

Monthly Fund Fact Sheet

— February 2020



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HLA Venture Growth Fund (HLAVGF)

Feb 2020

Fund Features

1. Investment Objective

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

2. Investment Strategy & Approach

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

3. Asset Allocation

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

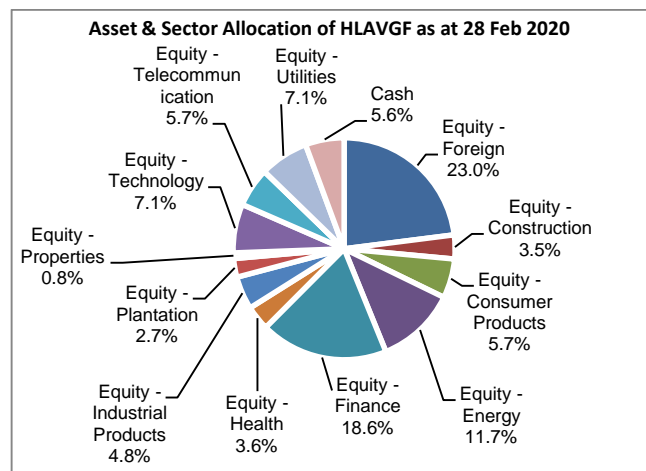
4. Target Market

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

Fund Details

Unit Price (28/2/2020)	:RM2.513
Fund Size (28/2/2020)	:RM373.6mil
Fund Management Fee (effective as at 01/08/2018)	: 1.39% 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

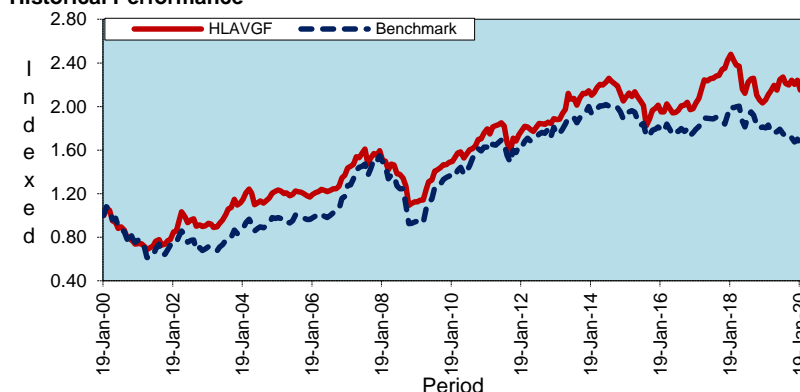
The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%)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



Top 5 Holdings for HLAVGF as at 28 Feb 2020

	%
1. CIMB	7.8
2. MAYBANK	7.5
3. YINSON	7.2
4. TENAGA	7.1
5. TENCENT	5.5
Total Top 5	35.0

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVGF	-4.04%	0.01%	2.02%	3.70%	1.31%	40.84%	115.13%
Benchmark*	-6.68%	-3.16%	-13.18%	-12.47%	-18.59%	16.67%	58.85%
Relative	2.64%	3.18%	15.20%	16.17%	19.90%	24.17%	56.28%

*Source: Bloomberg

Market Review, Outlook & Strategy

Regionally, and eventually globally, sentiment was shattered due to fears that the Covid-19 virus was turning into a global pandemic. While the outbreak appeared to be contained in China with number of new confirmed cases declining gradually, the focus shifted to the sharp rise in reported cases internationally - notably in Japan, South Korea and Italy. Warnings by Apple and Microsoft that they might not meet their earlier guidance due to the disruptions to supply and demand from the Covid-19 outbreak in China further dampened investors' sentiment. The spread and economic impact of Covid-19 appeared to be more severe than most economists had anticipated leading to further cuts in 2020 global growth forecasts (recently OECD revised global growth for 2020 from 2.9% to 2.4%). China's central bank tried to shore up sentiment by announcing various supportive measures to ensure adequate liquidity in the banking system.

Domestically, aside from the health crisis posted by Covid-19, the political turmoil exacerbated the bearish mood. The news that the Pakatan Harapan coalition had split led to uncertainty over the administration of the country. The announcement of the RM20b mini stimulus package did little to excite the market. The Dec quarter earnings continued to be uninspiring with disappointments coming from the auto, aviation, petrochemical, utilities and oil & gas. However, on a more positive note we saw higher dividends being declared from selected big cap companies such as Tenaga, Maybank, Petronas Gas and Petronas Dagangan. Ringgit depreciated by close to 3% to 4.215/US\$. Oil price also fell below the US\$50 threshold to close at US\$45.26 (-12% mom).

For the month, the FBM KLCI declined by 3.2% mom to 1,482.64 pts. The broader markets also fell in tandem with FBM Emas, FBM Shariah and FBM Small Cap Indexes declining by 3.8%, 3.7% and 4.1% respectively. In February, Malaysia equities saw an outflow of US\$469m (~RM1.98b) with bulk of the outflows happening in the last week, following the government's collapse and the 4Q19 results season. Cumulatively, in Jan and Feb, Malaysia equities saw a net outflow of US\$503m (~RM2.12b).

Going into March, markets will continue to be volatile. Investors will be following closely Covid-19's pace of infection outside China as well as China's work resumption progress. Domestically investors will have to brace for short-term policy uncertainties following the unexpected change in federal government as well as potentially several state governments. The latest change in government could also bring about another round of changes to the various GLCs leadership. We will continue to be defensive - staying invested in dividend yielding stocks with resilient earnings as well as to reassess at some of the stocks which have retraced sharply.

Hong Leong Assurance Berhad 198201014849 (94613-X)

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

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HLA Venture Growth Fund (HLAVGF)

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

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Benchmark	19.3%	0.8%	10.3%	10.5%	-5.7%	-3.9%	-3.0%	9.5%	-5.9%	-6.0%
HLAVGF- Gross	21.1%	0.5%	10.7%	16.3%	-3.2%	-0.6%	-0.1%	26.0%	-16.1%	12.8%
HLAVGF - Net	18.0%	-0.9%	8.5%	13.6%	-4.4%	-1.9%	-1.5%	22.5%	-16.2%	10.3%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past ten (10) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

Investment Risks

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

- 1. Market Risk**
Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.
- 2. Liquidity Risk**
Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.
- 3. Credit Risk**
This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.
- 4. Interest Rate Risk**
The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.
- 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 Growth Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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Disclaimer:

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

HLA Venture Blue Chip Fund (HLAVBCF)

Feb 2020

Fund Features

1. Investment Objective

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

2. Investment Strategy & Approach

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

3. Asset Allocation

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

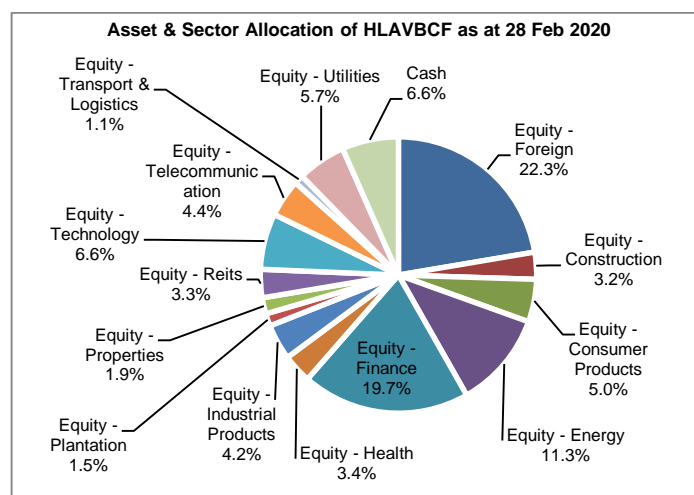
4. Target Market

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

Fund Details

Unit Price (28/2/2020)	: RM2.4248
Fund Size (28/2/2020)	: RM277.5mil
Fund Management Fee (effective as at 01/05/2018)	: 1.43% 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

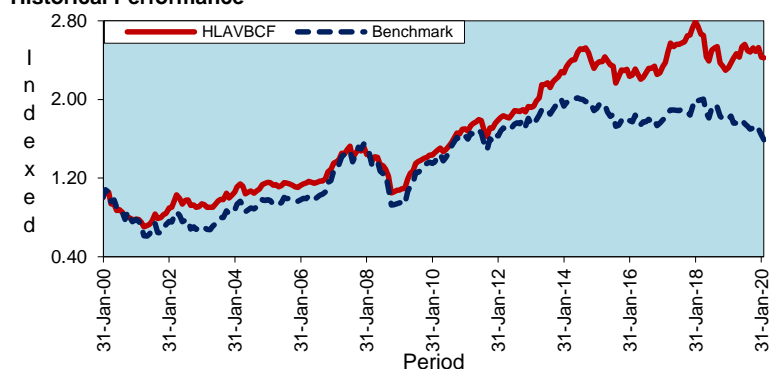
The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%)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



Top 5 Holdings for HLAVBCF as at 28 Feb 2020

	%
1. YINSON	7.7
2. MAYBANK	7.2
3. CIMB	5.7
4. TENAGA	5.7
5. TENCENT	4.5
Total Top 5	30.7

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVBCF	-4.11%	-0.23%	2.31%	2.16%	1.64%	66.58%	142.48%
Benchmark*	-6.68%	-3.16%	-13.18%	-12.47%	-18.59%	16.67%	58.85%
Relative	2.57%	2.93%	15.49%	14.62%	20.23%	49.91%	83.63%

*Source: Bloomberg

Market Review, Outlook & Strategy

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HLA Venture Blue Chip Fund (HLAVBCF)

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

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Benchmark	19.3%	0.8%	10.3%	10.5%	-5.7%	-3.9%	-3.0%	9.5%	-5.9%	-6.0%
HLAVBF- Gross	21.6%	5.4%	11.9%	21.4%	3.2%	1.1%	-0.1%	23.6%	-15.7%	12.5%
HLAVBF - Net	18.5%	3.6%	9.6%	18.3%	1.5%	-0.4%	-1.6%	20.3%	-15.9%	10.1%

Net returns are adjusted for tax and fund management fees.

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Investment Risks

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

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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 - 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

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HLA Venture Dana Putra (HLAVDP)

Feb 2020

Fund Features

1. Investment Objective

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

2. Investment Strategy & Approach

This fund invests in Syariah-approved securities and money market instruments.

