


Note: past performance is not an indication of future performance

Highlights of the performance

- The ASPI has increased by 196.1% since the unit linked funds were started. This is an average growth rate of 10.2% per year.
- The ASPI has increased by 8.3% for the period of 01 Jan 2017 to 30 Jun 2017.

ASPI



Note: past performance is not an indication of future performance

ASPI Performance (as a percentage)

*Since inception – 02/05/2006 to 31/12/2006 **Period from 31/12/2016 to 30/06/2017

2006*	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017**
19.5%	6.7%	40.8%	125.2%	96%	8.5%	7.1%	4.8%	23.4%	-5.5%	-9.7%	8.3%

Market update: Stock market

For the month of June 2017

	Jun-2017	May-2017
All Share Price Index (ASPI)	6,747	6,674
ASPI growth for the month	1.1%	1.0%
Total market turnover (LKR Mn)	21,312	17,497
Market Capitalisation (LKR Bn)	3,041	2,953
PE Ratio (times)	11.5x	11.7x

10 Companies with highest market Capitalisation on the CSE as at end of month

- JKH
- CEYLON TOBACCO
- COMMERCIAL BANK
- NESTLE
- DIALOG
- HEMAS HOLDINGS
- COLD STORES
- HNB
- MELSTACORP
- SRI LANKA TELECOM

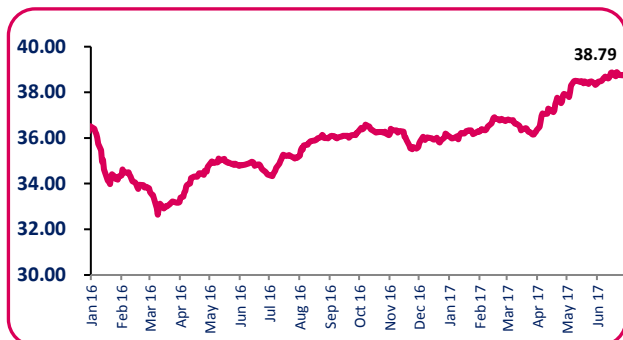
Highlights of the month

- The equity market performance improved in June 2017 amidst higher foreign investor activity and net foreign investments.
- The ASPI increased by 8.3% over the period 01 Jan 2017 to 30 Jun 2017.
- Foreign investors purchased LKR 2.8 billion on a net basis in Jun 2017, resulting in a net inflow of LKR 21.7 billion during the year to date 2017.
- Our opinion is that equity market would remain volatile amid relatively low foreign investor activity.

Your fund performance: Growth fund

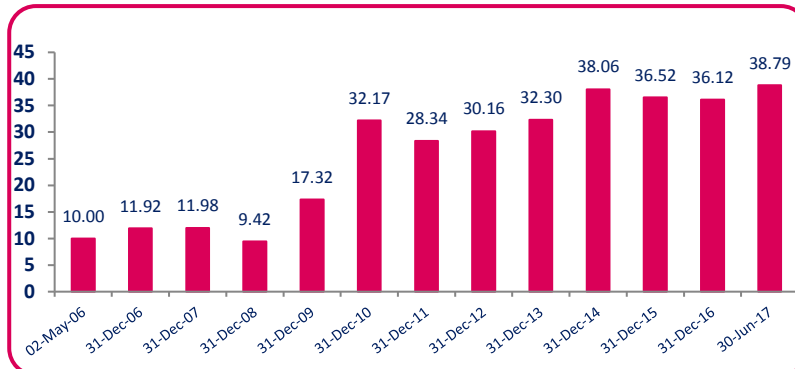
For the month of June 2017

Unit Price Movement



Note: past performance is not an indication of future performance

Unit Price



Note: past performance is not an indication of future performance

Unit Price Performance (as a percentage)

*Since inception – 02/05/2006 to 31/12/2006 **Period from 31/12/2016 to 30/06/2017

2006*	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017**
19.2	0.5	-21.4	83.9	95.7	-11.9	6.4	7.1	17.8	-4.0	-1.1	7.4

Note: past performance is not an indication of future performance

Highlights of the performance

- The unit price of the Growth fund increased by 287.9% since the fund was started. This is an average growth rate of 12.9% per year.
- The unit price has increased by 7.4% for the period 01 Jan 2017 to 30 Jun 2017.

