

# Monthly Fund Fact Sheet

## --April 2017



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# HLA Venture Growth Fund (HLAVGF)

Apr 2017

## Fund Features

### 1. Investment Objective

The objective of the fund is to achieve higher returns than the general stock market by investing into growth stocks which potentially generate more superior returns.

### 2. Investment Strategy & Approach

This fund focuses on growth stocks listed in Bursa Malaysia and/or in any foreign stock exchanges that provide potentially higher capital gains.

### 3. Asset Allocation

The fund may invest up to 95% of its NAV in equities.

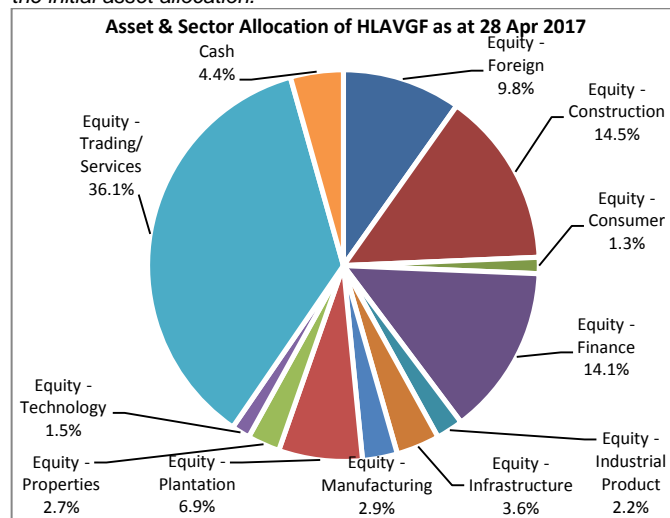
### 4. Target Market

This fund is suitable for investors with moderate to high-risk appetite with a medium to long-term investment horizon.

## Fund Details

Unit Price (28/4/2017)	:RM2.2458
Fund Size (28/4/2017)	:RM403.4mil
Fund Management Fee (effective as at 01/11/2016)	: 1.45% p.a. (capped at 1.50%)
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Equity
Fund Inception	:19 Jan 2000
Benchmark	:FTSE Bursa Malaysia KLCI Index (FBM KLCI)
Frequency of Unit Valuation	:Daily

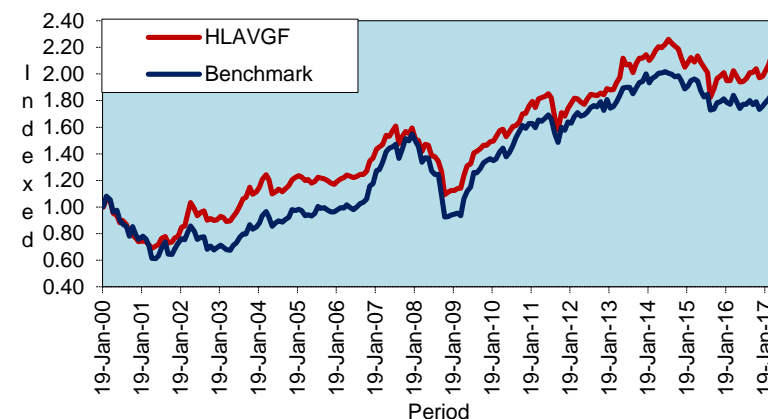
The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%) of the initial asset allocation.



## Top 10 Holdings for HLAVGF as at 28 Apr 2017

	%
1. TENAGA	7.5
2. MAYBANK	7.5
3. CIMB	6.6
4. SIME	5.1
5. DIALOG	3.9
6. YINSON	3.1
7. AXIATA	3.0
8. INARI	2.9
9. GENTING	2.8
10. DIGI	2.6
<b>Total Top 10</b>	<b>45.0</b>

## Historical Performance



	1 month	YTD	1 year	5 years	10 years	Since Inception
HLAVGF	3.73%	13.37%	13.19%	25.48%	45.87%	124.58%
Benchmark	1.61%	7.69%	5.70%	12.57%	33.72%	89.43%
Relative	2.12%	5.68%	7.49%	12.91%	12.15%	35.15%

## Market Review, Outlook & Strategy

Equities across the region traded mixed at the start of the month as investors fled risky assets in favour of safety due to rising geopolitical worries over North Korea and Syria. Market participants were also concerned that the Fed will begin to reduce the size of its USD\$4.5 trillion stockpile of government and mortgage-backed bonds later this year. However, towards the later part of the month, the market-friendly outcome of the first round of the French presidential election and the long-awaited list of objectives of a US tax overhaul that was unveiled by President Trump's economic adviser helped boost equity markets. Asian markets were also supported by robust Chinese economic data in 1Q17, indicating that the economy is stabilizing.

April was also a good month for Malaysia as the KLCI rose to a 22-month high on the back of a stronger ringgit, recovering corporate earnings prospects and foreign funds inflow. The announcement of another PNB corporate exercise with the proposed acquisition of I&P Group by SP Setia also helped to boost interest in the market. During the month, headline inflation for Malaysia accelerated to 5.1% yoy from 4.5% in February due to higher cost of transportation and fuel prices. The Ringgit also strengthened against the US\$ from 4.4255 as at end March to 4.3410 as at end April.

As such for the month, the KLCI rose 1.6% or 28pts to close at 1,768pts. The broader market outperformed the KLCI, with the FBM Emas up 2.2% mom to 12,631pts. The finance and technology sectors outperformed the market. KLFIN and KLTEC index gained 4.1% and 8% mom to close at 16,301 pts and 32.85 pts, respectively. Average daily value traded on Bursa in April fell 8% mom to RM2.8bn.

In May, investors will be focusing on the March 2017 quarter results following three years of earnings stagnation. Bank Negara will also be issuing its Monetary Policy Statement this month where consensus generally expects no change to the Overnight Policy Rate. External events that may sway the market would include the second round of the French Presidential Election on 7<sup>th</sup> May and the OPEC meeting on 25<sup>th</sup> May. In terms of strategy, we will continue to buy selected stocks on market dips as we continue to be positive on the market, at the time same realizing some gains on the outperformers. Reaffirmation of revenue and earnings growth in the current reporting season would be the next catalyst for the next leg-up of re-rating. Sectors we like include; 1) Construction, 2) Finance, 3) Reflation and 4) Tourism.

# HLA Venture Growth Fund (HLAVGF)

## Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2012	2013	2014	2015	2016
Benchmark	10.3%	10.5%	-5.7%	-3.9%	-3.0%
HLAVGF- Gross	10.7%	16.3%	-3.2%	-0.6%	-0.1%
HLAVGF - Net	8.5%	13.6%	-4.4%	-1.9%	-1.5%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

### Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

#### 1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

#### 2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

#### 3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

#### 4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

#### 5. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

#### 6. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

### Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
  - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

### Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

### Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

### Others

HLA Venture Growth Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

**THIS IS AN INSURANCE PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A PURE INVESTMENT PRODUCT SUCH AS UNIT TRUSTS.**

### Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

# HLA Venture Blue Chip Fund (HLAVBCF)

Apr 2017

## Fund Features

### 1. Investment Objective

The objective of the fund is to achieve returns comparable to the general stock market by taking average risks, with focus on well-capitalised and financially sound "blue chip" stocks to achieve a balance of capital gains and dividend income.

### 2. Investment Strategy & Approach

This fund provides participation in the stock market without taking excessive risk by focusing on fundamentally strong "blue chip" stocks listed in Bursa Malaysia and/or in any foreign stock exchanges. This fund is suitable for investors with moderate risk tolerance and expects returns that are comparable to the market as represented by the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI).

### 3. Asset Allocation

The fund may invest up to 95% of its NAV in equities.

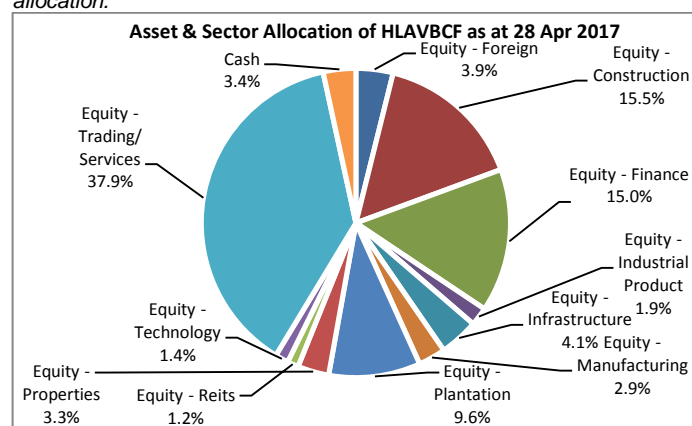
### 4. Target Market

This fund is suitable for investors with moderate risk tolerance and expects returns that are comparable to the market as represented by the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI).

## Fund Details

Unit Price (28/4/2017)	: RM2.5731
Fund Size (28/4/2017)	: RM207.1mil
Fund Management Fee (effective as at 01/05/2016)	: 1.41% p.a. (capped at 1.50%)
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 19 Jan 2000
Benchmark	: FTSE Bursa Malaysia KLCI Index (FBM KLCI)
Frequency of Unit Valuation	: Daily

The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%) of the initial asset allocation.



## Top 10 Holdings for HLAVBCF as at 28 Apr 2017

	%
1. MAYBANK	7.8
2. YINSON	7.5
3. TENAGA	6.9
4. CIMB	6.0
5. SIME	5.0
6. DIGI	3.1
7. INARI	2.9
8. GRANITE	2.8
9. AXIATA	2.6
10. GAMUDA	2.5
<b>Total Top 10</b>	<b>47.1</b>

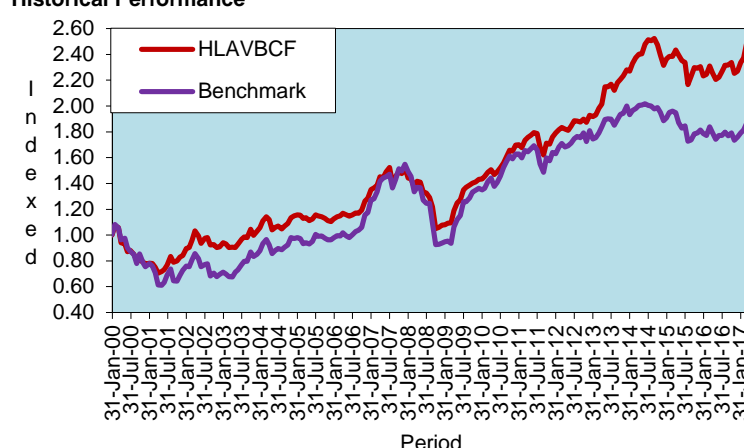
## Hong Leong Assurance Berhad (94613-X)

Level 3, Tower B, PJ City Development, No. 15A, Jalan 219, Seksyen 51A, 46100 Petaling Jaya, Selangor.

Telephone 03-7650 1818 Facsimile 03-7650 1991

Customer Service Hotline 03-7650 1288 Customer Service Hotfax 03-7650 1299

## Historical Performance



	1 month	YTD	1 year	5 years	10 years	Since Inception
HLAVBCF	3.72%	13.36%	14.01%	41.19%	77.14%	157.31%
Benchmark	1.61%	7.69%	5.70%	12.57%	33.72%	89.43%
Relative	2.11%	5.67%	8.31%	28.61%	43.42%	67.88%

## Market Review, Outlook & Strategy

Equities across the region traded mixed at the start of the month as investors fled risky assets in favour of safety due to rising geopolitical worries over North Korea and Syria. Market participants were also concerned that the Fed will begin to reduce the size of its USD\$4.5 trillion stockpile of government and mortgage-backed bonds later this year. However, towards the later part of the month, the market-friendly outcome of the first round of the French presidential election and the long-awaited list of objectives of a US tax overhaul that was unveiled by President Trump's economic adviser helped boost equity markets. Asian markets were also supported by robust Chinese economic data in 1Q17, indicating that the economy is stabilizing.

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# HLA Venture Blue Chip Fund (HLAVBCF)

## Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2012	2013	2014	2015	2016
Benchmark	10.3%	10.5%	-5.7%	-3.9%	-3.0%
HLAVBF - Gross	11.9%	21.4%	3.2%	1.1%	-0.1%
HLAVBF - Net	9.6%	18.3%	1.5%	-0.4%	-1.6%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

## Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

### 1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

### 2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

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### 6. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

## Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

## Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
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  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

## Exceptional Circumstances

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## Basis of Calculation of Past Performance

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$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

## Others

HLA Venture Blue Chip Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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## Disclaimer:

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# HLA Venture Dana Putra (HLAVDP)

Apr 2017

## Fund Features

### 1. Investment Objective

The objective of the fund is to achieve capital growth over the medium to long term.

### 2. Investment Strategy & Approach

This fund focuses on Syariah-approved securities and money market instruments. This is a balanced fund with a medium risk profile.

### 3. Asset Allocation

The fund will invest up to 90% but not less than 40% of its NAV in equities.

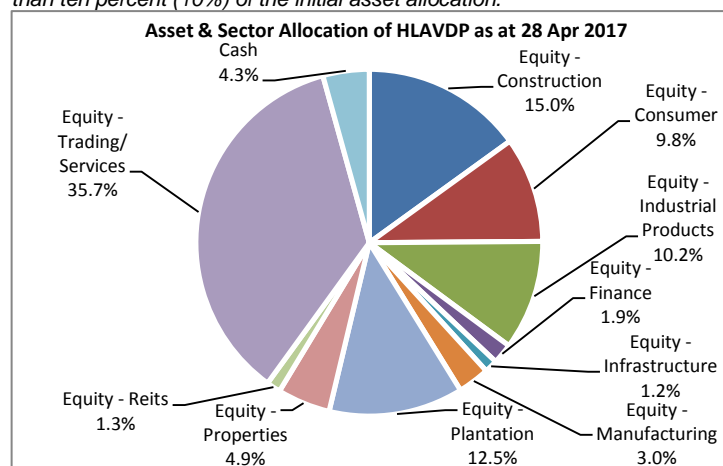
### 4. Target Market

This fund is suitable for investors who are willing to take moderate risk.