3. Asset Allocation

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

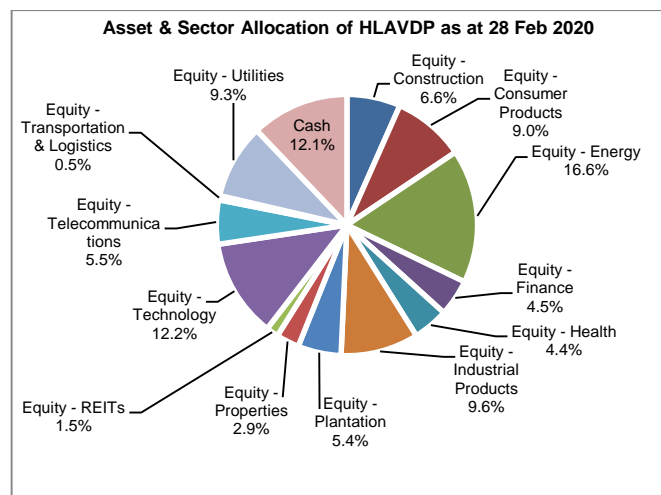
4. Target Market

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

Fund Details

Unit Price (28/2/2020)	: RM2.3209
Fund Size (28/2/2020)	: RM81.6mil
Fund Management Fee (effective as at 01/01/2019)	: 1.34% p.a. (capped at 1.40%)
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 19 Jul 2000
Benchmark	: FBM EmasShariah Index (KL Shariah Index)
Frequency of Unit Valuation	: Daily

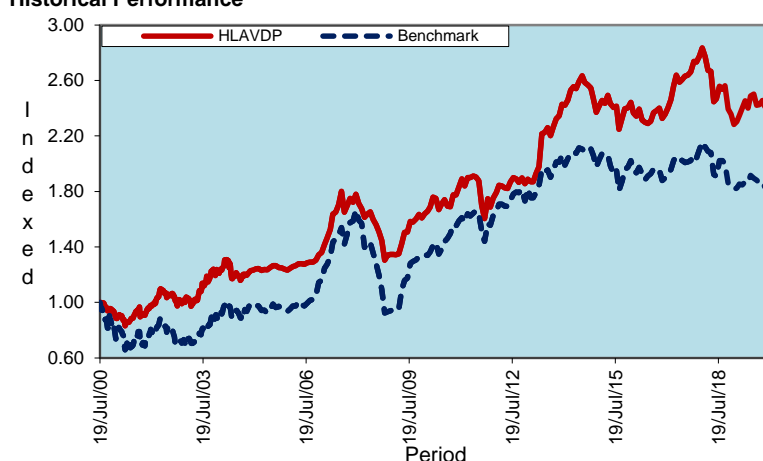
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Top 5 Holdings for HLAVDP as at 28 Feb 2020

	%
1. YINSON	7.4
2. TENAGA	6.9
3. QL	4.7
4. MYEG	4.6
5. BIMB	4.0
Total Top 5	27.6

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVDP	-6.06%	-2.93%	-1.17%	-5.64%	-5.49%	37.55%	132.09%
Benchmark*	-6.92%	-3.74%	-5.21%	-10.22%	-15.24%	28.71%	75.62%
Relative	0.86%	0.81%	4.04%	4.59%	9.75%	8.84%	56.47%

Source: Bloomberg

Market Review, Outlook & Strategy

Regionally, and eventually globally, sentiment was shattered due to fears that the Covid-19 virus was turning into a global pandemic. While the outbreak appeared to be contained in China with number of new confirmed cases declining gradually, the focus shifted to the sharp rise in reported cases internationally - notably in Japan, South Korea and Italy. Warnings by Apple and Microsoft that they might not meet their earlier guidance due to the disruptions to supply and demand from the Covid-19 outbreak in China further dampened investors' sentiment. The spread and economic impact of Covid-19 appeared to be more severe than most economists had anticipated leading to further cuts in 2020 global growth forecasts (recently OECD revised global growth for 2020 from 2.9% to 2.4%). China's central bank tried to shore up sentiment by announcing various supportive measures to ensure adequate liquidity in the banking system.

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HLA Venture Dana Putra (HLAVDP)

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

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Benchmark	18.2%	2.4%	11.9%	13.3%	-4.2%	2.4%	-6.1%	10.7%	-13.5%	3.9%
HLAVDP- Gross	14.4%	-3.1%	10.0%	32.6%	-1.1%	4.9%	-2.4%	20.8%	-17.8%	10.5%
HLAVDP - Net	11.9%	-4.5%	7.8%	28.6%	-2.4%	3.1%	-3.6%	17.7%	-17.7%	8.3%

Net returns are adjusted for tax and fund management fees.

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Basis of Unit Valuation

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

Exceptional Circumstances

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

Basis of Calculation of Past Performance

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

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

Others

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

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Disclaimer:

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

HLA Venture Flexi Fund (HLAVFF)

Feb 2020

Fund Features

1. Investment Objective

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

2. Investment Strategy & Approach

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

3. Asset Allocation

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

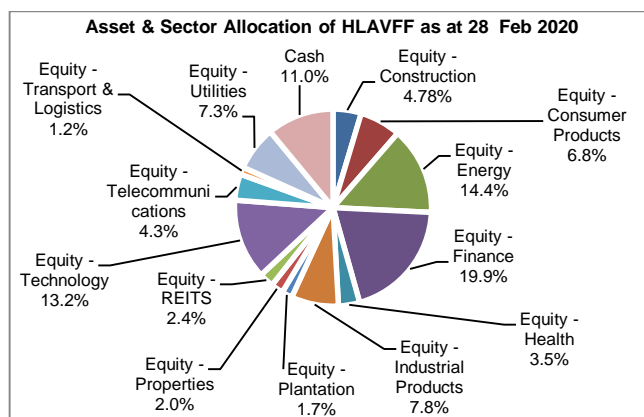
4. Target Market

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

Fund Details

Unit Price (28/2/2020)	: RM0.8660
Fund Size (28/2/2020)	: RM81.4mil
Fund Management Fee (effective as at 01/01/2019)	: 1.31% p.a. (capped at 1.48%)
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 06 April 2009
Benchmark	: FTSE Bursa Malaysia KLCI Index (FBM KLCI)
Frequency of Unit Valuation	: Daily

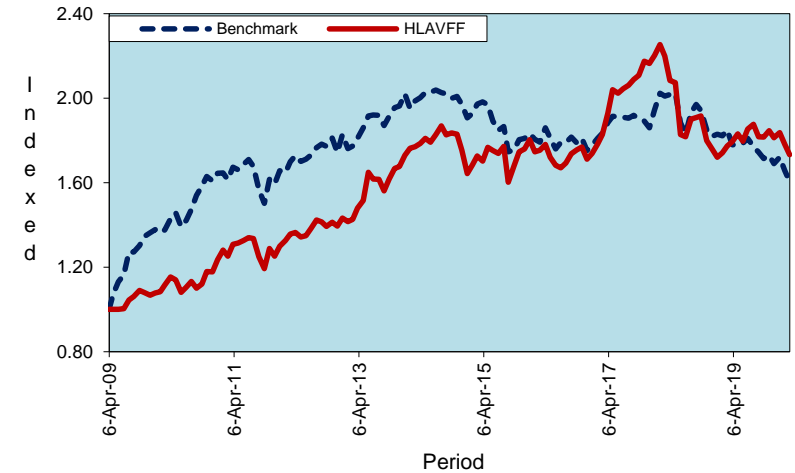
The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%)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



Top 5 Holdings for HLAVFF as at 28 Feb 2020

	%
1. MAYBANK	9.3
2. YINSON	6.4
3. CIMB	5.7
4. TENAGA	5.1
5. MYEG	3.5
Total Top 5	30.1

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVFF	-5.71%	-2.73%	-2.33%	-5.25%	0.32%	55.25%	73.20%
Benchmark*	-6.68%	-3.16%	-13.18%	-12.47%	-18.59%	16.67%	60.50%
Relative	0.97%	0.43%	10.85%	7.21%	18.91%	38.58%	12.70%

*Source: Bloomberg

Market Review, Outlook & Strategy

Regionally, and eventually globally, sentiment was shattered due to fears that the Covid-19 virus was turning into a global pandemic. While the outbreak appeared to be contained in China with number of new confirmed cases declining gradually, the focus shifted to the sharp rise in reported cases internationally - notably in Japan, South Korea and Italy. Warnings by Apple and Microsoft that they might not meet their earlier guidance due to the disruptions to supply and demand from the Covid-19 outbreak in China further dampened investors' sentiment. The spread and economic impact of Covid-19 appeared to be more severe than most economists had anticipated leading to further cuts in 2020 global growth forecasts (recently OECD revised global growth for 2020 from 2.9% to 2.4%). China's central bank tried to shore up sentiment by announcing various supportive measures to ensure adequate liquidity in the banking system.

Domestically, aside from the health crisis posted by Covid-19, the political turmoil exacerbated the bearish mood. The news that the Pakatan Harapan coalition had split led to uncertainty over the administration of the country. The announcement of the RM20b mini stimulus package did little to excite the market. The Dec quarter earnings continued to be uninspiring with disappointments coming from the auto, aviation, petrochemical, utilities and oil & gas. However, on a more positive note we saw higher dividends being declared from selected big cap companies such as Tenaga, Maybank, Petronas Gas and Petronas Dagangan. Ringgit depreciated by close to 3% to 4.215/US\$. Oil price also fell below the US\$50 threshold to close at US\$45.26 (-12% mom).

For the month, the FBM KLCI declined by 3.2% mom to 1,482.64 pts. The broader markets also fell in tandem with FBM Emas, FBM Shariah and FBM Small Cap Indexes declining by 3.8%, 3.7% and 4.1% respectively. In February, Malaysia equities saw an outflow of US\$469m (~RM1.98b) with bulk of the outflows happening in the last week, following the government's collapse and the 4Q19 results season. Cumulatively, in Jan and Feb, Malaysia equities saw a net outflow of US\$503m (~RM2.12b).

Going into March, markets will continue to be volatile. Investors will be following closely Covid-19's pace of infection outside China as well as China's work resumption progress. Domestically investors will have to brace for short-term policy uncertainties following the unexpected change in federal government as well as potentially several state governments. The latest change in government could also bring about another round of changes to the various GLCs leadership. We will continue to be defensive - staying invested in dividend yielding stocks with resilient earnings as well as to reassess at some of the stocks which have retraced sharply.

