

# Monthly Fund Fact Sheet

## — April 2018



## Contents

### Daily Valuation Funds

HLA Venture Growth Fund.....	1
HLA Venture Blue Chip Fund .....	3
HLA Venture Dana Putra.....	6
HLA Venture Flexi Fund .....	8
HLA Value Fund.....	10
Hong Leong SMART Invest Fund .....	13
Hong Leong Smart Growth Fund .....	16
HLA Venture Global Fund .....	19
HLA Venture Managed Fund .....	22
HLA Venture Income Fund.....	24

### Weekly Valuation Funds

HLA EverGreen Funds .....	26
HLA Dana Suria .....	32
HLA Secure Fund.....	35
HLA Cash Fund .....	38
Fund Risk Type & Customer Risk Appetite .....	41

# HLA Venture Growth Fund (HLAVGF)

Apr 2018

## 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.

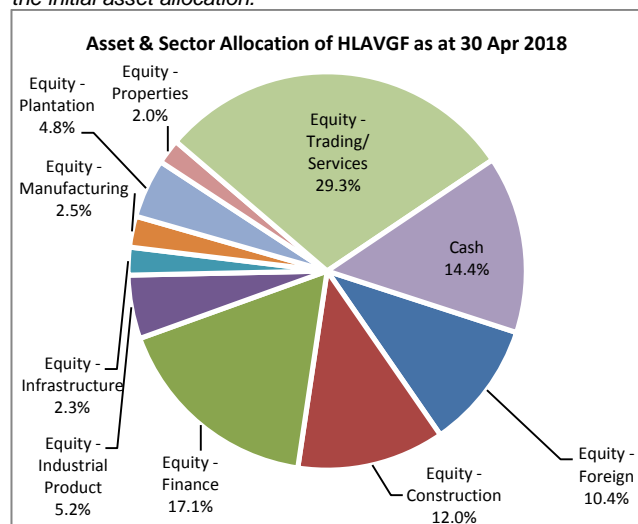
### 4. Target Market

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

## Fund Details

<b>Unit Price (30/4/2018)</b>	:RM2.3701
<b>Fund Size (30/4/2018)</b>	:RM425.0mil
<b>Fund Management Fee (effective as at 01/11/2016)</b>	: 1.45% p.a. (capped at 1.50%)
<b>Fund Manager</b>	:Hong Leong Assurance Berhad
<b>Fund Category</b>	:Equity
<b>Fund Inception</b>	:19 Jan 2000
<b>Benchmark</b>	:FTSE Bursa Malaysia KLCI Index (FBM KLCI)
<b>Frequency of Unit Valuation</b>	:Daily

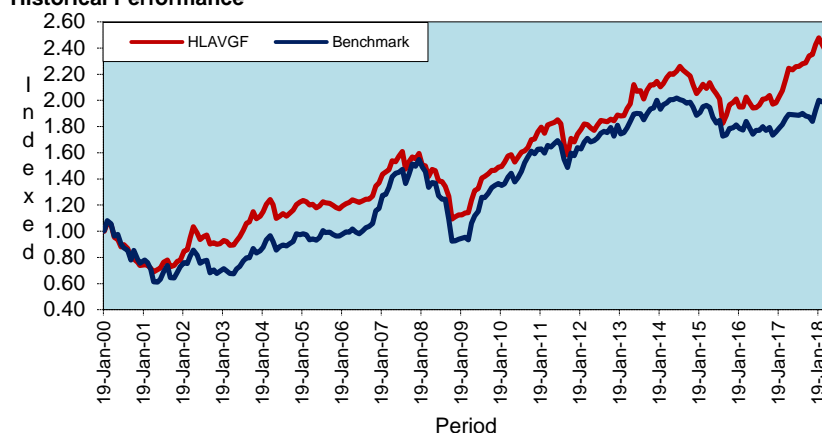
The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%)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



## Top 10 Holdings for HLAVGF as at 30 Apr 2018

		%
1.	MAYBANK	8.9
2.	CIMB	8.2
3.	TENAGA	8.1
4.	DIALOG	5.9
5.	TENCENT	4.1
6.	AXIATA	3.9
7.	YINSON	3.5
8.	SIMEPLT	2.6
9.	INARI	2.5
10.	GENTING	2.4
<b>Total Top 10</b>		<b>50.3</b>

## Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVGF	-2.29%	-0.42%	5.53%	10.99%	20.06%	61.03%	137.01%
Benchmark*	4.09%	0.37%	5.79%	2.87%	8.89%	46.14%	100.39%
Relative	-6.39%	-0.79%	-0.25%	8.12%	11.17%	14.90%	36.62%

\*Source: Bloomberg

## Market Review, Outlook & Strategy

Global investment sentiment started off the month weak as the tussle for trade leverage continued between the US and China. However, sentiment started to improve when the Chinese President, Xi Jinping reaffirmed his commitment to more open trade at the Boao Forum in China, possibly paving way for better relations between the two countries.

Oil markets also received a boost as prices appreciated on the back of talks over possible sanctions on Iran, Saudi Arabia's energy minister reaffirming their commitment to prevent another supply glut and increased geopolitical tensions between US and Russia over suspected chemical attacks on Syrian civilians. In addition, industry sources were quoted as saying that Saudi Arabia is hoping that oil prices would rise to US\$80/ barrel or may even touch US\$100/barrel in the near future. Meanwhile, markets started to recover on the back of better than expected US corporate earnings. The Chinese economy expanded 6.8% yoy in the 1Q, which was ahead of expectations.

Domestically the Prime Minister Datuk Seri Najib Tun Razak announced the dissolution of Parliament, paving the way for the long anticipated 14<sup>th</sup> General Elections (GE14) which will take place on 9<sup>th</sup> May. Bursa Malaysia also initiated the intraday short-selling framework for all investors on 16<sup>th</sup> April. On the economic front, March inflation was softer than expected at +1.3% yoy but the overall underlying trend remains broadly positive in 1Q18. Notable news included MyHSR Corp appointing the MRCB-Gamuda consortium and Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd – TH Properties consortium as the PDP's for the KL-SG HSR civil works portion.

During the month, the KLCI gained 0.4% mom to close at 1,870pts. The KLCI continued to outperform the broader market for the fourth consecutive month in 2018. FTSE Emas fell 0.1% mom, FTSE Bursa Small Cap index posted an even larger decline of 1.9% mom while the FTSE Emas Shariah was down by 0.5% mom. Foreigners turned net buyers (RM1.5b) vs net sellers of RM0.1b in March. The Ringgit depreciated by 1.6% mom against the US\$ to 3.9235.

On the local front, investors will be watching for the outcome of GE14 which is closely contested, preferring to stay on the sidelines till after 9 May. Investors will also be tracking the upcoming 1Q18 results reporting season as well as 1Q18's GDP growth. Bank Negara Malaysia (BNM) will also be meeting this month and consensus is expecting that the overnight policy rate will remain unchanged at 3.25%. The current broad market correction presents an opportunity for the portfolio to reposition itself structurally. We will continue to seek cover in quality big cap stocks that offer earnings certainty and stable dividend yield. However we will also nibble on selected small-mid cap names which have been sold down irrationally where the stock specific fundamentals and management quality remain strong.

# 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.

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

### Disclaimer:

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



# HLA Venture Blue Chip Fund (HLAVBCF)

Apr 2018

## 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.

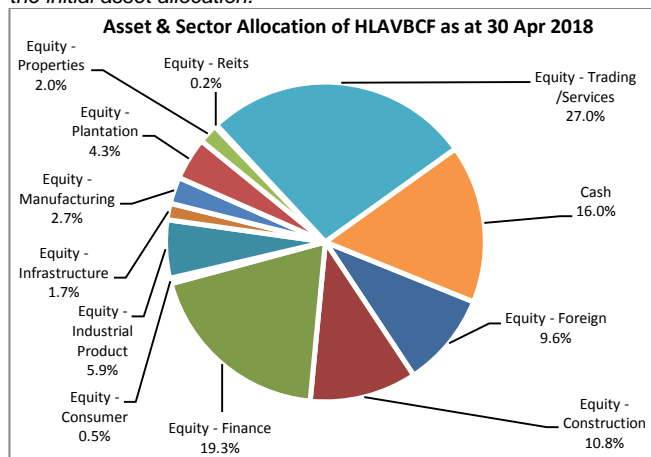
### 4. Target Market

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 (30/4/2018)	: RM2.6511
Fund Size (30/4/2018)	: RM228.5mil
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 30 Apr 2018

	%
1. MAYBANK	8.8
2. CIMB	7.8
3. TENAGA	7.1
4. YINSON	5.2
5. AXIATA	3.8
6. TENCENT	3.6
7. INARI	2.7
8. MRCB	2.6
9. DIGI	2.6
10. IJM	2.3
<b>Total Top 10</b>	<b>46.5</b>

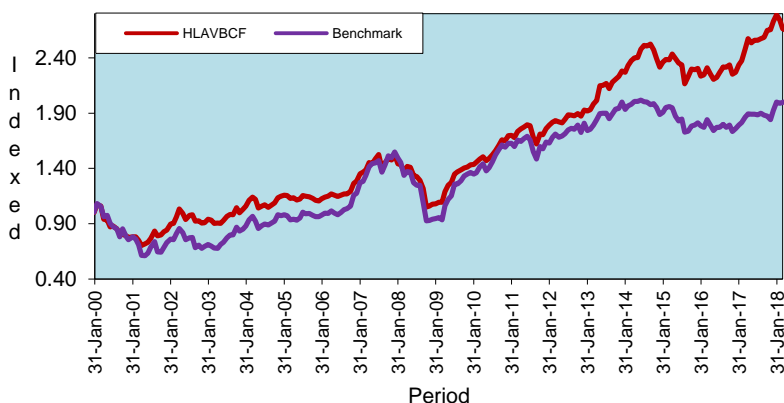
## Hong Leong Assurance Berhad (94613-X)

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

Telephone 03-7650 1818 Facsimile 03-7650 1991

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

## Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVBCF	-2.89%	-0.53%	3.03%	8.90%	31.56%	87.09%	165.11%
Benchmark*	4.09%	0.37%	5.79%	2.87%	8.89%	46.14%	100.39%
Relative	-6.99%	-0.90%	-2.76%	6.03%	22.66%	40.95%	64.72%

\*Source: Bloomberg

## Market Review, Outlook & Strategy

Global investment sentiment started off the month weak as the tussle for trade leverage continued between the US and China. However, sentiment started to improve when the Chinese President, Xi Jinping reaffirmed his commitment to more open trade at the Boao Forum in China, possibly paving way for better relations between the two countries.

Oil markets also received a boost as prices appreciated on the back of talks over possible sanctions on Iran, Saudi Arabia's energy minister reaffirming their commitment to prevent another supply glut and increased geopolitical tensions between US and Russia over suspected chemical attacks on Syrian civilians. In addition, industry sources were quoted as saying that Saudi Arabia is hoping that oil prices would rise to US\$80/ barrel or may even touch US\$100/barrel in the near future. Meanwhile, markets started to recover on the back of better than expected US corporate earnings. The Chinese economy expanded 6.8% yoy in the 1Q, which was ahead of expectations.

Domestically the Prime Minister Datuk Seri Najib Tun Razak announced the dissolution of Parliament, paving the way for the long anticipated 14<sup>th</sup> General Elections (GE14) which will take place on 9<sup>th</sup> May. Bursa Malaysia also initiated the intraday short-selling framework for all investors on 16<sup>th</sup> April. On the economic front, March inflation was softer than expected at +1.3% yoy but the overall underlying trend remains broadly positive in 1Q18. Notable news included MyHSR Corp appointing the MRCB-Gamuda consortium and Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd – TH Properties consortium as the PDP's for the KL-SG HSR civil works portion.

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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

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.

