

Monthly Fund Fact Sheet — December 2017



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HLA Venture Growth Fund (HLAVGF)

Dec 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.

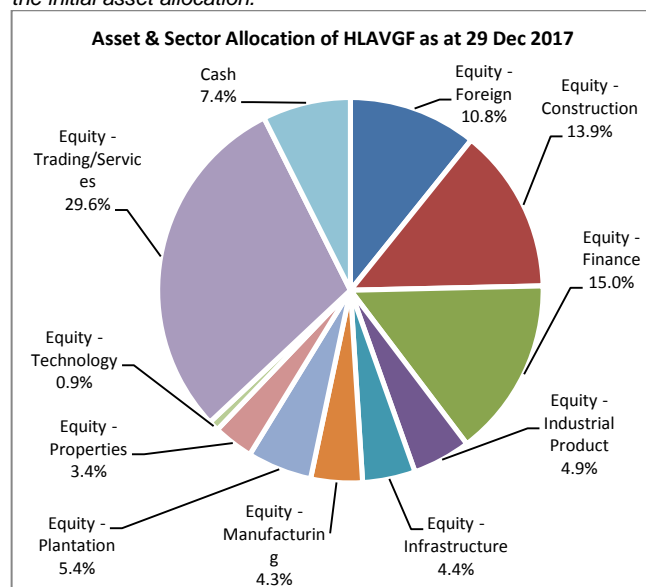
4. Target Market

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

Fund Details

Unit Price (29/12/2017)	:RM2.4257
Fund Size (29/12/2017)	:RM436.3mil
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 29 Dec 2017

	%
1. MAYBANK	7.9
2. TENAGA	7.6
3. CIMB	7.1
4. DIALOG	4.7
5. INARI	4.3
6. YINSON	3.5
7. TENCENT	3.4
8. EFORCE	3.2
9. AXIATA	3.0
10. SIMEPLT	2.8
Total Top 10	47.5

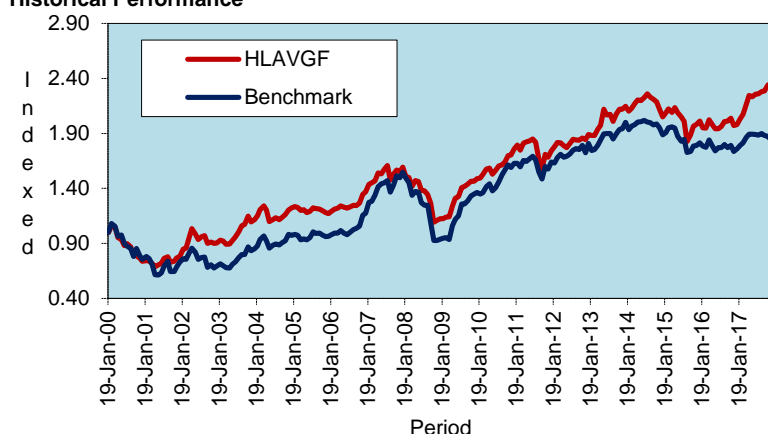
Hong Leong Assurance Berhad (94613-X)

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Historical Performance



	1 month	YTD	1 year	5 years	10 years	Since Inception
HLAVGF	3.19%	22.45%	22.45%	28.40%	52.16%	142.57%
Benchmark	4.60%	9.45%	9.45%	6.39%	24.34%	92.51%
Relative	-1.41%	13.01%	13.01%	22.01%	27.81%	50.06%

Market Review, Outlook & Strategy

Most regional equity markets ended the month on a positive note on the back of optimism over global growth with markets like Hong Kong and Thailand hitting ten year highs despite profit taking of technology stocks due to concerns over weaker than expected demand for Apple's new phones. Meanwhile, the main headlines was the passing of the US tax reform bill, which is seen as a game-changer for US corporate earnings and the overall economic outlook. In turn, commodities extended its upward trend, led by rising industrial metal prices, as concerns over slowing Chinese industry activity eased again. During the month, Brent crude rallied to above US\$66 a barrel on the back of supply pressures following a pipeline leak in the UK North Sea, an explosion that disrupted the supply at a Libyan pipeline and the extended production cuts by the Organisation of the Petroleum Exporting Countries (Opec). Finally, FOMC raised its target for short-term interest rates at the December meeting by 0.25% as expected, although the pace of future hikes is more uncertain with a new Fed Chair.

The local index started the month flat, as the market lacked catalysts. However, heading towards month-end, the KLCI started to trend upwards due to year end window dressing on blue-chips. This was followed by foreign inflows of RM165m during the last trading week of the year. Ringgit also continued to strengthen to trade at RM4.0465/ US\$ from the low of RM4.4862/ US\$ as at end 2016.

For the month, the KLCI rose 4.6% or 79pts to close at 1,796.8pts driven by the finance and technology sectors. The broader market underperformed, with the FBM Emas rising by only 4.3% mom to 12,942pts. Small caps performance was weaker relative to KLCI in December as the FBM Small cap index rose by only 1.6% mom to 17,051pts while the FBM MESDAQ rose 4.6% to 6,603pts. Average daily value traded on Bursa fell 3% mom to RM2.65bn. During the month, Nestle, Press Metal, Sime Darby Plantations were added to the KLCI index, while Westports, Sime Darby Property, IJM and BAT were deleted.

We expect 2018 to be an eventful year. On the global backdrop, monetary policies are expected to be less accommodative with uncertainties surrounding the new tax reform in the US. Domestically, market is now expecting Bank Negara Malaysia to hike rates by 25bps in January 2018 just before the upcoming general elections that must be held by August 2018. Themes that we favour in 2018 would include 1) consumption recovery plays, 2) beneficiaries of a stronger Ringgit, 3) reflationary theme and 4) selective rail-related infrastructure spending beneficiaries.

HLA Venture Growth Fund (HLAVGF)

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

Year	2013	2014	2015	2016	2017
Benchmark	10.5%	-5.7%	-3.9%	-3.0%	9.5%
HLAVGF- Gross	16.3%	-3.2%	-0.6%	-0.1%	26.0%
HLAVGF - Net	13.6%	-4.4%	-1.9%	-1.5%	22.5%

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 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.

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.

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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 Venture Blue Chip Fund (HLAVBCF)

Dec 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.

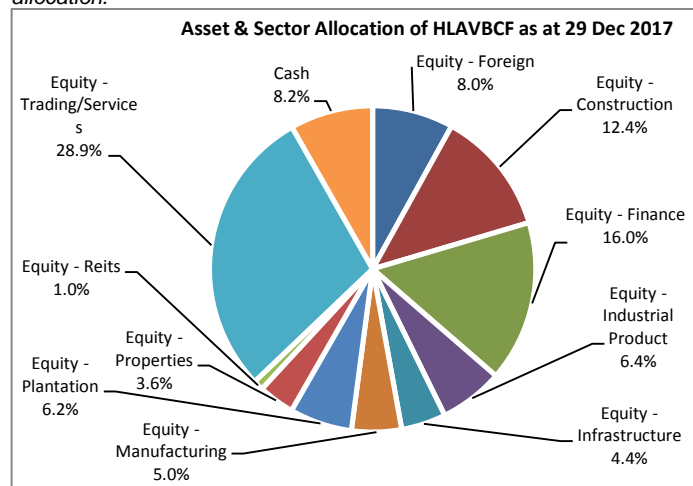
4. Target Market

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 (29/12/2017)	: RM2.7301
Fund Size (29/12/2017)	: RM229.3mil
Fund Management Fee (effective as at 01/04/2017)	: 1.48% 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 29 Dec 2017		%
1.	MAYBANK	8.0
2.	CIMB	6.9
3.	TENAGA	6.8
4.	YINSON	6.5
5.	INARI	5.0
6.	VS	3.6
7.	TENCENT	2.9
8.	MRCB	2.9
9.	DIGI	2.8
10.	AXIATA	2.5
Total Top 10		47.9

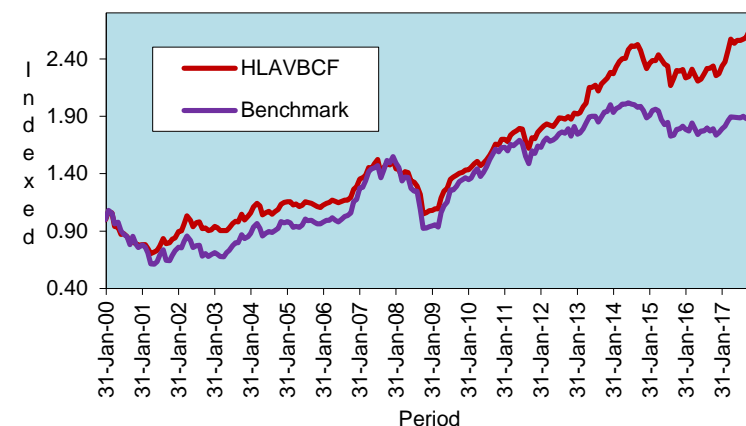
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Historical Performance



	1 month	YTD	1 year	5 years	10 years	Since Inception
HLAVBCF	2.81%	20.28%	20.28%	41.54%	79.71%	173.01%
Benchmark	4.60%	9.45%	9.45%	6.39%	24.34%	92.51%
Relative	-1.78%	10.83%	10.83%	35.16%	55.36%	80.50%

Market Review, Outlook & Strategy

Most regional equity markets ended the month on a positive note on the back of optimism over global growth with markets like Hong Kong and Thailand hitting ten year highs despite profit taking of technology stocks due to concerns over weaker than expected demand for Apple's new phones. Meanwhile, the main headlines was the passing of the US tax reform bill, which is seen as a game-changer for US corporate earnings and the overall economic outlook. In turn, commodities extended its upward trend, led by rising industrial metal prices, as concerns over slowing Chinese industry activity eased again. During the month, Brent crude rallied to above US\$66 a barrel on the back of supply pressures following a pipeline leak in the UK North Sea, an explosion that disrupted the supply at a Libyan pipeline and the extended production cuts by the Organisation of the Petroleum Exporting Countries (Opec). Finally, FOMC raised its target for short-term interest rates at the December meeting by 0.25% as expected, although the pace of future hikes is more uncertain with a new Fed Chair.

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HLA Venture Blue Chip Fund (HLAVBCF)

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

Year	2013	2014	2015	2016	2017
Benchmark	10.5%	-5.7%	-3.9%	-3.0%	9.5%
HLAVBF- Gross	21.4%	3.2%	1.1%	-0.1%	23.6%
HLAVBF - Net	18.3%	1.5%	-0.4%	-1.6%	20.3%

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

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1. Market Risk

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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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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

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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

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HLA Venture Dana Putra (HLAVDP)

Dec 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

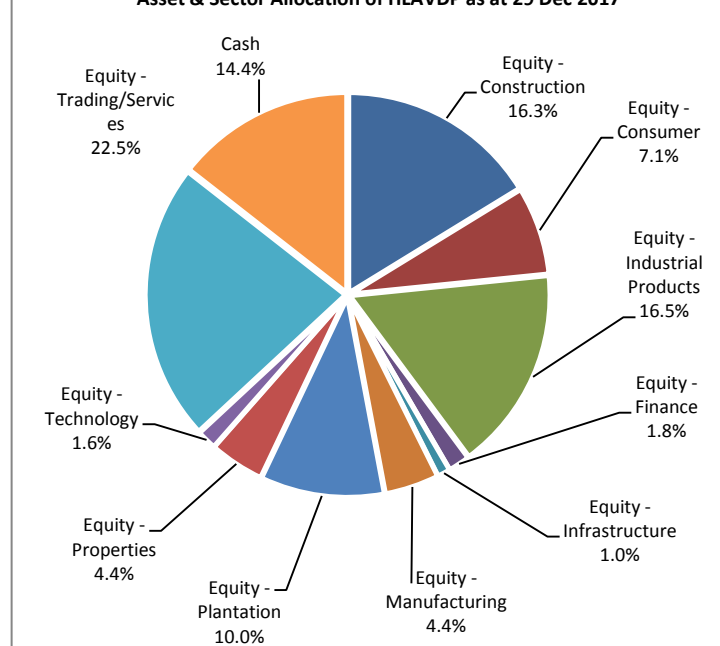
This fund is suitable for investors who are willing to take moderate risk.

Fund Details

Unit Price (29/12/2017)	: RM2.7736
Fund Size (29/12/2017)	: RM75.3mil
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

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.