Hong Leong Assurance Berhad 198201014849 (94613-X)

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HLA Venture Flexi Fund (HLAVFF)

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

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Benchmark	19.3%	0.8%	10.3%	10.5%	-5.7%	-3.9%	-3.0%	9.5%	-5.9%	-6.0%
HLAVFF- Gross	17.4%	7.0%	12.7%	24.1%	-3.9%	12.2%	-2.4%	30.6%	-22.2%	8.8%
HLAVFF - Net	14.6%	5.1%	10.2%	20.8%	-5.0%	9.8%	-3.7%	26.7%	-21.9%	6.7%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past ten (10) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

The fund was only launched on 6 April 2009. The actual investment returns are calculated based on unit price from 6 April 2009 to 31 December 2009.

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.

- 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.
- 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.
- 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.
- 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.
- Country Risk**
The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.
- Currency Risk**
This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

Risk Management

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

Basis of Unit Valuation

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

Exceptional Circumstances

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

Basis of Calculation of Past Performance

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

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

Others

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

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HLA Value Fund (HLVF)

Feb 2020

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 Value Fund, formerly known as 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 Target Fund is to invest a minimum of 70% of its NAV in equities and maximum 30% of its NAV in fixed income securities. Generally, HLA Value Fund may invest up to 95% of its NAV in equities.

5. Target Market

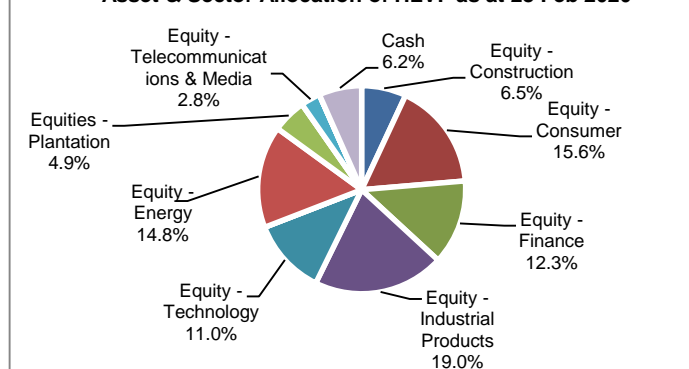
This fund is suitable for investors who have a higher than average risk tolerance level, medium-term investment horizon, and are able to accept the anticipated higher volatility of the fund.

Fund Details

Unit Price (28/2/2020)	: RM 1.1094
Fund Size (28/2/2020)	: RM 84.6mil
Fund Management Fee (effective as at 01/10/2015)	: 1.45% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 01 October 2015
Benchmark	: FTSE Bursa Malaysia EMAS
Frequency of Unit Valuation	: Daily

Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.

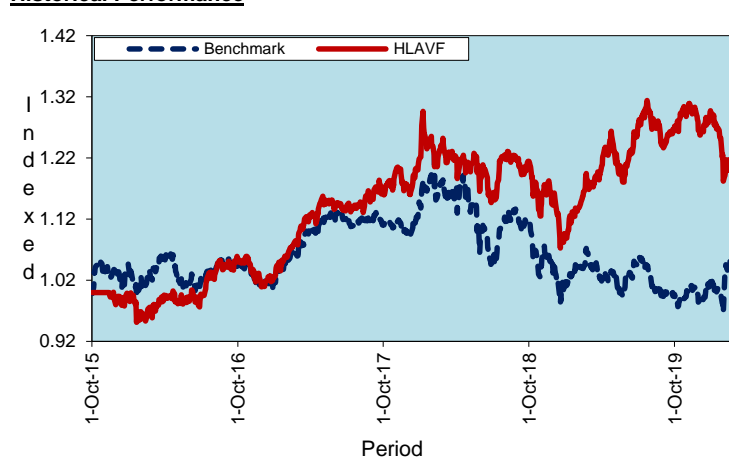
Asset & Sector Allocation of HLVF as at 28 Feb 2020



Top 5 Holdings for HLVF as at 28 Feb 2020

	%
1. PETRONAS CHEMICALS GROUP BERHAD	8.1
2. BUMI ARMADA BERHAD	7.9
3. PRESS METAL ALUMINIUM HOLDINGS BERHAD	7.5
4. TOP GLOVE CORPORATION BERHAD	6.3
5. DAYANG ENTERPRISE HOLDINGS BERHAD	5.4
Total Top 5	35.2

Historical Performance



	YTD	1 month	1 year	2 years	3 years	Since Inception
HLVF	-13.48%	-6.15%	-5.05%	-10.46%	2.91%	10.94%
Benchmark*	-1.79%	2.12%	-5.97%	-15.87%	-6.94%	-1.35%
Relative	-11.70%	-8.27%	0.92%	5.41%	9.85%	12.29%

*Source: Bloomberg

Market Review, Outlook & Strategy

During the month, the FTSE BM KLCI declined 3.2% to close at 1,483 points. The FTSE BM EMAS Index declined 3.7% to close at 10,479 points. Small caps underperformed as the FTSE BM Small Cap Index declined 4.1% to close at 12,736 points.

Investor sentiment was adversely affected by the global spread of the COVID-19 virus and the political turmoil in the last week of the month.

On the corporate front, the Securities Commission Malaysia will review the corruption and bribery allegations against AirAsia Group Berhad and AirAsia X Berhad. MISC Berhad won a contract from Petrobras to own and operate three new Suezmax DP2 shuttle tankers. Westports Holdings Berhad is buying a piece of land adjacent to its port in Klang to expand its port with eight additional container terminal facilities.

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

Hong Leong Assurance Berhad 198201014849 (94613-X)

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HLA Value Fund (HLVF)

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

Year	2015	2016	2017	2018	2019
Benchmark	4.6%	-2.8%	12.9%	-11.1%	-1.6%
HLVF- Gross	-0.1%	4.7%	22.2%	-9.3%	20.0%
HLVF - Net	-0.4%	2.8%	19.0%	-10.0%	17.0%

Net returns are adjusted for tax and fund management fees.

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

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.

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:
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 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

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

Target Fund Details

Hong Leong Value Fund, formerly known as 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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Performance	20.9%	1.7%	8.1%	19.6%	1.1%	18.8%	3.1%	21.7%	-12.2%	16.6%

Source: Hong Leong Asset Management

Note: With effect from 27 March 2020, Hong Leong Penny Stock Fund has been renamed to Hong Leong Value Fund.

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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Disclaimer:

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Hong Leong SMART Invest Fund (HLSIF)

Feb 2020

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 Value Fund, formerly known as 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 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.

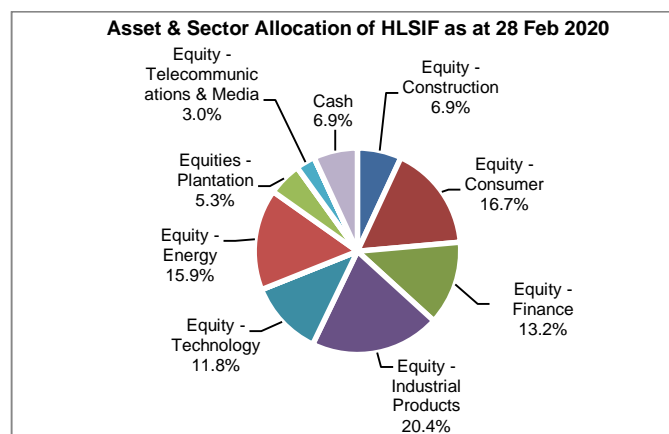
4. Target Market

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 (28/2/2020)	: RM0.9245
Fund Size (28/2/2020)	: RM207.0mil
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

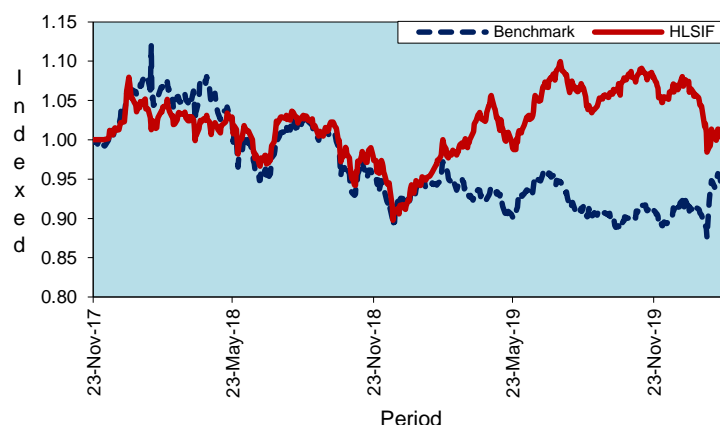
Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



Top 5 Holdings for HLSIF as at 28 Feb 2020

	%
1. PETRONAS CHEMICALS GROUP BERHAD	8.1
2. BUMI ARMADA BERHAD	7.8
3. PRESS METAL ALUMINIUM HOLDINGS BERHAD	7.5
4. TOP GLOVE CORPORATION BERHAD	6.3
5. DAYANG ENTERPRISE HOLDINGS BERHAD	5.4
Total Top 5	35.1

Historical Performance



	YTD	1 month	3 months	1 year	2 years	Since Inception
HLSIF	-13.44%	-6.08%	-12.25%	-5.37%	-11.19%	-7.55%
Benchmark*	-1.79%	2.12%	0.26%	-5.97%	-15.87%	-10.55%
Relative	-11.65%	-8.21%	-12.51%	0.59%	4.67%	3.00%

*Source: Bloomberg

Market Review, Outlook & Strategy

During the month, the FTSE BM KLCI declined 3.2% to close at 1,483 points. The FTSE BM EMAS Index declined 3.7% to close at 10,479 points. Small caps underperformed as the FTSE BM Small Cap Index declined 4.1% to close at 12,736 points.

Investor sentiment was adversely affected by the global spread of the COVID-19 virus and the political turmoil in the last week of the month.

On the corporate front, the Securities Commission Malaysia will review the corruption and bribery allegations against AirAsia Group Berhad and AirAsia X Berhad. MISC Berhad won a contract from Petrobras to own and operate three new Suezmax DP2 shuttle tankers. Westports Holdings Berhad is buying a piece of land adjacent to its port in Klang to expand its port with eight additional container terminal facilities.