*Top 10 Equity Holdings

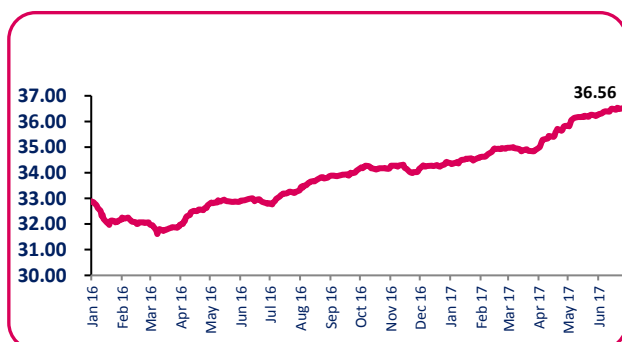
■ CENTRAL FINANCE	■ LB FINANCE
■ CHEVRON	■ PEOPLES LEASING
■ COMMERCIAL BANK	■ RCL
■ HNB	■ SAMPATH BANK
■ JKH	■ SEYLAN

* In alphabetical order

Your fund performance: Balanced fund

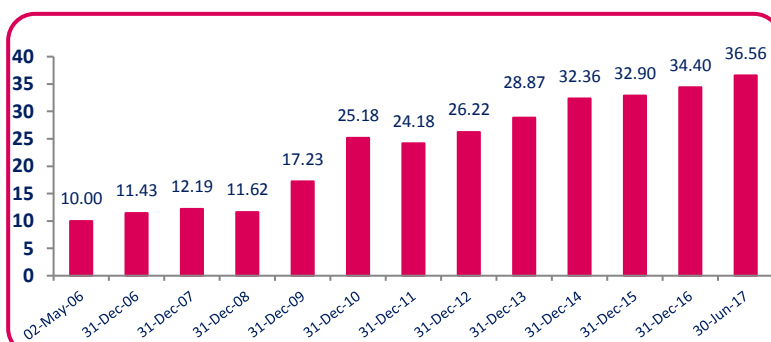
For the month of June 2017

Unit Price Movement



Note: past performance is not an indication of future performance

Unit Price



Note: past performance is not an indication of future performance

Unit Price Performance (as a percentage)

*Since inception – 02/05/2006 to 31/12/2006 **Period from 31/12/2016 to 30/06/2017

2006*	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017**
14.3	6.6	-4.7	48.3	46.1	-4.0	8.4	10.1	12.1	1.7	4.6	6.3

Note: past performance is not an indication of future performance

Highlights of the performance

- The unit price of the Balanced fund increased by 265.6% since the fund was started. This is an average growth rate of 12.3% per year.
- The unit price has increased by 6.3% for the period 01 Jan 2017 to 30 Jun 2017.

*Top 10 Equity Holdings

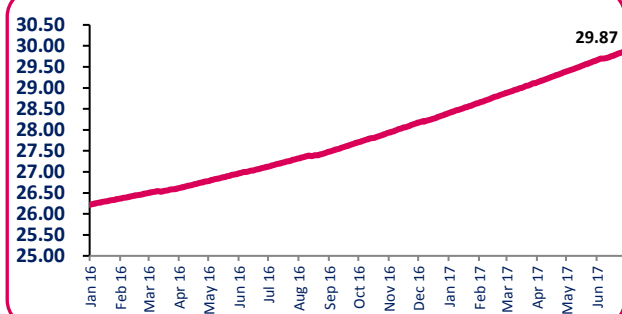
■ ACCESS ENG	■ JKH
■ CENTRAL FINANCE	■ LB FINANCE
■ CHEVRON	■ PEOPLES LEASING
■ COMMERCIAL BANK	■ RCL
■ HNB	■ SAMPATH

* In alphabetical order

Your fund performance: Secure fund

For the month of June 2017

Unit Price Movement



Note: past performance is not an indication of future

Unit Price



Note: past performance is not an indication of future performance

Unit Price Performance (as a percentage)

*Since inception – 02/05/2006 to 31/12/2006 **Period from 31/12/2016 to 30/06/2017

2006*	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017**
8.3	10.0	9.5	20.7	14.2	6.2	8.7	10.9	7.6	5.9	8.2	5.3

Note: past performance is not an indication of future performance

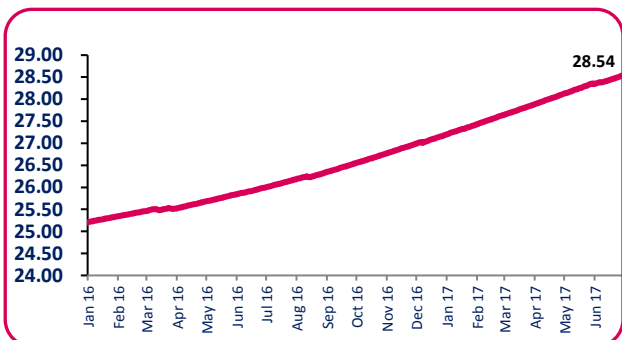
Highlights of the performance

- The unit price of the Secure fund increased by 198.7% since the fund was started. This is an average growth rate of 10.3% per year.
- The unit price has increased by 5.3% for the period 01 Jan 2017 to 30 Jun 2017.