## Fund Details

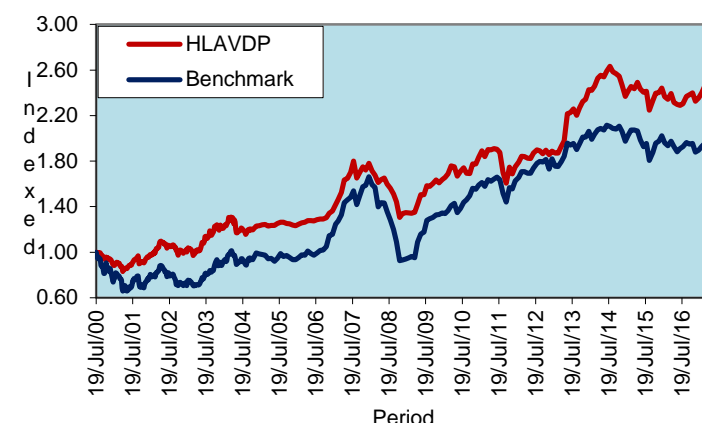
Unit Price (28/4/2017)	: RM2.6377
Fund Size (28/4/2017)	: RM69.0mil
Fund Management Fee (effective as at 01/09/2016)	: 1.40% p.a. (capped at 1.40%)
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Balanced
Fund Inception	: 19 Jul 2000
Benchmark	: FBM EmasShariah Index (KL Shariah Index)
Frequency of Unit Valuation	: Daily

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Top 10 Holdings for HLAVDP as at 28 Apr 2017		%
1.	TENAGA	7.8
2.	SIME	5.3
3.	QL	4.2
4.	DIGI	3.6
5.	IOICORP	3.1
6.	INARI	2.9
7.	GAMUDA	2.8
8.	KERJAYA	2.8
9.	YINSON	2.8
10.	SPSETIA	2.8
Total Top 10		38.1

## Historical Performance



	1 month	YTD	1 year	5 years	10 years	Since Inception
HLAVDP	2.87%	11.97%	13.90%	44.50%	61.27%	163.77%
Benchmark	1.26%	7.97%	6.25%	21.00%	42.82%	104.85%
Relative	1.61%	4.00%	7.65%	23.50%	18.45%	58.92%

## Market Review, Outlook & Strategy

Equities across the region traded mixed at the start of the month as investors fled risky assets in favour of safety due to rising geopolitical worries over North Korea and Syria. Market participants were also concerned that the Fed will begin to reduce the size of its USD\$4.5 trillion stockpile of government and mortgage-backed bonds later this year. However, towards the later part of the month, the market-friendly outcome of the first round of the French presidential election and the long-awaited list of objectives of a US tax overhaul that was unveiled by President Trump's economic adviser helped boost equity markets. Asian markets were also supported by robust Chinese economic data in 1Q17, indicating that the economy is stabilizing.

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# HLA Venture Dana Putra (HLAVDP)

## Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2012	2013	2014	2015	2016
Benchmark	11.9%	13.3%	-4.2%	2.4%	-6.1%
HLAVDP- Gross	10.0%	32.6%	-1.1%	4.9%	-2.4%
HLAVDP - Net	7.8%	28.6%	-2.4%	3.1%	-3.6%

Net returns are adjusted for tax and fund management fees.

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### Investment Risks

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#### 3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

#### 4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

### Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

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$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

### Others

HLA Venture Dana Putra is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

**THIS IS AN INSURANCE PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A PURE INVESTMENT PRODUCT SUCH AS UNIT TRUSTS.**

### Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

# HLA Venture Flexi Fund (HLAVFF)

Apr 2017

## Fund Features

### 1. Investment Objective

The objective of the fund is to provide investors the opportunity to enjoy medium to long-term capital appreciation from the prevailing sectorial and investment themes in Malaysian equities market.

### 2. Investment Strategy & Approach

The fund would be actively managed, rotating between sectors deemed to benefit the most at any given point in time, and would comprise several Core Sectors and Trading / Rotational Sectors which would vary depending on prevailing market conditions. The strategy will be to identify the themes in its early phase to capitalize on its growth. This fund is suitable for aggressive investors who are willing to take higher risk and wish to seek higher returns from a diversified portfolio with thematic investment opportunities.

### 3. Asset Allocation

The fund will invest a minimum of 30% and up to 95% of its NAV in equities.

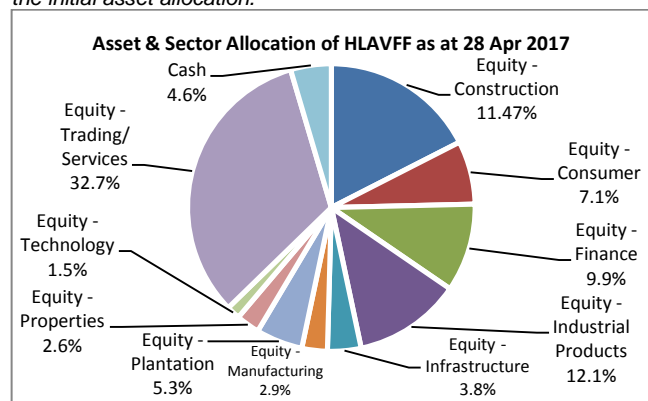
### 4. Target Market

This fund is suitable for aggressive investors who are willing to take higher risk and wish to seek higher returns from a diversified portfolio with thematic investment opportunities.

## Fund Details

Unit Price (28/4/2017)	: RM1.0199
Fund Size (28/4/2017)	: RM37.5mil
Fund Management Fee (effective as at 01/09/2016)	: 1.45% p.a. (capped at 1.48%)
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 06 April 2009
Benchmark	: FTSE Bursa Malaysia KLCI Index (FBM KLCI)
Frequency of Unit Valuation	: Daily

*The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%) of the initial asset allocation.*



### Top 10 Holdings for HLAVFF as at 28 Apr 2017

	%
1. TENAGA	5.5
2. MAYBANK	5.3
3. SUCCESS	4.7
4. CIMB	4.6
5. SIME	4.0
6. EFORCE	3.8
7. WCT	3.3
8. YINSON	3.1
9. INARI	2.9
10. ECONBHD	2.4
<b>Total Top 10</b>	<b>40%</b>

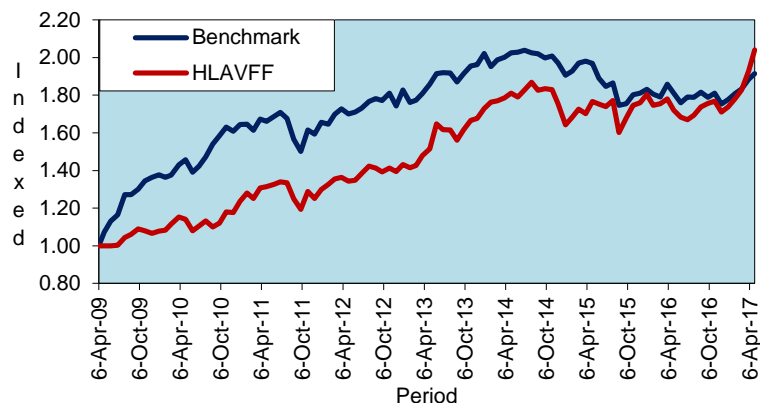
## Historical Performance

### Hong Leong Assurance Berhad (94613-X)

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	1 month	YTD	1 year	3 years	5 years	Since Inception
HLAVFF	5.78%	17.38%	18.57%	12.67%	51.88%	103.98%
Benchmark	1.61%	7.69%	5.70%	-5.53%	12.57%	91.40%
Relative	4.17%	9.68%	12.87%	18.20%	39.31%	12.58%

## Market Review, Outlook & Strategy

Equities across the region traded mixed at the start of the month as investors fled risky assets in favour of safety due to rising geopolitical worries over North Korea and Syria. Market participants were also concerned that the Fed will begin to reduce the size of its USD\$4.5 trillion stockpile of government and mortgage-backed bonds later this year. However, towards the later part of the month, the market-friendly outcome of the first round of the French presidential election and the long-awaited list of objectives of a US tax overhaul that was unveiled by President Trump's economic adviser helped boost equity markets. Asian markets were also supported by robust Chinese economic data in 1Q17, indicating that the economy is stabilizing.

April was also a good month for Malaysia as the KLCI rose to a 22-month high on the back of a stronger ringgit, recovering corporate earnings prospects and foreign funds inflow. The announcement of another PNB corporate exercise with the proposed acquisition of I&P Group by SP Setia also helped to boost interest in the market. During the month, headline inflation for Malaysia accelerated to 5.1% yoy from 4.5% in February due to higher cost of transportation and fuel prices. The Ringgit also strengthened against the US\$ from 4.4255 as at end March to 4.3410 as at end April.

As such for the month, the KLCI rose 1.6% or 28pts to close at 1,768pts. The broader market outperformed the KLCI, with the FBM Emas up 2.2% mom to 12,631pts. The finance and technology sectors outperformed the market. KLFIN and KLTEC index gained 4.1% and 8% mom to close at 16,301 pts and 32.85 pts, respectively. Average daily value traded on Bursa in April fell 8% mom to RM2.8bn.

In May, investors will be focusing on the March 2017 quarter results following three years of earnings stagnation. Bank Negara will also be issuing its Monetary Policy Statement this month where consensus generally expects no change to the Overnight Policy Rate. External events that may sway the market would include the second round of the French Presidential Election on 7<sup>th</sup> May and the OPEC meeting on 25<sup>th</sup> May. In terms of strategy, we will continue to buy selected stocks on market dips as we continue to be positive on the market, at the time same realizing some gains on the outperformers. Reaffirmation of revenue and earnings growth in the current reporting season would be the next catalyst for the next leg-up of re-rating. Sectors we like include; 1) Construction, 2) Finance, 3) Reflation and 4) Tourism.

# HLA Venture Flexi Fund (HLAVFF)

## Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2012	2013	2014	2015	2016
Benchmark	10.3%	10.5%	-5.7%	-3.9%	-3.0%
HLAVFF- Gross	12.7%	24.1%	-3.9%	12.2%	-2.4%
HLAVFF - Net	10.2%	20.8%	-5.0%	9.8%	-3.7%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

### Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

#### 1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

#### 2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

#### 3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

#### 4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

#### 5. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

#### 6. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

### Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

### Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
  - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

### Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

### Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

### Others

HLA Venture Flexi Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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### Disclaimer:

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# HLA Value Fund (HLVF)

Apr 2017

## Fund Features

### 1. Investment Objective

The objective of the fund is to achieve large capital gains by investing in companies that are well-managed and financially stable which are undervalued or at deep discount to their net tangible asset values.

### 2. Investment Strategy & Approach

The strategy is to provide investors an access into a diversified portfolio of value stocks listed on Bursa Malaysia and/or in any foreign stock exchanges that offer potential capital appreciation. The fund may feed into collective investment schemes that meet the fund's objective. At inception, the fund will invest by feeding into Hong Leong Penny Stock Fund ('Target Fund') with the option to increase the number of funds or replace the Target Fund in future. The Target Fund will invest with a value investment strategy across equity securities of all market capitalization level of companies operating in Malaysia. Generally, companies that have valuations at a discount to the market and/or its sector peers are selected. Additionally, the Target Fund may also invest in stocks with market capitalization of up to RM1 billion that are not well covered by equity research houses and stockbrokers.

### 3. Plough Back Mechanism

In the event that the net fund performance is below 5% per annum based on the performance assessment on the last business day of September of each year, an amount equivalent to 0.5% per annum of the fund's Net Asset Value (NAV) will be ploughed back to the fund in four equal weekly payments. The first payment will be due on the first business day of October of each year.

### 4. Asset Allocation

The indicative asset allocation for Hong Leong Penny Stock Fund ('Target Fund') is to invest a minimum of 70% of its NAV in equities and maximum 30% of its NAV in fixed income securities. Generally, HLA Value Fund may invest up to 95% of its NAV in equities.

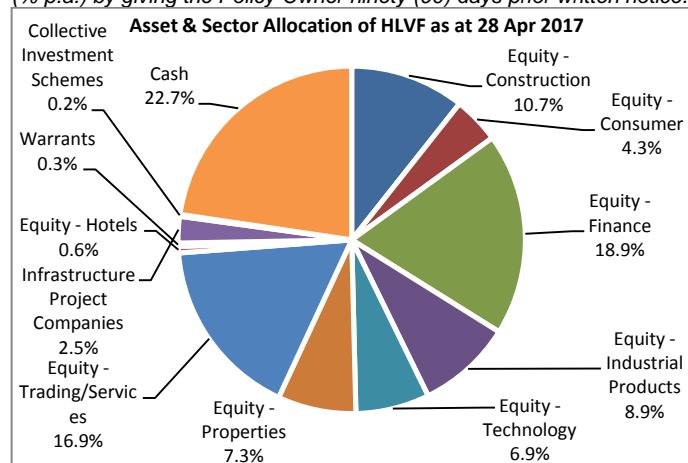
### 5. Target Market

This fund is suitable for investors who have a higher than average risk tolerance level, medium-term investment horizon, and are able to accept the anticipated higher volatility of the fund.

## Fund Details

Unit Price (28/4/2017)	: RM 1.1510
Fund Size (28/4/2017)	: RM 16.3mil
Fund Management Fee (effective as at 01/10/2015)	: 1.45% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 01 October 2015
Benchmark	: FTSE Bursa Malaysia EMAS
Frequency of Unit Valuation	: Daily

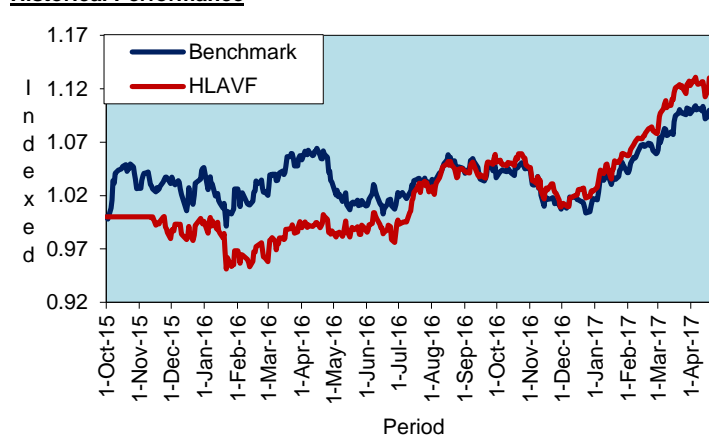
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



## Top 10 Holdings for HLVF as at 28 Apr 2017

	%
1. GENTING BERHAD	5.3
2. GAMUDA BERHAD	5.2
3. UNISEM (M) BERHAD	4.2
4. TELEKOM MALAYSIA BERHAD	3.8
5. AMMB HOLDINGS BERHAD	3.7
6. RHB BANK BERHAD	3.3
7. PETRONAS CHEMICALS GROUP	3.3
8. GADANG HOLDINGS BERHAD	3.0
9. MALAYSIA BUILDING SOCIETY BERHAD	2.9
10. BURSA MALAYSIA BERHAD	2.9
<b>Total Top 10</b>	<b>37.6</b>

## Historical Performance



	1 month	6 months	YTD	Since Inception	1 year
HLVF	2.50%	10.00%	12.40%	15.10%	16.62%
Benchmark	2.18%	7.18%	10.16%	12.05%	8.54%
Relative	0.32%	2.82%	2.24%	3.05%	8.08%

## Market Review, Outlook & Strategy

During the month, the FTSE BM KLCI rose to 22-month highs, up 1.6% to close at 1,768 points, on the back of a stronger ringgit, recovering corporate earnings prospects and foreign funds inflow. The broader market outperformed the FTSE BM KLCI with the FTSE BM EMAS Index up 2.2% to 12,631 points.

