

# AIG SOUTHEAST ASIA SMALL & MID CAP FUND

31 October 2009

## OBJECTIVE

AIG Southeast Asia Small & Mid Cap Fund ('the Fund') seeks to achieve capital growth by investing in small and medium-sized companies whose assets, products or operations are based in the South East Asia, with at least two-thirds of companies whose capitalisation at the time of purchase is less than USD 5 billion.

## FUND FACTS

Domicile & Type	Ireland / Sub-fund of UCITS III Umbrella Open-ended Unit Trust
Inception Date of Class	12 Dec 2007
Inception Date of Predecessor Class	N/A
Benchmark	MSCI All Country Asia Pacific ex Japan Small
Base Currency	USD
Class	Y
Class Currency	USD
Minimum Investment	USD 1 million
Management Fee	1.00%
Listing & Dealing	Unlisted / Daily
Distribution Policy	Income and capital gains may be distributed
ISIN Number	IE00B2B3J710
Portfolio Manager(s)	Elizabeth Soon
Investment Manager(s)	AIG Global Investment Corporation (Asia) Ltd.
Legal Manager	AIG Investments Fund Management Ltd.
Authorised for Public Distribution In	United Kingdom
Regulated By	Financial Regulator in Ireland

## COMMENTARY

### Market Review

- October saw strong buying interest 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.

### Outlook

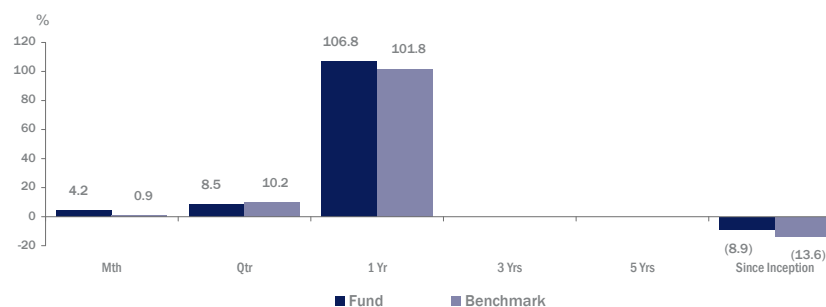
- The recent retreat of Asian stocks has been due in part to volatility in the US market with the backdrop of higher investor expectations and the increased attention being paid to macro risks in the US. Asian corporates have been delivering positive earnings results, which we expect to continue underpinning performance in the region's stock markets.

### Fund Activity

- Notable Fund performance in October came from CNPC Hong Kong, China Gas Holdings and China Taiping Insurance Holdings.
- During the month, we decreased the Fund's weightings in Korea and Taiwan, increasing its exposure to Hong Kong, India and Indonesia. We also subscribed the Fund to the IPO of Shenguan Holdings Group, which produces approximately 75% of China's collagen-based sausage casings.

## PERFORMANCE

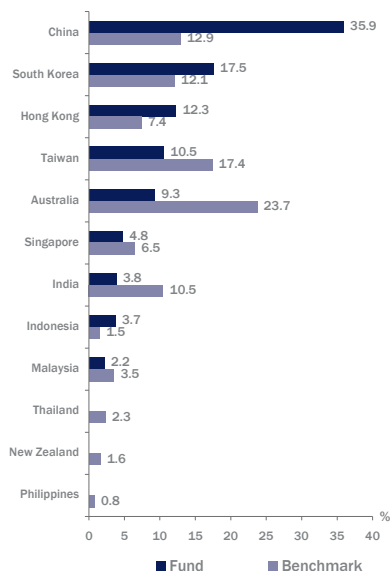
For periods ending 31 October 2009



Calendar Year	Fund %	Benchmark %	Difference %
2009 YTD	86.7	91.2	(4.5)
2008	(56.5)	(59.8)	3.3
2007	N/A	N/A	N/A
2006	N/A	N/A	N/A
2005	N/A	N/A	N/A

Fund: AIG Southeast Asia Small & Mid Cap Fund Class 'Y' Units  
 Benchmark: MSCI All Country Asia Pacific ex Japan Small  
 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



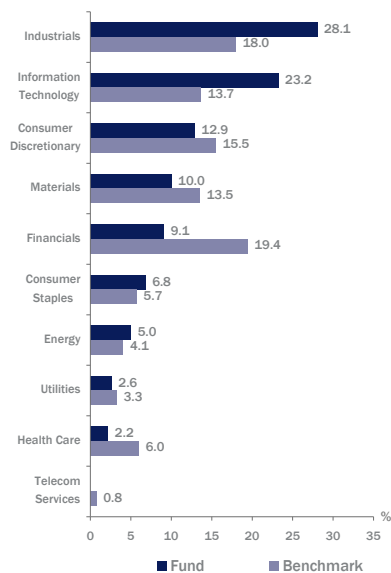
## TOP 10 HOLDINGS

Company	%
China Everbright Intl (CN)	4.8
Shanghai Industrial Holdings Ltd (CN)	4.0
AAC Acoustic Tech Holding (CN)	3.6
CNPC Hong Kong Ltd (CN)	3.2
AsialInfo Holdings Inc (CN)	3.2
Chicony Electronics (TW)	3.0
China Mengniu Dairy Co (CN)	2.8
Samsung Techwin Co (KR)	2.8
ASM Pacific Technology (HK)	2.7
China Gas Holdings (CN)	2.7
<b>Total</b>	<b>32.8</b>

## FUND STATISTICS

Fund Size	USD 25,749,280
NAV per Unit	USD 81.1965
Weighted Avg Mkt Cap (\$ M)	3,212
Number of Securities	61
Risk Free Rate	0.0
Sharpe Ratio (3yr)	N/A
Standard Deviation (3yr)	N/A
Information Ratio (3yr)	N/A
Tracking Error (3yr)	N/A
Alpha	N/A
Beta	N/A
R-Squared	N/A

## SECTOR WEIGHTS



Fund: AIG Southeast Asia Small & Mid Cap Fund  
 Benchmark: MSCI All Country Asia Pacific ex Japan Small  
 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 Southeast Asia Small & Mid Cap 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 performance presented herein is representative of Class "Y" in US Dollar. 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.

