

AIG India Equity Fund | AIG World Gold Fund AIG Infrastructure and Economic Reform Fund

Equity Market Review

- The market rebounded and retraced all the losses it suffered in October.
- The GDP growth of 7.9% was much higher than estimates. Falling net imports and continuous government spending are still driving the growth. Next quarter, the base effect will catch on and hence, it is imperative that private domestic demand picks up to maintain the GDP growth around these levels.

AIG India Equity Fund (An open-ended equity scheme)

**AIG INDIA
EQUITY FUND**

PORTFOLIO

as on 30 November 2009

Name of the Instrument	Sector	% to NAV
EQUITY & EQUITY RELATED INSTRUMENTS		
Hero Honda Motors Ltd.	Auto	9.99
Jindal Steel & Power Ltd.	Ferrous Metals	7.68
AIA Engineering Ltd.	Industrial Capital Goods	7.33
Container Corporation of India Ltd.	Transportation	5.73
Jagran Prakashan Ltd.	Media & Entertainment	5.11
GVK Power & Infrastructure Ltd.	Power	5.02
Shree Cement Ltd.	Cement	4.88
KSK Energy Ventures Ltd.	Power	4.62
Glaxo Smithkline Pharmaceuticals Ltd.	Pharmaceuticals	4.30
Allahabad Bank	Banks	4.13
Total of Top 10 Equity Holdings		58.78
Oracle Financial Services Software Ltd.	Software	4.05
Maruti Suzuki India Ltd.	Auto	4.00
Bosch Ltd.	Auto Ancillaries	3.76
Asian Paints Ltd.	Consumer Non Durables	3.40
Colgate Palmolive (India) Ltd.	Consumer Non Durables	3.33
Thermax Ltd.	Industrial Capital Goods	3.25
The South Indian Bank Ltd.	Banks	2.96
Sun TV Network Ltd.	Media & Entertainment	2.94
Punjab National Bank	Banks	2.69
HDFC Bank Ltd.	Banks	2.11
Total of Top 20 Equity holdings		91.28
Allcargo Global Logistics Ltd.	Transportation	1.87
Andhra Bank	Banks	1.58
Godrej Consumers Products Ltd.	Consumer Non Durables	1.18
Corporation Bank	Banks	1.12
Indraprastha Gas Ltd.	Gas	1.12
Dabur India Ltd.	Consumer Non Durables	0.36
Castrol India Ltd.	Petroleum Products	0.12
TOTAL EQUITY HOLDINGS		98.63
DEBT / MONEY MARKET / CASH & CASH EQUIVALENT		1.37
GRAND TOTAL		100.00

Fund Corpus: Rs. 436.31 crore (as on 30 November 2009)

Fund Manager: Huzaifa Husain

TOP 5 SECTORS

as on 30 November 2009

Sector	% of NAV
Banks	14.59
Auto	13.99
Industrial Capital Goods	10.58
Power	9.64
Consumer Non Durables	8.27

NAV

as on 30 November 2009

Scheme Name	Rs.
AIG India Equity Fund - Reg - Dividend	11.376
AIG India Equity Fund - Reg - Growth	11.376
AIG India Equity Fund - IP - Dividend	11.556

Fund Activity

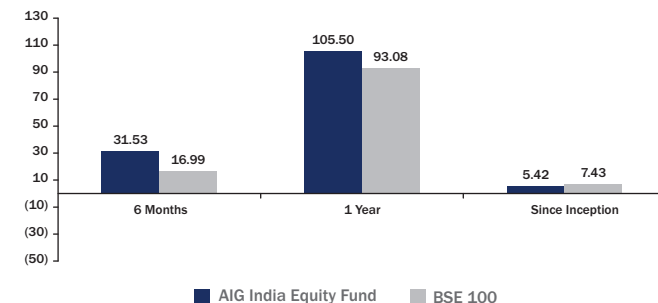
- We bought GVK, South Indian Bank
- We sold Bharti, SBI

Outlook

- Our underweight stance in global commodities and overweight stance on domestic consumption reflect a stronger domestic recovery relative to global recovery. This, we feel, should benefit the fund in the coming months.
- Inflation in India is on the rise and may result in tightening of the monetary policy, and the portfolio is therefore underweight interest rate sensitive sectors.

PERFORMANCE (%)

as on 30 November 2009



Returns for the period less than 1 year are Absolute and for a period equal to or greater than 1 Year are Compounded Annualised.