Positive sentiment in the market was also boosted by strong regional markets and corporate exercises. During the month, Malaysia and India signed six Memorandums of Understanding and an Agreement that paves the way for future economic growth and development between the two countries.

On the corporate front, the proposed merger between UMW Oil & Gas Corporation Berhad, Icon Offshore Berhad and Orkim Sendirian Berhad is facing difficulties. Petronas Chemicals Group Berhad has approved a final investment decision for a plant within the Pengerang Integrated Complex in Pengerang, Johor, for a total investment cost of USD442 million. Permodalan Nasional Berhad (PNB) will see the merger of its property investments, SP Setia Berhad and I&P Group Sendirian Berhad to form one of the largest property companies in Malaysia.

The Fund will continue to invest in companies that would benefit from superior pricing power and efficient cost management.

**Hong Leong Assurance Berhad (94613-X)**

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## HLA Value Fund (HLVF)

### Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2015	2016
Benchmark	4.6%	-2.8%
HLVF - Gross	-0.1%	4.7%
HLVF - Net	-0.4%	2.8%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

The fund was only launched on 1 October 2015. The actual investment returns are calculated based on unit price from 1 October 2015 to 31 December 2015.

### Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

#### 1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

#### 2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

#### 3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

#### 4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

#### 5. Concentration Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

#### 6. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

#### 7. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

### Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

### Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
  - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

### Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

### Target Fund Details

Hong Leong Penny Stock Fund is an Equity fund managed by Hong Leong Asset Management. The past performance of this fund is as follows:

Year	2012	2013	2014	2015	2016
Performance	8.1%	19.6%	1.1%	18.8%	3.1%

Source: Hong Leong Asset Management

### Hong Leong Assurance Berhad (94613-X)

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## HLA Value Fund (HLVF)

### **Basis of Calculation of Past Performance**

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

For the underlying Target Fund, past performance is calculated after adjusting for distribution and/or additional units, if any.

### **Others**

HLA Value Fund is managed by HLA. Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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# Hong Leong Smart Growth Fund (HLSGF)

Apr 2017

## Fund Features

### 1. Investment Objective

The primary objective of the fund is to provide investors with steady long-term capital growth at moderate risk.

### 2. Investment Strategy & Approach

The strategy is to provide investors an access into a diversified portfolio of growth stocks listed on Bursa Malaysia and/or in any foreign stock exchanges that offer potential capital appreciation at moderate risk. The fund may feed into collective investment schemes that meet the fund's objective. At inception, HLSGF will invest by feeding into Kenanga Growth Fund ("Target Fund") with the option to increase the number of funds or replace the Target Fund in future. The Target Fund's assets are actively invested in a diversified portfolio of Malaysian equity and equity-related securities of companies with sustainable business model that is trading at a discount to its intrinsic value.

### 3. Asset Allocation

Under normal market conditions, the Target Fund's equity exposure is expected to range from 75% to 95% of the Target Fund's NAV with the balance in money market instruments, fixed deposits and/or cash.

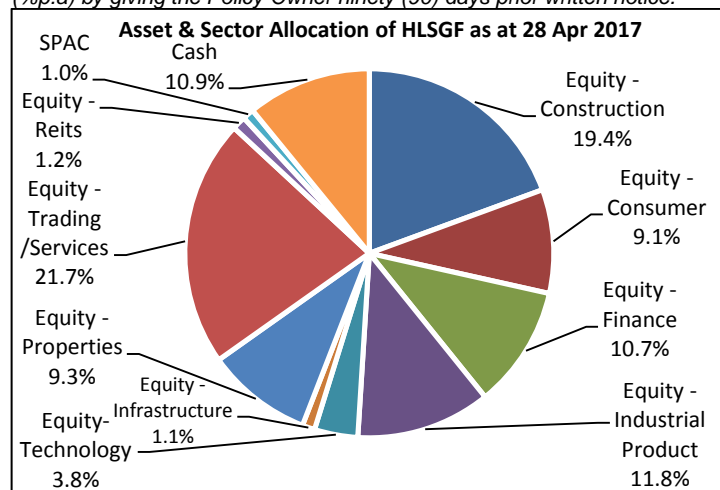
### 4. Target Market

This fund is suitable for investors who have long term investment time horizon and have a moderate risk profile with tolerance for short-term periods of volatility.

## Fund Details

Unit Price (28/4/2017)	: RM1.9028
Fund Size (28/4/2017)	: RM232.8mil
Fund Management Fee	: 1.50% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 01 Oct 2012
Benchmark	: FTSE Bursa Malaysia KLCI Index (FBM KLCI)
Frequency of Unit Valuation	: Daily

The Company reserves the right to change the Fund Management Fee (%p.a) by giving the Policy Owner ninety (90) days prior written notice.



## Top 10 Holdings for HLSGF as at 28 Apr 2017

	%
1. Tenaga Nasional	3.2
2. Sime Darby Berhad	2.9
3. LBS Bina Group	2.8
4. Ekovest	2.7
5. Press Metal	2.7
6. Yinson Holdings	2.6
7. Salutica	2.4
8. Genting Malaysia	2.3
9. CIMB Group	2.3
10. Gabungan AQRS	2.0
<b>Total Top 10</b>	<b>25.9</b>

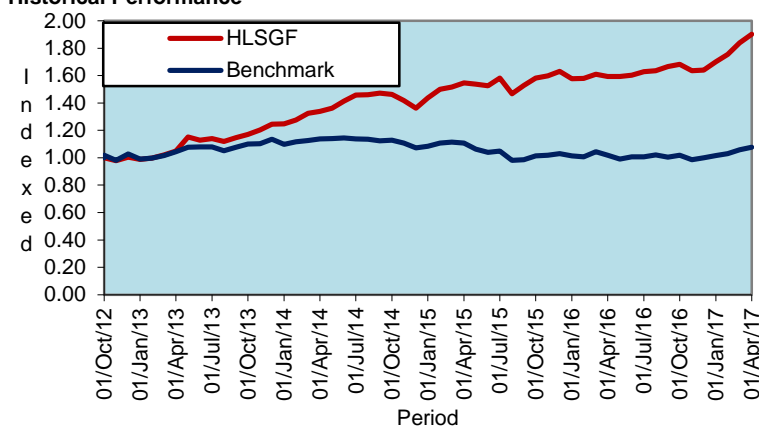
## Hong Leong Assurance Berhad (94613-X)

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## Historical Performance



	1 month	1 Year	3 Years	YTD	Since Inception
HLSGF	3.51%	19.38%	42.07%	16.00%	90.28%
Benchmark	1.61%	5.70%	-5.53%	7.69%	7.59%
Relative	1.91%	13.68%	47.60%	8.31%	82.69%

## Market Review, Outlook & Strategy relevant to Target Fund

Global markets generally rose in April, driven by US and European earnings results, fluctuating oil prices, an outline on US President Trump's tax reform proposal and geopolitical issues in Syria and North Korea. Investors grew cautious on the meeting between US and Chinese leaders, and the first round of the French presidential elections, which saw centrist candidate Emmanuel Macron making it through to the second round. The Dow Jones Industrial Index rallied 1.3% in April on the back of strong corporate earnings in spite of an underwhelming tax proposal, a lower than expected 1Q GDP and a bipartisan agreement deal narrowly avoiding a government shutdown, as investors poured in US\$14bn into US equities. Asian markets performance in April was mixed as MSCI Asia ex Japan (USD) gained 2.1%. In local currency terms, outperformers were Philippines (+4.8%), Jakarta (+2.1%), Korea (2.1%), Hong Kong (2.1%) and Malaysia (1.6%). In Malaysia, the FBM Small Cap beat the market with 3.4% gain vs the FBM100 (2.1%) KLCI (+1.6%), and FBM Shariah (+1.3%). MYR ended the month as the best Asian currency performer against the USD at (+1.19%) as selected Asian currencies rose against US dollar, Fed rate hike assumptions are pushed out and political uncertainty in the UK and Europe receded. Outperformers were chalked by Indian Rupees (+0.9%), Taiwan dollar (+0.5%), Philippine Peso (+0.2%). Underperformers were led by Thailand Baht (-0.7%) and Korean Won (-1.7%) respectively. On the commodities front, Brent oil price fell 2.5% to settle at US\$49.3/barrel on higher stock level as rising output from Libya and the US countered OPEC-led production cuts aimed at clearing a supply glut. Meanwhile, CPO price declined 5.2% to RM2508/tonne over worries about global oversupply of edible oils.

## Market Outlook & Fund Strategy

The global economy being in a matured stage of the growth cycle is susceptible to an unpredictable Black Swan event although the threat of an imminent global recession has receded. While the Brexit process could be a source of volatility, the threat of Frexit appears to be diminishing. Donald Trump's unpredictability and protectionist leanings are also a key risk. With the Fed meeting expected to leave rates unchanged, investors are likely to focus on the upcoming French elections result on 7 May as Le Pen and Macron spar ahead of run-off.

Stock picking remains key for outperformance. We continue to advocate a defensive portfolio strategy and prefer companies driven by resilient earnings with exposure to selective themes like USD beneficiaries (exporters), beneficiaries of rising foreign direct investment, GLC reform/restructuring plays, domestic consumption and infrastructure.

# Hong Leong Smart Growth Fund (HLSGF)

## Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2012	2013	2014	2015	2016
Benchmark	2.8%	10.5%	-5.7%	-3.9%	-3.0%
HLSGF- Gross	3.3%	27.8%	11.8%	23.1%	2.3%
HLSGF - Net	1.6%	24.1%	9.3%	19.8%	0.6%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

The fund was only launched on 1 October 2012. The actual investment returns are calculated based on unit price from 1 October 2012 to 31 December 2012.

## Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this investment. The following are the detailed explanation of the risk associated to this fund.

### 1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

### 2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

### 3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

### 4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

### 5. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

### 6. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

### 7. Concentration Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

## Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

## Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
  - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

## Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

## Target Fund Details

Kenanga Growth Fund is an Equity fund managed by Kenanga Investors Berhad. The past performance of this fund is as follows:

Year	2012	2013	2014	2015	2016
Performance	14.1%	26.4%	9.3%	20.9%	-0.1%

## Hong Leong Smart Growth Fund (HLSGF)

### **Basis of Calculation of Past Performance**

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

For the underlying Target Fund, past performance is calculated after adjusting for distribution and/or additional units, if any.

### **Others**

Hong Leong Smart Growth Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

**THIS IS AN INSURANCE PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A PURE INVESTMENT PRODUCT SUCH AS UNIT TRUSTS.**

### **Disclaimer:**

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

# HLA Venture Global Fund (HLAVGLF)

Apr 2017

## Fund Features

### 1. Investment Objective

The objective of the fund is provide investors with steady growth and consistency in income return over a medium to long term investment horizons by investing into global equities.

### 2. Investment Strategy & Approach

This fund will initially invest in, but not limited to Hong Leong Asia-Pacific Dividend Fund and Hong Leong Strategic Fund that uses equity, fixed income and money market instruments as their underlying assets. This fund will seek to diversify its investment geographically and by asset classes i.e. global equity of companies involved in the extraction, processing, transportation and distribution of natural resources, high dividend yield equities in Asia Pacific region (excluding Japan), global equities and/or local equities.

### 3. Asset Allocation

The fund will invest up to 95% of its NAV into selected unit trust funds.

### 4. Target Market

This fund is suitable for investors with moderate to high-risk appetite with a medium to long-term investment horizon.

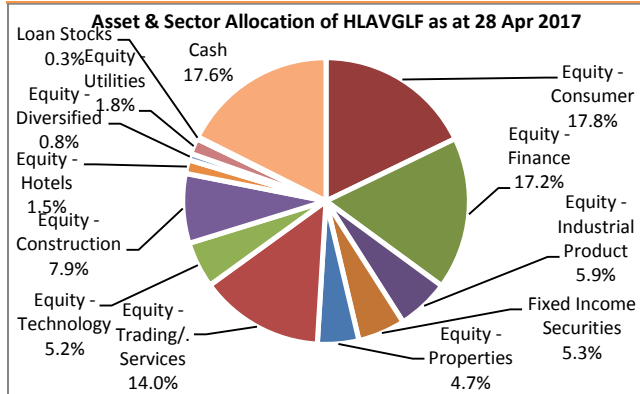
### Fund Details

<b>Unit Price (28/4/2017)</b>	:RM1.2922
<b>Fund Size (28/4/2017)</b>	:RM28.5mil
<b>Fund Management Fee</b>	:1.29% p.a.
<b>Fund Manager</b>	:Hong Leong Assurance Berhad
<b>Fund Category</b>	:Equity
<b>Fund Inception</b>	: 02 April 2007
<b>Benchmark</b>	:MSCI AC Asia Pacific ex Japan + MSCI ACWI Index + RAM Quantshop MGS ALL
<b>Frequency of Unit Valuation</b>	:Daily

*The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.*

### Asset Allocation for HLAVGLF as at 28 Apr 2017

	%
Hong Leong Asia-Pacific Dividend Fund	51.6
Hong Leong Strategic Fund	45.2
Cash	3.2
<b>Total</b>	<b>100.0</b>



### Top 10 Holdings for HLAVGLF as at 28 Apr 2017

	%
1. GII Murabahah	5.3
2. Bank of China Ltd - H	3.2
3. China Life Insurance Co - H	2.8
4. Great Wall Motor Company Limited	2.4
5. Engtex	2.4
6. Industrial & Commercial Bank of China - H	2.4
7. Prada SPA	2.4
8. Tenaga Nasional Berhad	2.3
9. Yuzhou Properties Co Ltd	2.2
10. Hai-O Enterprise Berhad	2.1
<b>Total Top 10</b>	<b>27.5</b>

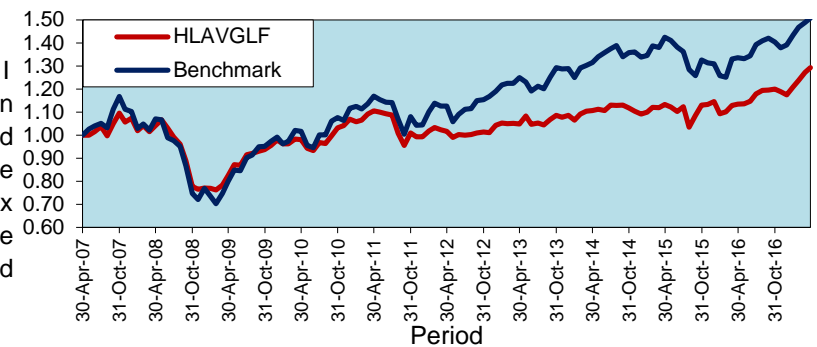
## Hong Leong Assurance Berhad (94613-X)

Level 3, Tower B, PJ City Development, No. 15A, Jalan 219, Seksyen 51A, 46100 Petaling Jaya, Selangor.