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#### 5. Country Risk

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#### 6. Currency Risk

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

### Risk Management

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

### Basis of Unit Valuation

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

## HLA Venture Blue Chip Fund (HLAVBCF)

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

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### Disclaimer:

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 Dana Putra (HLAVDP)

Apr 2018

## 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.

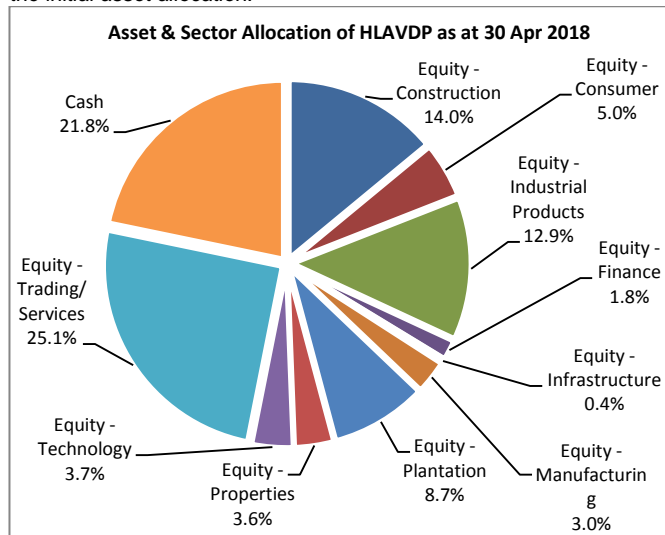
### 4. Target Market

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

## Fund Details

Unit Price (30/4/2018)	: RM2.6667
Fund Size (30/4/2018)	: RM73.2mil
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.



## Top 10 Holdings for HLAVDP as at 30 Apr 2018

	%
1. TENAGA	8.3
2. QL	4.2
3. DIALOG	3.9
4. AXIATA	3.5
5. KERJAYA	3.4
6. YINSON	3.1
7. IOICORP	3.1
8. INARI	3.0
9. SIMEPLT	3.0
10. MRCB	2.7
<b>Total Top 10</b>	<b>38.2</b>

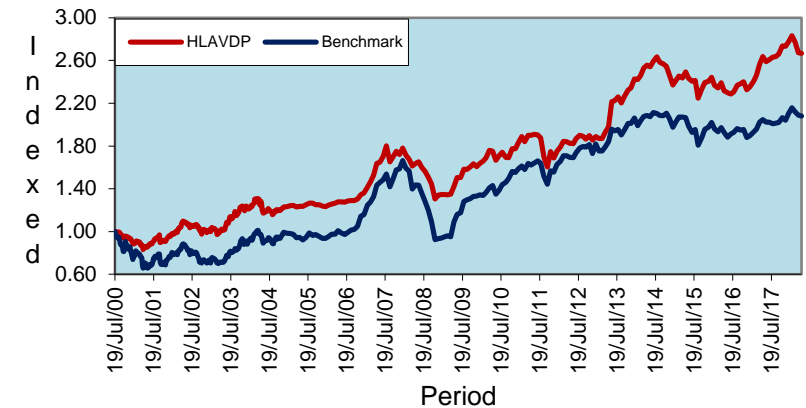
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## Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVDP	-3.85%	-0.21%	1.10%	6.98%	34.89%	62.85%	166.67%
Benchmark*	-1.01%	-0.47%	1.52%	0.73%	12.91%	44.93%	107.96%
Relative	-2.85%	0.26%	-0.42%	6.25%	21.97%	17.93%	58.71%

Source: Bloomberg

## Market Review, Outlook & Strategy

Global investment sentiment started off the month weak as the tussle for trade leverage continued between the US and China. However, sentiment started to improve when the Chinese President, Xi Jinping reaffirmed his commitment to more open trade at the Boao Forum in China, possibly paving way for better relations between the two countries.

Oil markets also received a boost as prices appreciated on the back of talks over possible sanctions on Iran, Saudi Arabia's energy minister reaffirming their commitment to prevent another supply glut and increased geopolitical tensions between US and Russia over suspected chemical attacks on Syrian civilians. In addition, industry sources were quoted as saying that Saudi Arabia is hoping that oil prices would rise to US\$80/ barrel or may even touch US\$100/barrel in the near future. Meanwhile, markets started to recover on the back of better than expected US corporate earnings. The Chinese economy expanded 6.8% yoy in the 1Q, which was ahead of expectations.

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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%

Net returns are adjusted for tax and fund management fees.

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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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#### 4. Interest Rate Risk

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

### Risk Management

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

### Basis of Unit Valuation

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

### Exceptional Circumstances

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

### Basis of Calculation of Past Performance

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

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

### Others

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

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

### Disclaimer:

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

# HLA Venture Flexi Fund (HLAVFF)

Apr 2018

## 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.

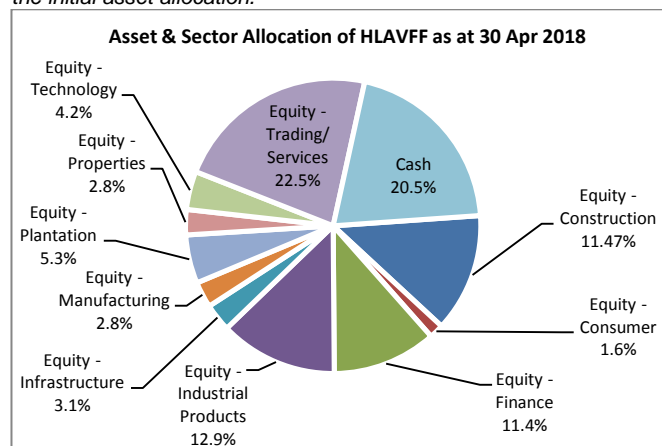
### 4. Target Market

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

<b>Unit Price (30/4/2018)</b>	: RM1.0364
<b>Fund Size (30/4/2018)</b>	: RM48.7mil
<b>Fund Management Fee (effective as at 01/09/2016)</b>	: 1.45% p.a. (capped at 1.48%)
<b>Fund Manager</b>	: Hong Leong Assurance Berhad
<b>Fund Category</b>	: Equity
<b>Fund Inception</b>	: 06 April 2009
<b>Benchmark</b>	: FTSE Bursa Malaysia KLCI Index (FBM KLCI)
<b>Frequency of Unit Valuation</b>	: 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 30 Apr 2018

		%
1.	CIMB	6.1
2.	MAYBANK	5.3
3.	TENAGA	4.8
4.	AXIATA	3.2
5.	EFORCE	3.1
6.	YINSON	2.8
7.	INARI	2.8
8.	HSSEB	2.6
9.	GAMUDA	2.5
10.	MMSV	2.5
<b>Total Top 10</b>		<b>35.9</b>

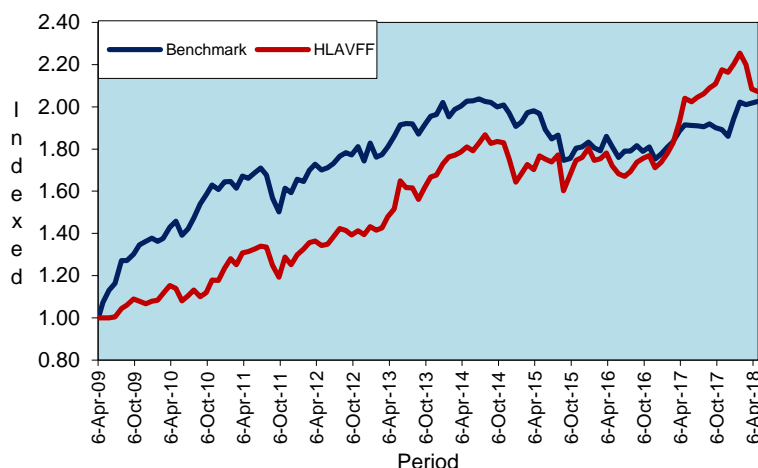
## Hong Leong Assurance Berhad (94613-X)

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

Telephone 03-7650 1818 Facsimile 03-7650 1991

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

## Historical Performance



	YTD	1 month	1 year	3 years	5 years	Since Inception
HLAVFF	-5.88%	-0.55%	1.62%	17.28%	36.75%	107.28%
Benchmark*	4.09%	0.37%	5.79%	2.87%	8.89%	102.47%
Relative	-9.98%	-0.92%	-4.17%	14.41%	27.86%	4.81%

\*Source: Bloomberg

## Market Review, Outlook & Strategy

Global investment sentiment started off the month weak as the tussle for trade leverage continued between the US and China. However, sentiment started to improve when the Chinese President, Xi Jinping reaffirmed his commitment to more open trade at the Boao Forum in China, possibly paving way for better relations between the two countries.

Oil markets also received a boost as prices appreciated on the back of talks over possible sanctions on Iran, Saudi Arabia's energy minister reaffirming their commitment to prevent another supply glut and increased geopolitical tensions between US and Russia over suspected chemical attacks on Syrian civilians. In addition, industry sources were quoted as saying that Saudi Arabia is hoping that oil prices would rise to US\$80/ barrel or may even touch US\$100/barrel in the near future. Meanwhile, markets started to recover on the back of better than expected US corporate earnings. The Chinese economy expanded 6.8% yoy in the 1Q, which was ahead of expectations.

Domestically the Prime Minister Datuk Seri Najib Tun Razak announced the dissolution of Parliament, paving the way for the long anticipated 14<sup>th</sup> General Elections (GE14) which will take place on 9<sup>th</sup> May. Bursa Malaysia also initiated the intraday short-selling framework for all investors on 16<sup>th</sup> April. On the economic front, March inflation was softer than expected at +1.3% yoy but the overall underlying trend remains broadly positive in 1Q18. Notable news included MyHSR Corp appointing the MRCB-Gamuda consortium and Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd – TH Properties consortium as the PDP's for the KL-SG HSR civil works portion.

During the month, the KLCI gained 0.4% mom to close at 1,870pts. The KLCI continued to outperform the broader market for the fourth consecutive month in 2018. FTSE Emas fell 0.1% mom, FTSE Bursa Small Cap index posted an even larger decline of 1.9% mom while the FTSE Emas Shariah was down by 0.5% mom. Foreigners turned net buyers (RM1.5b) vs net sellers of RM0.1b in March. The Ringgit depreciated by 1.6% mom against the US\$ to 3.9235.

On the local front, investors will be watching for the outcome of GE14 which is closely contested, preferring to stay on the sidelines till after 9 May. Investors will also be tracking the upcoming 1Q18 results reporting season as well as 1Q18's GDP growth. Bank Negara Malaysia (BNM) will also be meeting this month and consensus is expecting that the overnight policy rate will remain unchanged at 3.25%. The current broad market correction presents an opportunity for the portfolio to reposition itself structurally. We will continue to seek cover in quality big cap stocks that offer earnings certainty and stable dividend yield. However we will also nibble on selected small-mid cap names which have been sold down irrationally where the stock specific fundamentals and management quality remain strong.