Asset & Sector Allocation of HLAVDP as at 29 Dec 2017



Top 10 Holdings for HLAVDP as at 29 Dec 2017

	%
1. TENAGA	7.8
2. INARI	4.4
3. VS	4.0
4. KERJAYA	3.9
5. QL	3.5
6. SIMEPLT	3.1
7. DIALOG	3.1
8. YINSON	3.1
9. IOICORP	2.8
10. MRCPB	2.8
Total Top 10	38.5

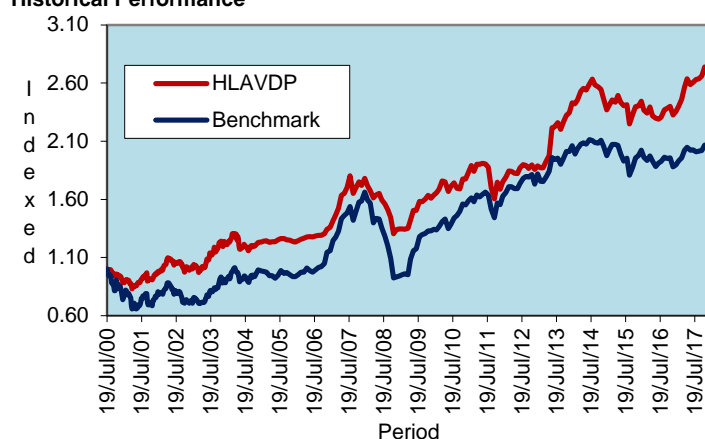
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Historical Performance



	1 month	YTD	1 year	5 years	10 years	Since Inception
HLAVDP	1.47%	17.74%	17.74%	46.90%	55.82%	177.36%
Benchmark	2.96%	10.72%	10.72%	15.47%	26.30%	110.07%
Relative	-1.49%	7.02%	7.02%	31.43%	29.52%	67.29%

Market Review, Outlook & Strategy

Most regional equity markets ended the month on a positive note on the back of optimism over global growth with markets like Hong Kong and Thailand hitting ten year highs despite profit taking of technology stocks due to concerns over weaker than expected demand for Apple's new phones. Meanwhile, the main headlines was the passing of the US tax reform bill, which is seen as a game-changer for US corporate earnings and the overall economic outlook. In turn, commodities extended its upward trend, led by rising industrial metal prices, as concerns over slowing Chinese industry activity eased again. During the month, Brent crude rallied to above US\$66 a barrel on the back of supply pressures following a pipeline leak in the UK North Sea, an explosion that disrupted the supply at a Libyan pipeline and the extended production cuts by the Organisation of the Petroleum Exporting Countries (Opec). Finally, FOMC raised its target for short-term interest rates at the December meeting by 0.25% as expected, although the pace of future hikes is more uncertain with a new Fed Chair.

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HLA Venture Dana Putra (HLAVDP)

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

Year	2013	2014	2015	2016	2017
Benchmark	13.3%	-4.2%	2.4%	-6.1%	10.7%
HLAVDP- Gross	32.6%	-1.1%	4.9%	-2.4%	20.8%
HLAVDP - Net	28.6%	-2.4%	3.1%	-3.6%	17.7%

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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.

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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 Venture Flexi Fund (HLAVFF)

Dec 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.

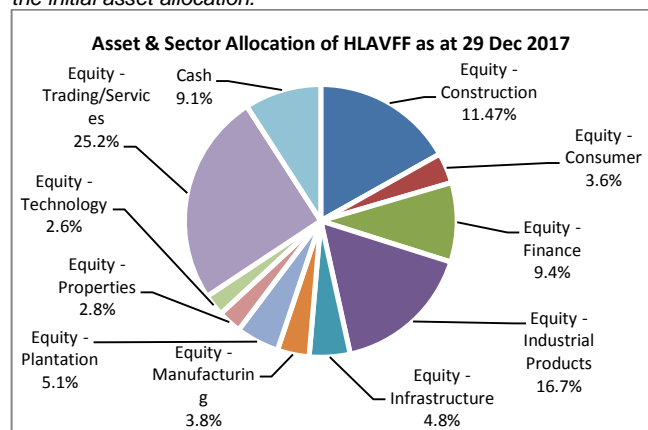
4. Target Market

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 (29/12/2017)	: RM1.1012
Fund Size (29/12/2017)	: RM46.3mil
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 29 Dec 2017

	%
1. MAYBANK	5.1
2. TENAGA	4.9
3. EFORCE	4.8
4. VS	4.6
5. CIMB	4.4
6. INARI	3.8
7. YINSON	3.1
8. JHM	2.6
9. GAMUDA	2.6
10. ECONBHD	2.5
Total Top 10	38.4

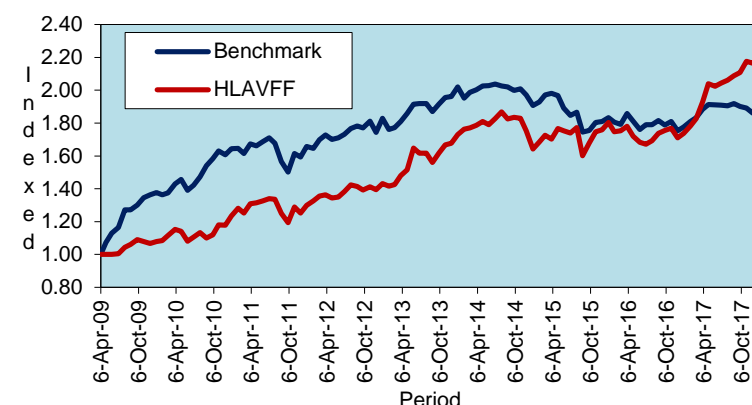
Hong Leong Assurance Berhad (94613-X)

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Historical Performance



	1 month	YTD	1 year	3 years	5 years	Since Inception
HLAVFF	1.78%	26.73%	26.73%	34.05%	53.84%	120.24%
Benchmark	4.60%	9.45%	9.45%	2.02%	6.39%	94.51%
Relative	-2.81%	17.29%	17.29%	32.03%	47.46%	25.73%

Market Review, Outlook & Strategy

Most regional equity markets ended the month on a positive note on the back of optimism over global growth with markets like Hong Kong and Thailand hitting ten year highs despite profit taking of technology stocks due to concerns over weaker than expected demand for Apple's new phones. Meanwhile, the main headlines was the passing of the US tax reform bill, which is seen as a game-changer for US corporate earnings and the overall economic outlook. In turn, commodities extended its upward trend, led by rising industrial metal prices, as concerns over slowing Chinese industry activity eased again. During the month, Brent crude rallied to above US\$66 a barrel on the back of supply pressures following a pipeline leak in the UK North Sea, an explosion that disrupted the supply at a Libyan pipeline and the extended production cuts by the Organisation of the Petroleum Exporting Countries (Opec). Finally, FOMC raised its target for short-term interest rates at the December meeting by 0.25% as expected, although the pace of future hikes is more uncertain with a new Fed Chair.

The local index started the month flat, as the market lacked catalysts. However, heading towards month-end, the KLCI started to trend upwards due to year end window dressing on blue-chips. This was followed by foreign inflows of RM165m during the last trading week of the year. Ringgit also continued to strengthen to trade at RM4.0465/ US\$ from the low of RM4.4862/ US\$ as at end 2016.

For the month, the KLCI rose 4.6% or 79pts to close at 1,796.8pts driven by the finance and technology sectors. The broader market underperformed, with the FBM Emas rising by only 4.3% mom to 12,942pts. Small caps performance was weaker relative to KLCI in December as the FBM Small cap index rose by only 1.6% mom to 17,051pts while the FBM MESDAQ rose 4.6% to 6,603pts. Average daily value traded on Bursa fell 3% mom to RM2.65bn. During the month, Nestle, Press Metal, Sime Darby Plantations were added to the KLCI index, while Westports, Sime Darby Property, IJM and BAT were deleted.

We expect 2018 to be an eventful year. On the global backdrop, monetary policies are expected to be less accommodative with uncertainties surrounding the new tax reform in the US. Domestically, market is now expecting Bank Negara Malaysia to hike rates by 25bps in January 2018 just before the upcoming general elections that must be held by August 2018. Themes that we favour in 2018 would include 1) consumption recovery plays, 2) beneficiaries of a stronger Ringgit, 3) reflationary theme and 4) selective rail-related infrastructure spending beneficiaries.

HLA Venture Flexi Fund (HLAVFF)

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

Year	2013	2014	2015	2016	2017
Benchmark	10.5%	-5.7%	-3.9%	-3.0%	9.5%
HLAVFF- Gross	24.1%	-3.9%	12.2%	-2.4%	30.6%
HLAVFF - Net	20.8%	-5.0%	9.8%	-3.7%	26.7%

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 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.

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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HLA Value Fund (HLVF)

Dec 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.

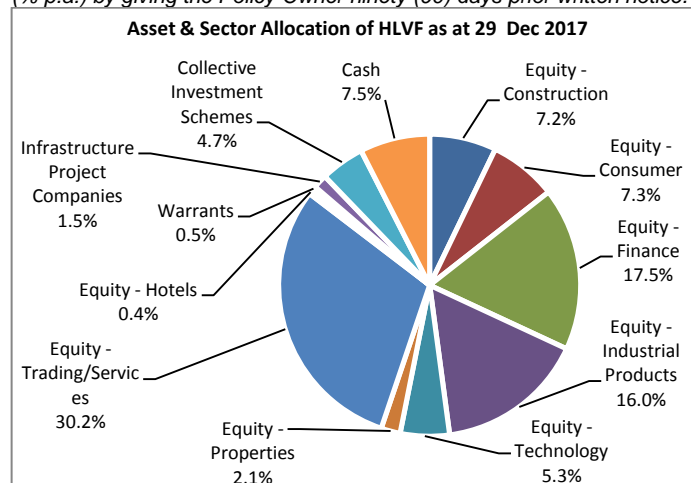
5. Target Market

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 (29/12/2017)	: RM 1.2185
Fund Size (29/12/2017)	: RM 71.6mil
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

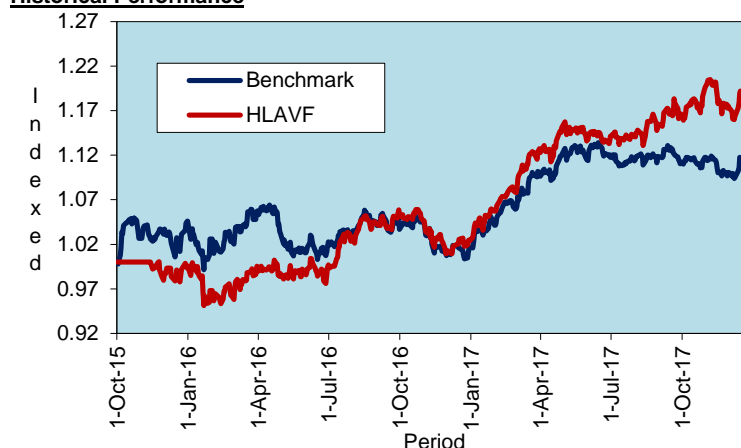
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



Top 10 Holdings for HLVF as at 29 Dec 2017

	%
1. TENAGA NASIONAL BERHAD	7.3
2. Top Glove	6.6
3. SKP RESOURCES BERHAD	6.6
4. PUBLIC BANK BERHAD	6.1
5. Genting Malaysia Berhad	5.9
6. MY EG Services Berhad	5.5
7. Hong Leong Money Market Fund	4.7
8. UMW OIL & GAS CORPORATION BERHAD	4.3
9. MALAYAN BANKING BERHAD	3.8
10. IJM Corporation Berhad	3.5
Total Top 10	54.3

Historical Performance



	1 month	6 months	YTD	Since Inception	1 year	2 years
HLVF	3.82%	6.77%	18.99%	21.85%	18.99%	22.36%
Benchmark	4.31%	2.73%	12.87%	14.81%	12.87%	9.74%
Relative	-0.49%	4.05%	6.12%	7.04%	6.12%	12.62%

Market Review, Outlook & Strategy

During the month, the FTSE BM KLCI rose 4.6% to close at 1,797 points. The broader market underperformed as the FTSE BM EMAS Index rose 4.3% to close at 12,943 points. Small caps underperformed as the FTSE BM Small Cap Index rose 1.6% to close at 17,051 points.

The market was lifted by the outperformance in the banking sector, foreign investor inflow and window dressing in the second half of the month.

On the corporate front, OldTown Berhad received a pre-conditional voluntary general offer for its shares at RM3.18 per share from Jacobs Egberts BV. Yinson Holdings Berhad 49% owned joint-venture (JV) unit PTSC Asia Pacific Private Limited will receive a termination fee from PetroVietnam Technical Services Corporation for cancelling a bareboat charter contract. Kinsteel Berhad will suspend its shares trading from 5-January-2018 after it failed to submit its regularization plan to regulators for approval.