Telephone 03-7650 1818 Facsimile 03-7650 1991

Customer Service Hotline 03-7650 1288 Customer Service Hotfax 03-7650 1299

## Historical Performance



	1 month	YTD	1 year	5 years	10 years	Since Inception
HLAVGLF	1.55%	9.96%	13.89%	27.02%	29.22%	29.22%
Benchmark	1.38%	8.45%	12.86%	33.83%	50.82%	50.82%
Relative	0.17%	1.50%	1.03%	-6.81%	-21.60%	-21.60%

## Market Review, Outlook & Strategy relevant to Target Fund

### Equity Review

**Global**-Global markets rallied in April, with the MSCI World Index hitting an all-time high at the end of the month. The S&P 500 Index ended the month up 0.9% together with a strong first-quarter reporting season in the US. The Hang Seng Index and the Euro Stoxx 600 Index were the strongest performers over the month.

**Asia Pac**- Regional markets continued its strong performance during the month. In the region, Philippines, Malaysia and Indonesia were the top performing markets for the month, whilst Singapore, Thailand and Australia markets were the laggards.

**Malaysia**- The FTSE BM KLCI rose to 22-month highs, up 1.6% to close at 1,768 points, on the back of a stronger ringgit, recovering corporate earnings prospects and foreign funds inflow. Positive sentiment in the market was also boosted by strong regional markets and corporate exercises. The broader market outperformed the FTSE BM KLCI with the FTSE BM EMAS Index up 2.2% to 12,631 points.

**Global**- Global markets continue to show improving economic outlook. First-quarter earnings season has been encouraging thus far with 80% of reported S&P earnings beating estimates and a 64% beat from companies reported in Euro Stoxx. Europe is expected to see one of the busiest electoral years after Theresa May's announcement of a surprise snap UK election in April. The earliest of which is the French election which will be held on May 7. We expect equity markets in developed countries to consolidate in the near term as likelihood of rate hikes may rise and may dampen investors' sentiment.

**Asia Pacific** - China's first-quarter 2017 gross domestic product (GDP) growth accelerated faster than expected at 6.9%, supported by government infrastructure spending and a booming housing market. Indonesia saw surprise results from the second round Jakarta gubernatorial election with former education minister Anies Baswedan beating incumbent Basuki Tjahaja Purnama by a sizeable margin. For our investment portfolios, we look to increase exposure in countries or sectors that will benefit from improving economic growth.

**Malaysia**- The upcoming results season could see positive surprises which will keep the market buoyant, particularly if Ringgit continues to strengthen and global markets remain strong. We maintain our preference for blue-chip stocks that are trading at attractive levels, selected construction and consumer stocks that may benefit from government pump-priming.

### Fixed Income Review and Outlook

The month started off with Malaysian Government Securities (MGS) dealing in narrow ranges as the local bond market was lacking in direction despite the primary issuances. However, bond sentiment was lifted after Bank Negara Malaysia (BNM) announced its dynamic Foreign Exchange hedging and short selling regulation which gave the bond market a much needed break. The short end of the MGS curve went down by 4-5 basis points (bps) month-on-month while the longer end of the curve moved marginally by 1-3bps. The Malaysian Ringgit (MYR) was also seen trading better at 4.30 versus 4.44 earlier in the month post BNM's announcement. There were 3 government bond auctions in the month, the 15-year Government Investment Issue (GII) and 20-year MGS and including the 5-year benchmark auction which was supported by local investors. In the corporate bond market, major issuers were Cagamas Berhad, Lembaga Pembiayaan Perumahan Sektor Awam (LPPSA) and Public Bank Berhad.

US Treasury rallied after Trump administration proposed corporate tax reforms. As all eyes are on the next Federal Open Market Committee (FOMC) meeting in May, we still think the Federal Reserve (Fed) will continue to stand by their stance for three rate hikes this year in view of continued improvement in the US economy with stronger labour data. Market took BNM's announcement on short selling as a positive move as we saw the bonds market rallied post announcement. We think the bond market will continue to be well supported in the coming months as liquidity would improve with the new regulation. In the month, inflation stood higher at 5.1%, which was close to market consensus of 5.2%. Despite this, we still think that BNM will maintain its current policy stance for the rest of the year. We look to be opportunistic in the sovereign bond market by adding to position on any dips.

# HLA Venture Global Fund (HLAVGLF)

## Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2012	2013	2014	2015	2016
Benchmark	14.0%	8.3%	3.9%	-2.2%	6.2%
HLAVGLF- Gross	6.8%	6.0%	1.9%	6.7%	4.2%
HLAVGLF - Net	5.0%	4.2%	0.5%	4.9%	2.6%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

### Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

#### 1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

#### 2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

#### 3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

#### 4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

#### 5. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

#### 6. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

#### 7. Concentration Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

### Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

### Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by us but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
  - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

### Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

# HLA Venture Global Fund (HLAVGLF)

## Target Fund Details

1. Hong Leong Asia-Pacific Dividend Fund is an Equity fund managed by HLAM. The past performance of this fund is as follows:

Year	2012	2013	2014	2015	2016
Performance	15.2%	-4.8%	-1.0%	6.5%	1.8%

2. Hong Leong Strategic Fund is a Mixed Assets fund managed by HLAM. The past performance of this fund is as follows:

Year	2012	2013	2014	2015	2016
Performance	4.9%	14.5%	-0.7%	4.3%	4.8%

Source: Hong Leong Asset Management Berhad (HLAM)

Note: Hong Leong Global Resources Income Fund has been liquidated on 17 April 2014.

## Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

For the underlying target funds, past performance is calculated after adjusting for distribution and/or additional units, if any.

## Others

HLA Venture Global Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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# HLA Venture Managed Fund (HLAVMF)

**Apr 2017**

## Fund Features

### 1. Investment Objective

The objective of the fund is aim to provide investors with prospects for long-term capital appreciation through diversification in various capital instruments including equity, government securities, private debt securities, money market instruments and foreign assets as well as derivatives. This fund aims to outperform the benchmark comprising of FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) and Maybank 12-month fixed deposit rate in a ratio of 50:50.

### 2. Investment Strategy & Approach

This fund will participate in both fixed income and equity markets as well as benchmarked against the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) and Maybank 12-month fixed deposit rate in equal proportion. This fund is suitable for investors who are willing to take moderate risk.

### 3. Asset Allocation

The fund will invest up to a maximum 50% of its NAV in equities.

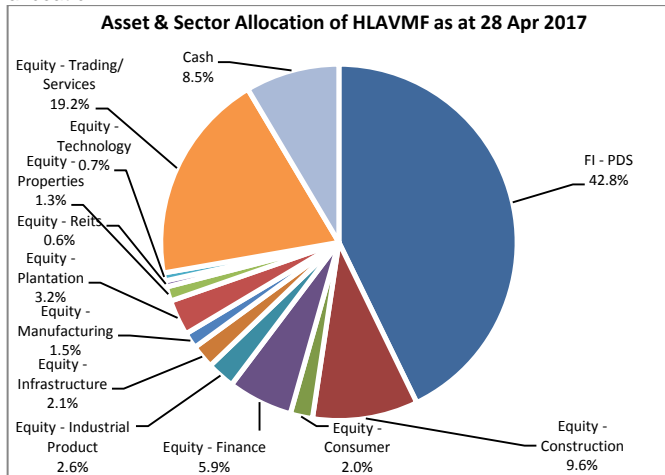
### 4. Target Market

This fund is suitable for investors who are willing to take moderate risk.

## Fund Details

Unit Price (28/4/2017)	:RM2.1154
Fund Size (28/4/2017)	:RM207.2mil
Fund Management Fee (effective as at 01/09/2015)	: 1.17% p.a. (capped at 1.25%)
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Managed
Fund Inception	:07 April 2004
Benchmark	:50% FTSE Bursa Malaysia KLCI Index (FBM KLCI)&50% 12-month Fixed Deposit Interest Rates
Frequency of Unit Valuation	:Daily

*The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%) of the initial asset allocation.*



## Top 10 Holdings for HLAVMF as at 28 Apr 2017

		%
1. TENAGA	EQ	5.4
2. MAYBANK	EQ	3.7
3. ALLIANCE BANK MALAYSIA BHD 5.65%	FI	3.5
18/12/2020		
4. MALAYSIA AIRPORTS HOLDINGS 5.75%	FI	3.4
13/12/2024		
5. RHB BANK BERHAD 4.4%	FI	2.9
30/11/2017		
6. MALAYAN BANKING BERHAD 2 6.30%	FI	2.5
25/9/2018		
7. BGSM MANAGEMENT S/B 5.25%	FI	2.5
24/12/2020		
8. CIMB GROUP HOLDING 2 5.80%	FI	2.5
25/5/2021		
9. HONG LEONG BANK 2 4.80%	FI	2.4
24/06/2019		
10. LEMBAGA PEMBIAYAAN PERUM 1 4.58%	FI	2.4
16/04/2027		
<b>Total Top 10</b>		<b>31.2</b>

## Hong Leong Assurance Berhad (94613-X)

Level 3, Tower B, PJ City Development, No. 15A, Jalan 219, Seksyen 51A, 46100 Petaling Jaya, Selangor.

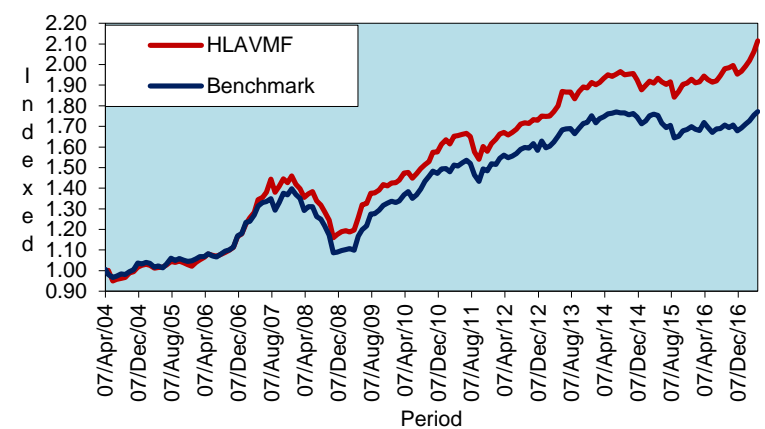
Telephone 03-7650 1818 Facsimile 03-7650 1991

Customer Service Hotline 03-7650 1288 Customer Service Hotfax 03-7650 1299

FI : Fixed Income

EQ : Equities

## Historical Performance



	1 month	YTD	1 year	5 years	10 years	Since Inception
HLAVMF	2.56%	7.53%	9.81%	27.58%	57.37%	111.54%
Benchmark	1.01%	4.68%	4.56%	14.47%	34.87%	76.37%
Relative	1.56%	2.84%	5.24%	13.11%	22.50%	35.17%

## Market Review, Outlook & Strategy - Equities Market

Equities across the region traded mixed at the start of the month as investors fled risky assets in favour of safety due to rising geopolitical worries over North Korea and Syria. Market participants were also concerned that the Fed will begin to reduce the size of its USD\$4.5 trillion stockpile of government and mortgage-backed bonds later this year. However, towards the later part of the month, the market-friendly outcome of the first round of the French presidential election and the long-awaited list of objectives of a US tax overhaul that was unveiled by President Trump's economic adviser helped boost equity markets. Asian markets were also supported by robust Chinese economic data in 1Q17, indicating that the economy is stabilizing.

April was also a good month for Malaysia as the KLCI rose to a 22-month high on the back of a stronger ringgit, recovering corporate earnings prospects and foreign funds inflow. The announcement of another PNB corporate exercise with the proposed acquisition of I&P Group by SP Setia also helped to boost interest in the market. During the month, headline inflation for Malaysia accelerated to 5.1% yoy from 4.5% in February due to higher cost of transportation and fuel prices. The Ringgit also strengthened against the US\$ from 4.4255 as at end March to 4.3410 as at end April.

As such for the month, the KLCI rose 1.6% or 28pts to close at 1,768pts. The broader market outperformed the KLCI, with the FBM Emas up 2.2% mom to 12,631pts. The finance and technology sectors outperformed the market. KLFIN and KLTEC index gained 4.1% and 8% mom to close at 16,301 pts and 32.85 pts, respectively. Average daily value traded on Bursa in April fell 8% mom to RM2.8bn.

In May, investors will be focusing on the March 2017 quarter results following three years of earnings stagnation. Bank Negara will also be issuing its Monetary Policy Statement this month where consensus generally expects no change to the Overnight Policy Rate. External events that may sway the market would include the second round of the French Presidential Election on 7<sup>th</sup> May and the OPEC meeting on 25<sup>th</sup> May. In terms of strategy, we will continue to buy selected stocks on market dips as we continue to be positive on the market, at the same time realizing some gains on the outperformers. Reaffirmation of revenue and earnings growth in the current reporting season would be the next catalyst for the next leg-up of re-rating. Sectors we like include; 1) Construction, 2) Finance, 3) Reflation and 4) Tourism.