# 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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### Disclaimer:

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# HLA Value Fund (HLVF)

Apr 2018

## 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.

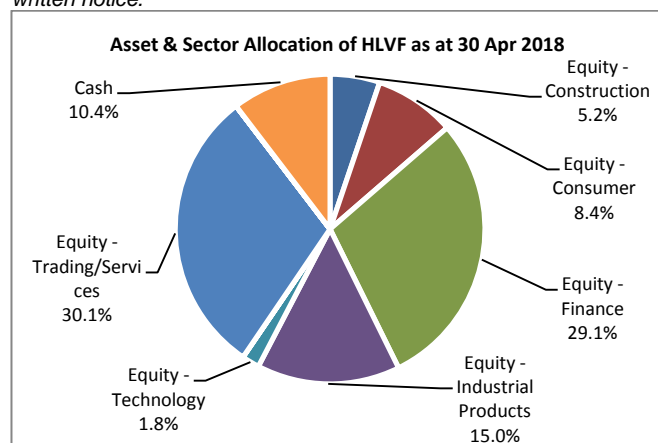
### 5. Target Market

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 (30/4/2018)	: RM 1.2131
Fund Size (30/4/2018)	: RM 72.8mil
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

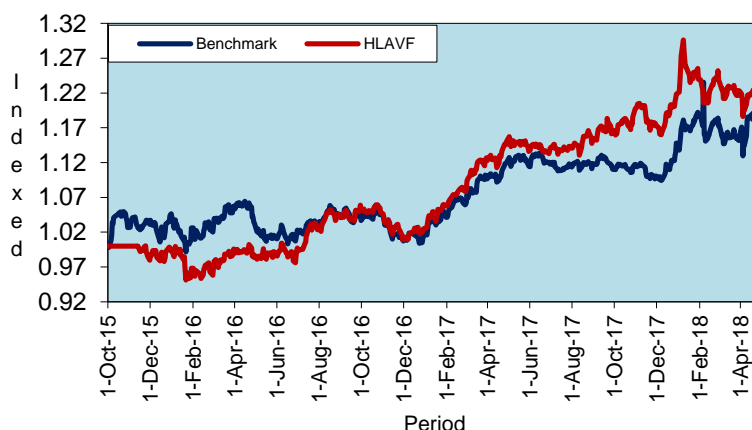
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



## Top 10 Holdings for HLVF as at 30 Apr 2018

	%
1. MALAYAN BANKING BERHAD	8.8
2. PUBLIC BANK BERHAD	8.7
3. TENAGA NASIONAL BERHAD	8.1
4. PETRONAS CHEMICALS GROUP BERHAD	6.9
5. FRASER & NEAVE HOLDINGS BERHAD	6.8
6. BURSA MALAYSIA BERHAD	6.5
7. GENTING MALAYSIA BERHAD	6.1
8. IHH HEALTHCARE BERHAD	5.9
9. GAMUDA BERHAD	5.2
10. MALAYSIA AIRPORTS HOLDINGS BERHAD	5.2
<b>Total Top 10</b>	<b>68.0</b>

## Historical Performance



	YTD	1 month	6 months	1 year	2 years	Since Inception
HLVF	-0.44%	-0.83%	1.29%	5.40%	22.91%	21.31%
Benchmark*	1.75%	0.95%	4.54%	4.26%	13.16%	16.82%
Relative	-2.19%	-1.78%	-3.25%	1.14%	9.75%	4.49%

\*Source: Bloomberg

## Market Review, Outlook & Strategy

During the month, the FTSE BM KLCI rose 0.4% to close at 1,870 points. The broader market underperformed as the FTSE BM EMAS Index declined 0.1% to close at 13,034 points. Small caps underperformed as the FTSE BM Small Cap Index declined 1.9% to close at 14,580 points.

Most investors stayed on the sidelines ahead of the 14th General Election to be held on 9th May.

On the corporate front, MyHSR Corporation Sendirian Berhad has appointed MRCB-Gamuda consortium and the Syarikat Pembinaan Yeoh Tiong Lay Sendirian Berhad-TH Properties Sendirian Berhad consortium as the project delivery partners for the KL-SG high-speed rail civil works portion. Dialog Group Berhad will build common tankage and dedicated deep water marine facilities at the Pengerang Deepwater Terminal in Pengerang, Johor, in a joint venture with Johor state government.

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

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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



## 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 Invest Fund (HLSIF)

Apr 2018

## 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.

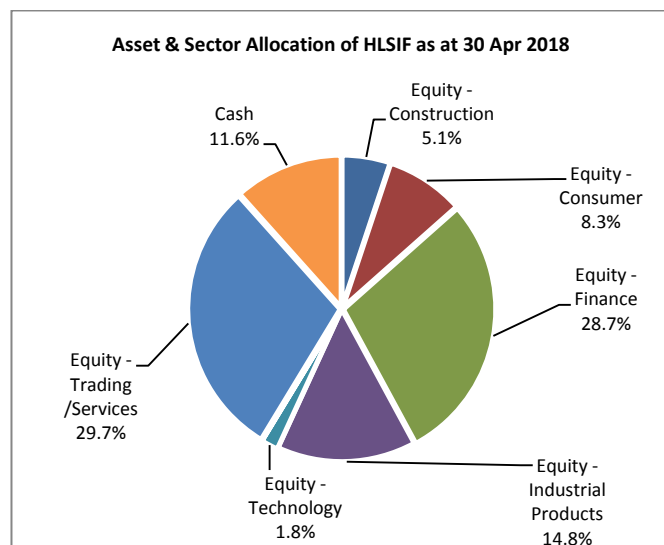
### 4. Target Market

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 (30/4/2018)	: RM 1.0217
Fund Size (30/4/2018)	: RM 61.4mil
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

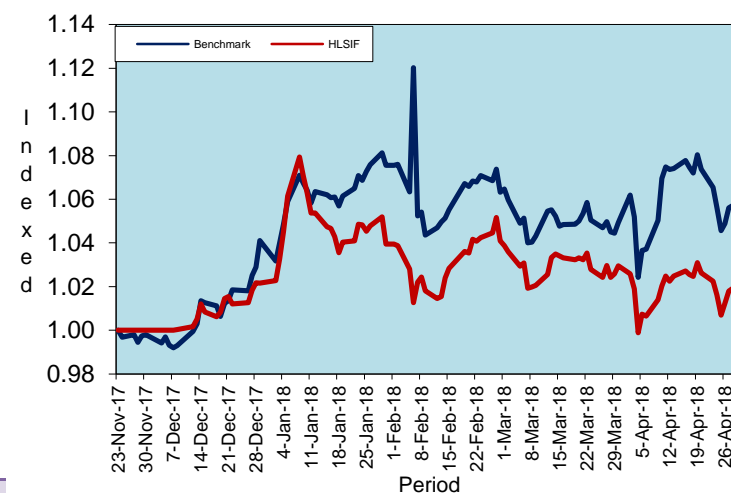
*The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.*



## Top 10 Holdings for HLSIF as at 30 Apr 2018

	%
1. MALAYAN BANKING BERHAD	8.6
2. PUBLIC BANK BERHAD	8.6
3. TENAGA NASIONAL BERHAD	8.0
4. PETRONAS CHEMICALS GROUP BERHAD	6.8
5. FRASER & NEAVE HOLDINGS BERHAD	6.7
6. BURSA MALAYSIA BERHAD	6.4
7. GENTING MALAYSIA BERHAD	6.0
8. IHH HEALTHCARE BERHAD	5.9
9. GAMUDA BERHAD	5.1
10. MALAYSIA AIRPORTS HOLDINGS BERHAD	5.1
<b>Total Top 10</b>	<b>67.1</b>

## Historical Performance



	YTD	1 month	3 months	1 year	2 years	Since Inception
HLSIF	0.01%	-0.76%	-1.70%	-	-	2.17%
Benchmark*	1.75%	0.95%	-1.52%	-	-	5.93%
Relative	-1.74%	-1.70%	-0.19%	-	-	-3.76%

\*Source: Bloomberg

## Market Review, Outlook & Strategy

During the month, the FTSE BM KLCI rose 0.4% to close at 1,870 points. The broader market underperformed as the FTSE BM EMAS Index declined 0.1% to close at 13,034 points. Small caps underperformed as the FTSE BM Small Cap Index declined 1.9% to close at 14,580 points.

Most investors stayed on the sidelines ahead of the 14th General Election to be held on 9th May.

On the corporate front, MyHSR Corporation Sendirian Berhad has appointed MRCB-Gamuda consortium and the Syarikat Pembinaan Yeoh Tiong Lay Sendirian Berhad-TH Properties Sendirian Berhad consortium as the project delivery partners for the KL-SG high-speed rail civil works portion. Dialog Group Berhad will build common tankage and dedicated deep water marine facilities at the Pengerang Deepwater Terminal in Pengerang, Johor, in a joint venture with Johor state government.

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

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# 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 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.

**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.

# Hong Leong Smart Growth Fund (HLSGF)

Apr 2018

## 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.

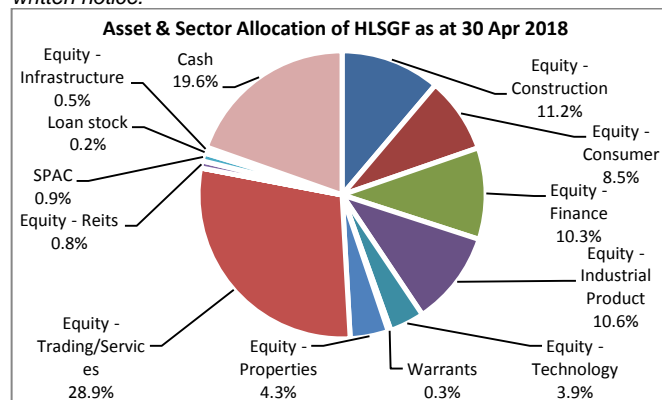
### 4. Target Market

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 (30/4/2018)	: RM1.9008
Fund Size (30/4/2018)	: RM252.0mil
Fund Management Fee	: 1.50% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 01 Oct 2012
Benchmark	: FTSE Bursa Malaysia KLCI Index (FBM KLCI)
Frequency of Unit Valuation	: Daily

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



## Top 10 Holdings for HLSGF as at 30 Apr 2018

	%
1. TENAGA NASIONAL BHD	5.2
2. MALAYAN BANKING BERHAD	3.9
3. DIALOG GROUP BHD	3.4
4. YINSON HOLDINGS BHD	3.0
5. CIMB GROUP HOLDINGS BHD	2.8
6. LBS BINA GROUP BHD	2.7
7. GABUNGAN AQRS BHD	2.6
8. FRASER & NEAVE HOLDINGS BHD	2.4
9. PETRONAS CHEMICALS GROUP BHD	2.3
10. GLOBETRONICS TECHNOLOGY BHD	2.0
<b>Total Top 10</b>	<b>30.2</b>

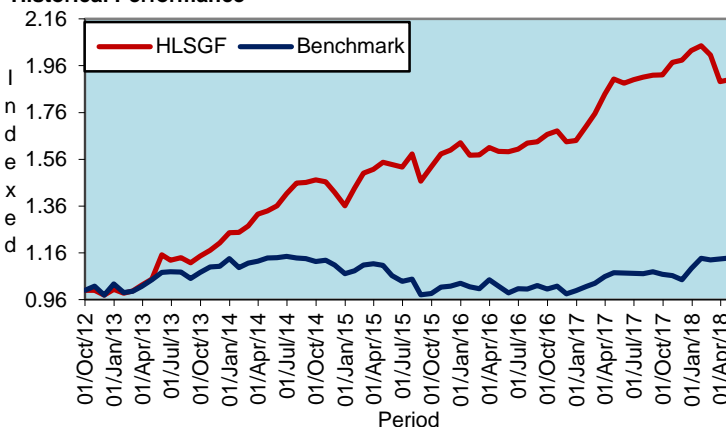
## Hong Leong Assurance Berhad (94613-X)

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

Telephone 03-7650 1818 Facsimile 03-7650 1991

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## Historical Performance



	YTD	1 month	1 Year	3 Years	5 Years	Since Inception
HLSGF	-6.15%	0.44%	-0.11%	22.81%	81.39%	90.08%
Benchmark*	4.09%	0.37%	5.79%	2.87%	8.89%	13.82%
Relative	-10.24%	0.07%	-5.89%	19.94%	72.50%	76.26%

Source: Bloomberg

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

Global equities were mixed in April as trade war rhetoric continued to dominate headlines despite US announcing its willingness to hold negotiations for a resolution on the escalating trade rift with China; whilst geopolitical advances were seen as North and South Korea pledged to bring a formal end to Korean War. Meanwhile, geopolitical tensions in the Middle East continued to weigh on global equity markets. US markets closed relatively unchanged as investors welcomed positive corporate earnings releases whilst the personal data issues affecting the tech and internet companies lingered on. Nonetheless, risk aversion increased across the board as the 10-year US Treasuries yield rose above 3% for the first time since 2014 amid accelerating inflation expectations. Euro Stoxx index, however, was up 5.20% M-o-M, displaying sign of resiliency as economic data continues to improve and ECB maintains its dovish tone. China 1Q GDP growth came largely in line with market expectations at 6.8% and PBOC has been accommodative by cutting its reserve requirement rate by 1% in the month of April. However, China's equity market fell slightly with SHComp Index ended lower by 2.73% M-o-M. Beyond trade tensions, US has also imposed a 7 years ban on China's ZTE (2nd largest telecom equipment firm) from purchasing any of US technology. This was exacerbated by concerns over rising yields in US government bonds and the sell-off in technology stocks globally. Meanwhile, the Brent and WTI crude prices rose by 6.22% and 3.56% respectively due to strong demand, potential re-imposition sanctions on Iran, and effective supply cuts by OPEC and Russia.