Your fund performance: Protected fund

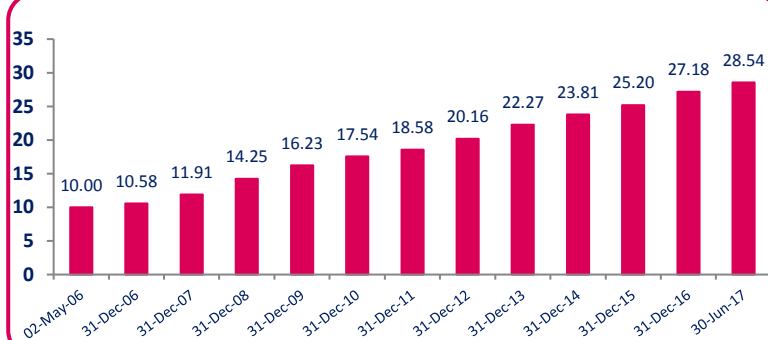
For the month of June 2017

Unit Price Movement



Note: past performance is not an indication of future performance

Unit Price



Note: past performance is not an indication of future performance

Unit Price Performance (as a percentage)

*Since inception – 02/05/2006 to 31/12/2006 **Period from 31/12/2016 to 30/06/2017

2006*	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017**
5.8	12.6	19.6	13.9	8.1	5.9	8.5	10.5	6.9	5.8	7.9	5.0

Note: past performance is not an indication of future performance

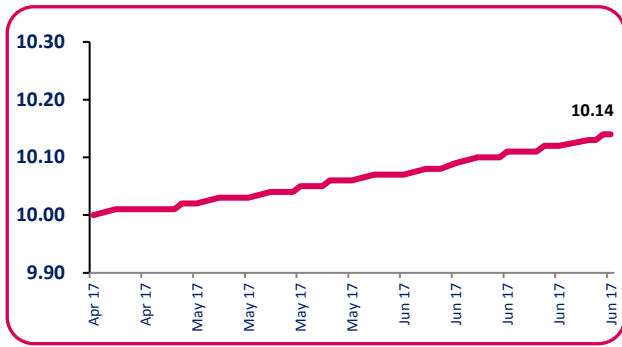
Highlights of the performance

- The unit price of the Protected fund increased by 185.4% since the fund was started. This is an average growth rate of 9.8% per year.
- The unit price has performed better than the guaranteed gross return every year.
- The unit price has increased by 5.0% for the period 01 Jan 2017 to 30 Jun 2017.

Your fund performance: Stable Money Market fund

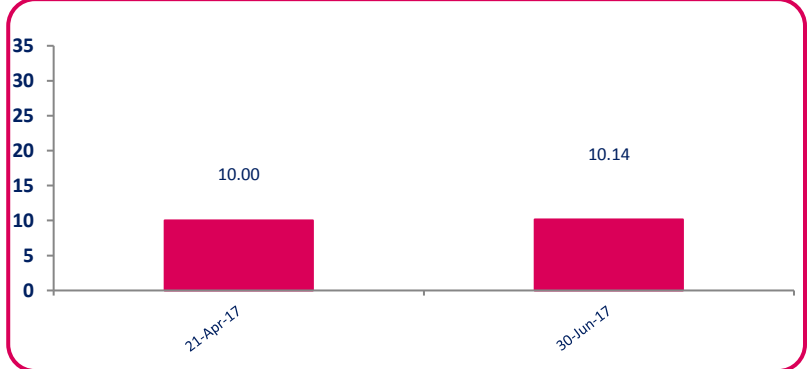
For the month of June 2017

Unit Price Movement



Note: past performance is not an indication of future performance

Unit Price



Note: past performance is not an indication of future performance

Unit Price Performance (as a percentage)

**Period from 21/04/2017 to 30/06/2017

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017**
-	-	-	-	-	-	-	-	-	-	-	1.4

Note: past performance is not an indication of future performance

Highlights of the performance

- The Stable Money Market fund was introduced on 21 Apr 2017.
- The unit price has increased by 1.4% for the period 21 Apr 2017 to 30 Jun 2017.