## Market Review, Outlook & Strategy - Fixed Income Market

In the month of April, trading volume remained thin for the first half of the month but demand picked up following the strong rebound in the Ringgit which staged an impressive 1.91% gain against the USD m-o-m. With the softening dollar and further tweaks in BNM's FX rules, USDMYR pair broke below the RM/USD4.40 psychological level for the first time since November 2016. Though inflation in March crept higher to 5.1% yoy due to higher transport cost, bonds rallied with yields easing lower particularly on the short and the belly of the MYR sovereign curve by 7-23bps while the yields of 20 and 30 years MGS remained the same at month end.

Sentiment in the corporate bond market improved as strong demand in primary issuances spilt over to the secondary market. Generally, demand in the secondary PDS market was skewed towards GGs and AAA/AA space in the power and banking names. We will continue to focus on primary issues for yield pickup and size.

# HLA Venture Managed Fund (HLAVMF)

## Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2012	2013	2014	2015	2016
Benchmark	7.0%	7.3%	-2.6%	-1.3%	-0.8%
HLAVMF - Gross	10.3%	11.4%	-0.7%	4.3%	3.4%
HLAVMF - Net	8.3%	9.3%	-1.9%	2.7%	2.0%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

### Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

#### 1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

#### 2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

#### 3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

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### Risk Management

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### Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
  - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

### Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

### Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

### Others

HLA Venture Managed Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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# HLA Venture Income Fund (HLAVIF)

Apr 2017

## Fund Features

### 1. Investment Objective

The objective of the fund is to achieve high principal security and steady income by investing in fixed-income instruments. Returns will be comparable to prevailing interest rates but correspondingly, the risks will be significantly lower than that for equities investment.

### 2. Investment Strategy & Approach

This fund focuses on fixed income securities and money market instruments as well as benchmarked against Maybank's 3 months fixed deposit rate. This fund is suitable for investors who have low to moderate risk profile.

### 3. Asset Allocation

The fund will invest up to 100% of its NAV in fixed income instruments.

### 4. Target Market

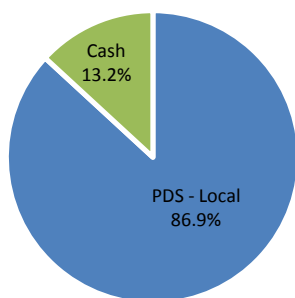
This fund is suitable for investors who have low to moderate risk profile

## Fund Details

Unit Price (28/4/2017)	:RM2.1764
Fund Size (28/4/2017)	:RM122.3mil
Fund Management Fee	: 0.50% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Bond
Fund Inception	:19 Jan 2000
Benchmark	:3-month Fixed Deposit Interest Rates
Frequency of Unit Valuation	:Daily

The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.

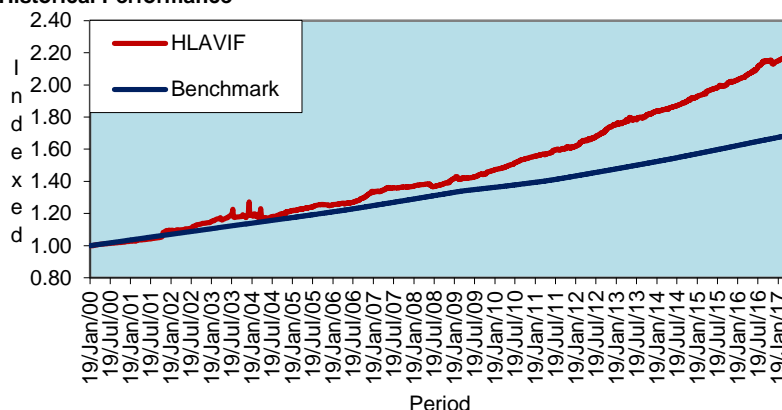
Asset Allocation of HLAVIF as at 28 Apr 2017



## Top 10 Holdings for HLAVIF as at 28 Apr 2017

	%
1. ALLIANCE BANK MALAYSIA BHD 5.65% 18/12/2020	6.7
2. MALAYAN BANKING BERHAD 2 6.30% 25/09/2018	5.5
3. UEM SUNRISE BHD 4.60% 13/12/2018	5.4
4. BGSM MANAGEMENT S/B 5.25% 24/12/2020	4.2
5. CIMB GROUP HOLDING 2 5.80% 25/5/2021	4.2
6. BERJAYA LAND BHD 4.85% 16/12/2019	4.2
7. LEMBAGA PEMBIAYAAN PERUM 1 4.94% 16/04/2032	4.2
8. GAMUDA BERHAD 2 4.62% 23/4/2021	4.2
9. HONG LEONG BANK 2 4.80% 24/06/2019	4.2
10. RHB BANK BERHAD 4.40% 30/11/2017	4.1
<b>Total Top 10</b>	<b>46.9</b>

## Historical Performance



	1 month	YTD	1 year	5 years	10 years	Since Inception
HLAVIF	0.36%	1.51%	5.17%	31.75%	61.45%	117.64%
Benchmark	0.23%	0.98%	3.06%	16.72%	33.88%	68.76%
Relative	0.13%	0.53%	2.11%	15.03%	27.58%	48.88%

## Market Review

In the month of April, trading volume remained thin for the first half of the month but demand picked up following the strong rebound in the Ringgit which staged an impressive 1.91% gain against the USD m-o-m. With the softening dollar and further tweaks in BNM's FX rules, USDMYR pair broke below the RM/USD4.40 psychological level for the first time since November 2016. Though inflation in March crept higher to 5.1% yoy due to higher transport cost, bonds rallied with yields easing lower particularly on the short and the belly of the MYR sovereign curve by 7-23bps while the yields of 20 and 30 years MGS remained the same at month end.

Sentiment in the corporate bond market improved as strong demand in primary issuances spilt over to the secondary market. Generally, demand in the secondary PDS market was skewed towards GGs and AAA/AA space in the power and banking names.

## Market Outlook & Strategy

We will continue to focus on primary issues for yield pickup and size.

# HLA Venture Income Fund (HLAVIF)

## Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2012	2013	2014	2015	2016
Benchmark	3.1%	3.1%	3.2%	3.2%	3.1%
HLAVIF- Gross	10.0%	5.4%	5.8%	6.5%	6.9%
HLAVIF - Net	8.7%	4.5%	4.8%	5.5%	5.8%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

### Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

#### 1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

#### 2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

#### 3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

#### 4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

#### 5. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

#### 6. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

### Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

### Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
  - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

### Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

### Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

### Others

HLA Venture Income Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

**THIS IS AN INSURANCE PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A PURE INVESTMENT PRODUCT SUCH AS UNIT TRUSTS.**

### Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

# HLA EverGreen Funds

**Apr 2017**

## Fund Features

### 1. Investment Objective

The fund is designed to provide investors with principal and enhanced profit protection via a systematic investment in a globally diversified multi asset (equities, currency, rates, commodities, property, hedge fund strategies) long short strategy.

### 2. Investment Strategy & Approach

The main investment strategy is executed via portfolio optimization methodology. The fund is open ended with defined maturity date. The investment execution is accomplished via a Floating Rate Negotiable Instrument of Deposits ("FRNID") issued by CIMB Bank Berhad.

The FRNID is principal protected at maturity by CIMB Bank. The FRNID dynamically adjusts its exposure to the strategy, such as to reduce exposure when the strategy has negative performance and increase exposure when it has positive performance.

### 3. Asset Allocation

The fund will invest in a FRNID.

### 4. Target Market

The fund is suitable for investors who wish to engage in long-term wealth-planning, such as for children's education, retirement planning or wealth-building for future generations, whereby the investor's return on their lifetime of investments will be safely locked at fund maturity.

## Fund Details

<b>Fund Management Fee</b>	:	HLA EverGreen 2023 Fund HLA EverGreen 2025 Fund	:	0%*p.a.	HLA EverGreen 2028 Fund HLA EverGreen 2030 Fund HLA EverGreen 2035 Fund	:	1.30% p.a.
<b>Fund Manager</b>	:	Hong Leong Assurance Berhad					
<b>Fund Inception</b>	:	28 Dec 2010					
<b>Benchmark</b>	:	3-month Klibor + 2.65%					
<b>Frequency of Unit Valuation</b>	:	Weekly					

*The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.*

*\*The Company shall cease to charge the Fund Management Fee for HLA EverGreen 2023 and HLA EverGreen 2025 with effective from 22 Jan 2016 and 5 July 2016 respectively.*

## Other Details

Fund Name	Unit Price (25/4/2017)	Fund Size (25/4/2017)	Fund Maturity Date	Minimum Guaranteed Unit Price at Fund Maturity (before tax)
HLA EverGreen 2023 Fund	: RM0.9565	RM26.90 mil	26 Dec 2023	1.2358
HLA EverGreen 2025 Fund	: RM0.9111	RM6.41 mil	26 Dec 2025	1.2670
HLA EverGreen 2028 Fund	: RM0.8811	RM6.04 mil	26 Dec 2028	1.3136
HLA EverGreen 2030 Fund	: RM0.8676	RM21.78 mil	26 Dec 2030	1.3446
HLA EverGreen 2035 Fund	: RM0.8646	RM302.44 mil	26 Dec 2035	1.4221

The Minimum Guaranteed Unit Price at Fund Maturity before tax will attract a portion of tax which has yet to be provided for. The further tax adjustment is the difference of tax payable on the capital gains of the funds determined at funds maturity and tax which has been provided for the funds through weekly unit pricing. The unit prices published weekly are on after tax basis.

## Market Review (by CIMB Bank Berhad)

Max InvestSave decreased by 0.22% in the reported period with two out of eleven Underlying Assets moving against the Effective Max InvestSave Weightings. Losses were mainly due to the depreciation of Commodities and Chinese Equities where positive weightings were held by the Effective Max InvestSave Weightings.

April 2017 started off with missile strikes conducted by the US on Syria that roiled markets and pushed gold prices up. The US payroll report also came in with figures that were much lower than expected. However, economic conditions took a turn for the better towards the end of the month as American equities were buoyed by impressive earnings posted by companies during the reporting period. This marked the third straight quarter of profit growth for companies listed on the S&P 500 index, after enduring five previous quarters of profit decline. In Europe, the European Central Bank (ECB) decided to keep interest rates unchanged and maintain its quantitative easing program. A report from the European Commission showed that economic confidence is at its highest level in a decade, lending credence to recent data that has been pointing towards economic recovery in the Eurozone. The ECB's Japanese counterparts, the Bank of Japan (BoJ), also decided to retain their stimulus policies citing sluggish inflation. The central bank lowered its inflation forecast for the year but conversely increased its growth forecast as exports and industrial output have been on an upward trend.

China has embarked on a crackdown on irregularities in their financial sector with a focus on curbing leveraged trading. This effort has stoked concerns among market observers about the potential ensuing reduction in demand in the markets. As such, Chinese equities have dipped in value. In addition, commodities prices have been negatively impacted due to this perceived reduction in demand from the world's second biggest economy. Oil prices have been further impacted by increasing production from US shale oil companies.

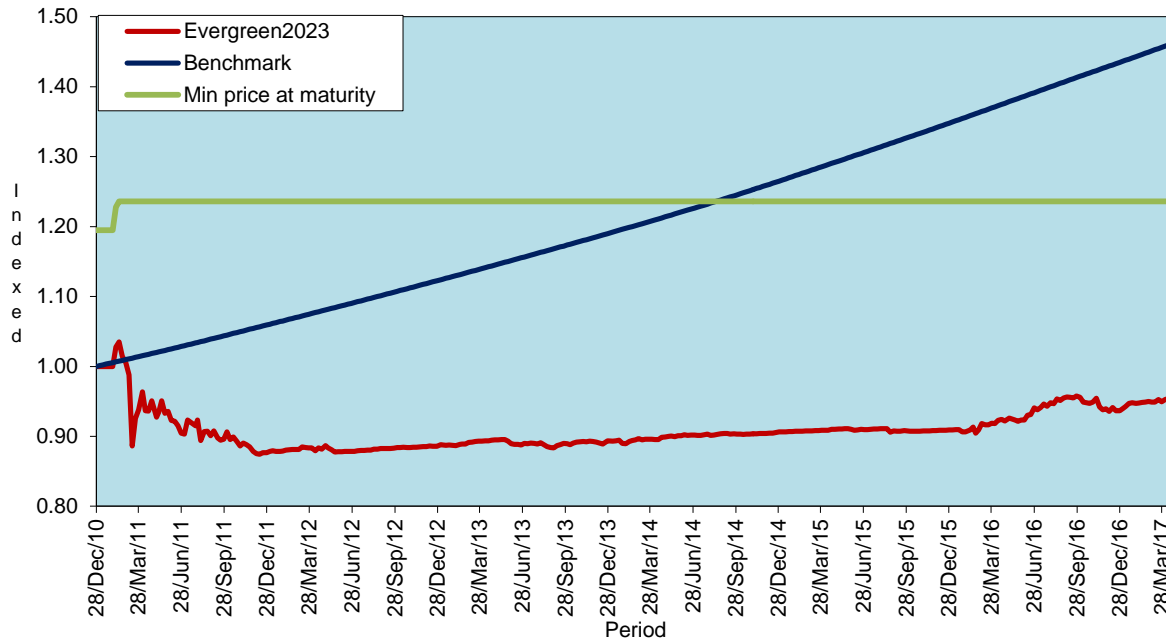
## Net Exposure of HLA EverGreen Funds to CIMB EverGreen Index

Fund	HLA EverGreen 2023	HLA EverGreen 2025	HLA EverGreen 2028	HLA EverGreen 2030	HLA EverGreen 2035
<b>Avg Exposure of Maximum Assurance FRNID to Max InvestSave PSSIA-i 30Y</b>	0.00%	0.00%	5.70%	0.23%	48.83%
<b>Exposure of MaxInvestSave PSSIA-i 30Y to CIMB EverGreen Index</b>	103.53%				
<b>Net Exposure of HLA EverGreen Funds to CIMB EverGreen Index in Apr2017</b>	0.00%	0.00%	5.90%	0.24%	50.55%