For domestic market, the main theme was centered on GE14 which is going to be held on May 9 after the Prime Minister of Malaysia announced the dissolution of Parliament on April 6. KLCI ended slightly higher by 0.37% M-o-M to 1,870 points. The broader market underperformed the KLCI, with the FBM Small Cap Index fell by 1.86% to 14,579 points and FBM Emas Shariah fell by 0.47% to 13,169 points. Investors have stayed on the sidelines in view of the uncertainty in the run-up to GE14. Average daily value traded on Bursa in April fell 5% M-o-M at MYR2.36 billion. Bursa Malaysia has also implemented the intraday short selling framework on April 16, 2018.

## Market Outlook & Fund Strategy

Whilst the market could remain lackluster in the short term due to election uncertainty, we remain positive on Malaysia post-election as the country should benefit from strong fundamentals, improving commodity prices and currency, rising FDI, China's Belt Road Initiatives, railway construction awards and GLC transformations. Externally, market volatility will remain due to concerns on rising US Treasury yield and Trump's administration proposed trade tariffs. Fortunately, Trump's tax cuts may trigger some optimism in the next reporting season.

Stock picking remains key for outperformance. We are cautiously optimistic and continue to be selective towards stocks with stable earnings and look to add on weakness.



# 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.

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

### Disclaimer:

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

# HLA Venture Global Fund (HLAVGLF)

Apr 2018

## Fund Features

### 1. Investment Objective

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

### 2. Investment Strategy & Approach

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

### 3. Asset Allocation

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

### 4. Target Market

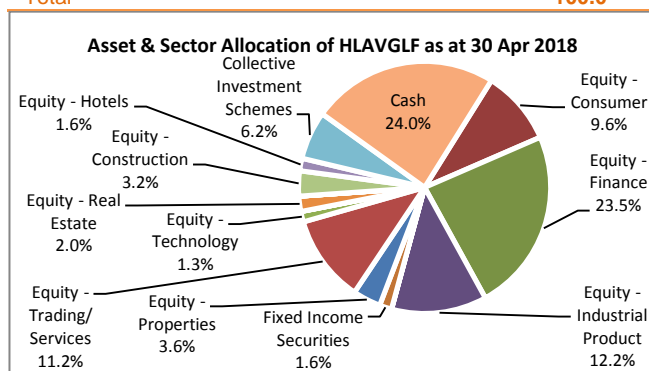
This fund is suitable for investors with moderate to high-risk appetite with a medium to long-term investment horizon.

## Fund Details

<b>Unit Price (30/4/2018)</b>	:RM1.3437
<b>Fund Size (30/4/2018)</b>	:RM29.5mil
<b>Fund Management Fee</b>	:1.29% p.a.
<b>Fund Manager</b>	:Hong Leong Assurance Berhad
<b>Fund Category</b>	:Equity
<b>Fund Inception</b>	: 02 April 2007
<b>Benchmark</b>	:MSCI AC Asia Pacific ex Japan + MSCI ACWI Index + RAM Quantshop MGS ALL
<b>Frequency of Unit Valuation</b>	:Daily

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

Asset Allocation for HLAVGLF as at 30 Apr 2018	%
Hong Leong Asia-Pacific Dividend Fund	56.4
Hong Leong Strategic Fund	42.5
Cash	1.1
<b>Total</b>	<b>100.0</b>



Top 10 Holdings for HLAVGLF as at 30 Apr 2018	%
1. Hong Leong Islamic Institutional Income Management Fund II	6.2
2. Malayan Banking Berhad	4.1
3. Public Bank Berhad	2.9
4. Petronas Chemicals Group Berhad	2.8
5. Industrial and Commercial Bank of China Limited - H	2.8
6. China Resources Cement Holdings Ltd	2.6
7. Fraser & Neave Holdings Berhad	2.5
8. ZhongSheng Group Holdings Ltd	2.4
9. China Construction Bank Corporation - H	2.4
10. Frontken Corporation Berhad	2.3
<b>Total Top 10</b>	<b>31.0</b>

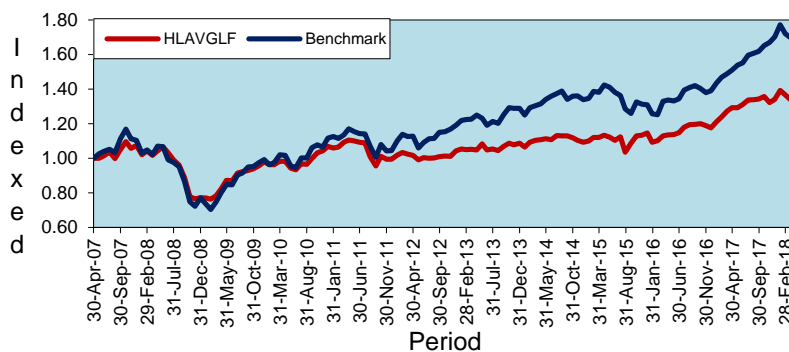
**Hong Leong Assurance Berhad** (94613-X)

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## Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
<b>HLAVGLF</b>	0.20%	0.36%	3.99%	18.54%	28.20%	28.95%	34.37%
<b>Benchmark*</b>	0.27%	0.45%	13.03%	19.68%	36.36%	59.28%	70.48%
<b>Relative</b>	-0.06%	-0.09%	-9.05%	-1.13%	-8.16%	-30.33%	-36.11%

Source: Bloomberg, RAM Quantshop

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

### Equity Review

**Global** - Volatility in the markets persisted through much of the month, mainly due to geopolitical conflicts, before markets stabilized towards the end of the month as in the United States (US). The Dow Jones Industrial Average rose 0.3% and the broader S&P 500 Index rose 0.3%. The Euro Stoxx Index rose 5.2% and the FTSE 100 Index rose 6.4%.

**Asia Pacific** - Geopolitical events continued to cause much upheaval in the market due to escalating tensions between US and Russia over the situation in Syria and unresolved trade frictions between US and China. However, markets rebounded towards the end of the month as concerns about trade war receded. In the region, Singapore and India were the best performing markets while Indonesia and China were the laggards.

**Malaysia** - The local market fared relatively better than regional peers amidst resilient foreign inflows. The FTSE BM KLCI rose 0.4% to close at 1,870 points. The broader market underperformed as the FTSE BM EMAS Index declined 0.1% to close at 13,034 points. Small caps underperformed as the FTSE BM Small Cap Index declined 1.9% to close at 14,580 points.

### Outlook & Strategy

**Global** - The US 10-year Treasury yield briefly touched 3% for the first time in over four years due to growing concerns about rising inflation. Although recent global economic data point to some softness, the synchronized global growth still remains intact. The Eurozone unemployment rate continues to fall and the Purchasing ahead.

**Asia Pacific** - US announced a preliminary tariff list on China imports, with a focus on machinery, electronic products and equipment. In response, China announced a tariff list of similar scale, on various products including soybeans, autos and aircraft. Apart from that, growth in China remains robust. Recent economic indicators reveal signs that China is gaining traction in managing the transition of its economy from an investment-led economy to an economic model that is driven by consumption/services. For our investment portfolios, we look to increase exposure in countries or sectors that will benefit from improving economic growth.

**Malaysia** - We expect investors to stay on the sidelines prior to the 14th General Election (GE14). We expect market sentiment to be predominantly driven by the outcome of GE14 and quarterly results season. 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

April saw volatile trading in the local sovereign bond market as 10-year Treasuries breached the 3% psychological barrier. As Treasury yields ticked up, we saw indiscriminate selling in the local government bond market. The 10-year Malaysian Government Securities (MGS) benchmark rose as high as 4.21% from a month low of 3.94%. However, the sovereign bond market stabilised and corrected towards the end of the month. In the government auction in April, the 10.5-year Government Investment Issue (GI) garnered the strongest bid to cover of 2.7 times for the year. Tender result for the new 5-year MGS saw a relatively low bid to cover as investors remained cautious ahead of weaker global bond markets. Corporate bond issuance remained muted except for Danainfra Berhad which issued a bond with a size of RM2.5 billion.

In March, Bank Negara Malaysia (BNM) signalled for an accommodative stance to accompany a stable growth and lower inflation, as March inflation moderated to 1.3%. We expect liquidity to remain thin and bonds yields to stay in range in view of the upcoming GE14. On the back of steady domestic demand and moderating inflation, policy rate should remain stable for the remainder of the year. We look to be opportunistic in the sovereign bond market given the recent selloff. We look to add in both sovereign and corporate bonds.

## 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.

### Target Fund Details

- 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%

- 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.

## HLA Venture Global Fund (HLAVGLF)

### Basis of Calculation of Past Performance

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

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

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

### Others

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

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# HLA Venture Managed Fund (HLAVMF)

**Apr 2018**

## 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.

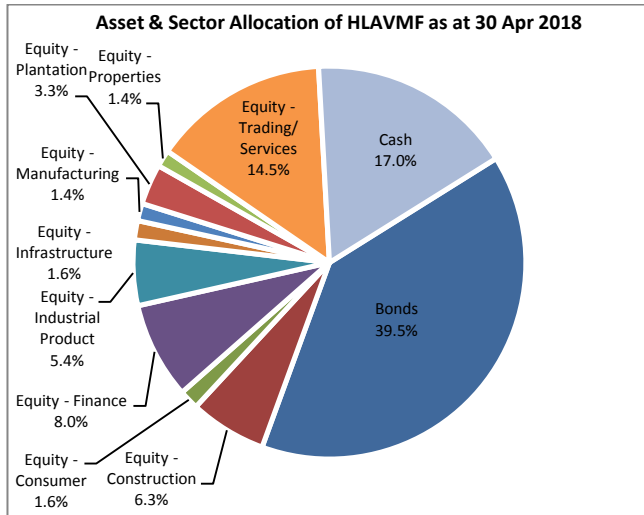
### 4. Target Market

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

## Fund Details

<b>Unit Price (30/4/2018)</b>	:RM2.1797
<b>Fund Size (30/4/2018)</b>	:RM231.7mil
<b>Fund Management Fee (effective as at 01/03/2017)</b>	: 1.23% p.a. (capped at 1.25%)
<b>Fund Manager</b>	:Hong Leong Assurance Berhad
<b>Fund Category</b>	:Managed
<b>Fund Inception</b>	:07 April 2004
<b>Benchmark</b>	:50% FTSE Bursa Malaysia KLCI Index (FBM KLCI)&50% 12-month Fixed Deposit Interest Rates
<b>Frequency of Unit Valuation</b>	: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 30 Apr 2018**

Rank	Company Name	Weight (%)	Asset Class	Yield (%)
1.	TENAGA	5.5	EQ	
2.	MAYBANK	4.4	EQ	
3.	CIMB	3.6	EQ	
4.	ALLIANCE BANK MALAYSIA BHD	1 5.65%	FI	18/12/2020
5.	MALAYAN BANKING BERHAD	2 6.30%	FI	25/09/18
6.	MALAYSIA AIRPORTS HOLDINGS	1 5.75%	FI	12/12/2024
7.	AXIATA	2.2	EQ	
8.	BGSM MANAGEMENT SDN BHD	2 5.25%	FI	24/12/2020
9.	CIMB GROUP HOLDING	2 5.80%	FI	25/05/2021
10.	HONG LEONG BANK	2 4.80%	FI	24/06/2019
<b>Total Top 10</b>		<b>31.9</b>		

FI : Fixed Income  
EQ : Equities

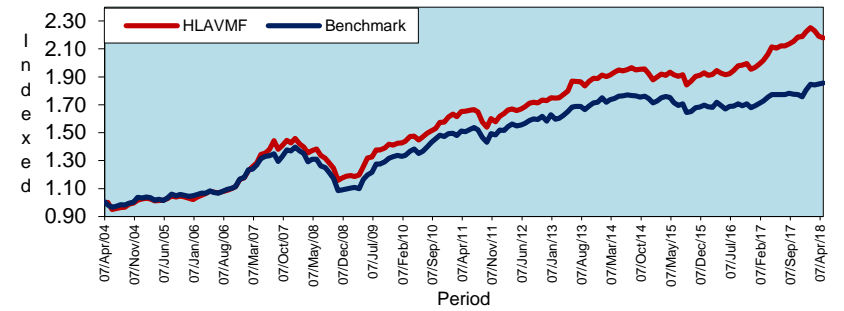
**Hong Leong Assurance Berhad** (94613-X)

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

Telephone 03-7650 1818 Fascimile 03-7650 1991

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

## Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVMF	-1.90%	-0.47%	3.04%	12.79%	21.16%	58.86%	117.97%
Benchmark*	2.80%	0.33%	4.66%	5.78%	12.26%	41.49%	84.59%
Relative	-4.70%	-0.80%	-1.62%	7.01%	8.90%	17.36%	33.38%

\*Source: Bloomberg, Maybank

## Market Review, Outlook & Strategy - Equities Market

Global investment sentiment started off the month weak as the tussle for trade leverage continued between the US and China. However, sentiment started to improve when the Chinese President, Xi Jinping reaffirmed his commitment to more open trade at the Boao Forum in China, possibly paving way for better relations between the two countries.