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

Hong Leong SMART Invest Fund (HLSIF)

Actual Annual Investment Returns for the Past Three (3) Calendar Years

Year	2017	2018	2019
Benchmark	12.9%	-11.1%	-1.57%
HLSIF- Gross	2.5%	-9.4%	19.4%
HLSIF - Net	2.2%	-10.2%	16.4%

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 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 Value Fund, formerly known as 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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Performance	20.9%	1.7%	8.1%	19.6%	1.1%	18.8%	3.1%	21.7%	-12.2%	16.6%

Source: Hong Leong Asset Management

Note: With effect from 27 March 2020, Hong Leong Penny Stock Fund has been renamed to Hong Leong Value Fund.

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)

Feb 2020

Fund Features

1. Investment Objective

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

2. Investment Strategy & Approach

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

3. Asset Allocation

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

4. Target Market

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

Fund Details

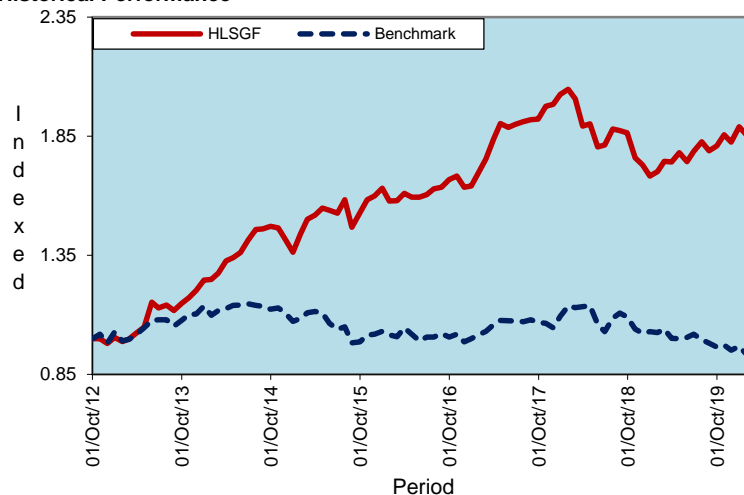
Unit Price (28/2/2020)	: RM1.8183
Fund Size (28/2/2020)	: RM208.8mil
Fund Management Fee	: 1.50% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 01 Oct 2012
Benchmark	: FTSE Bursa Malaysia KLCI Index (FBM KLCI)
Frequency of Unit Valuation	: Daily

Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. 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 5 Holdings for HLSGF as at 28 Feb 2020

	%
1. TENAGA NASIONAL BHD	5.8
2. YINSON HOLDINGS BHD	5.1
3. PENTAMASTER CORP BHD	4.5
4. DIALOG GROUP BHD	4.3
5. FRONTKEN CORP BHD	4.2
Total Top 5	24.0

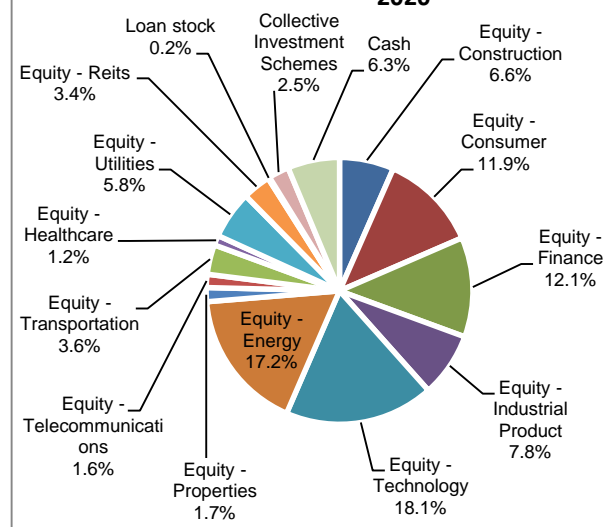
Historical Performance



	YTD	1 month	1 Year	3 Years	5 Years	Since Inception
HLSGF	-3.74%	-1.87%	4.28%	3.60%	21.16%	81.83%
Benchmark*	-6.68%	-3.16%	-13.18%	-12.47%	-18.59%	-9.78%
Relative	2.94%	1.30%	17.46%	16.06%	39.75%	91.61%

Source: Bloomberg

Asset & Sector Allocation of HLSGF as at 28 Feb 2020



Hong Leong Assurance Berhad 198201014849 (94613-X)

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

Telephone 03-7650 1818 Facsimile 03-7650 1991

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

Hong Leong SMART Growth Fund (HLSGF)

Market Review, Outlook & Strategy relevant to Target Fund

Global equity markets experienced a sharp sell-off in February amid rising concerns over the impact of COVID-19 virus on economic activities and global growth. The virus started to spread in end-January in Hubei, China causing the delay of work resumption after CNY in many cities and affected the supply chain of automotive, technology and e-commerce. Thereafter, when number of daily new cases peaked and recovery rate improved in China, other countries including South Korea, Italy, Iran and Japan started to emerge as new centers of virus infection, curbed any optimism that the virus is under control although World Health Organisation (WHO) has yet to declare it a pandemic. As a result, China's official manufacturing PMI dropped to 35.7 in February, even lower than 38.8 reported in November 2008 and non-manufacturing PMI also dropped from 54.1 in January to 29.6 in February, the lowest since November 2011. In response to that, PBOC has lowered market interest rates and rolled out credit supports for corporates as well as fiscal stimulus in the form of targeted tax cuts, waiver of social security contributions by enterprises etc.

Developed Markets (-8.6%) underperformed Emerging Markets (-5.3%) in February, led by US which saw DJIA fell 10.1% and Euro STOXX 50 went down 8.6%. In the region, MSCI Asia ex-Japan lost 2.9% led by Australia (-8.2%), India (-6.0%) and Korea (-6.2%). MSCI ASEAN plunged 9.3% in the month, dragged by Thailand (-11.5%), Indonesia (-8.2%) and Philippines (-5.7%). Crude oil prices extended losses from January with both WTI and Brent fell 11-13% in the month as oil majors projected significant drop in oil demand this year due to the virus and OPEC+ awaited Russia's response to its proposal to cut output further. In Asia, Malaysian Ringgit and Indonesian Rupiah were the weakest currencies, depreciated 2.86% and 4.86% respectively against US Dollar.

On the local front, weak sentiment from lower-than-expected 4Q19 GDP growth (+3.6% YoY) and unexcited corporate earnings was exacerbated by political turmoil following Tun Mahathir's resignation as Prime Minister and the ruling government lost its Parliamentary majority. The King has later appointed Muhyiddin Yassin as the 8th Prime Minister of Malaysia but we still do not have cabinet in place. A stimulus package worth RM20b was unveiled but FBMKLCI still closed 3.2% lower in local currency terms while FBM100 and FBM Small Cap indices dropped by 3.8% and 4.1% respectively.

In the near term, markets are likely to remain subdued as daily additions of new COVID-19 cases outside of China continue to rise. 1Q20 economics data may see a sharp decline and come in lower-than-expected but key concern is the pace of recovery in 2Q20 onwards. Other than measures to contain the virus, increasing policy support from major central banks should ensure sufficient liquidity in the system to help cushion the negative impact.

Given the anticipated market volatility, we position defensively while focusing on stock picking for outperformance. We continue to favour high dividend yielding stocks which provide some defensiveness and should continue to do well in a low yield environment. Fiscal stimulus, if it happens, will benefit cyclical sectors such as infrastructure, property and building materials.

Actual Annual Investment Returns for the Past Eight (8) Calendar Years

Year	2012	2013	2014	2015	2016	2017	2018	2019
Benchmark	2.8%	10.5%	-5.7%	-3.9%	-3.0%	9.5%	-5.9%	-6.0%
HLSGF- Gross	3.3%	27.8%	11.8%	23.1%	2.3%	27.1%	-16.8%	15.0%
HLSGF - Net	1.6%	24.1%	9.3%	19.8%	0.6%	23.5%	-17.0%	12.3%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past eight (8) 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.

Hong Leong SMART Growth Fund (HLSGF)

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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Performance	32.7%	19.1%	14.1%	26.4%	9.3%	20.9%	-0.1%	25.8%	-18.1%	13.5%

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)

Feb 2020

Fund Features

1. Investment Objective

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

2. Investment Strategy & Approach

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

3. Asset Allocation

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

4. Target Market

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

Fund Details

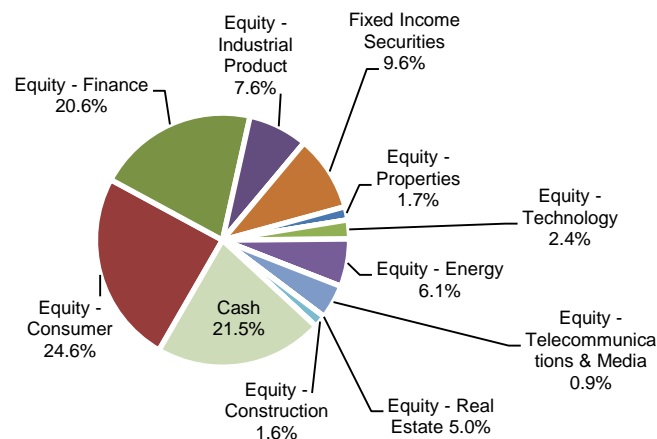
Unit Price (28/2/2020)	:RM1.3810
Fund Size (28/2/2020)	:RM30.81mil
Fund Management Fee	:1.29% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Equity
Fund Inception	: 02 April 2007
Benchmark	:MSCI AC Asia Pacific ex Japan + MSCI ACWI Index + RAM Quantshop MGS ALL
Frequency of Unit Valuation	:Daily

Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. 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 HLA VGLF as at 28 Feb 2020

	%
Hong Leong Asia-Pacific Dividend Fund	63.1
Hong Leong Strategic Fund	36.6
Cash	0.3
Total	100.0

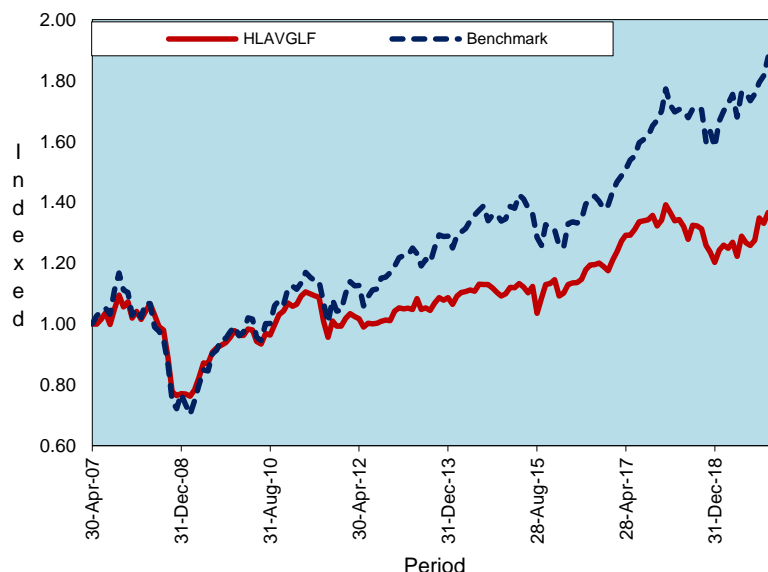
Asset & Sector Allocation of HLA VGLF as at 28 Feb 2020