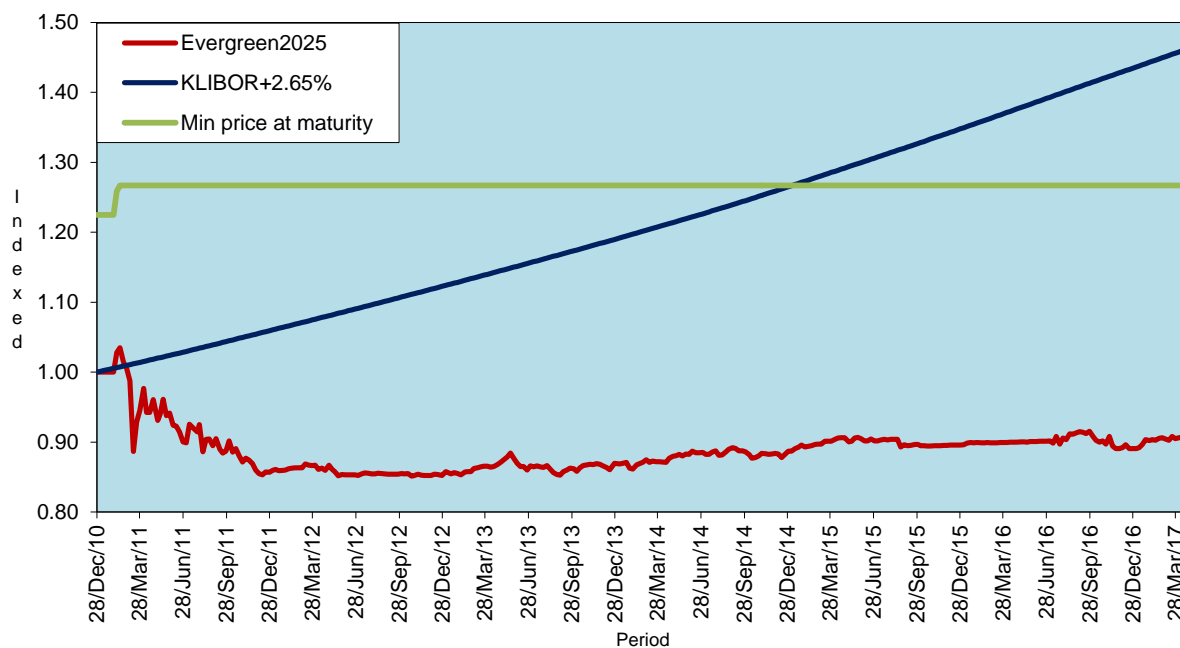
# HLA EverGreen Funds

## Historical Performance

HLA EverGreen 2023 Fund						
As of 25/4/17	1 month	Year to-date	Since Inception	1 Year	3 Years	5 Years
HLA EverGreen 2023	0.76%	2.12%	-4.35%	3.74%	6.38%	8.47%
KLIBOR+2.65% p.a.	0.47%	1.97%	46.29%	6.30%	20.51%	35.54%
Performance vs Benchmark	0.29%	0.16%	-50.64%	-2.56%	-14.12%	-27.06%

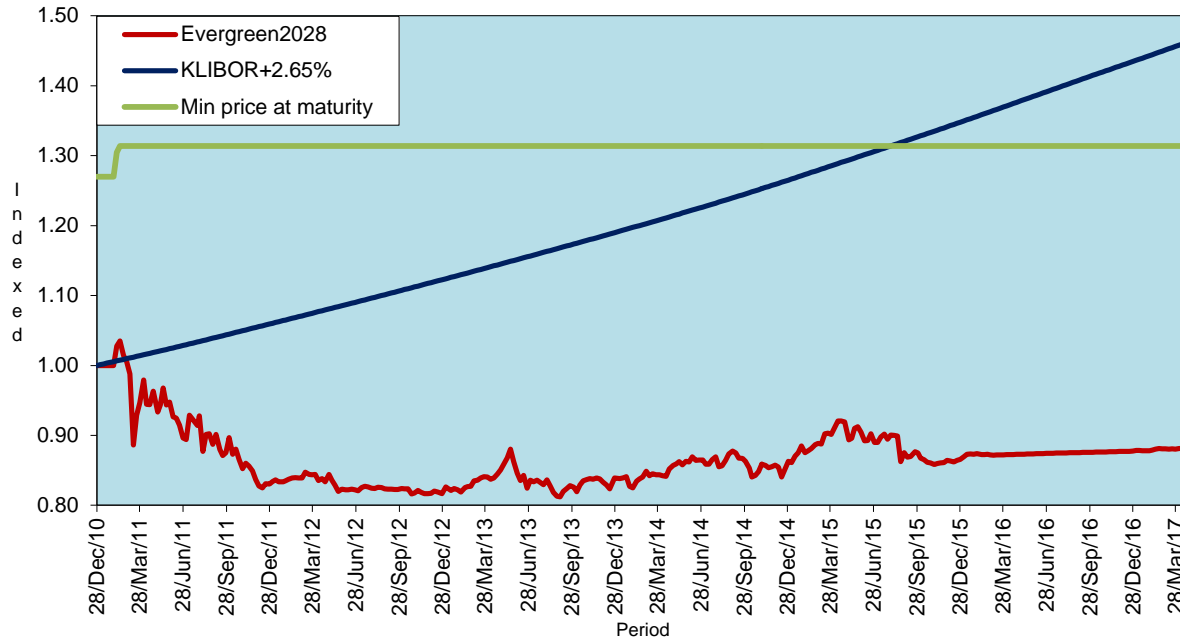


HLA EverGreen 2025 Fund						
As of 25/4/17	1 month	Year to-date	Since Inception	1 Year	3 Years	5 Years
HLA EverGreen 2025	0.66%	2.29%	-8.89%	1.23%	3.59%	5.99%
KLIBOR+2.65% p.a.	0.47%	1.97%	46.29%	6.30%	20.51%	35.54%
Performance vs Benchmark	0.20%	0.32%	-55.18%	-5.06%	-16.92%	-29.54%

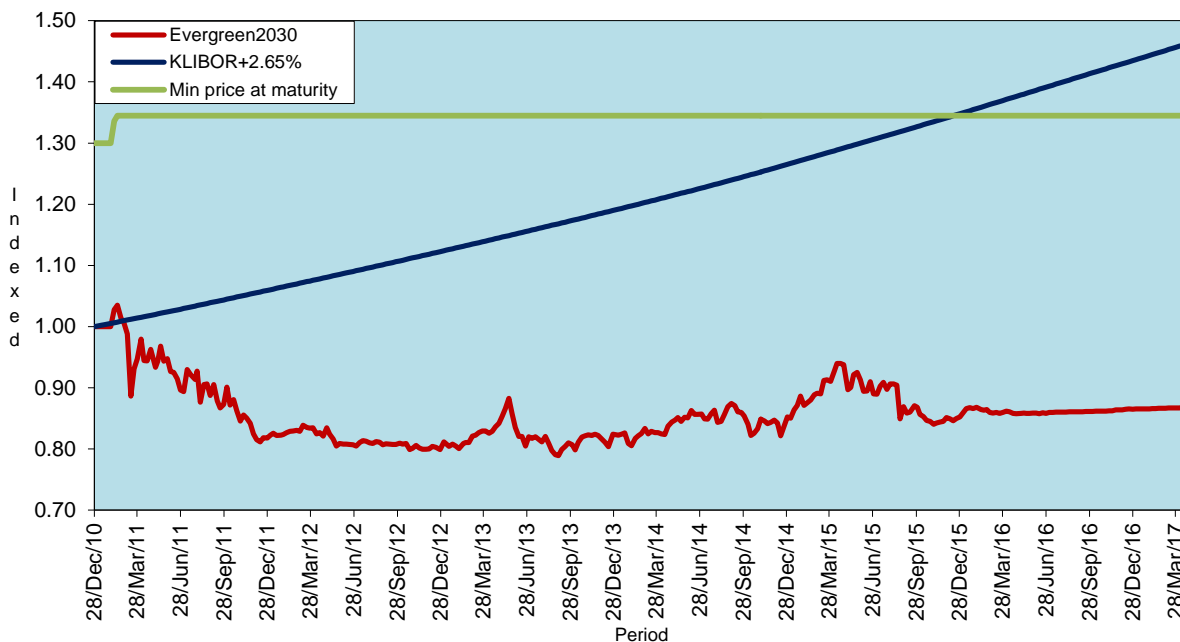


## HLA EverGreen Funds

HLA EverGreen 2028 Fund						
As of 25/4/17	1 month	Year to-date	Since Inception	1 Year	3 Years	5 Years
HLA EverGreen 2028	0.07%	0.42%	-11.89%	0.95%	2.82%	5.69%
KLIBOR+2.65% p.a.	0.47%	1.97%	46.29%	6.30%	20.51%	35.54%
Performance vs Benchmark	-0.40%	-1.55%	-58.18%	-5.35%	-17.68%	-29.85%

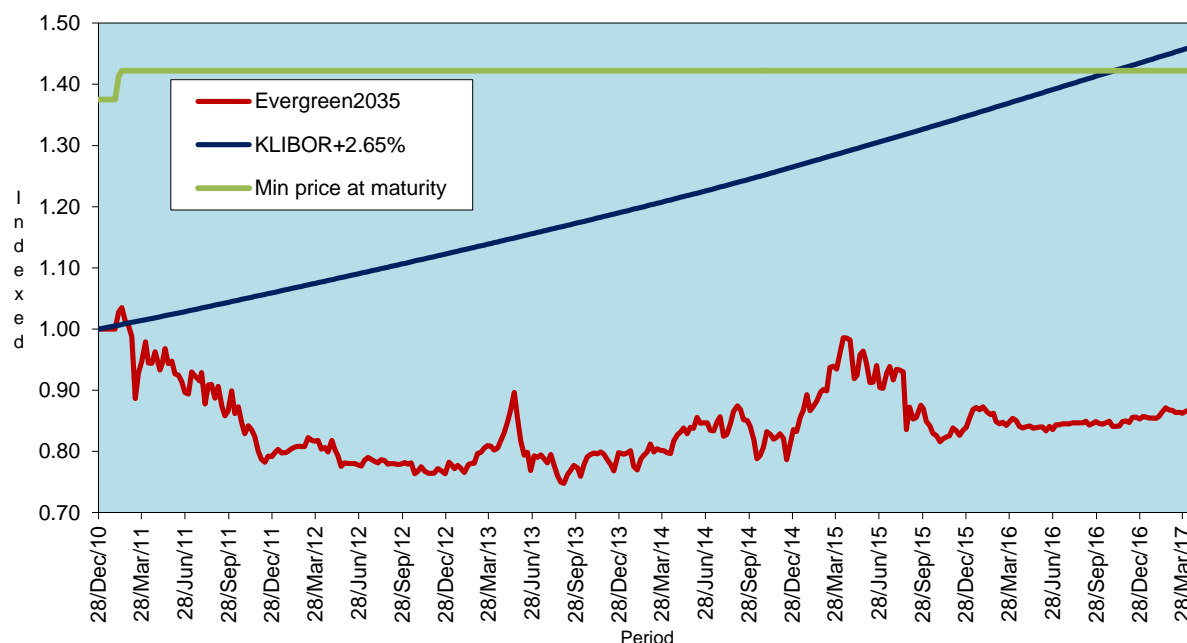


HLA EverGreen 2030 Fund						
As of 25/4/17	1 month	Year to-date	Since Inception	1 Year	3 Years	5 Years
HLA EverGreen 2030	0.06%	0.31%	-13.24%	1.15%	2.77%	5.64%
KLIBOR+2.65% p.a.	0.47%	1.97%	46.29%	6.30%	20.51%	35.54%
Performance vs Benchmark	-0.41%	-1.66%	-59.53%	-5.14%	-17.74%	-29.90%



## HLA EverGreen Funds

HLA EverGreen 2035 Fund						
As of 25/4/17	1 month	Year to-date	Since Inception	1 Year	3 Years	5 Years
HLA EverGreen 2035	0.27%	1.35%	-13.54%	3.10%	4.48%	8.21%
KLIBOR+2.65% p.a.	0.47%	1.97%	46.29%	6.30%	20.51%	35.54%
Performance vs Benchmark	-0.20%	-0.62%	-59.83%	-3.20%	-16.02%	-27.33%



### Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2012	2013	2014	2015	2016
Benchmark	6.1%	6.0%	6.3%	6.5%	6.5%
HLA EVERGREEN 2023 – Gross	2.5%	2.4%	3.0%	1.7%	4.7%
HLA EVERGREEN 2023 – Net	1.0%	0.9%	1.4%	0.3%	3.0%
HLA EVERGREEN 2025 – Gross	0.9%	3.6%	3.6%	2.5%	0.8%
HLA EVERGREEN 2025 – Net	-0.5%	2.0%	2.0%	1.0%	-0.6%
HLA EVERGREEN 2028 – Gross	-0.3%	4.5%	4.5%	1.7%	2.9%
HLA EVERGREEN 2028 – Net	-1.6%	2.8%	2.8%	0.3%	1.4%
HLA EVERGREEN 2030 – Gross	-1.0%	4.8%	5.1%	1.4%	3.0%
HLA EVERGREEN 2030 – Net	-2.3%	3.1%	3.4%	0.0%	1.5%
HLA EVERGREEN 2035 – Gross	-2.2%	6.4%	6.5%	1.9%	3.2%
HLA EVERGREEN 2035 – Net	-3.5%	4.6%	4.7%	0.4%	1.6%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

### Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

#### 1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

#### 2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

#### 3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

#### 4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

#### 5. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

## HLA EverGreen Funds

### 6. Deleverage Risk

Deleveraging may occur if the bond floor rises due to falling interest rates or due to nearing maturity, or due to sustained underperformance of the underlying asset. When this occurs, the Funds will unwind all allocation to the underlying asset and will effectively become a zero-coupon bond fund.