Oil markets also received a boost as prices appreciated on the back of talks over possible sanctions on Iran, Saudi Arabia's energy minister reaffirming their commitment to prevent another supply glut and increased geopolitical tensions between US and Russia over suspected chemical attacks on Syrian civilians. In addition, industry sources were quoted as saying that Saudi Arabia is hoping that oil prices would rise to US\$80/ barrel or may even touch US\$100/barrel in the near future. Meanwhile, markets started to recover on the back of better than expected US corporate earnings. The Chinese economy expanded 6.8% yoy in the 1Q, which was ahead of expectations.

Domestically the Prime Minister Datuk Seri Najib Tun Razak announced the dissolution of Parliament, paving the way for the long anticipated 14<sup>th</sup> General Elections (GE14) which will take place on 9<sup>th</sup> May. Bursa Malaysia also initiated the intraday short-selling framework for all investors on 16<sup>th</sup> April. On the economic front, March inflation was softer than expected at +1.3% yoy but the overall underlying trend remains broadly positive in 1Q18. Notable news included MyHSR Corp appointing the MRCB-Gamuda consortium and Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd – TH Properties consortium as the PDP's for the KL-SG HSR civil works portion.

During the month, the KLCI gained 0.4% mom to close at 1,870pts. The KLCI continued to outperform the broader market for the fourth consecutive month in 2018. FTSE Emas fell 0.1% mom, FTSE Bursa Small Cap index posted an even larger decline of 1.9% mom while the FTSE Emas Shariah was down by 0.5% mom. Foreigners turned net buyers (RM1.5b) vs net sellers of RM0.1b in March. The Ringgit depreciated by 1.6% mom against the US\$ to 3.9235.

On the local front, investors will be watching for the outcome of GE14 which is closely contested, preferring to stay on the sidelines till after 9 May. Investors will also be tracking the upcoming 1Q18 results reporting season as well as 1Q18's GDP growth. Bank Negara Malaysia (BNM) will also be meeting this month and consensus is expecting that the overnight policy rate will remain unchanged at 3.25%. The current broad market correction presents an opportunity for the portfolio to reposition itself structurally. We will continue to seek cover in quality big cap stocks that offer earnings certainty and stable dividend yield. However we will also nibble on selected small-mid cap names which have been sold down irrationally where the stock specific fundamentals and management quality remain strong.

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

For the month of April, US Treasury (UST) movements continued to be the key driver for local govies amid uncertainties arising from GE14. Generally, local market liquidity was thin and yields were creeping higher. During the month, UST peaked at just below 3.03%, breaching the 3.0% mark for the first time in 4 years but it soon corrected to below 3% by month end. Taking the cue from UST, overall MGS benchmark yields spiked up by 12-22bps m-o-m across the curve.

On the economic front, February unemployment rate fell to 3.3% from 3.4% previously reflecting an improving labour market. Meanwhile, inflation data came in lower than expected at 1.3% y-o-y in March, down from 1.4% y-o-y in February (consensus: 1.6%).

As for the government guaranteed (GG) and private debt securities (PDS) space, both GG and PDS yields also marked higher in tandem with the govies' movement. Likewise, secondary volume remained weak in the absence of positive catalysts while primary issuances also slowed down. The few notable new issuances for the month like MBSB, Danainfra, MKD Kencana, UMW and WCT Holdings surprisingly fetched decent demand from the market.

Market is expected to be thinly traded ahead of GE14 as most investors will stay cautious till post polling date. Thus, movement in UST will continue to drive the local sentiment. Most investors expect both the FED and BNM to maintain status quo in both their upcoming monetary policy meetings, however, bonds yields are expected to be volatile especially the local bonds. This is because the bid and offer quoted is currently very wide. Thus, any sell off by foreigners will push the yield up especially when market liquidity is thin.

Meanwhile, there will be 4 govies tenders in the month of May. Since the yields have moved quite substantially recently and the new 15 years benchmark tender will be right before GE14, it will be interesting to see where the yield will be printed. We are well prepared to take on some positions in the new issues and take advantage of the near term volatility in the market.

# 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.

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# HLA Venture Income Fund (HLAVIF)

Apr 2018

## 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

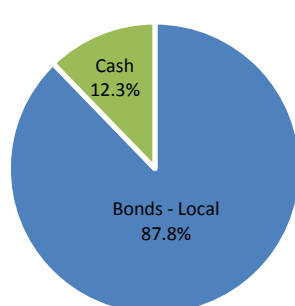
This fund is suitable for investors who have low to moderate risk profile

## Fund Details

Unit Price (30/4/2018)	:RM2.2645
Fund Size (30/4/2018)	:RM137.7mil
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.

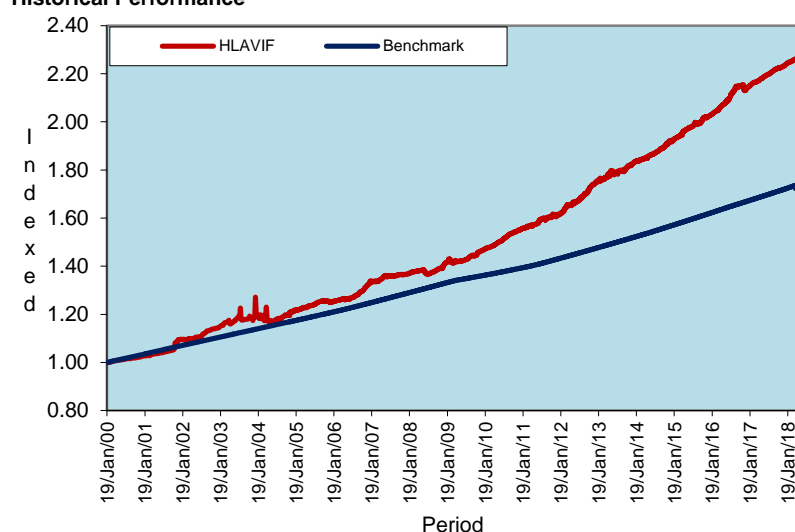
Asset Allocation of HLAVIF as at 30 Apr 2018



## Top 10 Holdings for HLAVIF as at 30 Apr 2018

		%
1.	MALAYAN BANKING BERHAD 2 6.30% 25/09/2018	6.7
2.	ALLIANCE BANK MALAYSIA BHD 1 5.65% 18/12/2020	6.4
3.	UEM SUNRISE BERHAD 1 4.60% 13/12/2018	4.8
4.	MALAYSIA INVESTMENT ISSUE 3 4.37% 31/10/2028	4.4
5.	BGSM MANAGEMENT SDN BHD 2 5.25% 24/12/2020	3.7
6.	CIMB GROUP HOLDING 2 5.80% 25/05/2021	3.7
7.	HONG LEONG BANK 2 4.80% 24/06/2019	3.7
8.	BERJAYA LAND BHD 1 4.85% 16/12/2019	3.7
9.	GAMUDA BERHAD 2 4.62% 23/04/2021	3.7
10.	PUTRAJAYA HOLDINGS BERHAD 2 4.58% 26/05/2026	3.7
Total Top 10		44.4

## Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVIF	1.18%	0.19%	4.05%	15.35%	27.03%	63.86%	126.45%
Benchmark*	0.27%	-0.52%	2.30%	8.85%	15.84%	32.62%	72.65%
Relative	0.91%	0.72%	1.74%	6.50%	11.19%	31.24%	53.80%

\*Source: Maybank

## Market Review

For the month of April, US Treasury (UST) movements continued to be the key driver for local govies amid uncertainties arising from GE14. Generally, local market liquidity was thin and yields were creeping higher. During the month, UST peaked at just below 3.03%, breaching the 3.0% mark for the first time in 4 years but it soon corrected to below 3% by month end. Taking the cue from UST, overall MGS benchmark yields spiked up by 12-22bps m-o-m across the curve.

On the economic front, February unemployment rate fell to 3.3% from 3.4% previously reflecting an improving labour market. Meanwhile, inflation data came in lower than expected at 1.3% y-o-y in March, down from 1.4% y-o-y in February (consensus: 1.6%).

As for the government guaranteed (GG) and private debt securities (PDS) space, both GG and PDS yields also marked higher in tandem with the govies' movement. Likewise, secondary volume remained weak in the absence of positive catalysts while primary issuances also slowed down. The few notable new issuances for the month like MBSB, Danainfra, MKD Kencana, UMW and WCT Holdings surprisingly fetched decent demand from the market.

## Market Outlook & Strategy

Market is expected to be thinly traded ahead of GE14 as most investors will stay cautious till post polling date. Thus, movement in UST will continue to drive the local sentiment. Most investors expect both the FED and BNM to maintain status quo in both their upcoming monetary policy meetings, however, bonds yields are expected to be volatile especially the local bonds. This is because the bid and offer quoted is currently very wide. Thus, any sell off by foreigners will push the yield up especially when market liquidity is thin.

Meanwhile, there will be 4 govies tenders in the month of May. Since the yields have moved quite substantially recently and the new 15 years benchmark tender will be right before GE14, it will be interesting to see where the yield will be printed. We are well prepared to take on some positions in the new issues and take advantage of the near term volatility in the market.

# 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.

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.

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### Basis of Unit Valuation

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- 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

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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

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# HLA EverGreen Funds

Apr 2018

## Fund Features

### 1. Investment Objective

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

### 2. Investment Strategy & Approach

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

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

### 3. Asset Allocation

The fund will invest in a FRNID.

### 4. Target Market

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

## Fund Details

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

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

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

## Other Details

Fund Name	Unit Price (24/4/2018)	Fund Size (24/4/2018)	Fund Maturity Date	Minimum Guaranteed Unit Price at Fund Maturity (before tax)
HLA EverGreen 2023 Fund	: RM0.9901	RM25.81 mil	26 Dec 2023	1.2358
HLA EverGreen 2025 Fund	: RM0.9404	RM7.97 mil	26 Dec 2025	1.2670
HLA EverGreen 2028 Fund	: RM0.8883	RM8.25 mil	26 Dec 2028	1.3136
HLA EverGreen 2030 Fund	: RM0.8686	RM29.43 mil	26 Dec 2030	1.3446
HLA EverGreen 2035 Fund	: RM0.8528	RM448.75 mil	26 Dec 2035	1.4221

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

## Market Review (by CIMB Bank Berhad)

Max InvestSave decreased by 0.96% in the reported period with five out of eleven Underlying Assets moving against the Effective Max InvestSave Weightings. Losses were mainly due to the appreciation of European and UK Equities where negative weightings were held by the Effective Max InvestSave Weightings.