Top 5 Holdings for HLA VGLF as at 28 Feb 2020

	%
1. Malaysian Government Securities	9.6
2. China Conch Venture Holdings	5.4
3. Country Garden Services Holdings Co Ltd	5.4
4. Dufu Technology Corp Berhad	5.3
5. Greentown Service Group Co Ltd	4.5
Total Top 5	30.2

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLA VGLF	1.06%	4.17%	9.63%	11.57%	23.28%	43.53%	38.10%
Benchmark*	-4.63%	-3.67%	5.36%	22.02%	29.14%	83.94%	79.06%
Relative	5.70%	7.84%	4.27%	-10.45%	-5.86%	-40.41%	-40.96%

Source: Bloomberg, RAM Quantshop

HLA Venture Global Fund (HLAVGLF)

Market Review, Outlook & Strategy relevant to Target Fund

Equity Review

Global – Global equity markets experienced a sharp sell-off towards the end of the month as cases of COVID-19 virus grew outside China. Investors were increasingly worried about the economic impact of the virus as the number of infections outside China accelerated. The Dow Jones Industrial Average Index declined 10.1% and the broader S&P 500 Index declined 8.4%. The Euro Stoxx Index declined 8.6% and the FTSE 100 Index declined 9.7%.

Asia Pacific – Regional markets also declined as investors reduced their exposure to emerging market equities due to concerns about a slowdown in global growth. Hong Kong and China markets recovered towards the end of the month as the government started rolling out substantial monetary and fiscal policy support. In the region, Hong Kong and Taiwan markets were the leaders while Thailand and Australia markets were the laggards.

Malaysia – The FTSE BM KLCI fell along with regional markets. Apart from the COVID-19 related concerns, the local political developments also dampened investor sentiment. The FTSE BM KLCI declined 3.2% to close at 1,483 points while the FTSE BM EMAS Index declined 3.8% to close at 10,479 points. Small caps underperformed as the FTSE BM Small Cap Index declined 4.1% to close at 12,736 points.

Outlook & Strategy

Global – In the US, labour market remains healthy as total employment growth was well above expectations. However, forward economic indicators appear to indicate some impact from COVID-19 on the US economy. In particular, business sentiment seems to have turned negative and the impact appears broad-based. Likewise, Germany and Euro area business sentiment indices have also turned sour and showed considerable impact from the COVID-19 outbreak.

Asia Pacific – Manufacturing activity in China remains subdued as factory production has resumed but the ramp-up is slow after a prolonged break in activity. In view that the first quarter economic growth in China will see a sharp decline, the government has rolled out several measures such as interest rate cut, tax and rent waivers to support the economy.

Malaysia – Foreign investors accelerated their selling of Malaysian equities as political uncertainty went up a few notches towards the end of the month. We prefer to be invested in high-yield stocks, selected consumer and export stocks and selected financial stocks.

Fixed Income Review and Outlook

During the month, US Treasuries (UST) sank as COVID-19 outbreak intensified leading a surge in demand for safe-haven assets. While safe-haven assets rallied, the US stocks plunged as Americans prepared themselves for the spread of COVID-19 within US communities. The 10-Year UST yield fell around 25 basis points (bps) since the beginning of the month to a new low of 1.33% as of end February. Bonds rallied at the beginning of the month as we saw interests ramped up for both corporate and local sovereign bonds after Bank Negara Malaysia's (BNM) governor commented that they country has capacity for rate cut to support the economy. However, the situation was short lived as market suffered a round of sell-off after Malaysia's Prime Minister Tun Dr Mahathir announced his shocking resignation. The re-opening of 30-year Government Investment Issue (GII) at the beginning of the month saw a strong bid-to-cover ratio of 2.3 times whilst the 10-year GII printed a bid-to-cover ratio of 2.8 times. Similarly, the 3-year Malaysian Government Securities (MGS) printed a respectable bid-to-cover ratio of 2.2 times. Prasarana Malaysia Berhad tapped a RM3.5 billion issue size while the much anticipated TG Excellence Berhad issued RM1.3 billion Perpetual Non-Callable 5-year at a tight coupon yield of 3.95%.

The Federal Reserve (Fed) will be cautious about holding rates steady this year, taking into consideration the impact of the COVID-19 outbreak on the global economic scene. US Treasuries will continue to be supported in the near term as investors continue to resort for safer-haven investments. Locally, investor's expectation is high for another rate cut following a weaker fourth-quarter 2019 gross domestic product (GDP) data and further global slowdown in the economy due to the broadening effects of the outbreak. Forecast for the 2020 GDP growth is expected to slow down to below 4% from 4.3% in 2019 due to further downside risks arising from the recent political developments. Inflation data is expected to come in higher at 1.7% after a softer figure (1.0%) in December. We expect sustained demand for local bonds despite political and policy uncertainties at this point in time. On portfolio positioning, we look to increase portfolio duration due to global growth concerns in the near term. The Funds will maintain a higher corporate bond holding for higher carry yield and to minimise mark-to-market volatility.

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

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Benchmark	12.7%	-6.5%	14.0%	8.3%	3.9%	-2.2%	6.2%	22.3%	-7.0%	18.7%
HLAVGLF- Gross	11.4%	-5.8%	6.8%	6.0%	1.9%	6.7%	4.2%	16.7%	-9.8%	16.2%
HLAVGLF - Net	9.2%	-7.1%	5.0%	4.2%	0.5%	4.9%	2.6%	14.1%	-10.3%	13.7%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past ten (10) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

Investment Risks

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

1. Market Risk

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

2. Liquidity Risk

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

3. Credit Risk

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

4. Interest Rate Risk

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

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

HLA Venture Global Fund (HLAVGLF)

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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Performance	6.4%	-15.0%	15.2%	-4.8%	-1.0%	6.5%	1.8%	19.2%	-13.3%	24.9%

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

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Performance	18.5%	-0.7%	4.9%	14.5%	-0.7%	4.3%	4.8%	10.9%	-10.3%	2.2%

Source: Hong Leong Asset Management Berhad (HLAM)

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

Basis of Calculation of Past Performance

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

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

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

Others

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

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Disclaimer:

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

HLA Venture Managed Fund (HLAVMF)

Feb 2020

Fund Features

1. Investment Objective

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

2. Investment Strategy & Approach

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

3. Asset Allocation

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

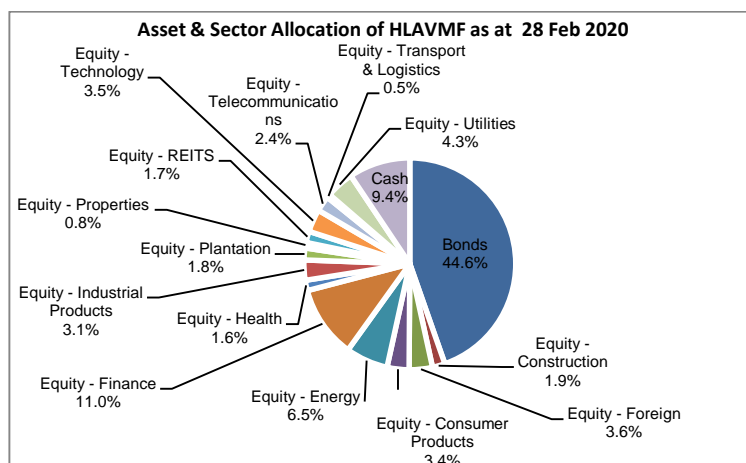
4. Target Market

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

Fund Details

Unit Price (28/2/2020)	:RM2.1436
Fund Size (28/2/2020)	:RM254.9mil
Fund Management Fee (effective as at 01/03/2017)	: 1.23% p.a. (capped at 1.25%)
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Managed
Fund Inception	:07 April 2004
Benchmark	:50% FTSE Bursa Malaysia KLCI Index (FBM KLCI)&50% 12-month Fixed Deposit Interest Rates
Frequency of Unit Valuation	:Daily

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

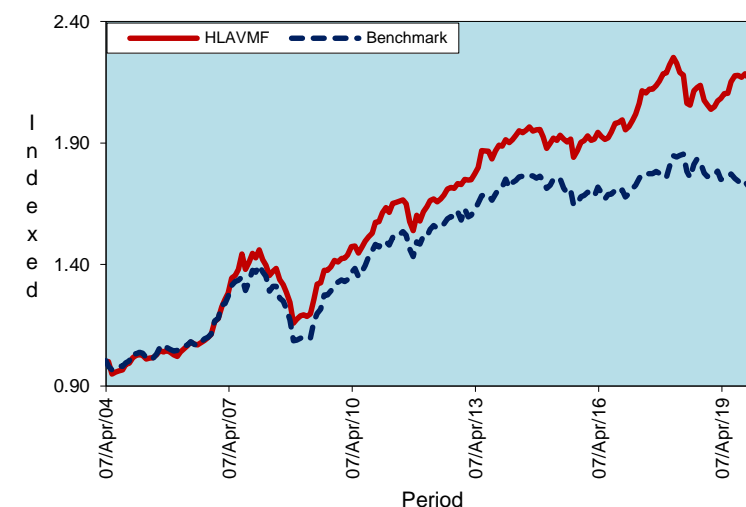


FI : Fixed Income
EQ : Equities

Top 5 Holdings for HLAVMF as at 28 Feb 2020

		%
1.	TENAGA	EQ 4.3
2.	MAYBANK	EQ 4.3
3.	MALAYSIA AIRPORTS HOLDINGS 1	FI 4.0
4.	YINSON	EQ 3.9
5.	CIMB	EQ 3.8
Total Top 5		20.2

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVMF	-1.74%	-0.43%	3.42%	6.20%	11.64%	48.94%	114.36%
Benchmark*	-3.24%	-1.50%	-5.73%	-2.54%	-3.93%	25.78%	67.43%
Relative	1.50%	1.08%	9.15%	8.74%	15.57%	23.16%	46.93%

*Source: Bloomberg, Maybank

HLA Venture Managed Fund (HLAVMF)

Market Review, Outlook & Strategy - Equities Market

Regionally, and eventually globally, sentiment was shattered due to fears that the Covid-19 virus was turning into a global pandemic. While the outbreak appeared to be contained in China with number of new confirmed cases declining gradually, the focus shifted to the sharp rise in reported cases internationally - notably in Japan, South Korea and Italy. Warnings by Apple and Microsoft that they might not meet their earlier guidance due to the disruptions to supply and demand from the Covid-19 outbreak in China further dampened investors' sentiment. The spread and economic impact of Covid-19 appeared to be more severe than most economists had anticipated leading to further cuts in 2020 global growth forecasts (recently OECD revised global growth for 2020 from 2.9% to 2.4%). China's central bank tried to shore up sentiment by announcing various supportive measures to ensure adequate liquidity in the banking system.