The returns calculated are for Regular Plan - Growth Option.

Note: As per SEBI standards for performance reporting, the since inception returns are calculated on Rs. 10/- invested at inception.

Inception Date: 22 June, 2007

Past performance may or may not be sustained in future.

SIP Returns

as on 30 November 2009

Period	1Year	Since Inception
SIP Start Date	7-Dec-2008	22-Jun-2007
NAV as on 30 Nov 2009	11.3760	
Total Amount Invested (Rs.)	1,20,000	3,00,000
Current Value (Rs.)	1,85,162	3,95,464
Yield (%)	119.06	23.18
Current Value (Rs.) if invested in BSE 100	1,69,541	3,64,742
Yield (%) - BSE 100	88.12	16.09

Notes & Assumptions

SIP of Rs. 10000/- per month; All SIPs are executed consecutively on the 7th of every month except for SIPs since inception where 1st SIP is on inception date of the fund; Entry Load has not been considered; All SIPs in Regular Plan - Growth Option; Yields are calculated on Internal Rate of Return (IRR) basis; Past performance may or may not be sustained in future.

AIG Infrastructure and Economic Reform Fund

(An open-ended equity scheme)



PORTFOLIO

as on 30 November 2009

Name of the Instrument	Sector	% to NAV
EQUITY & EQUITY RELATED INSTRUMENTS		
Jindal Steel & Power Ltd.	Ferrous Metals	8.33
GVK Power & Infrastructure Ltd.	Power	6.94
KSK Energy Ventures Ltd.	Power	5.66
Container Corporation of India Ltd.	Transportation	5.52
Thermax Ltd.	Industrial Capital Goods	5.50
Bharat Electronics Ltd.	Industrial Capital Goods	5.33
Shree Cement Ltd.	Cement	4.74
Allahabad Bank	Banks	4.72
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	4.52
Lanco Infratech Ltd.	Construction Project	4.34
Total of Top 10 Equity Holdings		55.61
Indraprastha Gas Ltd.	Gas	4.34
Simplex Infrastructures Ltd.	Construction	4.31
AIA Engineering Ltd.	Industrial Capital Goods	4.30
ABB Ltd.	Industrial Capital Goods	3.97
Allcargo Global Logistics Ltd.	Transportation	3.25
Corporation Bank	Banks	2.65
Larsen & Toubro Ltd.	Construction Project	2.55
Crompton Greaves Ltd.	Industrial Capital Goods	2.34
Coromandel International Ltd.	Fertilisers	2.09
BGR Energy Systems Ltd.	Industrial Capital Goods	1.73
TOTAL EQUITY HOLDINGS		87.14
DEBT / MONEY MARKET / CASH & CASH EQUIVALENT		12.86
GRAND TOTAL		100.00

Fund Corpus: Rs. 252.92 crore (as on 30 November 2009)

Fund Manager: Huzaifa Husain

NAV

as on 30 November 2009

Scheme Name	Rs.
AIG Infrastructure and Economic Reform Fund - Reg - Dividend	8.597
AIG Infrastructure and Economic Reform Fund - Reg - Growth	8.597
AIG Infrastructure and Economic Reform Fund - IP - Dividend	8.696
AIG Infrastructure and Economic Reform Fund - IP - Growth	8.696

Fund Activity

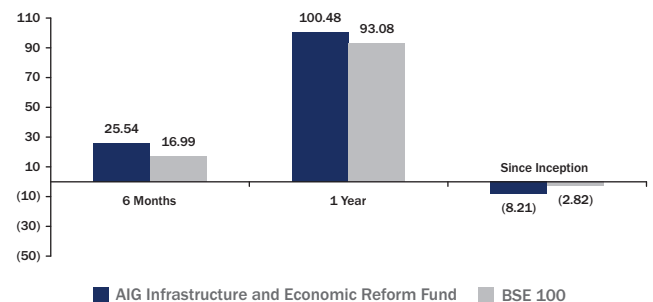
- We added GVK
- We sold OBC, Bharti

Outlook

- Infrastructure projects are facing execution delays and policy hurdles. In light of this, the existing players in the infrastructure space are enjoying a pricing power. For example, in the power sector the merchant power rate remains high. Our portfolio is overweight developers and underweight construction companies.
- Over the next few months, it is imperative for execution of infrastructure projects to pick up. We are seeing some signs of it in terms of number of financial closures, fresh awards in road projects etc.
- Latest policy change of using disinvestment proceeds to fund budget deficit is a positive move for government finances and will release more money towards infrastructure projects.