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 Three (3) Calendar Years

Year	2015	2016	2017
Benchmark	4.6%	-2.8%	12.9%
HLVF- Gross	-0.1%	4.7%	22.2%
HLVF - Net	-0.4%	2.8%	19.0%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past three (3) 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 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.

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	2013	2014	2015	2016	2017
Performance	19.6%	1.1%	18.8%	3.1%	21.7%

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)

Dec 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

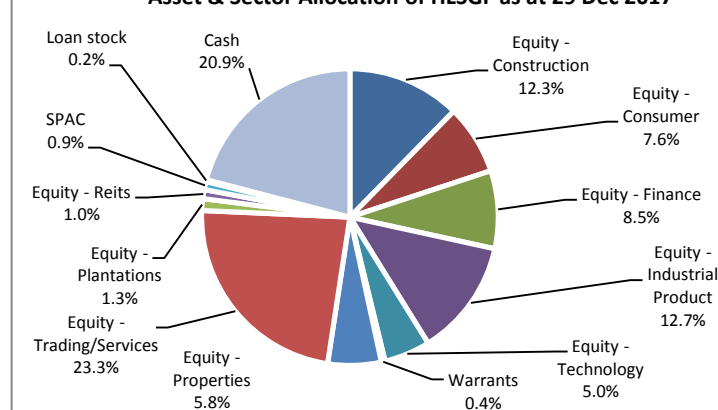
This fund is suitable for investors who have long term investment time horizon and have a moderate risk profile with tolerance for short-term periods of volatility.

Fund Details

Unit Price (29/12/2017)	: RM2.0253
Fund Size (29/12/2017)	: RM275.6mil
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.

Asset & Sector Allocation of HLSGF as at 29 Dec 2017



Top 10 Holdings for HLSGF as at 29 Dec 2017

	%
1. TENAGA NASIONAL BHD	3.9
2. LBS BINA GROUP BHD	2.9
3. GLOBETRONICS TECHNOLOGY BHD	2.9
4. YINSON HOLDINGS BHD	2.8
5. GABUNGAN AQRS BHD	2.8
6. PRESS METAL ALUMINIUM HOLDING BERHAD	2.4
7. INARI AMERTRON BHD	2.2
8. MALAYAN BANKING BERHAD	2.2
9. DIALOG GROUP BHD	2.0
10. CIMB GROUP HOLDINGS BHD	2.0
Total Top 10	26.1

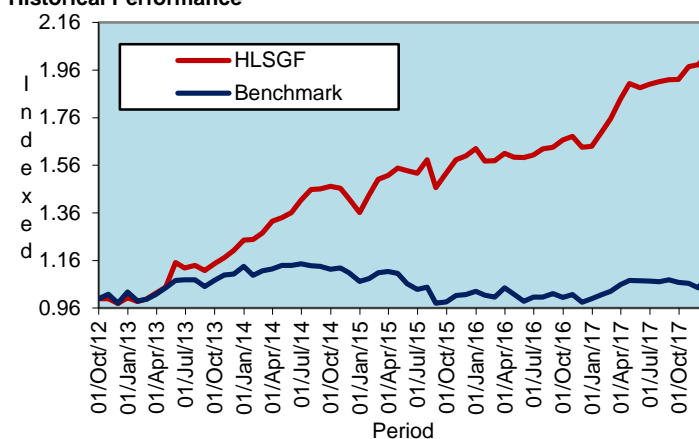
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Historical Performance



	1 month	YTD	1 Year	3 Years	5 Years	Since Inception
HLSGF	2.12%	23.47%	23.47%	48.70%	101.70%	102.53%
Benchmark	4.60%	9.45%	9.45%	2.02%	6.39%	9.34%
Relative	-2.47%	14.03%	14.03%	46.68%	95.32%	93.19%

Market Review, Outlook & Strategy relevant to Target Fund

As widely expected, the Federal Reserve raised interest rate by 0.25%, marking the third rate hike for 2017. The Fed continues to guide for three more rate increases in 2018 as Janet Yellen prepares to hand over the chair to Jerome Powell in 2018. China's central bank later followed suit by raising interest rates for its reverse repos and medium-term lending facility (MLF) loans by 5bps to curb capital outflows. On 22 December, US President Donald Trump signed into law the most sweeping overhaul of the US tax code in 31 years. The bill lowers the top individual tax rate from 40% to 37% and slashes the corporate tax rate from 35% to 21%.

Key markets saw 2017 ended with mixed performance amid thin trading volume towards the end of the year. All three major US indices ended 2017 with the best annual gains since 2013. Nasdaq recorded the biggest yearly gain of 28.2% followed by Dow Jones and S&P500 which advanced by 25.1% and 19.4% each respectively.

On the local front, FBMKLCI closed higher at 4.6% MoM and 9.5% YoY to 1796.8 points supported by year-end window dressing activities. Foreign investors turned net buyer in December with RM1.0 billion net inflows. For 2017, foreign investors were net buyers of RM10.3 billion versus net sellers of RM3.2 billion in 2016. Meanwhile Ringgit Malaysia appreciated 0.7% MoM and closed at RM4.05/USD as at end of 2017.

Market Outlook & Fund Strategy

Economic growth in Malaysia is forecasted to run at a decent pace of about 5.3%, albeit lower than the 5.8% expected for 2017. Drivers of growth should broaden into domestic demand, as strong exports, higher commodity prices and stronger Ringgit feed into the other sectors of the economy. Besides, the undemanding valuations of the Malaysian market against regional peers are likely to sustain foreign interest on top of stronger MYR and crude oil prices.

The ongoing economic momentum, coupled with positive seasonality (January effect and pre-CNY rally) will likely result in a strong start in 2018. Expectations of GE14 should spur additional trading interest. We are positive and hence will maintain a relative high investment levels in the 1Q, but tactically scale back upon dissolution of parliament.

Stock picking remains key for outperformance. We favour construction, exporters which provide more value added or are naturally hedged by having USD raw material cost, consumer staples like F&B, banks and utilities. We remain selective on oil & gas and property.

Hong Leong Smart Growth Fund (HLSGF)

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

Year	2013	2014	2015	2016	2017
Benchmark	10.5%	-5.7%	-3.9%	-3.0%	9.5%
HLSGF- Gross	27.8%	11.8%	23.1%	2.3%	27.1%
HLSGF - Net	24.1%	9.3%	19.8%	0.6%	23.5%

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.

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 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.

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	2013	2014	2015	2016	2017
Performance	26.4%	9.3%	20.9%	-0.1%	25.8%

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.

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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.

Hong Leong SMART Invest Fund (HLSIF)

Dec 2017

Fund Features

1. Investment Objective

The primary 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 will principally 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. 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, Hong Leong SMART Invest Fund may invest up to 95% of its NAV in equities.

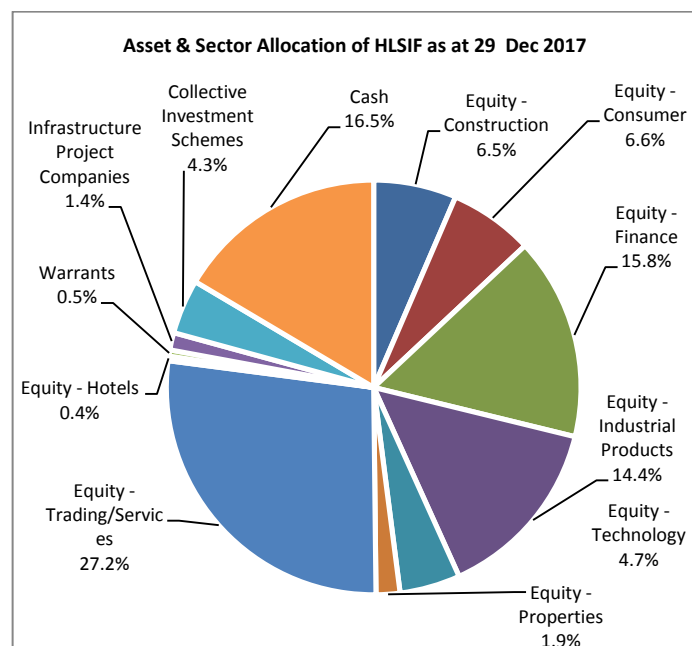
4. Target Market

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 (29/12/2017)	: RM 1.0216
Fund Size (29/12/2017)	: RM 6.01mil
Fund Management Fee (effective as at 23/11/2017)	: 1.50% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 23 November 2017
Benchmark	: FTSE Bursa Malaysia EMAS
Frequency of Unit Valuation	: Daily

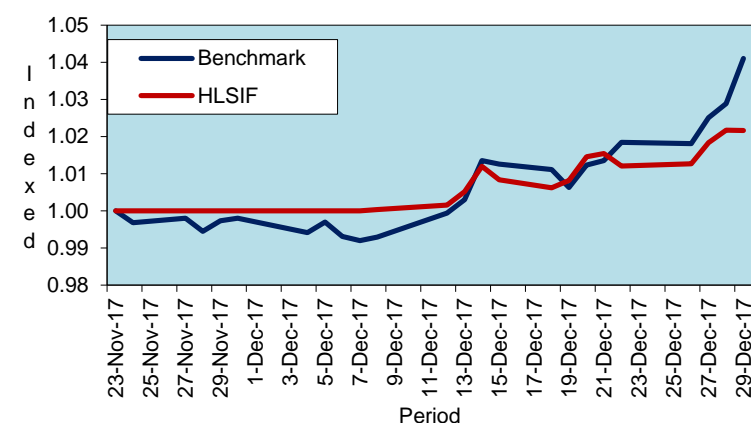
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



Top 10 Holdings for HLSIF as at 29 Dec 2017

	%
1. TENAGA NASIONAL BERHAD	6.6
2. Top Glove	6.0
3. SKP RESOURCES BERHAD	6.0
4. PUBLIC BANK BERHAD	5.5
5. Genting Malaysia Berhad	5.3
6. MY EG Services Berhad	4.9
7. Hong Leong Money Market Fund	4.3
8. UMW OIL & GAS CORPORATION BERHAD	3.9
9. MALAYAN BANKING BERHAD	3.4
10. IJM Corporation Berhad	3.2
Total Top 10	49.1

Historical Performance



	1 month	6 months	YTD	Since Inception	1 year	2 years
HLSIF	2.16%	-	2.16%	2.16%	-	-
Benchmark	4.31%	-	4.10%	4.10%	-	-
Relative	-2.15%	-	-1.94%	-1.94%	-	-

Market Review, Outlook & Strategy

During the month, the FTSE BM KLCI rose 4.6% to close at 1,797 points. The broader market underperformed as the FTSE BM EMAS Index rose 4.3% to close at 12,943 points. Small caps underperformed as the FTSE BM Small Cap Index rose 1.6% to close at 17,051 points.

The market was lifted by the outperformance in the banking sector, foreign investor inflow and window dressing in the second half of the month.

On the corporate front, OldTown Berhad received a pre-conditional voluntary general offer for its shares at RM3.18 per share from Jacobs Egberts BV. Yinson Holdings Berhad 49% owned joint-venture (JV) unit PTSC Asia Pacific Private Limited will receive a termination fee from PetroVietnam Technical Services Corporation for cancelling a bareboat charter contract. Kinsteel Berhad will suspend its shares trading from 5-January-2018 after it failed to submit its regularization plan to regulators for approval.

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

Hong Leong SMART Invest Fund (HLSIF)

Actual Annual Investment Returns for the Past One (1) Calendar Year

Year	2017
Benchmark	12.9%
HLSIF- Gross	2.5%
HLSIF - Net	2.2%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past one (1) year, 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 23 November 2017. The actual investment returns are calculated based on unit price from 23 November 2017 to 31 December 2017.

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.

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.

If the fund invests in Foreign Asset, the fund will be exposed to the following risks:

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	2013	2014	2015	2016	2017
Performance	19.6%	1.1%	18.8%	3.1%	21.7%

Source: Hong Leong Asset Management

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

Hong Leong SMART Invest Fund (HLSIF)

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 Invest 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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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)

Dec 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.