Domestically, aside from the health crisis posted by Covid-19, the political turmoil exacerbated the bearish mood. The news that the Pakatan Harapan coalition had split led to uncertainty over the administration of the country. The announcement of the RM20b mini stimulus package did little to excite the market. The Dec quarter earnings continued to be uninspiring with disappointments coming from the auto, aviation, petrochemical, utilities and oil & gas. However, on a more positive note we saw higher dividends being declared from selected big cap companies such as Tenaga, Maybank, Petronas Gas and Petronas Dagangan. Ringgit depreciated by close to 3% to 4.215/US\$. Oil price also fell below the US\$50 threshold to close at US\$45.26 (-12% mom).

For the month, the FBM KLCI declined by 3.2% mom to 1,482.64 pts. The broader markets also fell in tandem with FBM Emas, FBM Shariah and FBM Small Cap Indexes declining by 3.8%, 3.7% and 4.1% respectively. In February, Malaysia equities saw an outflow of US\$469m (~RM1.98b) with bulk of the outflows happening in the last week, following the government's collapse and the 4Q19 results season. Cumulatively, in Jan and Feb, Malaysia equities saw a net outflow of US\$503m (~RM2.12b).

Going into March, markets will continue to be volatile. Investors will be following closely Covid-19's pace of infection outside China as well as China's work resumption progress. Domestically investors will have to brace for short-term policy uncertainties following the unexpected change in federal government as well as potentially several state governments. The latest change in government could also bring about another round of changes to the various GLCs leadership. We will continue to be defensive - staying invested in dividend yielding stocks with resilient earnings as well as to reassess at some of the stocks which have retraced sharply.

Market Review, Outlook & Strategy - Fixed Income Market

The month of February was an extremely eventful month for bond markets in general. The U.S Treasuries ("UST") was trading at historical low levels since the global financial crisis. The 10-year and 30-year UST yields plunged 36 bps and 32bps respectively to close at 1.15% and 1.68% in February. The sharp plunge which came on the back of the coronavirus outbreak, has muddled the outlook for the global economy and rattled equity markets. With major U.S. stock indexes plunging into correction territory in the final week of February, money has crowded into sovereign papers and away from risky assets.

On top of the challenges surrounding economic pressures brought about by the widespread Covid-19, the local market was also caught off guard by the political turmoil that sparked worries about the possibility of prolonged political instability going forward. To counter the slowdown risk amid the Covid-19 outbreak, the government has announced an economic stimulus package that is worth about RM20 billion (about 1.3% of GDP). Nonetheless, given the country's relatively stretched fiscal position for its current ratings, the abovesaid impact on Malaysia's sovereign ratings came on the radar. This was reaffirmed by a statement released by S&P Global Ratings to warn of potential downward pressure to Malaysia's sovereign credit ratings should new political developments suggest a weakened commitment to fiscal consolidation. That said, the market quickly digested that the mild widening in fiscal deficit would unlikely be of significant concern. All in all, the risk-off mood in the local market continued to be dominated by headlines surrounding Covid-19 globally and saw yields on the Malaysian Government Securities ("MGS") lower across all tenures (ranging from 18 bps to 32 bps MoM). At close, the 5-, 10-, 15- and 30-year traded at 2.66%, 2.82%, 3.05% and 3.59%.

Corporate bond yields dropped further in February by 22bps-37bps across the curve in line with the general trend in the MGS market. Given the scarcity of local corporate bonds, strong investor interest was seen across the government guaranteed ("GG"), AAA-rated and AA-rated space. In the primary space, we have seen some issuers flocking the market to leverage on the opportunity to tap into cheap funding. Some of the prominent issuances include Lembaga Pembiayaan Perumahan Sektor Awam's RM2.25 billion GG papers with tenures ranging from 10 years-30 years at coupons ranging between 3.3%-4.0%, Prasarana's 7-30 years GG issuance at coupons ranging between 3.07%-3.42%. RM 2 billion 5 year and 15 year papers issued by AAA-rated Danum Capital Berhad and Top Glove's Perpetual Sukuk which closed 33 bps lower at 3.62% compared to its issued coupon of 3.95%.

After the sharp drop in global bond yields seen in the final week of February which was largely described as the best performing week since the global financial crisis, investors are now expecting that central banks will step in to try to mitigate the Covid-19 crisis that is threatening global economic growth. Based on the movements in Fed funds futures, investors now think it is almost certain that the Federal Reserve will cut interest rates when it meets later in March. Analysts are expecting policymakers across the globe to indicate that they are open to further cuts should the need for more economic stimulus arises. This is expected to put further pressure on yields moving forward.

On the local front, the market will continue to be clouded by uncertainties that can push the local yields in either direction. On the one hand, we are mindful of the potential risk of a downgrade to Malaysia's credit rating which will prompt a wave of outflows from MGS and Government Investment Issues ("GII"). On the other hand, the prevailing external uncertainties on the global pandemic outbreak may dominate local sentiment and push yields even lower. Though Tan Sri Muhiyiddin Yassin has already been sworn in as Malaysia's 8th Prime Minister, the path ahead remains highly uncertain as ex-Prime Minister Tun Mahathir claims that he has the support of the majority and even if the current political turmoil eventually settles down, investors still need to deal with policy uncertainties as the new government may have different set of policy priorities. Given the already rich valuations, local bond yields could sharply reverse should we see a downgrade in Malaysia's credit rating and fear of Covid-19 subsiding. As such, we are actively monitoring for opportunities with favourable risk-reward for investment.

HLA Venture Managed Fund (HLAVMF)

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

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Benchmark	11.6%	2.9%	7.0%	7.3%	-2.6%	-1.3%	-0.8%	6.6%	-1.9%	-1.8%
HLAVMF - Gross	15.7%	1.6%	10.3%	11.4%	-0.7%	4.3%	3.4%	15.4%	-7.6%	9.0%
HLAVMF - Net	13.2%	0.3%	8.3%	9.3%	-1.9%	2.7%	2.0%	12.9%	-8.3%	7.0%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past ten (10) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

Investment Risks

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

1. Market Risk

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

2. Liquidity Risk

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

3. Credit Risk

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

4. Interest Rate Risk

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

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

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HLA Venture Income Fund (HLAVIF)

Feb 2020

Fund Features

1. Investment Objective

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

2. Investment Strategy & Approach

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

3. Asset Allocation

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

4. Target Market

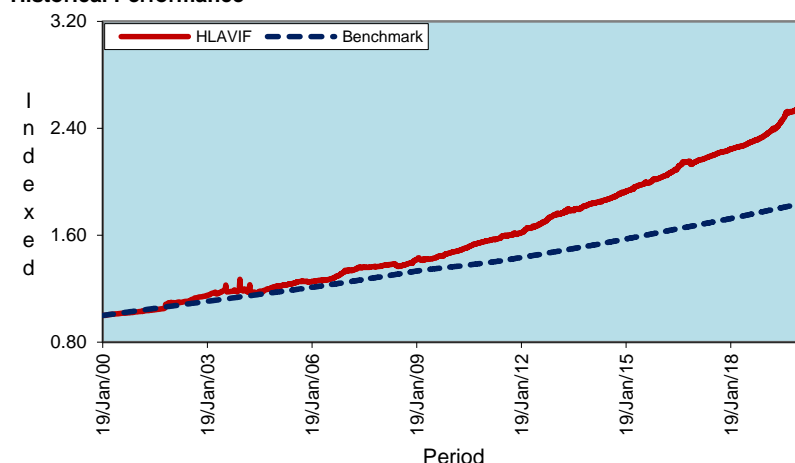
This fund is suitable for investors who have low to moderate risk profile

Fund Details

Unit Price (28/2/2020)	:RM2.613
Fund Size (28/2/2020)	:RM259.5mil
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

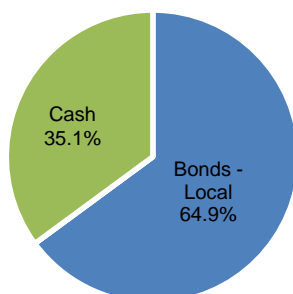
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVIF	2.47%	1.28%	10.12%	20.72%	34.84%	76.80%	161.30%
Benchmark*	0.44%	0.21%	2.96%	9.56%	16.63%	34.71%	84.00%
Relative	2.04%	1.07%	7.16%	11.16%	18.21%	42.09%	77.30%

Asset Allocation of HLAVIF as at 28 Feb 2020



Top 5 Holdings for HLAVIF as at 28 Feb 2020

	%
1. M'SIAN GOVERNMENT SECURITIES 2	9.8
2. MALAYAN BANKING BERHAD 3	8.8
3. MBSB BANK 2	4.6
4. ALLIANCE BANK MALAYSIA BHD 1	3.9
5. TENAGA NASIONAL BERHAD 2	2.7
Total Top 5	29.9

Hong Leong Assurance Berhad 198201014849 (94613-X)

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HLA Venture Income Fund (HLAVIF)

Market Review

The month of February was an extremely eventful month for bond markets in general. The U.S Treasuries ("UST") was trading at historical low levels since the global financial crisis. The 10-year and 30-year UST yields plunged 36 bps and 32bps respectively to close at 1.15% and 1.68% in February. The sharp plunge which came on the back of the coronavirus outbreak, has muddled the outlook for the global economy and rattled equity markets. With major U.S. stock indexes plunging into correction territory in the final week of February, money has crowded into sovereign papers and away from risky assets.