### 7. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

### 8. Performance Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

### Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

### Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
  - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

### Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

### Performance of Max InvestSave PSSIA-I 30Y

Month on month historical performance*														
Year	Jan	Feb	Mar	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD <sup>A</sup>	RTD
2011	-	1.09%	-6.28%	2.21%	-1.23%	-4.08%	2.04%	-3.97%	-1.16%	-3.57%	3.57%	-1.34%	-18.00%	-
2012	2.41%	1.07%	1.07%	-0.41%	-4.17%	-1.18%	2.35%	-0.49%	-0.66%	-1.88%	0.66%	-0.58%	-1.98%	-
2013	0.85%	3.31%	3.47%	3.25%	0.11%	-4.18%	-2.19%	-4.28%	4.44%	3.75%	0.54%	0.55%	9.50%	-
2014	-3.65%	5.03%	-1.05%	4.21%	1.61%	-0.38%	0.72%	3.50%	-2.35%	-0.76%	0.42%	2.21%	9.51%	-
2015	4.74%	3.12%	3.50%	0.48%	1.51%	-4.21%	2.83%	-5.19%	0.63%	-5.27%	1.28%	1.54%	4.39%	-
2016	1.82%	0.60%	-1.24%	-1.96%	0.34%	0.93%	0.78%	0.66%	-0.16%	-1.10%	1.39%	0.81%	2.84%	-
2017	0.64%	3.87%	-0.52%	-0.22%									3.76%	7.38%

<sup>A</sup>Note that calculation for YTD starts from first day of the year to the last day of the same year

Underlying Performance				
Underlying Asset	31-Mar-17 Closing Px	28-Apr-17 Closing Px	Performance (31 Mar 17 - 28 Apr 17)*	Effective Max InvestSave Weights** (30 Mar 17)
American Equity	4,538.21	4,584.82	1.03%	25.88%
Japanese Equity	2,176.87	2,204.51	1.27%	25.88%
European Equity	6,897.74	7,033.08	1.96%	25.88%
UK Equity	6,036.73	5,956.51	-1.33%	-2.97%
Emerging Market Equity	3,199.21	3,261.83	1.96%	10.35%
China Equity	10,273.67	10,219.89	-0.52%	10.35%
Commodity Index	707.76	696.60	-1.58%	13.93%
European Real Estate	5,170.17	5,303.76	2.58%	0.00%
American Real Estate	78.49	78.93	0.56%	0.00%
Hedge Fund Strategies	216.04	209.97	-2.81%	-5.18%
Currency	0.94	0.92	-2.21%	-25.88%

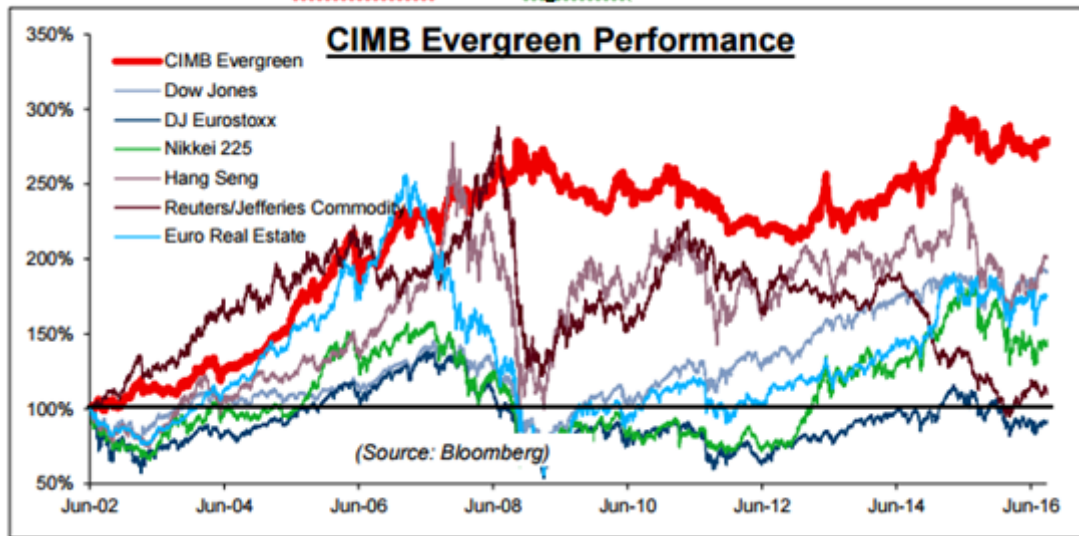
\* Month on month historical performance is calculated from previous Month End Date to current Month End Date

\*\* Effective Max InvestSave Weights are re-balanced monthly

## HLA EverGreen Funds

Performance of CIMB EverGreen Index Against Other Indices

### Performance of CIMB EverGreen Index Against Other Indices



#### Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

#### Others

HLA EverGreen Funds are managed by Hong Leong Assurance Berhad (HLA). Allocated premiums of the policy invested in the fund are invested by HLA on behalf of the Policy Owner in a FRNID issued by CIMB Bank Berhad. The amount invested in the FRNID is guaranteed by the issuer if held to maturity. If the issuer of the FRNID defaults or becomes insolvent, the Policy Owner risks losing part or all of his/her allocated premium amounts that were invested into the FRNID on his/her behalf by HLA. Should the issuer/financial institutions default the above investment instrument, the Minimum Guaranteed Unit Price at Fund Maturity will not be applicable.

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#### CIMB Evergreen Index Disclaimer:

The index sponsor or the calculation agent of the CIMB Evergreen Index (the "Index") does not guarantee the accuracy and/or completeness of the composition, calculation, publication and adjustment of the Index, any data included therein, or any data from which it is based, and the calculation agent and the index sponsor of the Index shall have no liability for any errors, omissions, or interruptions therein. The calculation agent and the index sponsor of the Index make no warranty, express or implied, as to results to be obtained from the use of the Index. The calculation agent and the index sponsor of the Index make no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Index or any data included therein. Without limiting any of the foregoing, in no event shall the calculation agent or the index sponsor of the Index have any liability for any special, punitive, indirect, or consequential damages (including loss of profits), even if notified of the possibility of such damages.

# HLA Dana Suria (HLADS)

Apr 2017

## Fund Features

### 1. Investment Objective

This fund provides investors an affordable access into a diversified investment portfolio which offers steady and consistent return over a long-term investment horizon by investing into local and global equities and fixed income securities that comply with Shariah requirements.

### 2. Investment Strategy & Approach

At inception, this fund will invest by feeding into Hong Leong Dana Maa'rof and HLA Venture Dana Putra ("Target Funds") with the option to increase the number of funds or replace the Target Funds in future.

Generally, the Target Funds select undervalued companies that have the potential to offer good Medium-To-Long Term capital growth. In terms of fixed income instruments, selection depends largely on credit quality to assure relative certainty in profit income, principal payment, and overall total return stability.

### 3. Asset Allocation

Hong Leong Dana Maa'rof (HLDM) will invest a minimum 40% and maximum 60% of its NAV into Shariah-compliant equities while HLA Venture Dana Putra (HLAVDP) will invest up to maximum 90%, but not less than 40% of fund's NAV into Shariah approved equities. Generally, HLA Dana Suria may invest up to a maximum of 95% of its NAV into Shariah-compliant equities or a maximum of 100% of its NAV into Shariah-based deposits or Islamic money market instruments.

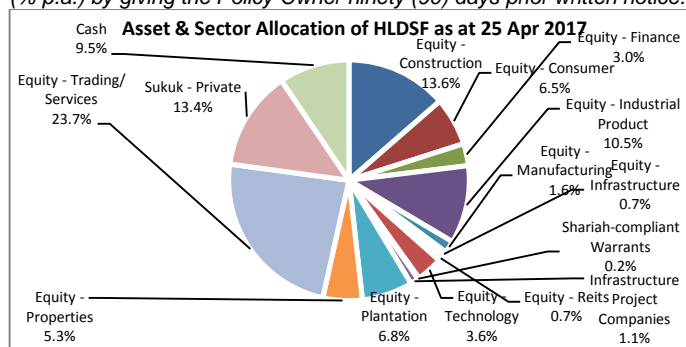
### 4. Target Market

This fund is suitable for investors who have moderate risk-reward temperament and are looking for returns from Shariah-compliant investments in a medium-to-long term investment horizon.

## Fund Details

<b>Unit Price (25/4/2017)</b>	:RM1.1404
<b>Fund Size (25/4/2017)</b>	:RM7.05mil
<b>Fund Management Fee</b>	:1.30% p.a.
<b>Fund Manager</b>	:Hong Leong Assurance Berhad
<b>Fund Category</b>	:Managed
<b>Fund Inception</b>	:24 Sept 2013
<b>Benchmark</b>	: (70% x FTSE Bursa Malaysia Emas Shariah Index) + (30% x 3-month Klibor)
<b>Frequency of Unit Valuation</b>	:Weekly

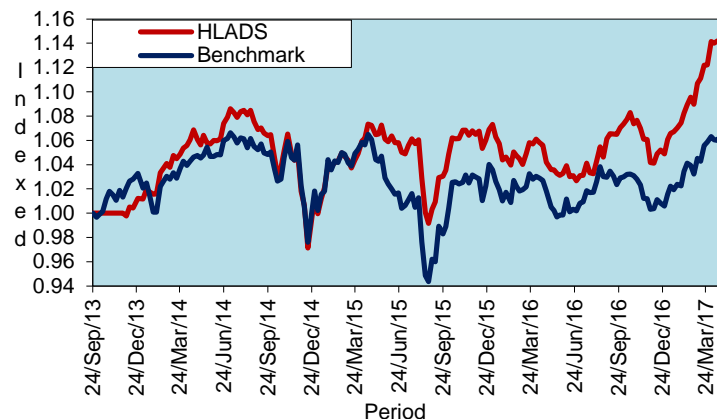
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



## Top 10 Holdings for HLADS as at 25 Apr 2017

		%
1.	Lembaga Pembiayaan Perumahan Sektor Awam	Sukuk 5.2
2.	TENAGA NASIONAL BERHAD	Equity 4.2
3.	SIME	Equity 2.9
4.	KESAS SDN BHD IMTN 2020	Sukuk 2.8
5.	SEPANGAR BAY POWER CORP 2022	Sukuk 2.7
6.	Sarawak Hidro Sdn Bhd	Sukuk 2.7
7.	QL	Equity 2.3
8.	DIGI	Equity 2.0
9.	IOICORP	Equity 1.7
10.	INARI	Equity 1.6
<b>Total Top 10</b>		<b>28.1</b>

## Historical Performance



	1 month	1 Year	3 Years	YTD	Since Inception
HLADS	1.61%	9.44%	7.52%	8.73%	14.04%
Benchmark	0.56%	4.52%	1.61%	5.82%	6.44%
Relative	1.05%	4.92%	5.92%	2.91%	7.60%

## Market Review, Outlook & Strategy

Equities across the region traded mixed at the start of the month as investors fled risky assets in favour of safety due to rising geopolitical worries over North Korea and Syria. Market participants were also concerned that the Fed will begin to reduce the size of its USD\$4.5 trillion stockpile of government and mortgage-backed bonds later this year. However, towards the later part of the month, the market-friendly outcome of the first round of the French presidential election and the long-awaited list of objectives of a US tax overhaul that was unveiled by President Trump's economic adviser helped boost equity markets. Asian markets were also supported by robust Chinese economic data in 1Q17, indicating that the economy is stabilizing.

April was also a good month for Malaysia as the KLCI rose to a 22-month high on the back of a stronger ringgit, recovering corporate earnings prospects and foreign funds inflow. The announcement of another PNB corporate exercise with the proposed acquisition of I&P Group by SP Setia also helped to boost interest in the market. During the month, headline inflation for Malaysia accelerated to 5.1% yoy from 4.5% in February due to higher cost of transportation and fuel prices. The Ringgit also strengthened against the US\$ from 4.4255 as at end March to 4.3410 as at end April.

As such for the month, the KLCI rose 1.6% or 28pts to close at 1,768pts. The broader market outperformed the KLCI, with the FBM Emas up 2.2% mom to 12,631pts. The finance and technology sectors outperformed the market. KLFIN and KLTEC index gained 4.1% and 8% mom to close at 16,301 pts and 32.85 pts, respectively. Average daily value traded on Bursa in April fell 8% mom to RM2.8bn.

In May, investors will be focusing on the March 2017 quarter results following three years of earnings stagnation. Bank Negara will also be issuing its Monetary Policy Statement this month where consensus generally expects no change to the Overnight Policy Rate. External events that may sway the market would include the second round of the French Presidential Election on 7<sup>th</sup> May and the OPEC meeting on 25<sup>th</sup> May. In terms of strategy, we will continue to buy selected stocks on market dips as we continue to be positive on the market, at the same time realizing some gains on the outperformers. Reaffirmation of revenue and earnings growth in the current reporting season would be the next catalyst for the next leg-up of re-rating. Sectors we like include; 1) Construction, 2) Finance, 3) Reflation and 4) Tourism.

## Market Review, Outlook & Strategy - Fixed Income Market

In the month of April, trading volume remained thin for the first half of the month but demand picked up following the strong rebound in the Ringgit which staged an impressive 1.91% gain against the USD m-o-m. With the softening dollar and further tweaks in BNM's FX rules, USDMYR pair broke below the RM/USD4.40 psychological level for the first time since November 2016. Though inflation in March crept higher to 5.1% yoy due to higher transport cost, bonds rallied with yields easing lower particularly on the short and the belly of the MYR sovereign curve by 7-23bps while the yields of 20 and 30 years MGS remained the same at month end.

Sentiment in the corporate bond market improved as strong demand in primary issuances spilt over to the secondary market. Generally, demand in the secondary PDS market was skewed towards GGs and AAA/AA space in the power and banking names. We will continue to focus on primary issues for yield pickup and size.

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## HLA Dana Suria (HLADS)

### Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2013	2014	2015	2016
Benchmark	3.3%	-1.4%	2.2%	0.4%
HLADS - Gross	2.7%	1.5%	7.4%	-0.6%
HLADS - Net	1.2%	0.1%	5.5%	-1.9%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

The fund was only launched on 24 September 2013. The actual investment returns are calculated based on unit price from 24 September to 31 December 2013.

### Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

#### 1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

#### 2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

#### 3. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

#### 4. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

#### 5. Concentration Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

### Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

### Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
  - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

### Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

### Target Fund Details

- Hong Leong Dana Maa'rof is a Balanced fund managed by Hong Leong Asset Management Berhad. The past performance of this fund is as follows:

Year	2012	2013	2014	2015	2016
Performance	6.4%	7.0%	0.1%	9.1%	-1.2%

Source: Hong Leong Asset Management Berhad

- HLA Venture Dana Putra is a Balanced fund managed by Hong Leong Assurance Berhad. The past performance of this fund is as follows:

Year	2012	2013	2014	2015	2016
Performance	10.0%	32.6%	-1.1%	4.9%	-2.3%

Source: Hong Leong Assurance Berhad

## HLA Dana Suria (HLADS)

### Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

For the underlying Target Fund, past performance is calculated after adjusting for distribution and/or additional units, if any.