American equities had a mixed month in April 2018. The month started off with the market being roiled by statements from President Trump. In addition to attacking the company Amazon, President Trump also imposed tariffs on goods imported from China. This raised many concerns about the potential of a trade war occurring between both countries and possibly involving others in due time. On the other hand, the earnings season for companies listed on the S&P 500 index has been terrific thus far with companies posting their best quarterly earnings in years. However, share prices have not risen by much even with such positive news. There have been fears about the effect of rising yields and interest rates on borrowing costs and subsequently future corporate profits. The European Union is also bracing for a trade war with the US after the US rejected EU demands for a waiver on newly imposed metals import tariffs. At the same time, there have been worries about slowing growth in the Eurozone, with Q1 GDP growth forecasted to be 0.5%. Inflation in March came in at 1%, which came in below expectations while gains of the Euro currency also seemed to have plateaued. The United Kingdom posted 0.1% growth in its economy for Q1 2018, which was its worst performance since the end of year 2012. This has reduced the confidence of market observers of the possibility of an interest rate hike by the Bank of England in the month of May.

Oil prices steadily increased in April, in tandem with falling stockpiles of crude oil globally. OPEC has surpassed their initial production cut targets over the last few months. The oil producing cartel plans to maintain these cuts till the end of the year. (Bloomberg)

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

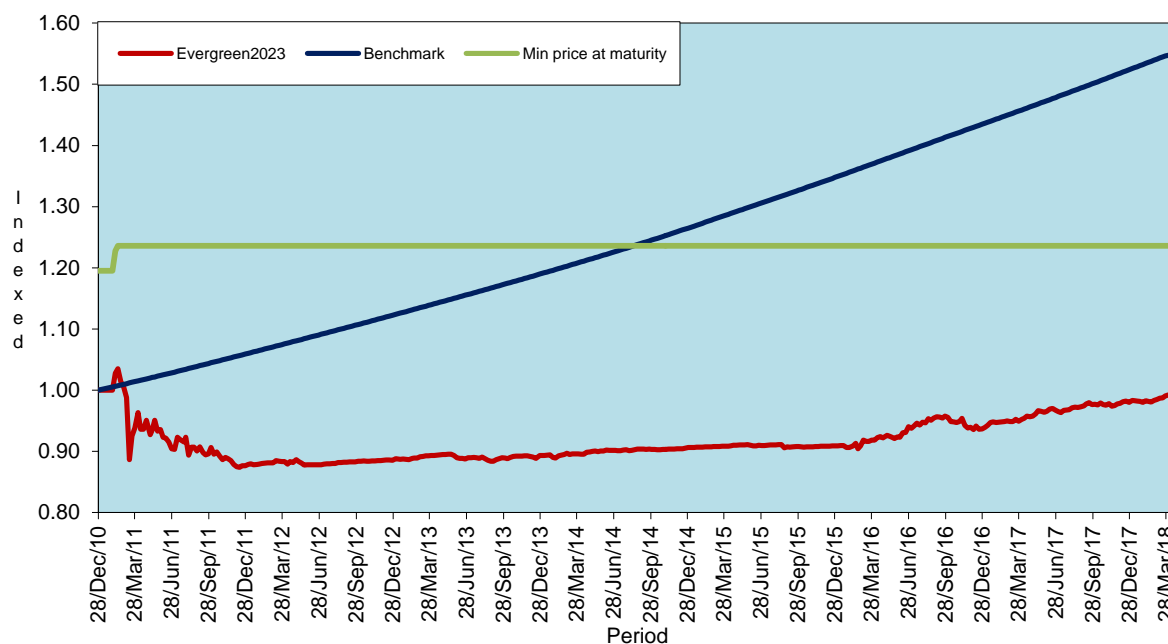
Fund	HLA EverGreen 2023	HLA EverGreen 2025	HLA EverGreen 2028	HLA EverGreen 2030	HLA EverGreen 2035
Avg Exposure of Maximum Assurance FRNID to Max InvestSave PSSIA-i 30Y	0.00%	0.00%	0.00%	4.91%	20.04%
Exposure of MaxInvestSave PSSIA-i 30Y to CIMB EverGreen Index	103.53%				
Net Exposure of HLA EverGreen Funds to CIMB EverGreen Index in Apr 2018	0.00%	0.00%	0.00%	5.08%	20.74%



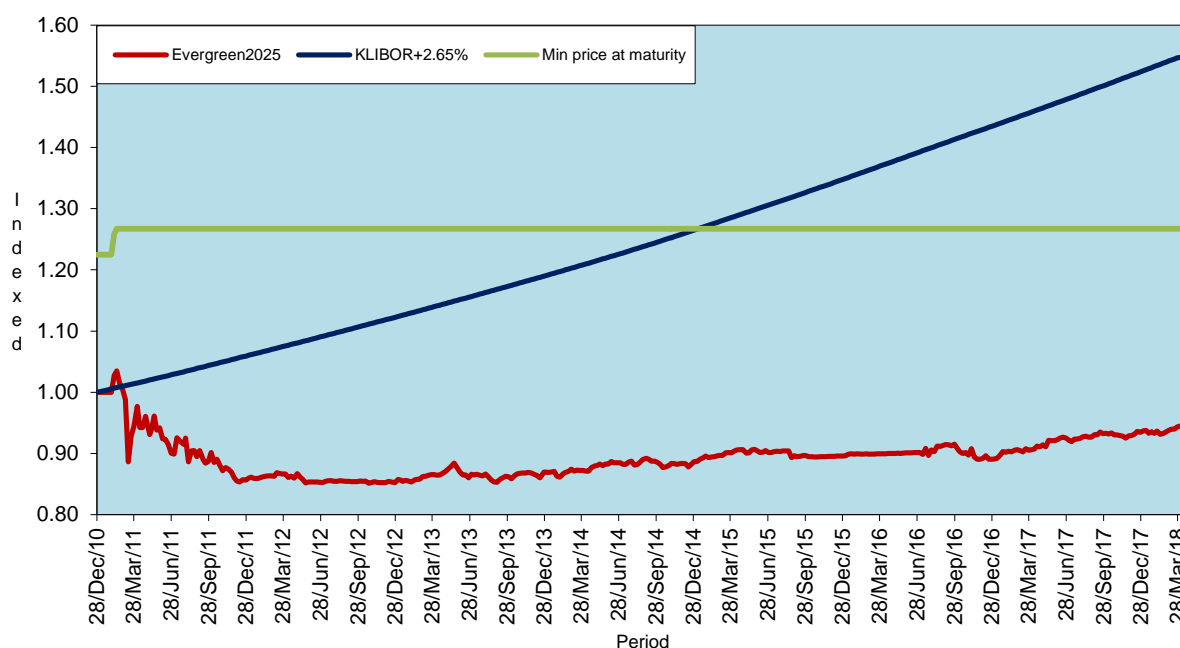
# HLA EverGreen Funds

## Historical Performance

HLA EverGreen 2023 Fund						
As of 24/4/18	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2023	1.00%	-0.06%	3.51%	8.78%	10.65%	-0.99%
KLIBOR+2.65% p.a.*	1.55%	0.05%	5.77%	19.77%	35.13%	54.73%
Performance vs Benchmark	-0.55%	-0.11%	-2.25%	-11.00%	-24.48%	-55.72%

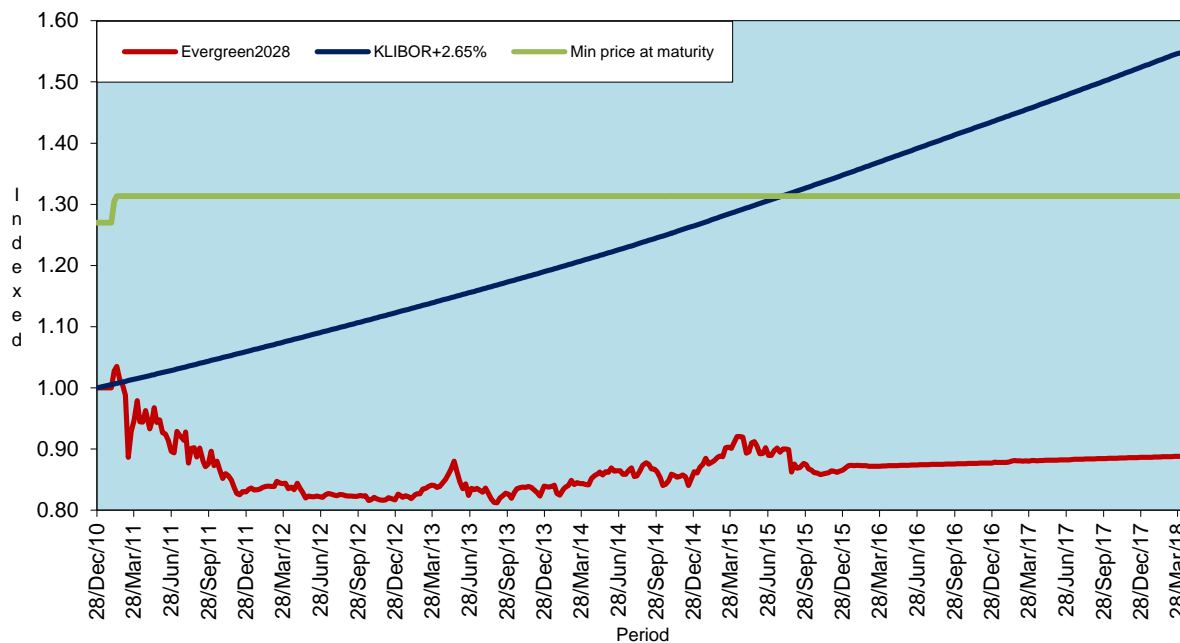


HLA EverGreen 2025 Fund						
As of 24/4/18	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2025	0.64%	-0.33%	3.22%	3.79%	7.98%	-5.96%
KLIBOR+2.65% p.a.*	1.55%	0.05%	5.77%	19.77%	35.13%	54.73%
Performance vs Benchmark	-0.91%	-0.38%	-2.55%	-15.99%	-27.15%	-60.69%

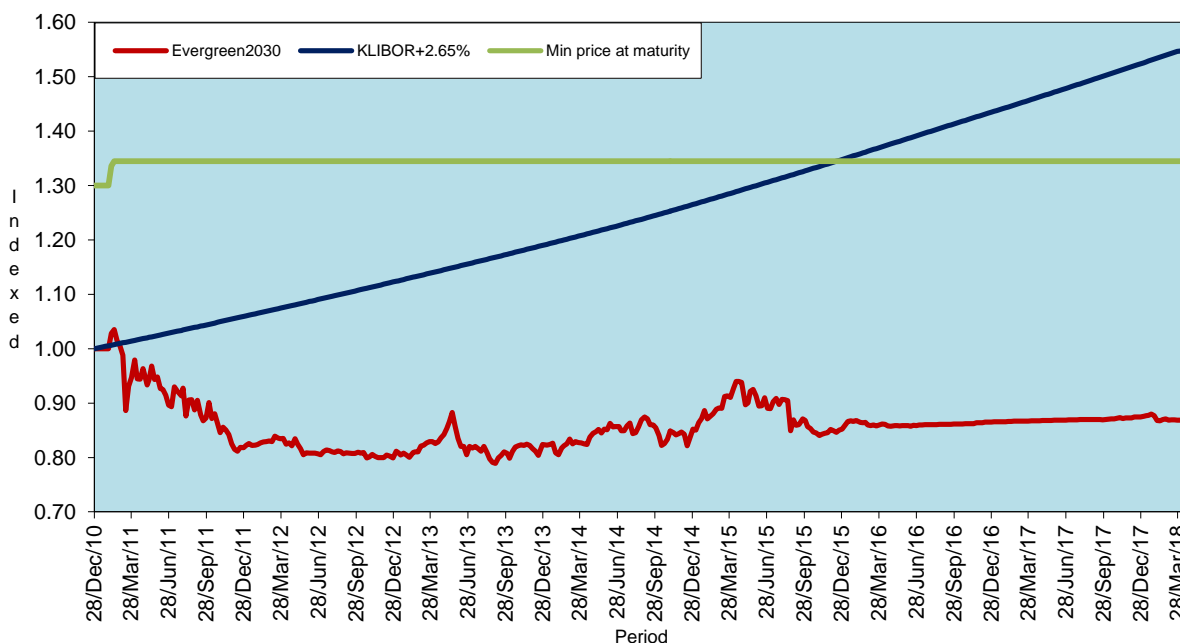


## HLA EverGreen Funds

HLA EverGreen 2028 Fund						
As of 24/4/18	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2028	0.23%	0.03%	0.82%	-3.38%	4.42%	-11.17%
KLIBOR+2.65% p.a.*	1.55%	0.05%	5.77%	19.77%	35.13%	54.73%
Performance vs Benchmark	-1.33%	-0.02%	-4.95%	-23.16%	-30.71%	-65.90%