On top of the challenges surrounding economic pressures brought about by the widespread Covid-19, the local market was also caught off guard by the political turmoil that sparked worries about the possibility of prolonged political instability going forward. To counter the slowdown risk amid the Covid-19 outbreak, the government has announced an economic stimulus package that is worth about RM20 billion (about 1.3% of GDP). Nonetheless, given the country's relatively stretched fiscal position for its current ratings, the abovesaid impact on Malaysia's sovereign ratings came on the radar. This was reaffirmed by a statement released by S&P Global Ratings to warn of potential downward pressure to Malaysia's sovereign credit ratings should new political developments suggest a weakened commitment to fiscal consolidation. That said, the market quickly digested that the mild widening in fiscal deficit would unlikely be of significant concern. All in all, the risk-off mood in the local market continued to be dominated by headlines surrounding Covid-19 globally and saw yields on the Malaysian Government Securities ("MGS") lower across all tenures (ranging from 18 bps to 32 bps MoM). At close, the 5-, 10-, 15- and 30-year traded at 2.66%, 2.82%, 3.05% and 3.59%.

Corporate bond yields dropped further in February by 22bps-37bps across the curve in line with the general trend in the MGS market. Given the scarcity of local corporate bonds, strong investor interest was seen across the government guaranteed ("GG"), AAA-rated and AA-rated space. In the primary space, we have seen some issuers flocking the market to leverage on the opportunity to tap into cheap funding. Some of the prominent issuances include Lembaga Pembiayaan Perumahan Sektor Awam's RM2.25 billion GG papers with tenures ranging from 10 years-30 years at coupons ranging between 3.3%-4.0%, Prasarana's 7-30 years GG issuance at coupons ranging between 3.07%-3.42%. RM 2 billion 5 year and 15 year papers issued by AAA-rated Danum Capital Berhad and Top Glove's Perpetual Sukuk which closed 33 bps lower at 3.62% compared to its issued coupon of 3.95%.

Market Outlook & Strategy

After the sharp drop in global bond yields seen in the final week of February which was largely described as the best performing week since the global financial crisis, investors are now expecting that central banks will step in to try to mitigate the Covid-19 crisis that is threatening global economic growth. Based on the movements in Fed funds futures, investors now think it is almost certain that the Federal Reserve will cut interest rates when it meets later in March. Analysts are expecting policymakers across the globe to indicate that they are open to further cuts should the need for more economic stimulus arises. This is expected to put further pressure on yields moving forward.

On the local front, the market will continue to be clouded by uncertainties that can push the local yields in either direction. On the one hand, we are mindful of the potential risk of a downgrade to Malaysia's credit rating which will prompt a wave of outflows from MGS and Government Investment Issues ("GII"). On the other hand, the prevailing external uncertainties on the global pandemic outbreak may dominate local sentiment and push yields even lower. Though Tan Sri Muhiyiddin Yassin has already been sworn in as Malaysia's 8th Prime Minister, the path ahead remains highly uncertain as ex-Prime Minister Tun Mahathir claims that he has the support of the majority and even if the current political turmoil eventually settles down, investors still need to deal with policy uncertainties as the new government may have different set of policy priorities. Given the already rich valuations, local bond yields could sharply reverse should we see a downgrade in Malaysia's credit rating and fear of Covid-19 subsiding. As such, we are actively monitoring for opportunities with favourable risk-reward for investment.

HLA Venture Income Fund (HLAVIF)

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

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Benchmark	2.3%	2.8%	3.1%	3.1%	3.2%	3.2%	3.1%	3.0%	3.3%	3.0%
HLAVIF- Gross	7.0%	4.8%	10.0%	5.4%	5.8%	6.5%	6.9%	5.3%	5.6%	10.2%
HLAVIF - Net	5.9%	3.9%	8.7%	4.5%	4.8%	5.5%	5.8%	4.4%	4.6%	8.9%

Net returns are adjusted for tax and fund management fees.

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Investment Risks

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2. Liquidity Risk

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

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

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Risk Management

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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

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Others

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HLA Horizon Funds

Feb 2020

Fund Features

1. Investment Objective

The fund is designed to offer customers a Minimum Guaranteed Unit Price upon fund maturity and yet offer the opportunity to enhance returns via a leveraged exposure. The fund will periodically lock in part of the gains (10 years after launch of the fund) and thereby increasing the customers' Minimum Guaranteed Unit Price at fund maturity.

The fund is open ended with three maturity dates to match customer financial planning needs: Horizon28 to be matured in Year 2028, Horizon38 in Year 2038 and Horizon48 in Year 2048.

2. Investment Strategy & Approach

The fund will invest into Floating Rate Negotiable Instrument of Deposit (FRNID). FRNID allocate into two major components: Mean Variance Optimization (MVO) Strategy and Zero-coupon Negotiable Instrument of Deposit (ZNID).

To enhance investment return, MVO Strategy will be leveraged by 3 times. This MVO Strategy uses the Efficient Frontier to find the optimal portfolio returns for a defined risk, limiting to basket volatility to around 8%. The portfolio consists of 4 asset classes:

- (i) 4 equities indices (S&P500, Euro Stoxx 50, Hang Seng China Enterprises, MSCI Emerging Market),
- (ii) 2 bond indices (Franklin Templeton & PIMCO),
- (iii) Spot Gold index
- (iv) Cash index

These indices are published at Bloomberg to provide transparency to customer.

The ZNID provides the Minimum Guaranteed Unit Price upon each fund's maturity. The initial Minimum Guaranteed Unit Price as follow:

Fund	Initial Minimum Guaranteed Unit Price at fund maturity
HLA Horizon28	RM 1.00
HLA Horizon38	RM 1.50
HLA Horizon48	RM 2.00

Over time, Minimum Guaranteed Unit Price may go up via a profit taking mechanism. This mechanism will lock the gains provided the condition stated below is met, by transferring portion of gains from the MVO Strategy to the ZNID on a yearly basis as follow:

Fund Year	% of the MVO Strategy Gains
1 to 10	0%
11 to 20	50%
21 to 30	100%

The condition for profit taking:

$$\left(\frac{MVO_t}{MVO_{prevPT}} - 1 \right) > 0$$

Where,

MVO_t is the mark-to-market value of MVO per unit

MVO_{prevPT} is the mark-to-market value of MVO at the time of previous actual executed profit taking per unit

3. Target Market

The fund is suitable for investors who wish to engage in mid-term and long-term wealth-planning. The feature of this Minimum Guaranteed Unit Price upon fund maturity will help to safeguard the savings goal for their children's education, retirement planning or wealth-building for future generations.

Fund Details

Fund Management Fee	: 1.30% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Inception	: 9 Oct 2018
Benchmark	: 3-month Klibor *+ 2.65%
Frequency of Unit Valuation	: Weekly

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

*Source: Bloomberg

Other Details

Fund Name	Fund Maturity Date	Unit Price @ 25/2/2020	Fund Size 25/2/2020	Guaranteed Unit Price upon Fund Maturity (updated @ 25/2/2020)
HLA Horizon28 Fund	:08/10/2028	RM1.0848	RM3,007,789.11	RM1.00
HLA Horizon38 Fund	:08/10/2038	RM1.2038	RM86,656,651.83	RM1.50
HLA Horizon48 Fund	:08/10/2048	RM1.2906	RM44,666,360.33	RM2.00

The Guaranteed Unit Price upon Fund Maturity stated above may be revised upwards from time to time via profit taking.

HLA Horizon Funds

Performance Snapshot

Fund	1 Month	1 Year
HLA Horizon28	-0.70%	3.33%
HLA Horizon38	0.98%	12.52%
HLA Horizon48	1.61%	18.87%

Exposure to MVO Strategy

Fund	Exposure as at 25/2/2020
HLA Horizon28	105.63%
HLA Horizon38	121.62%
HLA Horizon48	162.82%

Market Review (by Hong Leong Bank Berhad)

Over the past week financial conditions have tightened sharply in response to rising fears that the coronavirus could exert a more severe and persistent drag on global and US growth than previously expected. This deterioration in risk sentiment has been motivated by building evidence of a more severe viral spread outside of China, including in Europe and the US.

We anticipate that the Fed will cut rates by at least 50bps over the coming months, with our new baseline forecast expecting 25bp cuts at the next two meetings in March and April. More accommodation could well be needed depending on the severity and duration of the disruptions from the coronavirus.

The size of the actual stimulus to the economy in Malaysia is not as large as the headline number of 20 bn ringgit indicates. The fiscal deficit increase is, at most, MYR 4 bn, per our calculations (from the current 3.195% of GDP to 3.449%). We get a direct tourism receipts impact number of more than 0.7% of GDP if we assume a 50% drop-off in arrivals for a three-month period.

The main downside to China's economy now comes from external demand. A large shock is expected from the global Covid-19 outbreak. The Covid-19 global outbreak situation will be the most important determinant for China's policy decisions in the near term.

Under our existing baseline, we marked down euro area GDP growth by c. 0.25pp lower during the first half of 2020 due to the COVID-19 coronavirus. The cost comes mostly from the China export demand and supply-chain channels. This baseline assumes no major outbreaks in Europe.

Gains of MVO Strategy (per unit)	HLA Horizon28	HLA Horizon38	HLA Horizon48
Previous actual executed profit taking at -	N/A	N/A	N/A
As at 25 Feb 2020	-1.19%	-1.68%	-2.24%
As at 29 Jan 2020	1.84%	1.80%	2.41%

The next observation date for profit taking is 8 Oct 2029. If this date is not a Business Day, then shall be the Business Day immediately following the date stated.