### Others

HLA Dana Suria is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner into Islamic unit trust/investment-linked funds which will invest in Shariah-compliant fixed income securities, equities, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the funds default or become insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the fund on his/her behalf by HLA.

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### Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

# HLA Secure Fund (HLASF)

Apr 2017

## Fund Features

### 1. Investment Objective

To provide investors with steady and consistent return over a long-term investment horizon by investing into local and global fixed income securities and equities.

### 2. Investment Strategy & Approach

The strategy is to provide investors an affordable access into a diversified investment portfolio with a mixture of equities and fixed income instrument. The fund will invest primarily in fixed income instruments such as bonds, money market instruments, repo and deposits with financial institutions that provide regular income as well as in high dividend yield stocks to enhance the fund's returns. The asset allocation decision between fixed income instruments and equity is decided after considering the fixed income and equity market outlook over the medium to long-term horizon. Initially the fund will invest by feeding into Affin Hwang Select Income Fund ("Target Fund"), with the option to increase the number of funds or replace Affin Hwang Select Income Fund with other fund(s) in future.

### 3. Asset Allocation

The fund shall invest a minimum 70% of the NAV in Fixed Income Instruments and maximum 30% of NAV in equities.

### 4. Target Market

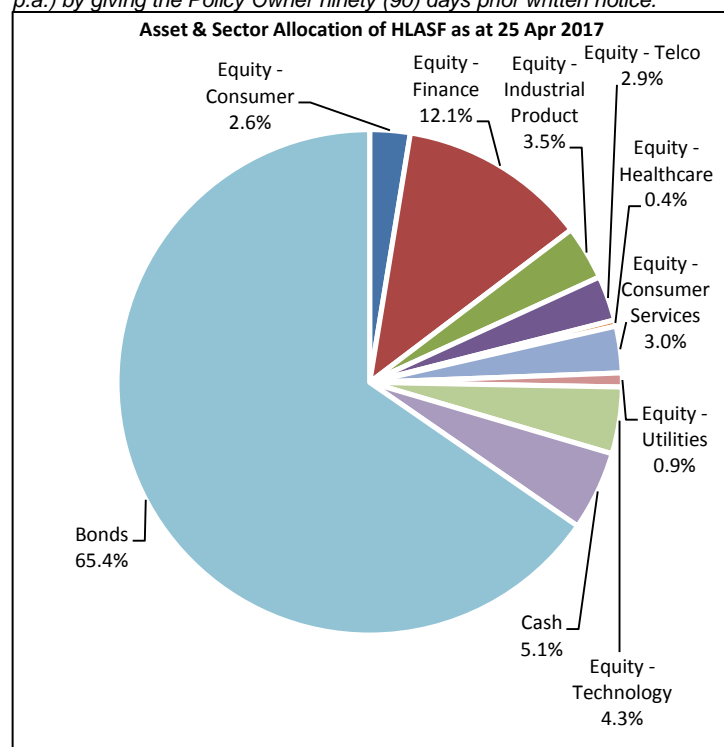
The fund is suitable for investors who are relatively conservative and wish to have a steady and stable return that meets their retirement needs.

## Fund Details

Unit Price (25/4/2017)	:RM1.2877
Fund Size (25/4/2017)	:RM10.2mil
Fund Management Fee	:1.00% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Bond
Fund Inception	:05 Feb 2013
Benchmark	: (70% x Maybank 12 Months Fixed Deposit Rate) + (30% x Dow Jones Asia Pacific Select Dividend 30 Index)

Frequency of Unit Valuation :Weekly

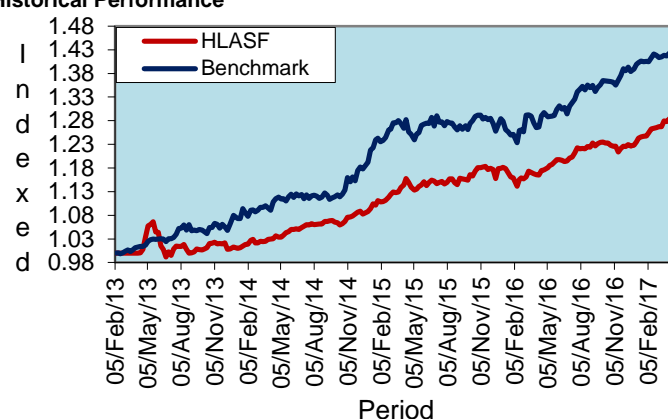
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



## Top 10 Holdings for HLASF as at 25 Apr 2017

		%
1.	Telekomunikasi Indonesia	Equity 1.8
2.	7.00% Indonesia Treasury Bond (15.05.22)	Bond 1.7
3.	5.13% Genting Singapore (12.09.17)	Bond 1.7
4.	CIMB Group	Equity 1.6
5.	7.64% Swiss Reinsurance Co Via ELM (27.04.49)	Bond 1.4
6.	0.00% United States Treasury N/B (04.05.17)	Bond 1.4
7.	China Life Insurance	Equity 1.4
8.	Beijing Capital Intl Airport	Equity 1.4
9.	5.75% NWD Finance BVI Ltd (05.10.49)	Bond 1.3
10.	6.75% QBE Insurance Group Ltd (02.12.44)	Bond 1.3
<b>Total Top 10</b>		<b>15</b>

## Historical Performance



	1 month	1 Year	3 Years	YTD	Since Inception
HLASF	0.72%	9.53%	24.58%	4.88%	28.77%
Benchmark	-0.26%	8.97%	26.39%	1.71%	41.31%
Relative	0.98%	0.56%	-1.81%	3.17%	-12.54%

## Market Review, Outlook & Strategy relevant to Target Fund

Global financial markets saw a relief rally after concerns surrounding European politics eased. Confirmation that French presidential candidate – Emmanuel Macron moved into the 2<sup>nd</sup> round of elections lifted sentiment, and saw investors shifting into riskier assets. Equity markets trended higher, with emerging markets outperforming developed markets despite weakness on the commodity front. China released encouraging data points with GDP growing by 6.9% yoy, its fastest pace since 3Q15. However, better data did raise concerns that the government would look to clamp down on debt levels in the financial system. The Shanghai Composite underperformed its regional peers, and slipped 2% in local currency terms in April. The Hong Kong equity market gains 2% local currency terms over the same period with the support of solid earnings of its blue chip counters. Improved sentiment led to a reversal of foreign flows, benefitting the Indonesia, and Philippines market which gains 2.1% and 4.8% respectively. Bond yields had generally trended lower over the month on the back of risk appetite. The 10-year US Treasury slid to 2.29% from 2.39%, and the yields for French and German sovereign issuances also trended lower. Comparative resilience was seen from the North Asian front.

The Manager is maintaining a tactically cautious view on markets despite the recent ease in political tensions as there are still unresolved concerns. We will keep a close watch on the development in HK/ China, and look to reduce exposure into beneficiaries of inflationary trades. On the fixed income front, we will look to gradually deploy into primary issuances while maintaining a moderately higher cash level as we anticipate for the upcoming rate hike by the Fed. The portfolio will also maintain a higher level of hedging for its foreign currency exposure as we look to manage the Fund's volatility. On the back of this, the Fund's equity exposure will also remain largely in the defensive sector with the aim of providing investors a steady income stream.

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## HLA Secure Fund (HLASF)

### Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2013	2014	2015	2016
Benchmark	7.2%	10.4%	7.7%	8.2%
HLASF - Gross	2.5%	9.2%	10.2%	5.6%
HLASF - Net	1.3%	7.5%	8.4%	4.1%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

The fund was only launched on 14 February 2013. The actual investment returns are calculated based on unit price from 14 February 2013 to 31 December 2013.

### Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

#### 1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

#### 2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

#### 3. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

#### 4. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

#### 5. Concentration Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

### Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

### Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
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  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

### Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

### Target Fund Details

Affin Hwang Select Income Fund is a Bond fund managed by Affin Hwang Investment Management. The past performance of this fund is as follows:

Year	2012	2013	2014	2015	2016
Performance	15.1%	2.9%	6.9%	8.6%	4.1%

Source: Affin Hwang Investment Management

### Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

For the underlying Target Fund, past performance is calculated after adjusting for distribution and/or additional units, if any.

## HLA Secure Fund (HLASF)

### Others

HLA Secure Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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### Disclaimer:

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# HLA Cash Fund (HLACF)

Apr 2017

## Fund Features

### 1. Investment Objective

This fund aims to provide high principal security and consistent return to the investors by investing in money market instrument. Returns will be comparable to prevailing overnight policy rates but correspondingly, the risks will be significantly lower than that for equities investment.

### 2. Investment Strategy & Approach

This fund may be placed with any licensed financial institution under the Islamic Financial Services Act 2013, determined by the fund manager.

### 3. Asset Allocation

This fund may be placed with any licensed financial institution under the Islamic Financial Services Act 2013, determined by the fund manager.

### 4. Target Market

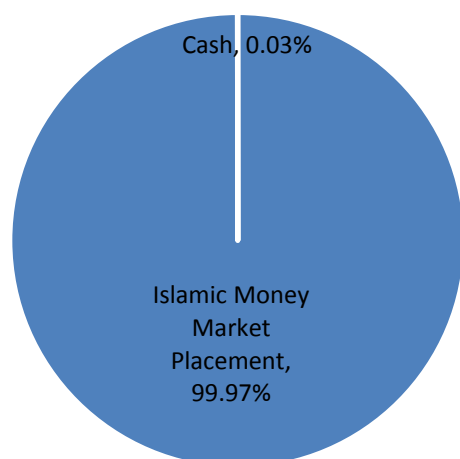
This fund is suitable for investors who are low risk profile.

## Fund Details

Unit Price (25/4/2017)	:RM1.1551
Fund Size (25/4/2017)	:RM30.7mil
Fund Management Fee	:0.25% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Money Market Fund
Fund Inception	:28Dec 2010
Benchmark	:Overnight Policy Rate
Frequency of Unit Valuation	:Weekly

The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.

Asset & Sector Allocation of HLACF as at 25 Apr 2017



**Hong Leong Assurance Berhad** (94613-X)

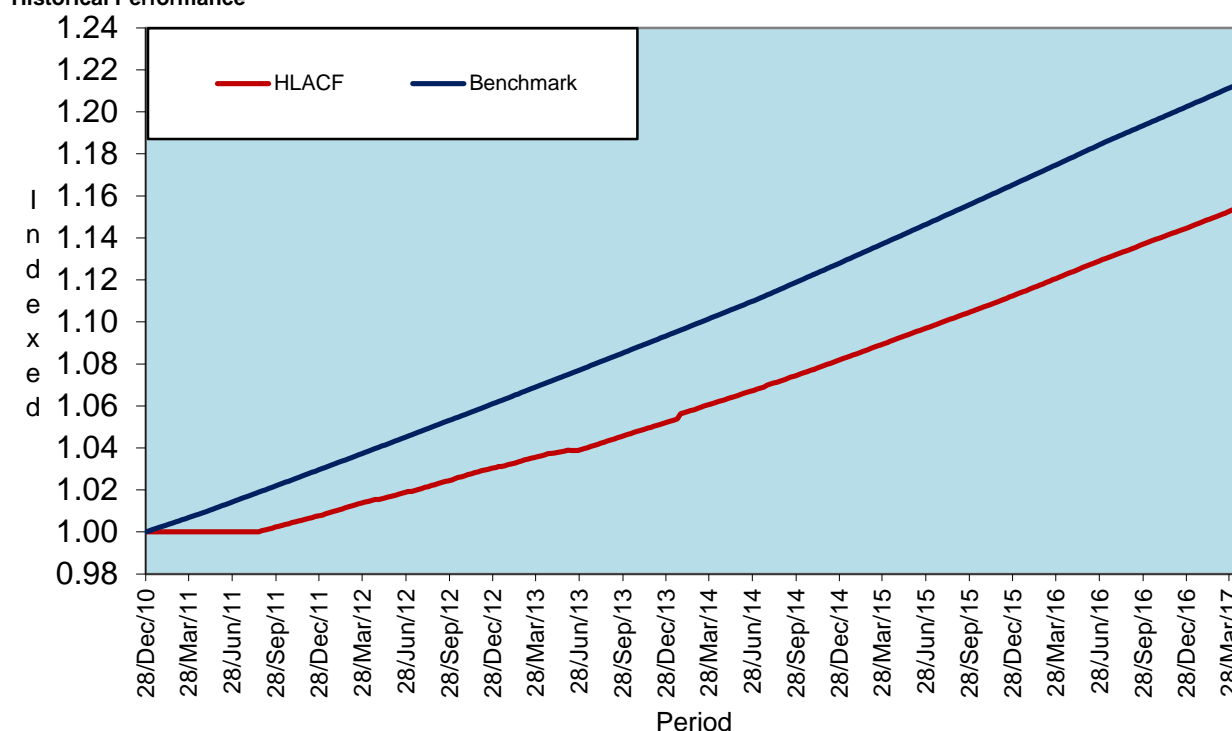
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## HLA Cash Fund (HLACF)

### Historical Performance



As of 25/4/17	1 month	YTD	Since Inception	1 Year	3 Years	5 Years
HLACF	0.22%	0.92%	15.51%	2.83%	8.67%	13.76%
Benchmark	0.23%	0.97%	21.41%	3.09%	9.93%	16.78%
Relative	-0.01%	-0.06%	-5.90%	-0.26%	-1.26%	-3.03%

### Actual Annual Investment Returns for the Past Five (5) Calendar Years

Year	2012	2013	2014	2015	2016
Benchmark	3.0%	3.0%	3.1%	3.2%	3.1%
HLACF- Gross	2.8%	2.6%	3.4%	3.3%	3.4%
HLACF - Net	2.3%	2.1%	2.9%	2.8%	2.9%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past five (5) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

### Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

#### 1. Counterparty risk

This refer to the possibility that the institution that the fund invested in may not be able to make the required interest payment and repayment of principal.

### Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

### Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
  - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
  - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

### Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

## HLA Cash Fund (HLACF)

### Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

### Others

HLA Cash Fund is managed by HLA. Any amount invested in this fund is invested by HLA on behalf of Policy Owner in money market instrument/s issued by licensed financial institution/s under the Islamic Financial Services Act 2013. The amount invested in this money market instrument/s is guaranteed by these financial institutions, before deducting any charge or tax. If the financial institutions issuing the money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on their behalf by HLA.

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## Fund Risk Type & Customer Risk Appetite

