

# AIG SOUTHEAST ASIA SMALL & MID CAP FUND

31 December 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

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

## COMMENTARY

### Market Review

- All Asia ex Japan markets ended 2009 with both monthly gains for December and spectacular returns for the calendar year. December was also the month when base effects were realized, giving large positive year on year gains in industrial production, inflation, exports and most economic data.

Fund also initiated a position in Rexlot Holdings Ltd. Rexlot is a distributor of welfare and sports lottery terminals. The company has also started to operate single match lottery stores, which were recently legalized in 14 provinces in China.

### Outlook

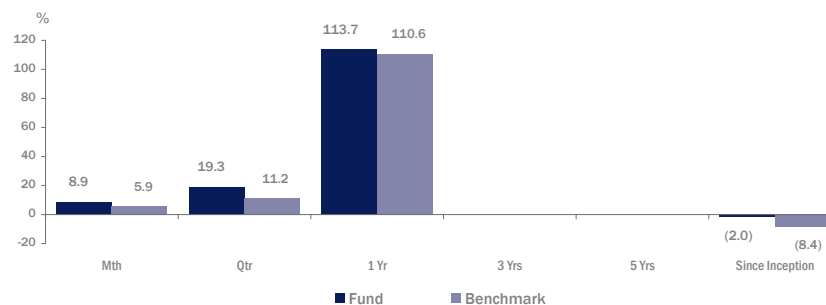
- The next few months may continue to be a sweet spot for Asian equities with positive economic and corporate earnings numbers coupled with accommodative policy measures. A stronger than expected earnings recovery and increasing investor appetite to have more Asian exposure may drive markets higher.

### Fund Activity

- Notable Fund performance in December came from Shenguan Holdings Group Ltd., China Gas Holdings Ltd. and AAC Acoustic Technology Holdings Inc.
- During the month, the Fund decreased its weightings in Australia and Indonesia and increased its weighting in Hong Kong. The

## PERFORMANCE

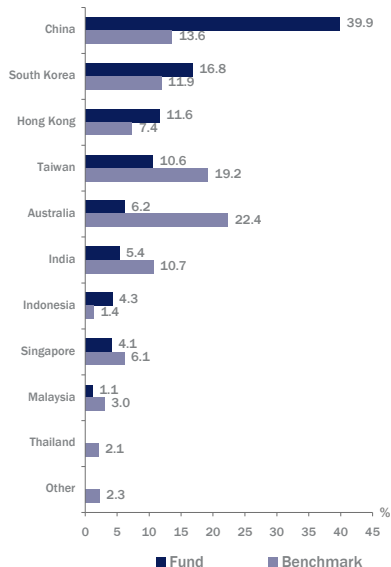
For periods ending 31 December 2009



Calendar Year	Fund %	Benchmark %	Difference %
2009 YTD	113.7	110.6	3.1
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



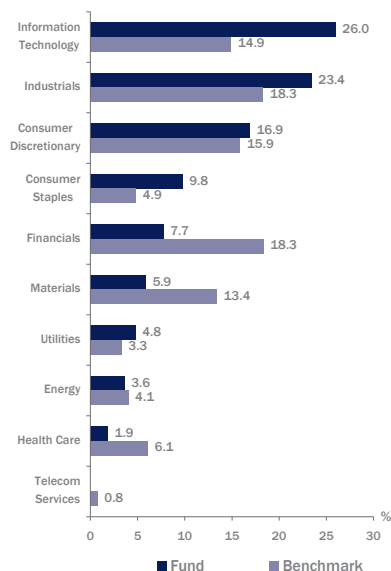
## TOP 10 HOLDINGS

Company	%
China Everbright Intl (CN)	5.0
AAC Acoustic Tech Holding (CN)	4.8
AsialInfo Holdings Inc (CN)	3.8
China Gas Holdings (CN)	3.7
China Mengniu Dairy Co (CN)	3.6
CNPC Hong Kong Ltd (CN)	3.4
ASM Pacific Technology (CN)	3.4
Chicony Electronics (TW)	3.3
Shenguan Holdings (CN)	2.9
Trinity Ltd (GB)	2.9
<b>Total</b>	<b>36.8</b>

## FUND STATISTICS

Fund Size	USD 23,685,979
NAV per Unit	USD 92.7016
Weighted Avg Mkt Cap (\$ M)	3,250
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 Dec 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.