PERFORMANCE (%)

as on 30 November 2009



Returns for the period less than 1 year are Absolute and for a period equal to or greater than 1 year are Compounded Annualised.

The returns calculated are for Regular Plan - Growth Option.

Note: As per SEBI standards for performance reporting, the since inception returns are calculated on Rs. 10/- invested at inception.

Inception Date: 25 February, 2008

Past performance may or may not be sustained in future.

SIP Returns

as on 30 November 2009

Period	1 Year	Since Inception
SIP Start Date	7-Dec-2008	25-Feb-2008
NAV as on 30 Nov 2009	8.5970	
Total Amount Invested (Rs.)	1,20,000	2,20,000
Current Value (Rs.)	1,82,938	3,03,655
Yield (%)	114.58	38.87
Current Value (Rs.) if invested in BSE 100	1,69,541	2,85,946
Yield (%) - BSE 100	88.12	30.91

Notes & Assumptions

SIP of Rs. 10,000/- per month; All SIPs are executed consecutively on the 7th of every month except for SIPs since inception where 1st SIP is on inception date of the fund; Entry Load has not been considered; All SIPs in Regular Plan - Growth Option; Yields are calculated on Internal Rate of Return (IRR) basis; Past performance may or may not be sustained in future.

AIG World Gold Fund

(An open ended Fund of Funds scheme)



PORTFOLIO as on 30 November 2009

Name of the Instrument	% to NAV
Investments in Foreign Securities	
Falcon Gold Equity Fund - Class "Asia A"	98.77
Total	98.77
DEBT / MONEY MARKET / CASH & CASH EQUIVALENT	1.23
GRAND TOTAL	100.00

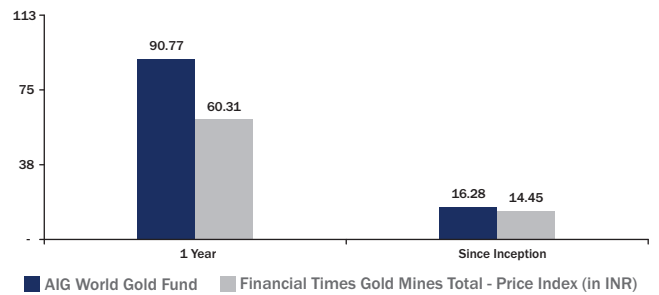
Fund Manager: Ruchir Parekh

Fund Corpus: Rs. 252.78 crore (as on 30 November 2009)

NAV as on 30 November 2009

Scheme Name	Rs.
AIG World Gold Fund - Dividend	12.511
AIG World Gold Fund - Growth	12.511

PERFORMANCE (%) as on 30 November 2009



Returns for a period equal to or greater than 1 Year are Compounded Annualised. The returns calculated are for Growth Option.
 Note: As per SEBI standards for performance reporting, the since inception returns are calculated on Rs. 10/- invested at inception.
Inception Date: 6 June, 2008
 Past performance may or may not be sustained in future.

Falcon Gold Equity Fund (the underlying fund)

Portfolio Composition Top 10 Holdings (%)

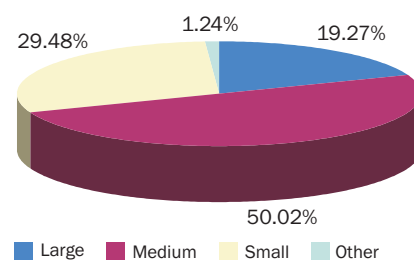
Randgold	9.48
Iamgold	9.30
Goldcorp	6.99
Agnico-Eagle	5.92
Red Back Mining	5.63
Silver Wheaton	4.61
Kinross	3.74
Lihir Gold	2.82
Yamana Gold	2.74
Eldorado	2.38

Above data as on 30 November 2009

Portfolio Allocation Metals

Metals	Allocation (%)
Gold	87.74
Silver	10.80
Platinum Group	0.23
Cash	1.24

Market Capital



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AIG India Equity Fund:

Scheme Classification: An open-ended equity scheme. **Investment objective:** The primary objective of the scheme is to generate long-term capital appreciation from a diversified portfolio of predominantly equity and equity-related securities including equity derivatives. **Asset Allocation Pattern:** Equities and equity related securities: 80%-100%; Debt and money market securities / instruments / funds: 0% - 20%. **Load Structure:** Entry Load : N. A. Exit Load: 1% of the Applicable NAV if redeemed within 1 year from the date of allotment.