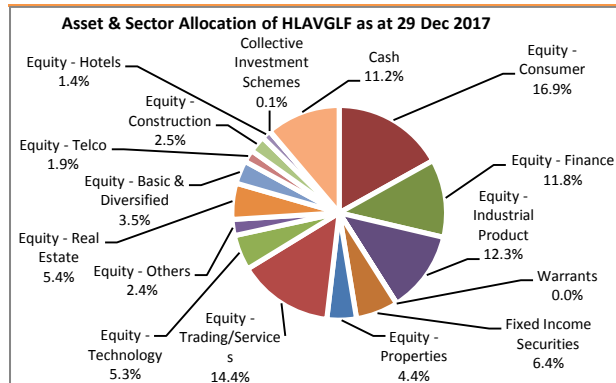
Fund Details

Unit Price (29/12/2017)	:RM1.3410
Fund Size (29/12/2017)	:RM29.9mil
Fund Management Fee	:1.29% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Equity
Fund Inception	: 02 April 2007
Benchmark	:MSCI AC Asia Pacific ex Japan + MSCI ACWI Index + RAM Quantshop MGS ALL
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 for HLAUGLF as at 29 Dec 2017

	%
Hong Leong Asia-Pacific Dividend Fund	54.9
Hong Leong Strategic Fund	43.4
Cash	1.7
Total	100.0



Top 10 Holdings for HLAUGLF as at 29 Dec 2017

	%
1. GII Murabahah – 2025	4.8
2. Tenaga Nasional	4.2
3. SKP Resources	3.2
4. RHB Bank Berhad	2.7
5. Top Glove	2.4
6. Agricultural Bank of China	2.4
7. Red Star Macalline Group Corporation Limited - H	2.2
8. Dali Foods Group Company Ltd	2.2
9. Oceancash Pacific Berhad	2.1
10. Fu Shou Yuan International Group Ltd	2.0
Total Top 10	28.2

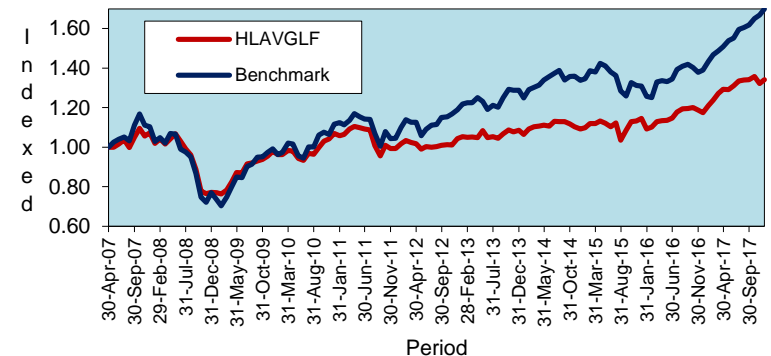
Hong Leong Assurance Berhad (94613-X)

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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
HLAUGLF	1.45%	14.11%	14.11%	28.58%	24.93%	34.10%
Benchmark	1.85%	22.26%	22.26%	42.86%	54.14%	70.02%
Relative	-0.39%	-8.15%	-8.15%	-14.28%	-29.21%	-35.92%

Market Review, Outlook & Strategy relevant to Target Fund

Equity Review

Global-US market closed higher in December with the S&P 500 Index rising 0.98% while the Dow Jones Industrial Average Index was up 1.84%. Final Federal Open Market Committee (FOMC) appearance by Federal Reserve (Fed) Chair Yellen offered little policy shift with only a 25-basis-point rate hike, in line with market expectations. The committee's assessment of US economic outlook shows optimism with higher growth outlook and lower unemployment than September report, but projection for inflation was unrevised. The members still see three hikes in 2018 and twice in 2019. Moving on to fiscal policy, the Republican tax reform bill has been signed into law, on track for implementation in January. The European Central Bank (ECB), Bank of England (BoE) and Swiss National Bank (SNB), on the other hand, all kept their policies unchanged as expected. The Euro Stoxx Index ended up by 1.08% while the FTSE 100 Index rose 4.93%.

Asia Pac- Regional markets closed the year with a high note with Hong Kong taking the lead, driven by strong recovery in Macau gaming sector. Fitch upgraded Indonesia's sovereign credit rating from BBB- to BBB while the People's Bank of China (PBOC) raised Open-Market Operations (OMO) rate by 5 basis points (bps) and announced temporary Reserve Requirement Ratio (RRR) facility to ease liquidity conditions for the Lunar New Year Holiday. Over in Thailand, central bank's monetary policy committee raised gross domestic product (GDP) growth forecasts for 2017 and 2018 to 3.9% from 3.8% previously on stronger-than-expected exports while holding policy interest rate steady at 1.50%.

Outlook

Malaysia- The local market closed firmer during the last month of trading in 2017 driven mainly by optimism of improved GDP outlook and stronger Ringgit. The FTSE BM KLCI was up 4.60% to close at 1,797 points, outperforming the FTSE BM EMAS Index which was up by 4.31% to close at 12,943 points. Small caps underperformed as the FTSE BM Small Cap Index was up only 1.57% to close at 17,051 points. The Ringgit closed firmer at RM4.05 against US Dollar from RM4.49 back at the start of the year in 2017 amid expectations of interest rate hike in January 2018.

Global- Entering into the New Year, we expect the US economy to gain momentum with the new tax legislation being the most significant upside catalyst. The reduction in corporate tax rate is expected to be widely beneficial to all companies while individuals are expected to see higher net disposal income which would be positive for consumption. Over in Europe, growth has gathered speed, but the rate of expansion is likely to slow as spare capacity gets used up and an aging population shrinks the workforce. We expect it will take time for inflation to reach the ECB's target. Japan is heading into 2018 with its reflation agenda still a work-in-progress. The task will get harder, with growth poised to slow, fiscal policy limited by debt, and structural reforms stalling. A potential change in leadership at the central bank adds uncertainty. Even so, a weaker Yen is likely to support the economy, giving Prime Minister Shinzo Abe more time to put Abenomics back on track.

Asia Pac- Risks abound in China, but those to growth, both to the upside and downside, remains a political choice. A strong performance in 2017, with GDP poised for 6.8% growth, provides a little more wiggle room. Going forward, China could expand 6.3% a year and still stay on track to double by 2020. Tolerance for growth below that level is likely limited. Economies in Southeast Asia picked up steam in the third quarter of 2017, but in most cases private demand is not shouldering enough of the burden to worry about rate hikes into next year. Growth in ASEAN's five largest economies accelerated to 5.5% year on year on average in the third quarter, up from 4.7% in the first half and 4.3% in 2016.

Strategy

Malaysia- We expect Bank Negara Malaysia (BNM) to raise its policy rate in the first half of 2018 should local economic data continue to remain robust. 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

As widely expected, the US Fed raised the short-term rates by another 25bps during the December's FOMC meeting. The FOMC was positive on economic growth, upgrading its forecast for GDP and labour market conditions in 2018. Some policymakers suggested that there would be another two or three hikes in 2018 and 2019, supported by potentially higher inflation and lower unemployment while others preferred not to rush the tightening cycle until inflation recovers. During the month, the sovereign bond market remained muted post-FOMC meeting. The new 15-year Government Investment Issue (GII) auction saw relatively weak demand with a 1.7 times bid-to-cover ratio for RM2.0 billion tender. In the primary corporate bond space, Prasarana Malaysia Berhad and Sarawak Energy Berhad tapped the primary market with an issue size of RM2.0 billion and RM1.0 billion respectively.

Locally, inflation moderated to 3.40% in November, due to the higher base effect from transportation and oil related products. The inflation may continue to moderate in the coming months should the Ringgit further strengthen. On the monetary policy outlook, investors have begun to price in hike in the local monetary policy rate after BNM's last hawkish statement. We think the central bank may raise its policy rate as a pre-emptive measure to the US tightening cycle. We look to remain defensive in the sovereign bond market but may add on any market dip. We are constructive in the corporate bond space.

HLA Venture Global Fund (HLAVGLF)

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

Year	2013	2014	2015	2016	2017
Benchmark	8.3%	3.9%	-2.2%	6.2%	22.3%
HLAVGLF- Gross	6.0%	1.9%	6.7%	4.2%	16.7%
HLAVGLF - Net	4.2%	0.5%	4.9%	2.6%	14.1%

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.

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.

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	2013	2014	2015	2016	2017
Performance	-4.8%	-1.0%	6.5%	1.8%	19.2%

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

Year	2013	2014	2015	2016	2017
Performance	14.5%	-0.7%	4.3%	4.8%	10.9%

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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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 Managed Fund (HLAVMF)

Dec 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

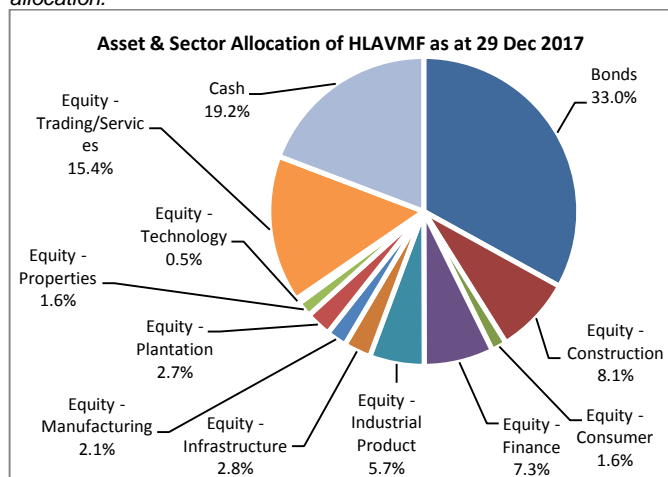
This fund is suitable for investors who are willing to take moderate risk.

Fund Details

Unit Price (29/12/2017)	:RM2.2219
Fund Size (29/12/2017)	:RM228.6mil
Fund Management Fee (effective as at 01/03/2017)	: 1.23% 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.



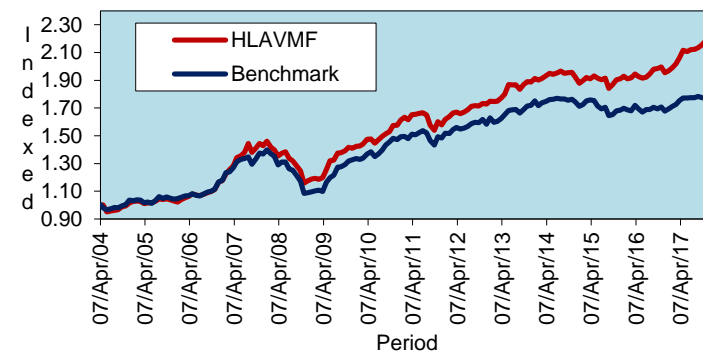
Top 10 Holdings for HLAVMF as at 29 Dec 2017

		%
1. TENAGA	EQ	5.3
2. MAYBANK	EQ	4.0
3. MALAYAN BANKING BERHAD 2 6.30% 25/9/2018	FI	3.3
4. CIMB	EQ	3.2
5. ALLIANCE BANK MALAYSIA BHD 5.65% 18/12/2020	FI	3.1
6. MALAYSIA AIRPORTS HOLDINGS 5.75% 13/12/2024	FI	3.1
7. EFORCE	EQ	2.5
8. VS	EQ	2.3
9. BGSM MANAGEMENT SDN BHD 2 5.25% 24/12/2020	FI	2.2
10. CIMB GROUP HOLDING 2 5.80% 25/5/2021	FI	2.2
Total Top 10		31.2

FI : Fixed Income

EQ : Equities

Historical Performance



	1 month	YTD	1 year	5 years	10 years	Since Inception
HLAVMF	1.51%	12.94%	12.94%	26.94%	52.18%	122.19%
Benchmark	2.65%	6.58%	6.58%	10.76%	29.12%	79.57%
Relative	-1.14%	6.36%	6.36%	16.18%	23.06%	42.62%

Market Review, Outlook & Strategy - Equities Market

Most regional equity markets ended the month on a positive note on the back of optimism over global growth with markets like Hong Kong and Thailand hitting ten year highs despite profit taking of technology stocks due to concerns over weaker than expected demand for Apple's new phones. Meanwhile, the main headlines was the passing of the US tax reform bill, which is seen as a game-changer for US corporate earnings and the overall economic outlook. In turn, commodities extended its upward trend, led by rising industrial metal prices, as concerns over slowing Chinese industry activity eased again. During the month, Brent crude rallied to above US\$66 a barrel on the back of supply pressures following a pipeline leak in the UK North Sea, an explosion that disrupted the supply at a Libyan pipeline and the extended production cuts by the Organisation of the Petroleum Exporting Countries (Opec). Finally, FOMC raised its target for short-term interest rates at the December meeting by 0.25% as expected, although the pace of future hikes is more uncertain with a new Fed Chair.