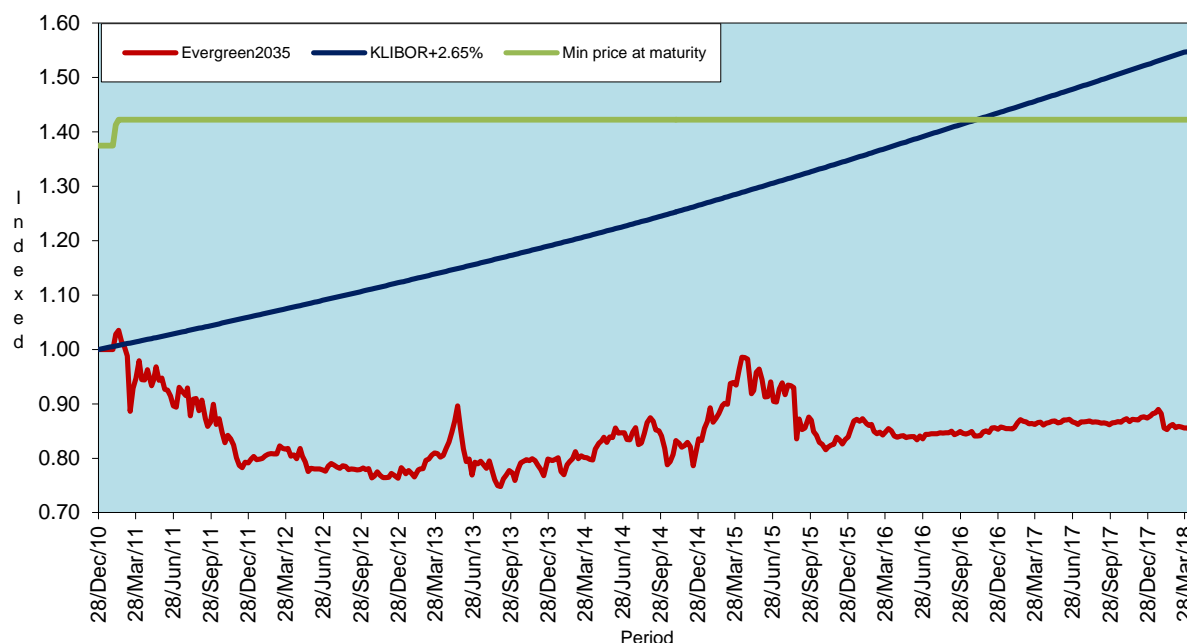


HLA EverGreen 2030 Fund						
As of 24/4/18	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2030	-0.64%	-0.01%	0.12%	-7.39%	3.15%	-13.14%
KLIBOR+2.65% p.a.*	1.55%	0.05%	5.77%	19.77%	35.13%	54.73%
Performance vs Benchmark	-2.19%	-0.06%	-5.65%	-27.16%	-31.99%	-67.87%



## HLA EverGreen Funds

HLA EverGreen 2035 Fund						
As of 24/4/18	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2035	-2.43%	-0.32%	-1.36%	-13.18%	2.76%	-14.72%
KLIBOR+2.65% p.a.*	1.55%	0.05%	5.77%	19.77%	35.13%	54.73%
Performance vs Benchmark	-3.98%	-0.37%	-7.13%	-32.96%	-32.38%	-69.45%



\*Source: Bloomberg

### 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 <sup>A</sup>	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%	0.68%	-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%	-
2018	4.22%	-5.86%	-2.06%	-0.96%									-4.84%	5.69%

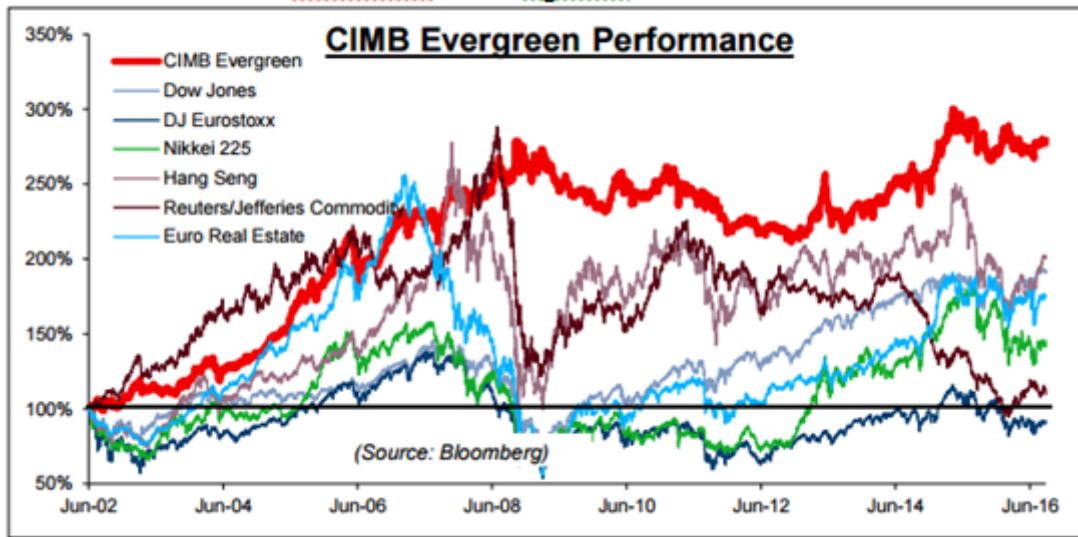
<sup>A</sup>Note that calculation for YTD starts from first day of the year to the last day of the same year

Underlying Performance				
Underlying Asset	30-Mar-18 Closing Px	30-Apr-18 Closing Px	Performance (30 Mar 18 - 30 Apr 18)*	Effective Max InvestSave Weights** (29 Mar 18)
American Equity	5,173.19	5,193.04	0.38%	-25.82%
Japanese Equity	2,522.26	2,611.85	3.55%	25.88%
European Equity	6,780.57	7,174.28	5.81%	-25.88%
UK Equity	6,049.76	6,463.52	6.84%	-25.88%
Emerging Market Equity	4,365.72	4,313.06	-1.21%	10.35%
China Equity	11,998.34	12,331.39	2.78%	10.35%
Commodity Index	821.90	855.17	4.05%	5.22%
European Real Estate	5,818.59	6,073.79	4.39%	25.84%
American Real Estate	75.47	75.64	0.23%	0.00%
Hedge Fund Strategies	213.45	211.01	-1.14%	5.18%
Currency	0.81	0.83	2.03%	0.43%

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

## 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)

Apr 2018

## 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.

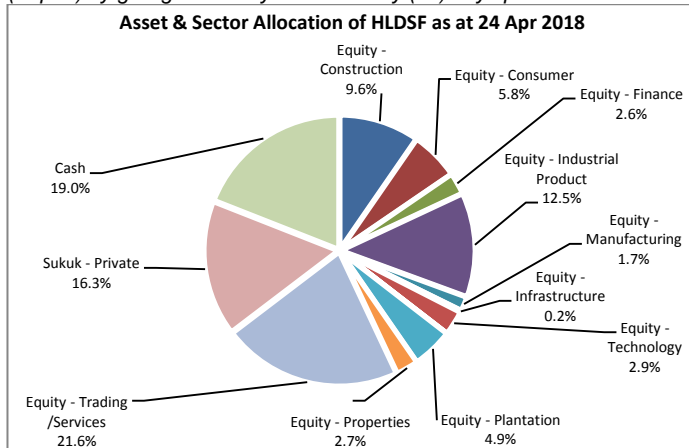
### 4. Target Market

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 (24/4/2018)	:RM1.1673
Fund Size (24/4/2018)	:RM6.28mil
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.*



## Top 10 Holdings for HLADS as at 24 Apr 2018

		%
1.	Tenaga Nasional Berhad	Equity 6.2
2.	Tenaga Nasional Berhad	Sukuk 4.7
3.	Lembaga Pembiayaan Perumahan Sektor Awam	Sukuk 4.5
4.	Sepangar Bay Power Corporation Sdn Bhd	Sukuk 2.4
5.	QL	Equity 2.4
6.	Kesas Sdn Bhd	Sukuk 2.3
7.	Sarawak Hidro Sdn Bhd	Sukuk 2.3
8.	DIALOG	Equity 2.2
9.	IHH Healthcare Berhad	Equity 2.1
10.	AXIATA	Equity 2.0
<b>Total Top 10</b>		<b>31.1</b>

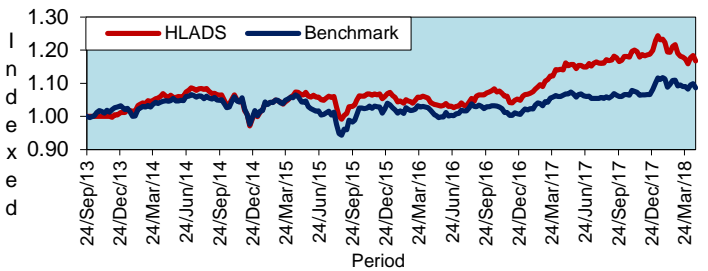
## Hong Leong Assurance Berhad (94613-X)

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

Telephone 03-7650 1818 Fascimile 03-7650 1991

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

## Historical Performance



	YTD	1 month	1 Year	3 Years	Since Inception
HLADS	-2.64%	-0.53%	2.36%	8.85%	16.73%
Benchmark*	0.41%	-0.34%	2.03%	2.40%	8.60%
Relative	-3.05%	-0.18%	0.33%	6.45%	8.13%

\*Source: Bloomberg

## Market Review, Outlook & Strategy

Global investment sentiment started off the month weak as the tussle for trade leverage continued between the US and China. However, sentiment started to improve when the Chinese President, Xi Jinping reaffirmed his commitment to more open trade at the Boao Forum in China, possibly paving way for better relations between the two countries.

Oil markets also received a boost as prices appreciated on the back of talks over possible sanctions on Iran, Saudi Arabia's energy minister reaffirming their commitment to prevent another supply glut and increased geopolitical tensions between US and Russia over suspected chemical attacks on Syrian civilians. In addition, industry sources were quoted as saying that Saudi Arabia is hoping that oil prices would rise to US\$80/ barrel or may even touch US\$100/barrel in the near future. Meanwhile, markets started to recover on the back of better than expected US corporate earnings. The Chinese economy expanded 6.8% yoy in the 1Q, which was ahead of expectations.

Domestically the Prime Minister Datuk Seri Najib Tun Razak announced the dissolution of Parliament, paving the way for the long anticipated 14<sup>th</sup> General Elections (GE14) which will take place on 9<sup>th</sup> May. Bursa Malaysia also initiated the intraday short-selling framework for all investors on 16<sup>th</sup> April. On the economic front, March inflation was softer than expected at +1.3% yoy but the overall underlying trend remains broadly positive in 1Q18. Notable news included MyHSR Corp appointing the MRCB-Gamuda consortium and Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd – TH Properties consortium as the PDP's for the KL-SG HSR civil works portion.

During the month, the KLCI gained 0.4% mom to close at 1,870pts. The KLCI continued to outperform the broader market for the fourth consecutive month in 2018. FTSE Emas fell 0.1% mom, FTSE Bursa Small Cap index posted an even larger decline of 1.9% mom while the FTSE Emas Shariah was down by 0.5% mom. Foreigners turned net buyers (RM1.5b) vs net sellers of RM0.1b in March. The Ringgit depreciated by 1.6% mom against the US\$ to 3.9235.