About AIA

AIA Group is the pre-eminent life insurance provider in the Asia Pacific region.

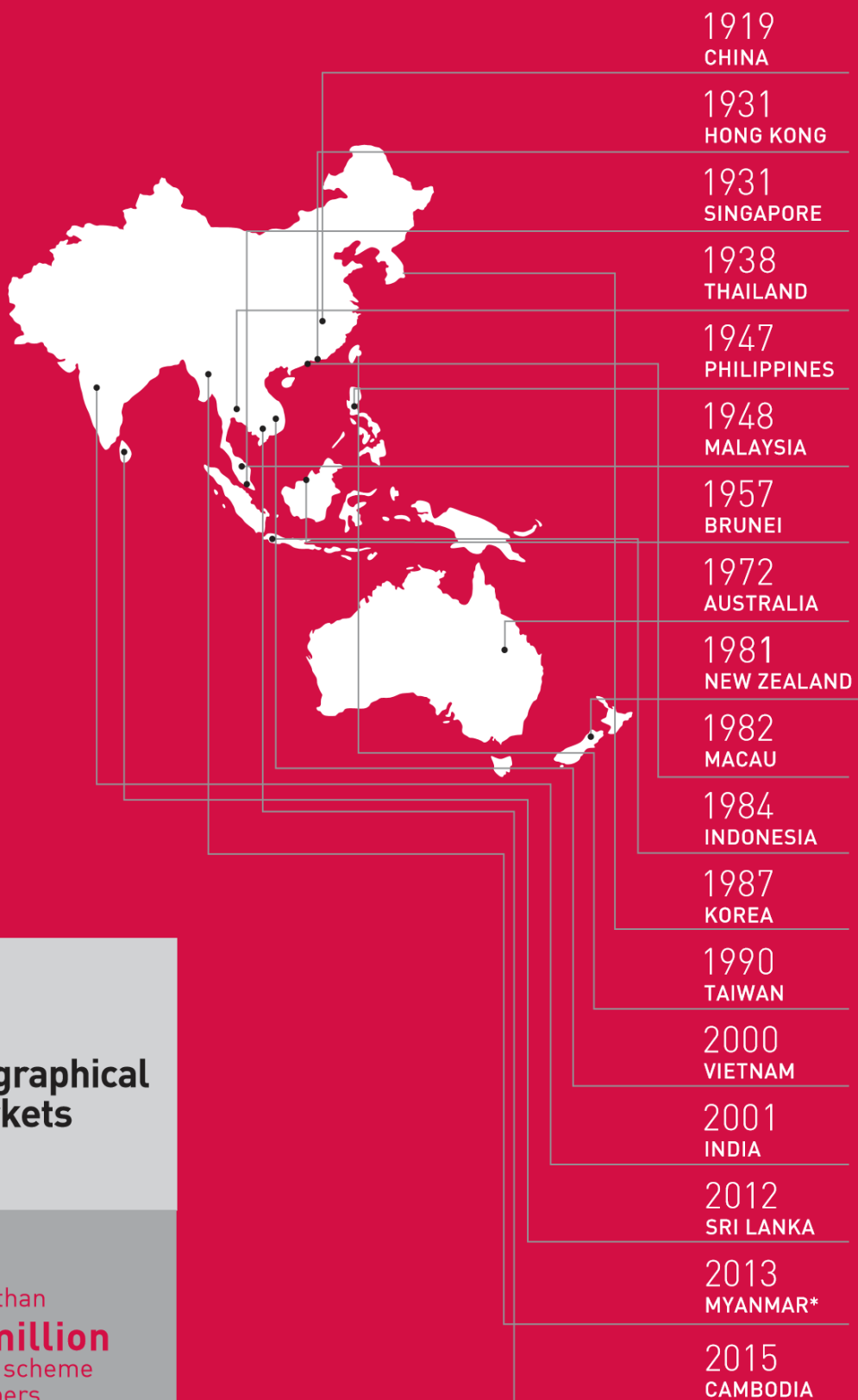
A total Sum Assured of over
US\$1 trillion

Almost 100 years
of history in Asia

18 geographical markets

More than
30 million
individual policies

More than
16 million
group scheme members



*AIA has a representative office in Myanmar.



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