The local index started the month flat, as the market lacked catalysts. However, heading towards month-end, the KLCI started to trend upwards due to year end window dressing on blue-chips. This was followed by foreign inflows of RM165m during the last trading week of the year. Ringgit also continued to strengthen to trade at RM4.0465/ US\$ from the low of RM4.4862/ US\$ as at end 2016.

For the month, the KLCI rose 4.6% or 79pts to close at 1,796.8pts driven by the finance and technology sectors. The broader market underperformed, with the FBM Emas rising by only 4.3% mom to 12,942pts. Small caps performance was weaker relative to KLCI in December as the FBM Small cap index rose by only 1.6% mom to 17,051pts while the FBM MESDAQ rose 4.6% to 6,603pts. Average daily value traded on Bursa fell 3% mom to RM2.65bn. During the month, Nestle, Press Metal, Sime Darby Plantations were added to the KLCI index, while Westports, Sime Darby Property, IJM and BAT were deleted.

We expect 2018 to be an eventful year. On the global backdrop, monetary policies are expected to be less accommodative with uncertainties surrounding the new tax reform in the US. Domestically, market is now expecting Bank Negara Malaysia to hike rates by 25bps in January 2018 just before the upcoming general elections that must be held by August 2018. Themes that we favour in 2018 would include 1) consumption recovery plays, 2) beneficiaries of a stronger Ringgit, 3) reflationary theme and 4) selective rail-related infrastructure spending beneficiaries.

Market Review, Outlook & Strategy - Fixed Income Market

In the month of December, reversal of gains was seen in the first half of the month as MGS yields rose across the curve amid thin volume. As the Ringgit strengthened against USD in the second half of the month, demand for MGS also picked up. The government bond curve shifted lower with spreads remaining tight. Despite expectations of a rate hike in 2018, short end MGS shifted 6-16bps lower from late November to mid December alongside the stronger Ringgit. Support was clearly coming from foreign demand, with latest data showing foreign holdings in MGS+GII increasing to RM180.7b or 28.8% as at end-Nov 2017 out of outstanding MGS+GII compared with RM173.0b and 27.6% at end Oct 2017.

In the corporate bond space, corporate issuers continued to rush to tap the primary market in anticipation of rising rates in 2018. The primary issues for the month were UEM Sunrise Berhad, Northport Malaysia Berhad, Westports Malaysia Sdn Bhd, Edra Energy, Prasarana, PNB Merdeka Ventures and Skyworld Capital Berhad. Secondary transactions, especially the government guaranteed (GG) bonds, were more muted since more GGs are expected to tap the primary pipeline later in 2018.

Moving forward, the rhetoric of major central banks will remain a key focus in 2018 as investors continue to gauge the timing of monetary policy direction and pace of interest rate normalization. Locally, following the policy statement released during November's MPC meeting, BNM hinted at resuming OPR normalisation in 2018.

In the corporate bonds segment, there is approximately RM42bn of corporate bond maturities in 2018. As most issuers look to lock in lower funding costs as cost of financing is expected to rise in tandem with the global interest rate environment, we can expect them to front-load their financing needs in the early part of 2018. Like before, potential primary issuances will most likely be driven by the GG segment, followed by financial/banking sector and the infrastructure/utilities sector.

Thus, we will stay defensive and skew to shorter duration papers. Tactically, we will bargain hunt when opportunities emerge for cheaper entry since bond yields are expected to gradually adjust higher.

Hong Leong Assurance Berhad (94613-X)

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

HLA Venture Managed Fund (HLAVMF)

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

Year	2013	2014	2015	2016	2017
Benchmark	7.3%	-2.6%	-1.3%	-0.8%	6.6%
HLAVMF - Gross	11.4%	-0.7%	4.3%	3.4%	15.4%
HLAVMF - Net	9.3%	-1.9%	2.7%	2.0%	12.9%

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 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.

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 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.

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 Income Fund (HLAVIF)

Dec 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.

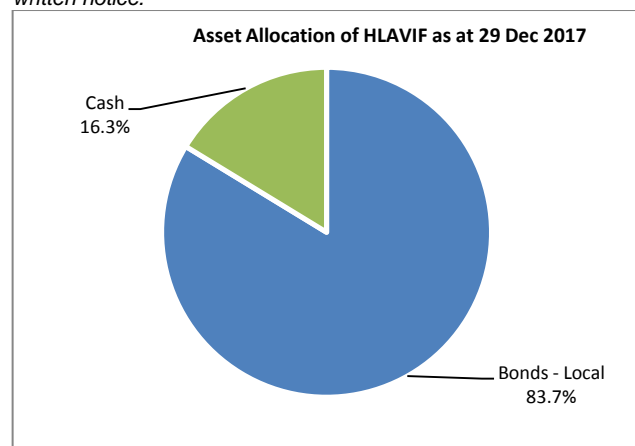
4. Target Market

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

Fund Details

Unit Price (29/12/2017)	:RM2.2381
Fund Size (29/12/2017)	:RM130.7mil
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

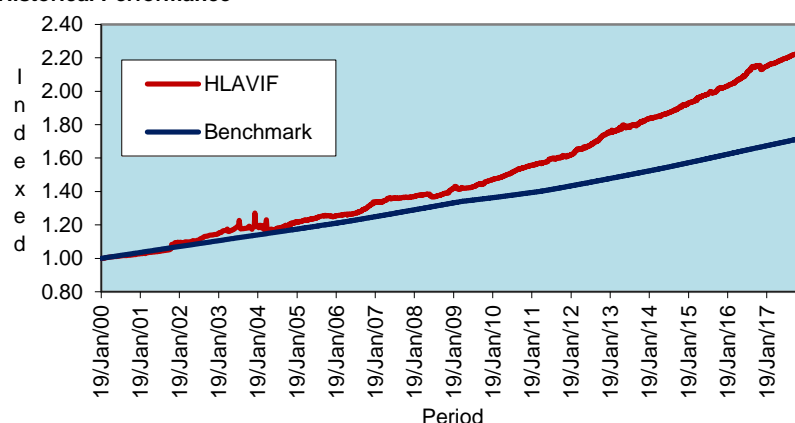
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



Top 10 Holdings for HLAVIF as at 29 Dec 2017

	%
1. MALAYSIA INVESTMENT ISSUE 1 4.72% 15/06/2033	7.7
2. MALAYAN BANKING BERHAD 2 6.30% 25/09/2018	7.0
3. ALLIANCE BANK MALAYSIA BHD 5.65% 18/12/2020	6.3
4. UEM SUNRISE BHD 4.60% 13/12/2018	5.0
5. BGSM MANAGEMENT S/B 5.25% 24/12/2020	3.9
6. CIMB GROUP HOLDING 2 5.80% 25/5/2021	3.9
7. BERJAYA LAND BHD 4.85% 16/12/2019	3.9
8. HONG LEONG BANK 2 4.80% 24/06/2019	3.9
9. PUTRAJAYA HOLDINGS BERHAD 2 4.58% 26/5/2026	3.8
10. GAMUDA BERHAD 2 4.62% 23/4/2021	3.8
Total Top 10	49.2

Historical Performance



	1 month	YTD	1 year	5 years	10 years	Since Inception
HLAVIF	0.36%	4.38%	4.38%	27.64%	63.68%	123.81%
Benchmark	0.24%	3.03%	3.03%	16.68%	33.66%	72.18%
Relative	0.13%	1.36%	1.36%	10.95%	30.01%	51.63%

Market Review

In the month of December, reversal of gains was seen in the first half of the month as MGS yields rose across the curve amid thin volume. As the Ringgit strengthened against USD in the second half of the month, demand for MGS also picked up. The government bond curve shifted lower with spreads remaining tight. Despite expectations of a rate hike in 2018, short end MGS shifted 6-16bps lower from late November to mid December alongside the stronger Ringgit. Support was clearly coming from foreign demand, with latest data showing foreign holdings in MGS+GII increasing to RM180.7b or 28.8% as at end-Nov 2017 out of outstanding MGS+GII compared with RM173.0b and 27.6% at end Oct 2017.

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Market Outlook & Strategy

Moving forward, the rhetoric of major central banks will remain a key focus in 2018 as investors continue to gauge the timing of monetary policy direction and pace of interest rate normalization. Locally, following the policy statement released during November's MPC meeting, BNM hinted at resuming OPR normalisation in 2018.

In the corporate bonds segment, there is approximately RM42bn of corporate bond maturities in 2018. As most issuers look to lock in lower funding costs as cost of financing is expected to rise in tandem with the global interest rate environment, we can expect them to front-load their financing needs in the early part of 2018. Like before, potential primary issuances will most likely be driven by the GG segment, followed by financial/banking sector and the infrastructure/utilities sector.

Thus, we will stay defensive and skew to shorter duration papers. Tactically, we will bargain hunt when opportunities emerge for cheaper entry since bond yields are expected to gradually adjust higher.

HLA Venture Income Fund (HLAVIF)

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

Year	2013	2014	2015	2016	2017
Benchmark	3.1%	3.2%	3.2%	3.1%	3.0%
HLAVIF- Gross	5.4%	5.8%	6.5%	6.9%	5.3%
HLAVIF - Net	4.5%	4.8%	5.5%	5.8%	4.4%

Net returns are adjusted for tax and fund management fees.

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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.

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Exceptional Circumstances

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Others

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Hong Leong Assurance Berhad (94613-X)

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HLA EverGreen Funds

Dec 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

Fund Management Fee	:	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.
Fund Manager	:	Hong Leong Assurance Berhad					
Fund Inception	:	28 Dec 2010					
Benchmark	:	3-month Klibor + 2.65%					
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.

*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 (27/12/2017)	Fund Size (27/12/2017)	Fund Maturity Date	Minimum Guaranteed Unit Price at Fund Maturity (before tax)
HLA EverGreen 2023 Fund	: RM0.9803	RM26.01 mil	26 Dec 2023	1.2358
HLA EverGreen 2025 Fund	: RM0.9344	RM7.37 mil	26 Dec 2025	1.2670
HLA EverGreen 2028 Fund	: RM0.8863	RM7.70 mil	26 Dec 2028	1.3136
HLA EverGreen 2030 Fund	: RM0.8742	RM27.30 mil	26 Dec 2030	1.3446
HLA EverGreen 2035 Fund	: RM0.8740	RM416.09 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 increased by 1.07% in the reported period with eight out of eleven Underlying Assets moving in tandem with the Effective Max InvestSave Weightings. Gains were mainly due to the appreciation of UK and Japanese Equities as well as European Real Estate where positive weightings were held by the Effective Max InvestSave Weightings.

December 2017 capped off a perfect year for American Equities as the S&P 500 index registered positive month on month increases for every single month in the year for the first time in its history. The S&P 500 index grew by more than 18% for the year while other major benchmark indices rose by more than 20%. The new tax plan buoyed the stock prices of companies in industries that were expected to benefit the most from the tax breaks such as transportation, telecommunications, and banking. The Federal Reserve also raised interest rates as predicted. In Europe, the Euro ended the year at a 14 week high, showcasing the currency's growing strength against the US Dollar. Sentiments in the Eurozone about the economy are bullish and gaining momentum, as evidenced by 18 successive quarters of economic expansion. The European Central Bank will halve their asset purchases beginning in January 2018 as a measure to eventually wean the region off of economic stimulus. Britain saw its benchmark equity index, the FTSE 100, end the year at an all-time high as progress on Brexit talks have been spurring enthusiasm in the economy.