On the local front, investors will be watching for the outcome of GE14 which is closely contested, preferring to stay on the sidelines till after 9 May. Investors will also be tracking the upcoming 1Q18 results reporting season as well as 1Q18's GDP growth. Bank Negara Malaysia (BNM) will also be meeting this month and consensus is expecting that the overnight policy rate will remain unchanged at 3.25%. The current broad market correction presents an opportunity for the portfolio to reposition itself structurally. We will continue to seek cover in quality big cap stocks that offer earnings certainty and stable dividend yield. However we will also nibble on selected small-mid cap names which have been sold down irrationally where the stock specific fundamentals and management quality remain strong.

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

For the month of April, US Treasury (UST) movements continued to be the key driver for local govies amid uncertainties arising from GE14. Generally, local market liquidity was thin and yields were creeping higher. During the month, UST peaked at just below 3.03%, breaching the 3.0% mark for the first time in 4 years but it soon corrected to below 3% by month end. Taking the cue from UST, overall MGS benchmark yields spiked up by 12-22bps m-o-m across the curve.

On the economic front, February unemployment rate fell to 3.3% from 3.4% previously reflecting an improving labour market. Meanwhile, inflation data came in lower than expected at 1.3% y-o-y in March, down from 1.4% y-o-y in February (consensus: 1.6%).

As for the government guaranteed (GG) and private debt securities (PDS) space, both GG and PDS yields also marked higher in tandem with the govies' movement. Likewise, secondary volume remained weak in the absence of positive catalysts while primary issuances also slowed down. The few notable new issuances for the month like MBSB, Danainfra, MKD Kencana, UMW and WCT Holdings surprisingly fetched decent demand from the market.

Market is expected to be thinly traded ahead of GE14 as most investors will stay cautious till post polling date. Thus, movement in UST will continue to drive the local sentiment. Most investors expect both the FED and BNM to maintain status quo in both their upcoming monetary policy meetings, however, bonds yields are expected to be volatile especially the local bonds. This is because the bid and offer quoted is currently very wide. Thus, any sell off by foreigners will push the yield up especially when market liquidity is thin.

Meanwhile, there will be 4 govies tenders in the month of May. Since the yields have moved quite substantially recently and the new 15 years benchmark tender will be right before GE14, it will be interesting to see where the yield will be printed. We are well prepared to take on some positions in the new issues and take advantage of the near term volatility in the market.

## 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

## HLA Dana Suria (HLADS)

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

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

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

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

### **Others**

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

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### **Disclaimer:**

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

# HLA Secure Fund (HLASF)

Apr 2018

## 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

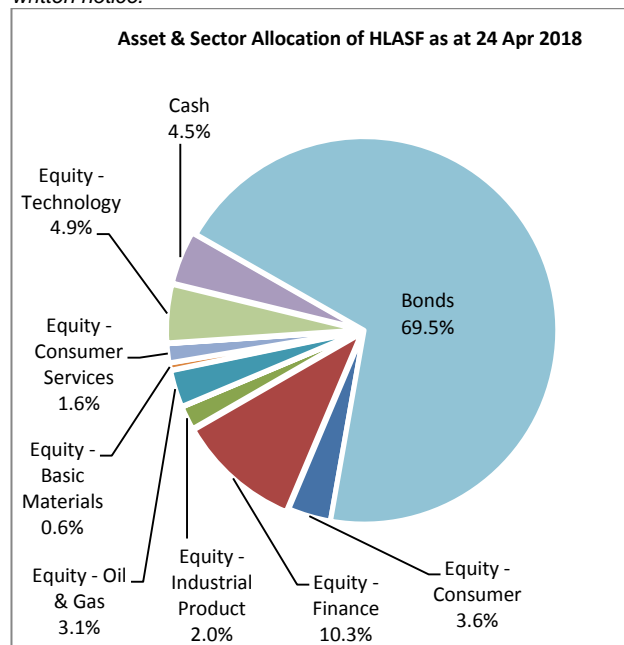
The fund is suitable for investors who are relatively conservative and wish to have a steady and stable return that meets their retirement needs.

## Fund Details

Unit Price (24/4/2018)	:RM1.3356
Fund Size (24/4/2018)	:RM13.8mil
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

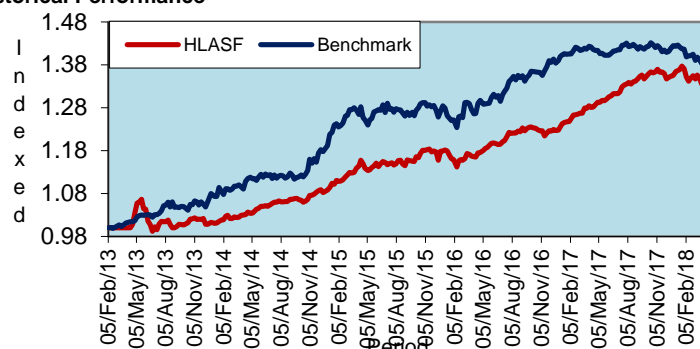
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



## Top 10 Holdings for HLASF as at 24 Apr 2018

		%
1.	Alibaba Group Holding Ltd	Equity 2.0
2.	DBS Group Holdings Ltd	Equity 1.9
3.	Tencent Holdings Ltd	Equity 1.6
4.	Indust & Comm Bank of China	Equity 1.5
5.	China Construction Bank Corp	Equity 1.5
6.	3.51% GII (15.05.18)	Bond 1.3
7.	4.88 PTT Exploration (18.06.49)	Bond 1.2
8.	4.38% JGSH Philippines (23.01.23)	Bond 1.2
9.	7.00% Yinson TMC Sdn Bhd (25.09.49)	Bond 1.1
10.	3.95% Shenzhen International Holding (29.11.49)	Bond 1.1
<b>Total Top 10</b>		<b>14.4</b>

## Historical Performance



	YTD	1 month	1 Year	3 Years	5 Years	Since Inception
HLASF	-1.46%	0.02%	3.72%	17.24%	29.17%	33.56%
Benchmark*	-2.68%	0.25%	-1.87%	10.82%	36.41%	38.67%
Relative	1.22%	-0.23%	5.59%	6.42%	-7.24%	-5.11%

\*Source: AffinHwang

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

Geopolitical risks looks to have calmed following a softening of protectionist rhetoric, ongoing trade discussions, and recent peace efforts with North Korea. US 10 year treasury rate hit a key 3% yield level for the first time since 2014, as Q1 GDP growth of 2.3% beat estimates while US CPI inflation picked up to 2.4% levels. Regional bonds held up well as reactions were muted amidst a surge in the US 10-year Treasury yield. China released strong economic data, recording 6.8% GDP growth for the first quarter driven by a 35.4% increase in online retail sales while the PMI index stood at the 51.4 level vs 51.5 last month. Asia ex Japan companies reported strong earnings growth, ranging 25% to 26%, albeit below analyst expectations. Asia ex Japan stock performance were mixed, with the broader MSCI Asia ex Japan index down 1.2% YTD.

We expect global financial markets to remain volatile in the near term as uncertainties prevail, despite the encouraging fundamentals. To avoid potential effects from currency movements, we will be keeping the fixed income portfolio's foreign currency exposure largely hedged. We maintain a relatively short duration positioning at about 3 to 3.5 years. With heavy supply in the primary market expected, we will be selective in our participation and will look for opportunities with attractive valuation, particularly in IG names. We are fully invested in the equities portion, where we like Chinese and Singapore names, adding selectively in the tech and financial sector. We are cautious on Indonesia and Philippines stocks, having exited our exposure to the latter.

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## 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



## HLA Secure Fund (HLASF)

### 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 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)

**Apr 2018**

## 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

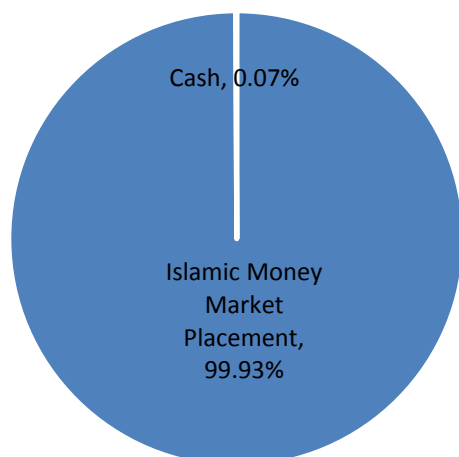
This fund is suitable for investors who are low risk profile.

## Fund Details

Unit Price (24/4/2018)	: RM1.1883
Fund Size (24/4/2018)	: RM35.2mil
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

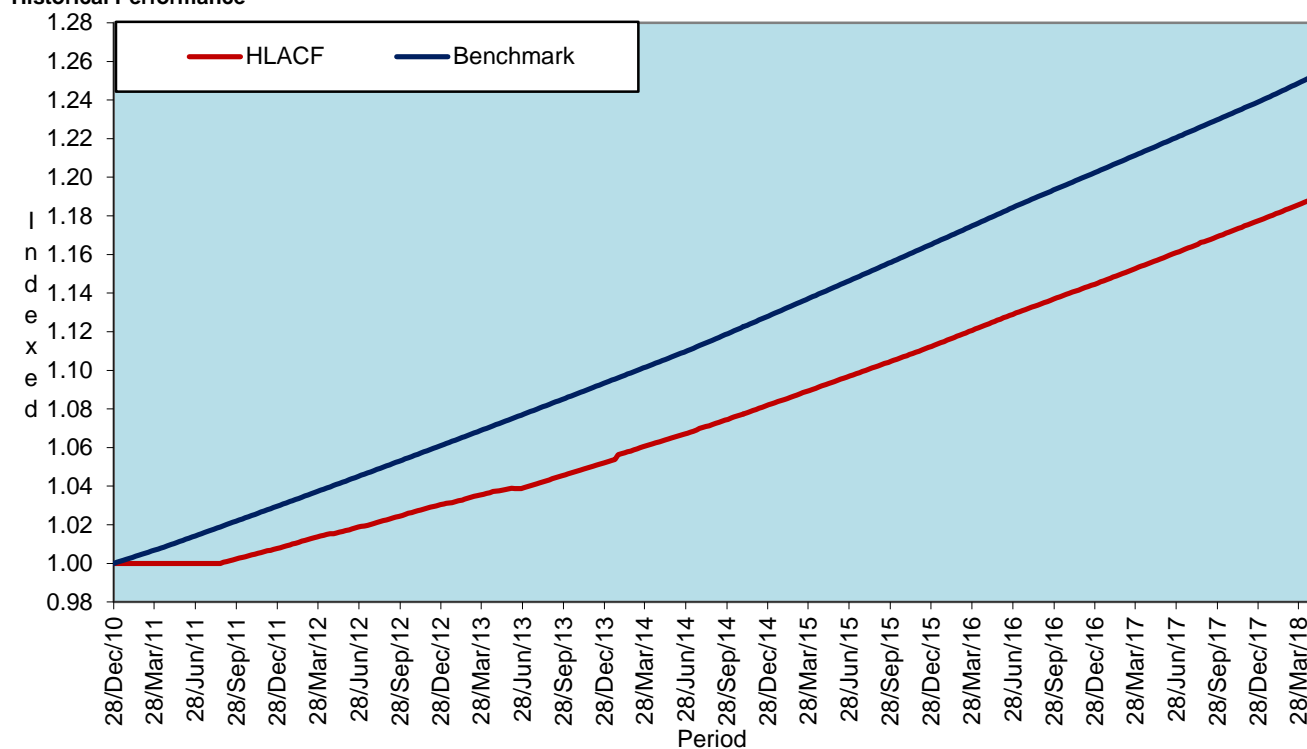
*The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.*

**Asset & Sector Allocation of HLACF as at 24 Apr 2018**



## HLA Cash Fund (HLACF)

### Historical Performance



As of 24/4/18	1 month	YTD	1 Year	3 Years	5 Years	Since Inception
HLACF	0.23%	0.93%	2.87%	8.83%	14.55%	18.83%
Benchmark*	0.25%	1.04%	3.10%	9.79%	16.79%	25.18%
Relative	-0.02%	-0.11%	-0.23%	-0.96%	-2.24%	-6.35%

\*Source: Bloomberg

### 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 refers 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

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 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

