

# HLA Venture Dana Putra (HLAVDP)

Jun 2019

## 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 invests in Syariah-approved securities and money market instruments.

### 3. Asset Allocation

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

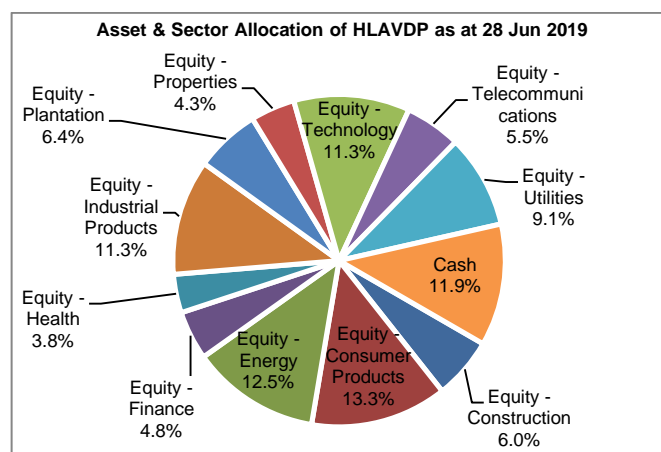
### 4. Target Market

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

## Fund Details

Unit Price (28/6/2019)	: RM2.4884
Fund Size (28/6/2019)	: RM78.6mil
Fund Management Fee (effective as at 01/01/2019)	: 1.34% p.a. (capped at 1.40%)
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 19 Jul 2000
Benchmark	: FBM EmasShariah Index (KL Shariah Index)
Frequency of Unit Valuation	: Daily

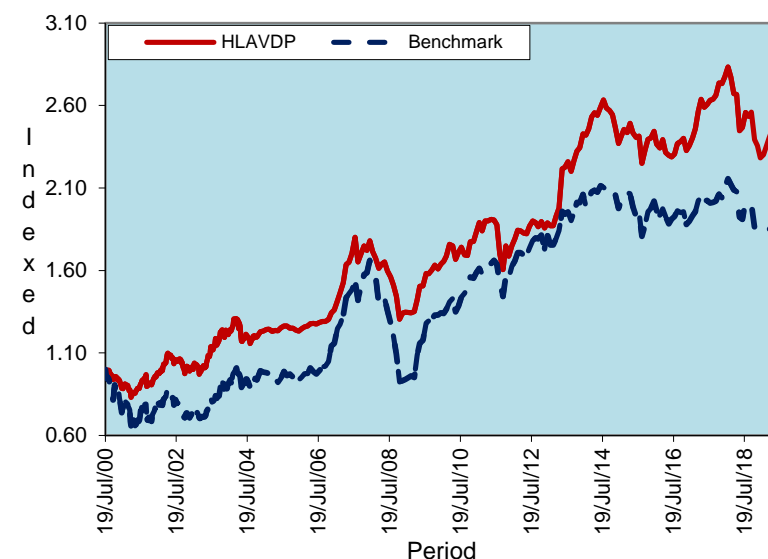
The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%)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



## Top 5 Holdings for HLAVDP as at 28 Jun 2019

	%
1. TENAGA	8.2
2. YINSON	6.6
3. MYEG	5.7
4. BAUTO	5.3
5. QL	5.2
<b>Total Top 5</b>	<b>31.1</b>

## Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVDP	9.03%	3.70%	0.88%	8.74%	-3.99%	65.21%	148.84%
Benchmark*	5.46%	2.86%	0.33%	0.25%	-9.37%	62.95%	91.59%
Relative	3.57%	0.84%	0.54%	8.49%	5.38%	2.26%	57.25%

Source: Bloomberg

## Market Review, Outlook & Strategy

Regionally, markets moved up as investors started to price in lower cost of capital with central banks globally turning more dovish in their interest rate posture especially with the Fed removing its 'patient' stance. Economic numbers have shown signs of stabilisation with solid consumption data coming out of the US. However, the central banks' dovish outlook was premised on cushioning the downside risks stemming from geopolitical factors and the trade war. For the month, all eyes were on the Xi-Trump meeting at the G20 summit where the meeting ended with a trade truce and trade negotiations back on the table.

The easing cycle in the US has ushered in a new capital inflow cycle to emerging markets including Malaysia, as investors return to the game of yield hunting. Hence, Malaysia rallied in June as foreigners return to the market with a net inflow of 0.1 bil after 4 consecutive months of net outflows averaging RM1.5 bil per month bringing the YTD net outflow to RM4.8 bil. The higher market was driven by defensive sectors such as utilities and telecommunications whilst more cyclical sectors (Oil & Gas and Financials) underperformed. In the month, we also saw more news-flow from the government on the purchase of four toll highways from Gamuda for RM2.36 billion and the release of Mavcom's second consultation paper proposing a WACC of 10.88% for MAHB.

The FBM KLCI underperformed the broader market in June; up by 1.3% mom to close at 1,672.13 pts. FBM Emas was up by 1.7% mom to 11,781.58 pts and FBM Shariah up by 2.9% mom to 12,132.94 pts. FBM Small Cap was the best performing index recording an increase of 3.6% mom to close at 12,996.06 pts in June.

Going forward, the market will continue to be volatile, predominately driven by news-flow from the US-China trade war. The outlook for the local bourse is also uninspiring due to external uncertainties and the subdued domestic environment as well as prolonged weakness in commodity prices. We will continue to stick to quality names with resilient earnings and dividend yield. Among the other themes that we like are beneficiaries of government pump-priming.

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## Actual Annual Investment Returns for the Past Ten (10) Calendar Years

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Benchmark</b>	43.0%	18.2%	2.4%	11.9%	13.3%	-4.2%	2.4%	-6.1%	10.7%	-13.5%
<b>HLAVDP- Gross</b>	25.1%	14.4%	-3.1%	10.0%	32.6%	-1.1%	4.9%	-2.4%	20.8%	-17.8%
<b>HLAVDP - Net</b>	21.7%	11.9%	-4.5%	7.8%	28.6%	-2.4%	3.1%	-3.6%	17.7%	-17.7%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past ten (10) 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 non-exhaustive list of risks 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.

### 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 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.