The Nikkei 225 index got to its highest level since the early 1990s while Japan's unemployment rate improved to 2.7%, its lowest since 1993. Inflation in November picked up but is still off the Bank of Japan's target. Meanwhile, the price of WTI crude oil breached USD60/barrel for the first time since mid-2015. Optimism has grown due to cooperation between OPEC and Russia to maintain production cuts until the end of 2018. (Source: Bloomberg)

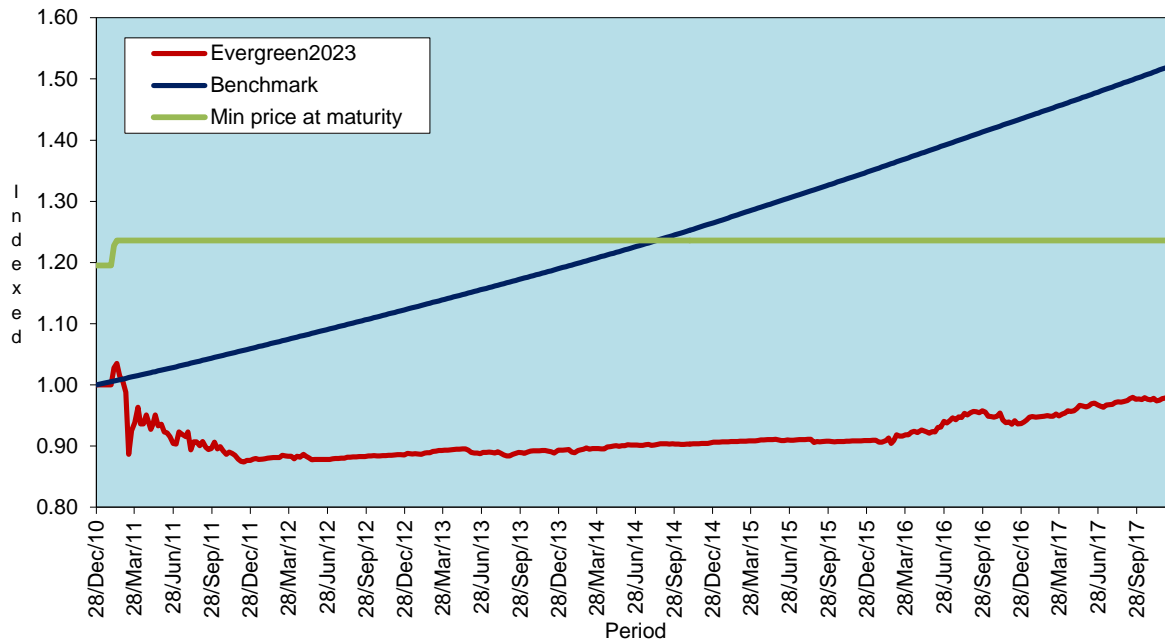
Net Exposure of HLA EverGreen Funds to CIMB EverGreen Index

Fund	HLA EverGreen 2023	HLA EverGreen 2025	HLA EverGreen 2028	HLA EverGreen 2030	HLA EverGreen 2035
Avg Exposure of Maximum Assurance FRNID to Max InvestSave PSSIA-i 30Y	0.00%	0.00%	0.00%	10.95%	30.74%
Exposure of MaxInvestSave PSSIA-i 30Y to CIMB EverGreen Index	103.53%				
Net Exposure of HLA EverGreen Funds to CIMB EverGreen Index in Dec2017	0.00%	0.00%	0.00%	11.34%	31.83%

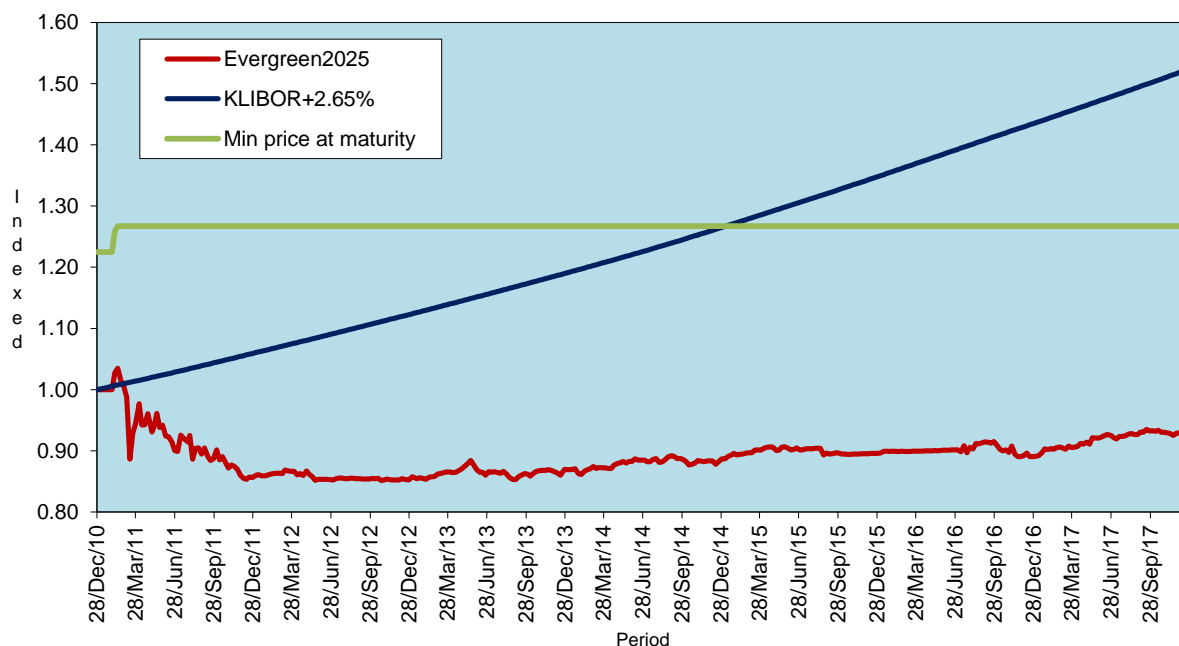
HLA EverGreen Funds

Historical Performance

HLA EverGreen 2023 Fund						
As of 27/12/17	1 month	Year to-date	Since Inception	1 Year	3 Years	5 Years
HLA EverGreen 2023	0.30%	4.67%	-1.97%	4.67%	8.18%	10.69%
KLIBOR+2.65% p.a.	0.48%	6.20%	52.36%	6.20%	20.44%	35.73%
Performance vs Benchmark	-0.18%	-1.53%	-54.33%	-1.53%	-12.27%	-25.03%

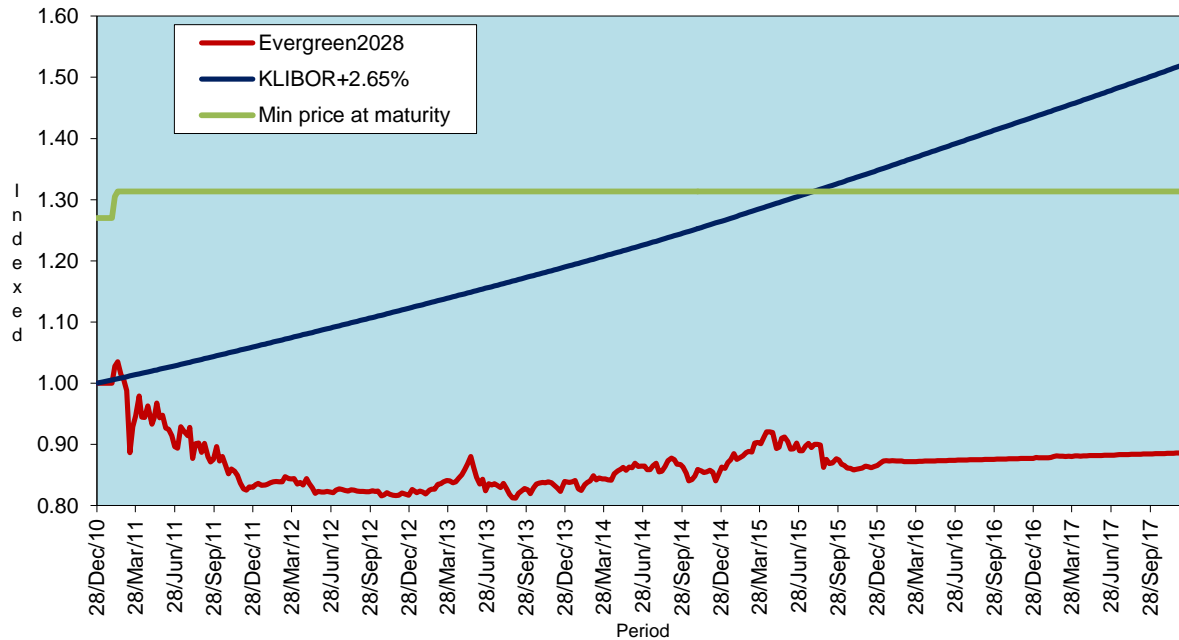


HLA EverGreen 2025 Fund						
As of 27/12/17	1 month	Year to-date	Since Inception	1 Year	3 Years	5 Years
HLA EverGreen 2025	0.61%	4.91%	-6.56%	4.91%	5.33%	9.62%
KLIBOR+2.65% p.a.	0.48%	6.20%	52.36%	6.20%	20.44%	35.73%
Performance vs Benchmark	0.14%	-1.29%	-58.92%	-1.29%	-15.11%	-26.11%

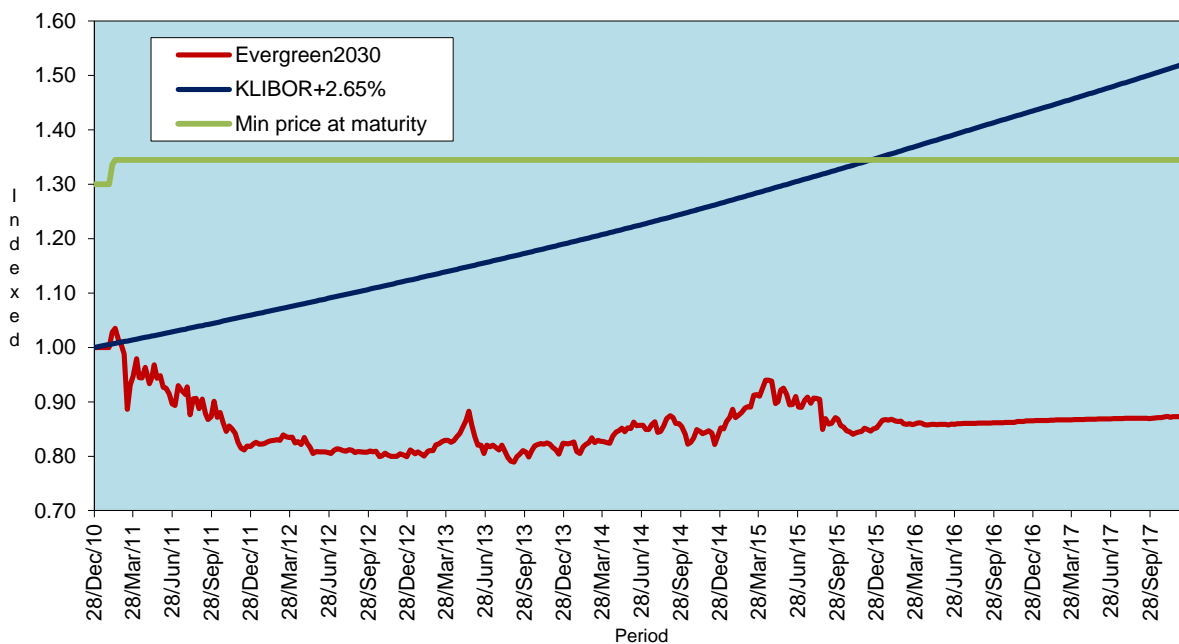


HLA EverGreen Funds

HLA EverGreen 2028 Fund						
As of 27/12/17	1 month	Year to-date	Since Inception	1 Year	3 Years	5 Years
HLA EverGreen 2028	0.06%	1.01%	-11.37%	1.01%	2.71%	8.51%
KLIBOR+2.65% p.a.	0.48%	6.20%	52.36%	6.20%	20.44%	35.73%
Performance vs Benchmark	-0.42%	-5.18%	-63.73%	-5.18%	-17.73%	-27.22%