AIG Infrastructure and Economic Reform Fund:

Scheme Classification: An open ended equity scheme. **Investment objective:** The investment objective of the Scheme is to generate long-term capital appreciation from a diversified portfolio of predominantly (at least 65%) equity and equity-related securities of companies involved in economic development of India as a result of potential investments in infrastructure and unfolding economic reforms. However there can be no assurance that the investment objective of the scheme will be realized as actual market movements may be at variance with anticipated trends. **Asset Allocation Pattern:** Equity and equity related securities: 80% to 100%; Debt & money market securities/instruments/funds: 0% to 20%. The fund would remain fully invested upto 95% in equity and equity related securities and will have only 5% in short term debt and money market instruments to meet short term liquidity requirements of the scheme. **Load Structure:** Entry Load : N. A. Exit Load: 1% of the Applicable NAV if redeemed within 1 year from the date of allotment.

AIG World Gold Fund:

Scheme Classification: An open ended Fund of Funds Scheme. **Investment objective:** The primary investment objective of the Scheme is to provide long term capital appreciation by investing predominantly in units of Falcon Gold Equity Fund#. The Scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes. **Asset Allocation Pattern:** Units of Falcon Gold Equity Fund &/or other similar overseas mutual fund scheme(s): 80% 100%; Debt and money market securities and / or units of debt / liquid schemes of Domestic Mutual Funds: 0% 20%. # in the units of Falcon Gold Equity Fund, a mutual fund subject to Swiss law in the "securities funds" category as defined by the Investment Funds Act dated March 18, 1994. **Load Structure:** Entry Load : N. A. Exit Load: 1% of the Applicable NAV if redeemed within 1 year from the date of allotment. Being a Fund of Funds Scheme, it may be noted that the investors are bearing the recurring expenses of the scheme in addition to those of the underlying schemes. The Scheme invests predominantly in Falcon Gold Equity Fund. For scheme specific risks, including risks related to investments in Falcon Gold Equity Fund, and other similar overseas mutual funds(s), please refer the Scheme Information Document.

Common Information for the above mentioned schemes: No exit load shall be charged on Bonus units allotted and on units allotted on Reinvestment of Dividend.

Terms of issue: Units of the Scheme(s) are being offered at NAV based prices. Scheme Information Document, Key Information Memorandum and Application Forms / Transaction Slips are available at the ISCs / distributors.

General Services: Investors can contact any of the ISCs at its toll-free number 1800-425-3444 (MTNL / BSNL); 60003444 (Others). NAVs will be calculated and disclosed on all Business days.

Risk Factors: Mutual funds, like securities investments, are subject to market risks and there is no guarantee against loss in the Schemes or that the Schemes' objectives will be achieved. As with any investment in securities, the NAV of the Units issued under the Schemes can go up or down depending on various factors and forces affecting the securities. Investments in the Schemes will be affected by trading volumes, settlement periods, volatility, price fluctuations, inability to sell securities, disinvestment of holdings of any unlisted stocks prior to target date of disinvestment, credit risk, currency risk, country risk, interest rate risk and default risk including possible loss of principal. As the price / value / interest rates of the securities in which the schemes invests fluctuate, the value of your investment in the schemes may go up or down. Past performance of the Sponsor / AMC / Mutual Fund does not guarantee future performance of the schemes.

AIG India Equity Fund, AIG Infrastructure and Economic Reform Fund and AIG World Gold Fund are the names of the Schemes and do not, in any manner, indicate the quality of the Schemes, their future prospects or returns. The sponsor is not responsible or liable for any loss resulting from the operation of the schemes beyond the initial contribution of Rs. 1 lakh made by it towards setting up the Fund. The present schemes do not give any guaranteed or assured return. In addition the schemes do not guarantee or assure any dividend and also does not guarantee or assure that they will make any dividend distribution, though they have every intention to make the same in the dividend option of the plans. All dividend distributions are subject to the investment performance of the Schemes. The Schemes and individual Plan(s) with a separate portfolio, if any, under the respective Scheme(s) shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme(s)/Plan(s). In case of non-fulfillment with either of the above two conditions, specified SEBI Guidelines in this regard would be complied with. Please read the respective Scheme Information Document and Statement of Additional Information carefully before investing.

www.aiginvestments.co.in



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