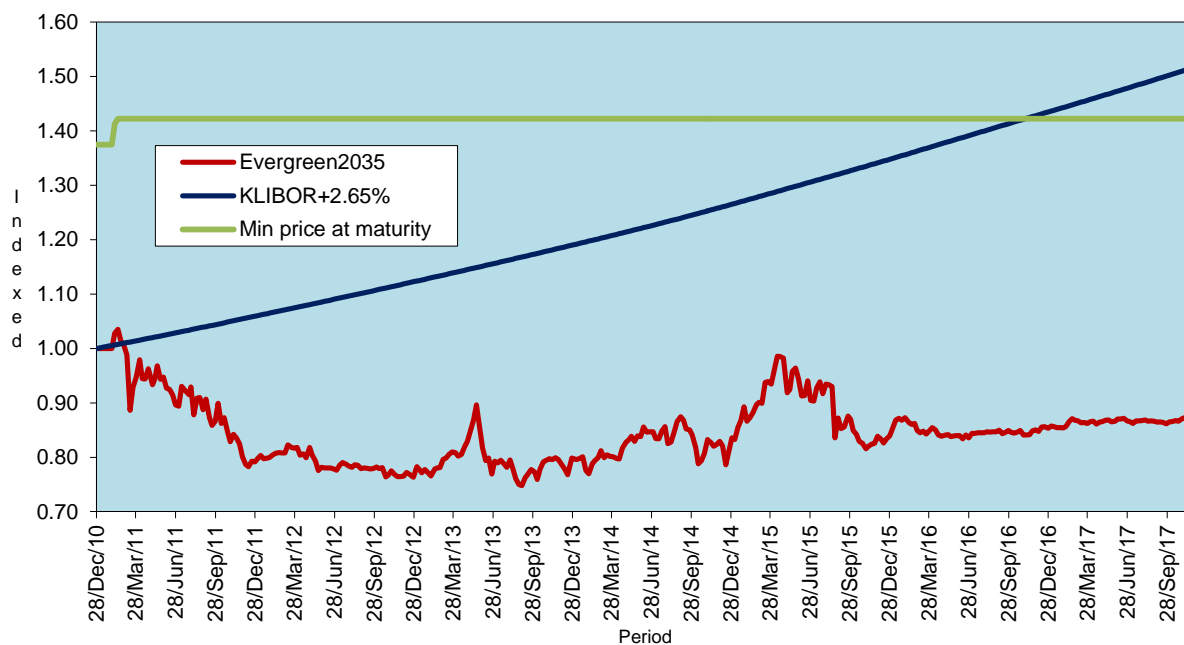


HLA EverGreen 2030 Fund						
As of 27/12/17	1 month	Year to-date	Since Inception	1 Year	3 Years	5 Years
HLA EverGreen 2030	0.16%	1.08%	-12.58%	1.08%	2.57%	9.37%
KLIBOR+2.65% p.a.	0.48%	6.20%	52.36%	6.20%	20.44%	35.73%
Performance vs Benchmark	-0.32%	-5.12%	-64.94%	-5.12%	-17.87%	-26.36%



HLA EverGreen Funds

HLA EverGreen 2035 Fund						
As of 27/12/17	1 month	Year to-date	Since Inception	1 Year	3 Years	5 Years
HLA EverGreen 2035	0.33%	2.45%	-12.60%	2.45%	4.56%	14.47%
KLIBOR+2.65% p.a.	0.48%	6.20%	52.36%	6.20%	20.44%	35.73%
Performance vs Benchmark	-0.15%	-3.75%	-64.96%	-3.75%	-15.88%	-21.25%



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

Year	2013	2014	2015	2016	2017
Benchmark	6.0%	6.3%	6.5%	6.5%	6.2%
HLA EVERGREEN 2023 – Gross	2.4%	3.0%	1.7%	4.7%	6.5%
HLA EVERGREEN 2023 – Net	0.9%	1.4%	0.3%	3.0%	4.7%
HLA EVERGREEN 2025 – Gross	3.6%	3.6%	2.5%	0.8%	6.7%
HLA EVERGREEN 2025 – Net	2.0%	2.0%	1.0%	-0.6%	4.9%
HLA EVERGREEN 2028 – Gross	4.5%	4.5%	1.7%	2.9%	2.5%
HLA EVERGREEN 2028 – Net	2.8%	2.8%	0.3%	1.4%	1.0%
HLA EVERGREEN 2030 – Gross	4.8%	5.1%	1.4%	3.0%	2.6%
HLA EVERGREEN 2030 – Net	3.1%	3.4%	0.0%	1.5%	1.1%
HLA EVERGREEN 2035 – Gross	6.4%	6.5%	1.9%	3.2%	4.1%
HLA EVERGREEN 2035 – Net	4.6%	4.7%	0.4%	1.6%	2.4%

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 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.

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 ^A	RTD
2011	-	1.69%	-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%	0.89%	-1.58%	0.67%	0.76%	-2.20%	3.91%	-0.01%	1.07%	7.32%	11.07%

*Note that calculation for YTD starts from first day of the year to the last day of the same year

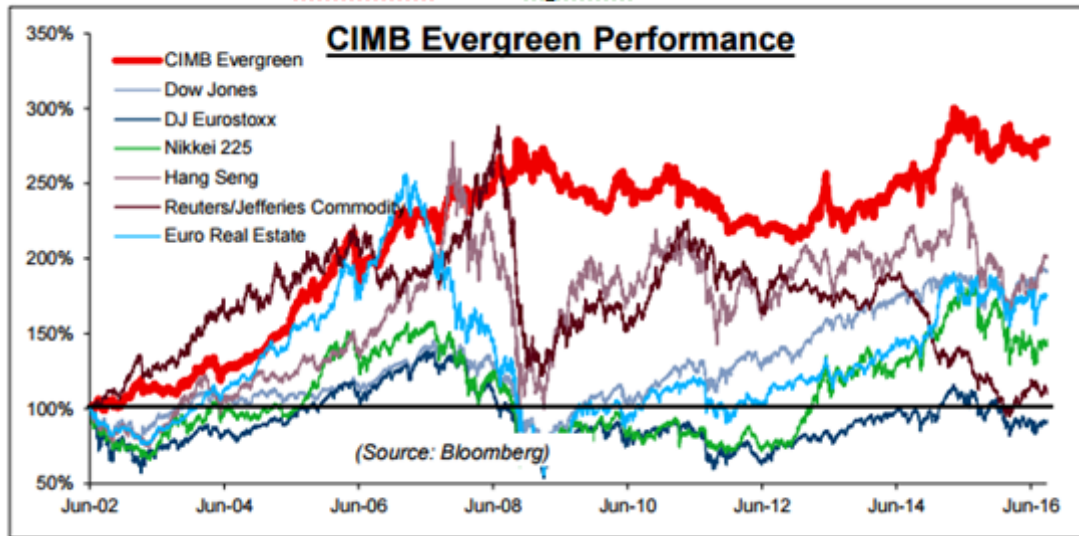
Underlying Performance				
Underlying Asset	30-Nov-17 Closing Px	29-Dec-17 Closing Px	Performance (30 Nov 17 - 29 Dec 17)*	Effective Max InvestSave Weights** (30 Nov 17)
American Equity	5,155.44	5,212.76	1.11%	25.88%
Japanese Equity	2,604.86	2,645.77	1.57%	25.88%
European Equity	7,173.95	7,048.52	-1.75%	25.88%
UK Equity	6,207.69	6,519.85	5.03%	25.88%
Emerging Market Equity	4,066.15	4,169.83	2.55%	10.35%
China Equity	11,475.72	11,709.30	2.04%	10.35%
Commodity Index	773.74	801.94	3.64%	-25.82%
European Real Estate	5,833.73	5,998.54	2.83%	25.88%
American Real Estate	81.97	81.01	-1.17%	10.29%
Hedge Fund Strategies	213.27	210.70	-1.21%	-5.18%
Currency	0.84	0.83	-0.85%	-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



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.

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.

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)

Dec 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

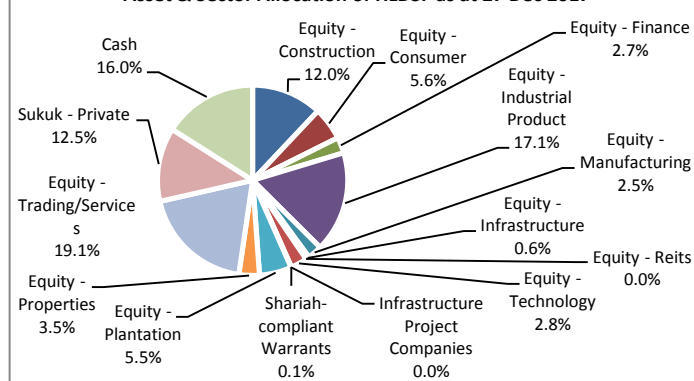
This fund is suitable for investors who have moderate risk-reward temperament and are looking for returns from Shariah-compliant investments in a medium-to-long term investment horizon.

Fund Details

Unit Price (27/12/2017)	:RM1.1990
Fund Size (27/12/2017)	:RM6.85mil
Fund Management Fee	:1.30% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Managed
Fund Inception	:24 Sept 2013
Benchmark	:(70% x FTSE Bursa Malaysia EmasShariah Index) + (30% x 3-month Klibor)
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 HLDSF as at 27 Dec 2017



Top 10 Holdings for HLADS as at 27 Dec 2017

		%
1. TENAGA NASIONAL BERHAD	Equity	6.6
2. LEMBAGA PEMBIAYAAN PERUMAHAN SEKTOR AWAM	Sukuk	4.9
3. SEPANGAR BAY POWER CORP 2022	Sukuk	2.6
4. KESAS SDN BHD IMTN 2020	Sukuk	2.5
5. SARAWAK HIDRO SDN BHD	Sukuk	2.5
6. INARI	Equity	2.5
7. VS	Equity	2.3
8. KERJAYA	Equity	2.2
9. QL	Equity	1.9
10. DIALOG	Equity	1.7
Total Top 10		29.7

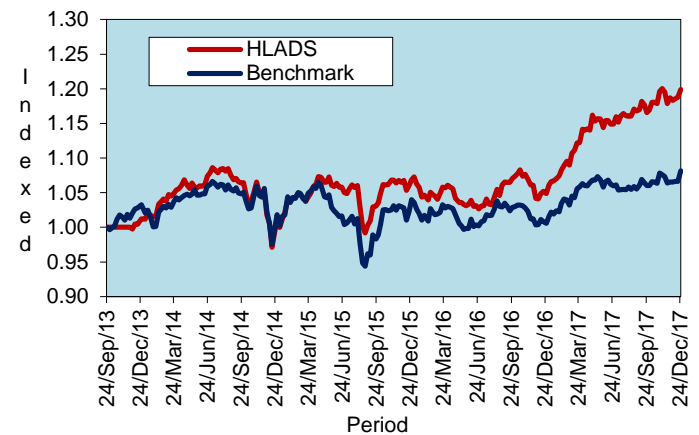
Hong Leong Assurance Berhad (94613-X)

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Historical Performance



	1 month	1 Year	3 Years	YTD	Since Inception
HLADS	1.02%	14.32%	18.36%	14.32%	19.90%
Benchmark	1.52%	7.53%	6.23%	7.53%	8.16%
Relative	-0.50%	6.79%	12.13%	6.79%	11.74%

Market Review, Outlook & Strategy

Most regional equity markets ended the month on a positive note on the back of optimism over global growth with markets like Hong Kong and Thailand hitting ten year highs despite profit taking of technology stocks due to concerns over weaker than expected demand for Apple's new phones. Meanwhile, the main headlines was the passing of the US tax reform bill, which is seen as a game-changer for US corporate earnings and the overall economic outlook. In turn, commodities extended its upward trend, led by rising industrial metal prices, as concerns over slowing Chinese industry activity eased again. During the month, Brent crude rallied to above US\$66 a barrel on the back of supply pressures following a pipeline leak in the UK North Sea, an explosion that disrupted the supply at a Libyan pipeline and the extended production cuts by the Organisation of the Petroleum Exporting Countries (Opec). Finally, FOMC raised its target for short-term interest rates at the December meeting by 0.25% as expected, although the pace of future hikes is more uncertain with a new Fed Chair.

The local index started the month flat, as the market lacked catalysts. However, heading towards month-end, the KLCI started to trend upwards due to year end window dressing on blue-chips. This was followed by foreign inflows of RM165m during the last trading week of the year. Ringgit also continued to strengthen to trade at RM4.0465/ US\$ from the low of RM4.4862/ US\$ as at end 2016.

For the month, the KLCI rose 4.6% or 79pts to close at 1,796.8pts driven by the finance and technology sectors. The broader market underperformed, with the FBM Emas rising by only 4.3% mom to 12,942pts. Small caps performance was weaker relative to KLCI in December as the FBM Small cap index rose by only 1.6% mom to 17,051pts while the FBM MESDAQ rose 4.6% to 6,603pts. Average daily value traded on Bursa fell 3% mom to RM2.65bn. During the month, Nestle, Press Metal, Sime Darby Plantations were added to the KLCI index, while Westports, Sime Darby Property, IJM and BAT were deleted.

We expect 2018 to be an eventful year. On the global backdrop, monetary policies are expected to be less accommodative with uncertainties surrounding the new tax reform in the US. Domestically, market is now expecting Bank Negara Malaysia to hike rates by 25bps in January 2018 just before the upcoming general elections that must be held by August 2018. Themes that we favour in 2018 would include 1) consumption recovery plays, 2) beneficiaries of a stronger Ringgit, 3) reflationary theme and 4) selective rail-related infrastructure spending beneficiaries.

Market Review, Outlook & Strategy - Fixed Income Market

In the month of December, reversal of gains was seen in the first half of the month as MGS yields rose across the curve amid thin volume. As the Ringgit strengthened against USD in the second half of the month, demand for MGS also picked up. The government bond curve shifted lower with spreads remaining tight. Despite expectations of a rate hike in 2018, short end MGS shifted 6-16bps lower from late November to mid December alongside the stronger Ringgit. Support was clearly coming from foreign demand, with latest data showing foreign holdings in MGS+GIL increasing to RM180.7b or 28.8% as at end-Nov 2017 out of outstanding MGS+GIL compared with RM173.0b and 27.6% at end Oct 2017.

In the corporate bond space, corporate issuers continued to rush to tap the primary market in anticipation of rising rates in 2018. The primary issues for the month were UEM Sunrise Berhad, Northport Malaysia Berhad, Westports Malaysia Sdn Bhd, Edra Energy, Prasarana, PNB Merdeka Ventures and Skyworld Capital Berhad. Secondary transactions, especially the government guaranteed (GG) bonds, were more muted since more GGs are expected to tap the primary pipeline later in 2018.

Moving forward, the rhetoric of major central banks will remain a key focus in 2018 as investors continue to gauge the timing of monetary policy direction and pace of interest rate normalization. Locally, following the policy statement released during November's MPC meeting, BNM hinted at resuming OPR normalisation in 2018.

In the corporate bonds segment, there is approximately RM42bn of corporate bond maturities in 2018. As most issuers look to lock in lower funding costs as cost of financing is expected to rise in tandem with the global interest rate environment, we can expect them to front-load their financing needs in the early part of 2018. Like before, potential primary issuances will most likely be driven by the GG segment, followed by financial/banking sector and the infrastructure/utilities sector.

Thus, we will stay defensive and skew to shorter duration papers. Tactically, we will bargain hunt when opportunities emerge for cheaper entry since bond yields are expected to gradually adjust higher.

HLA Dana Suria (HLADS)

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

Year	2013	2014	2015	2016	2017
Benchmark	3.3%	-1.4%	2.2%	0.4%	7.5%
HLADS - Gross	2.7%	1.5%	7.4%	-0.6%	17.0%
HLADS - Net	1.2%	0.1%	5.5%	-1.9%	14.3%

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 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. 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	2013	2014	2015	2016	2017
Performance	7.0%	0.1%	9.1%	-1.2%	13.1%

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	2013	2014	2015	2016	2017
Performance	32.6%	-1.1%	4.9%	-2.3%	20.8%

Source: Hong Leong Assurance Berhad

Hong Leong Assurance Berhad (94613-X)

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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)

Dec 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

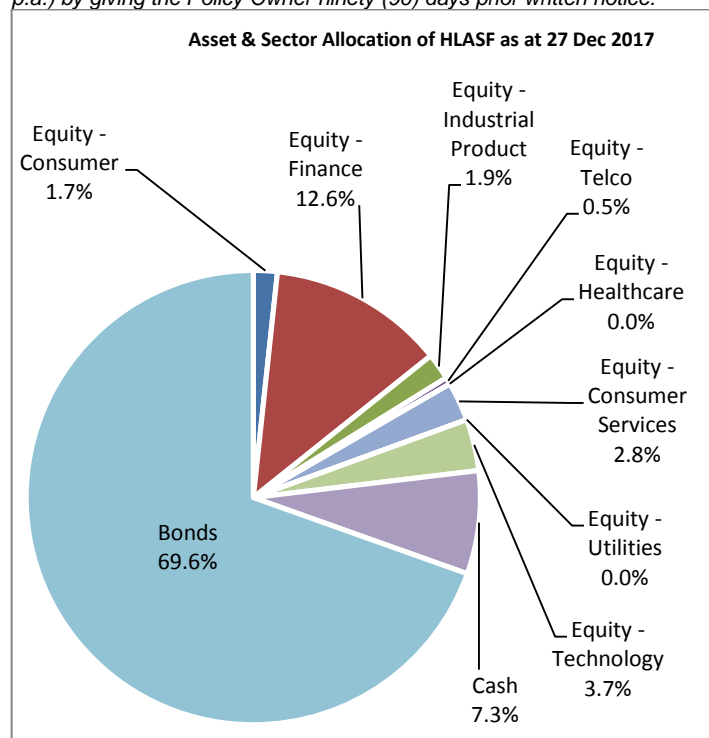
The fund is suitable for investors who are relatively conservative and wish to have a steady and stable return that meets their retirement needs.

Fund Details

Unit Price (27/12/2017)	:RM1.3554
Fund Size (27/12/2017)	:RM13.1mil
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 27 Dec 2017

Hong Leong Assurance Berhad (94613-X)

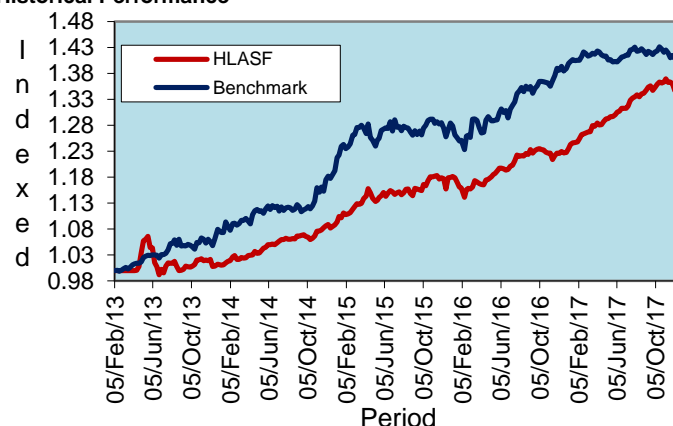
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1.	Alibaba Group Holding	Equity	1.7
2.	CIMB Group Holdings Bhd	Equity	1.6
3.	China Construction Bank Corp	Equity	1.5
4.	China Life Insurance Co Ltd	Equity	1.4
5.	4.24% MGS (07.02.18)	Bond	1.3
6.	3.95% Shenzhen International Holding (29.11.49)	Bond	1.2
7.	Samsung Electronics Co Ltd – Pref Shares	Equity	1.2
8.	City Developments Limited	Equity	1.1
9.	7.00% Indonesia Treasury Bond (15.05.22)	Bond	1.0
10.	6.75% Longfor Properties Co Ltd (29.01.23)	Bond	1.0
Total Top 10			13.0

Historical Performance



	1 month	1 Year	3 Years	YTD	Since Inception
HLASF	-0.33%	10.39%	24.57%	10.39%	35.54%
Benchmark	0.73%	2.55%	19.51%	2.55%	42.48%
Relative	-1.06%	7.84%	5.05%	7.84%	-6.94%

Market Review, Outlook & Strategy relevant to Target Fund

Global financial markets had broadly inched higher with the support of an improved sentiment. Optimism on the US tax reforms pushed markets ahead, while profit taking and rising political risks pulled down the European market. China's domestic equity market saw little support as investors took caution as regulators continue to put in place tighter measures. The Hong Kong market did however benefit as liquidity flowed southbound, pushing the Hang Seng Index close to the year as the strongest performing market within the region. US Treasury yields moved higher on expectations that the tax bill would stimulate growth and inflation. USD credits saw focus largely within the primary market ahead of the New Year, with slower liquidity from the secondary market. Domestic bonds enjoyed the support of demand and a strong MYR. The MGS rallied despite UST yields falling. A total of RM7.7b was seen flowing into the market by foreign investors in November.

Our focus within the fixed income front will remain within the investment grade issuances. We will be maintaining our position in the interim as we anticipate the up-coming Fed rate hike, and a potential strengthening of the USD.

HLA Secure Fund (HLASF)

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

Year	2013	2014	2015	2016	2017
Benchmark	7.2%	10.4%	7.7%	8.2%	2.6%
HLASF - Gross	2.5%	9.2%	10.2%	5.6%	12.4%
HLASF - Net	1.3%	7.5%	8.4%	4.1%	10.4%

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 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. 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

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	2013	2014	2015	2016	2017
Performance	2.9%	6.9%	8.6%	4.1%	10.4%

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.

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 Cash Fund (HLACF)

Dec 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

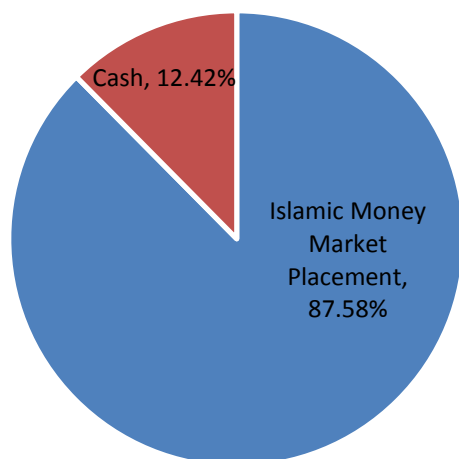
This fund is suitable for investors who are low risk profile.

Fund Details

Unit Price (27/12/2017)	: RM1.1774
Fund Size (27/12/2017)	: RM34.0mil
Fund Management Fee	: 0.25% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Money Market Fund
Fund Inception	: 28 Dec 2010
Benchmark	: Overnight Policy Rate
Frequency of Unit Valuation	: Weekly

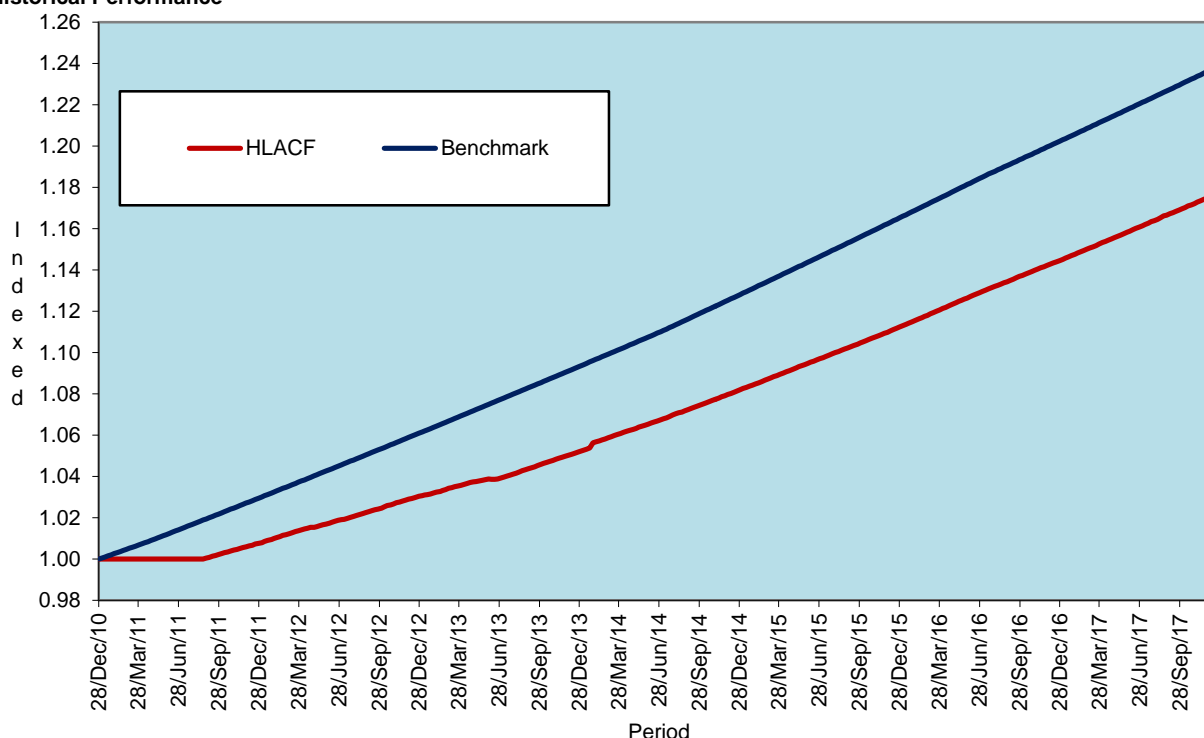
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.

Asset & Sector Allocation of HLACF as at 27 Dec 2017



HLA Cash Fund (HLACF)

Historical Performance



As of 27/12/17	1 month	YTD	Since Inception	1 Year	3 Years	5 Years
HLACF	0.22%	2.87%	17.74%	2.87%	8.81%	14.27%
Benchmark	0.24%	3.04%	23.89%	3.04%	9.82%	16.77%
Relative	-0.02%	-0.17%	-6.15%	-0.17%	-1.01%	-2.51%

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

Year	2013	2014	2015	2016	2017
Benchmark	3.0%	3.1%	3.2%	3.1%	3.0%
HLACF- Gross	2.6%	3.4%	3.3%	3.4%	3.4%
HLACF - Net	2.1%	2.9%	2.8%	2.9%	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 non-exhaustive list of risks 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.

HLA Cash Fund (HLACF)

Exceptional Circumstances

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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