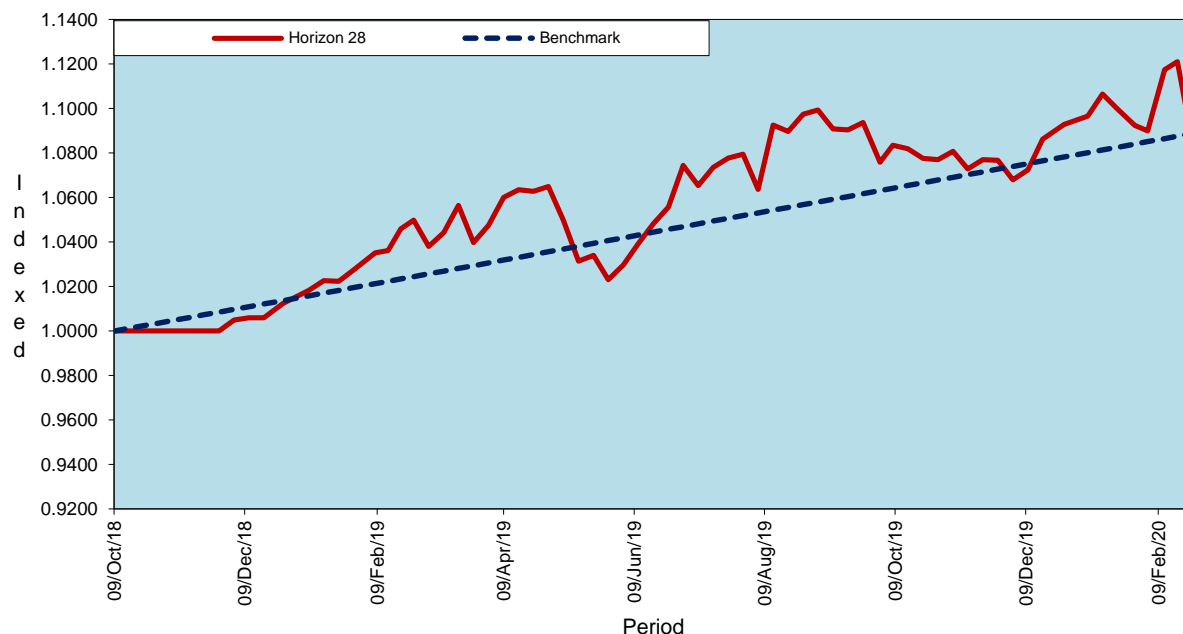
Underlying Asset in the MVO Strategy as at 25 Feb 2020

Indices	Bloomberg Ticker	Weightage (%)	Monthly Performance
iShares MSCI EM Index Fund	EEM US Equity	5.00%	-5.25%
S&P 500 Index	SPX Index	35.00%	-4.44%
Euro Stoxx 50 Index	SX5E Index	35.00%	-5.55%
Hang Seng China Enterprises Index	HSCEI Index	0.00%	-0.56%
Gold	GOLDNAM Index	25.00%	5.39%
Templeton Global Bond Fund	FTGBFAC LX Equity	0.00%	-0.77%
PIMCO Funds – Total Return Bond Fund	PTRBDFE ID Equity	0.00%	1.16%
DB Fed Funds Effective Rate TR Index	DBMMFED1 Index	0.00%	0.12%
Total		100.00%	

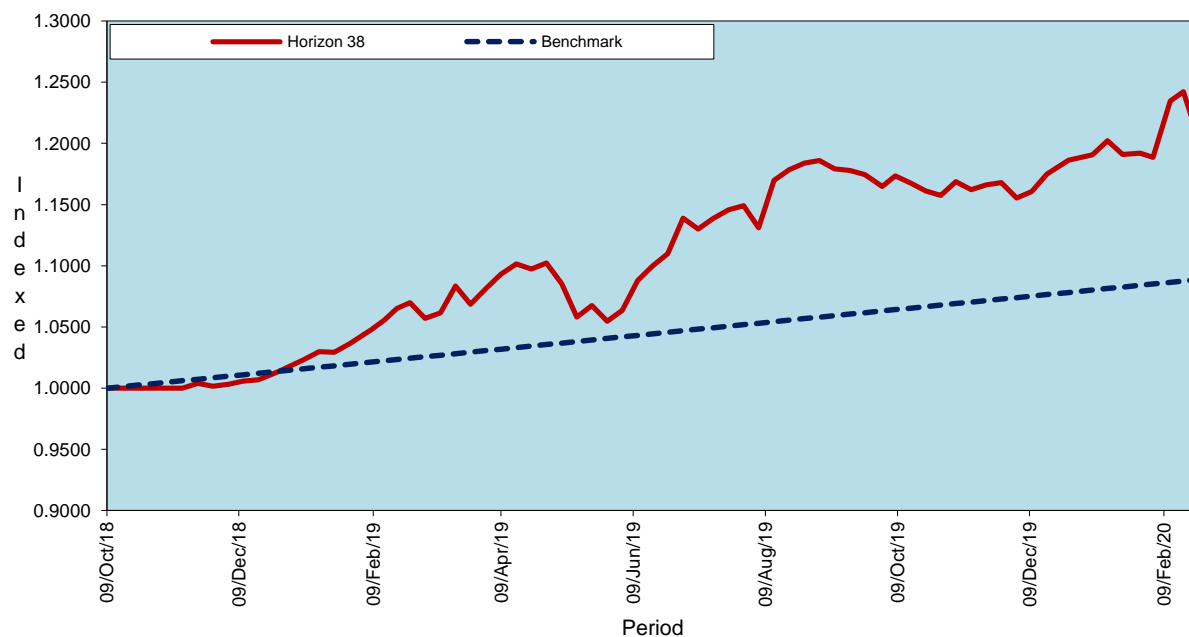
HLA Horizon Funds

Historical Performance

HLA Horizon28 Fund						
As of 25/2/20	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA Horizon28	-0.73%	-0.70%	3.33%	-	-	8.48%
KLIBOR+2.65% p.a.*	0.98%	0.44%	6.28%	-	-	8.88%
Performance vs Benchmark	-1.72%	-1.14%	-2.95%	-	-	-0.40%

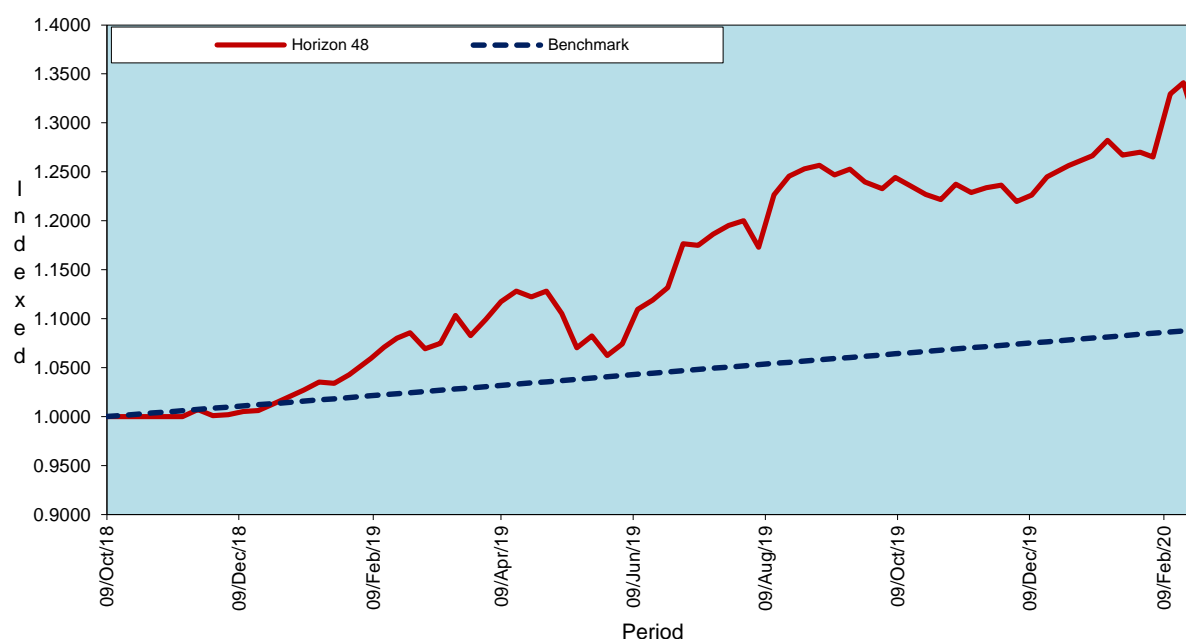


HLA Horizon38 Fund						
As of 25/2/20	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA Horizon38	1.48%	0.98%	12.52%	-	-	20.38%
KLIBOR+2.65% p.a.*	0.98%	0.44%	6.28%	-	-	8.88%
Performance vs Benchmark	0.50%	0.54%	6.23%	-	-	11.50%



HLA Horizon Funds

HLA Horizon48 Fund						
As of 25/2/20	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA Horizon48	2.73%	1.61%	18.87%	-	-	29.06%
KLIBOR+2.65% p.a.*	0.98%	0.44%	6.28%	-	-	8.88%
Performance vs Benchmark	1.75%	1.17%	12.59%	-	-	20.18%



*Source: Bloomberg

Actual Annual Investment Returns for the Past Two (2) Calendar Years

Year	2018	2019
Benchmark	6.4%	6.4%
HLA HORIZON28 – Gross	1.7%	10.0%
HLA HORIZON28 – Net	1.3%	7.9%
HLA HORIZON38 – Gross	1.8%	19.9%
HLA HORIZON38 – Net	1.3%	17.1%
HLA HORIZON48 – Gross	1.9%	27.3%
HLA HORIZON48 – Net	1.5%	23.8%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past two (2) 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 9 October 2018. The actual investment returns are calculated based on unit price from 9 October 2018 to 31 December 2018.

Investment Risks

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

- 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.
- 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.
- 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.
- 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.
- Deleveraging 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.

HLA Horizon Funds

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. Country Risk

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

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

1. 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.
2. 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.
3. The maximum value of any asset of any fund shall not exceed the following price:
 - a) The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - b) 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.
4. 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 Horizon 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 Hong Leong Bank Berhad. 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.

HLA EverGreen Funds

Feb 2020

Fund Features

1. Investment Objective

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

2. Investment Strategy & Approach

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

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

3. Asset Allocation

The fund will invest in a FRNID.

4. Target Market

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

Fund Details

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

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

**The Company ceased to charge the Fund Management Fee for HLA EverGreen 2023, HLA EverGreen 2025, HLA EverGreen 2028, HLA EverGreen 2030 and HLA EverGreen 2035 with effect from 22 Jan 2016, 5 Jul 2016, 16 Jan 2019, 7 May 2019 and 14 Aug 2019 respectively.*

Other Details

Fund Name	Unit Price (25/2/2020)	Fund Size (25/2/2020)	Fund Maturity Date	Minimum Guaranteed Unit Price at Fund Maturity (before tax)
HLA EverGreen 2023 Fund	: RM1.1048	RM25.56 mil	26 Dec 2023	1.2358
HLA EverGreen 2025 Fund	: RM1.0719	RM10.33 mil	26 Dec 2025	1.2670
HLA EverGreen 2028 Fund	: RM1.0061	RM14.50 mil	26 Dec 2028	1.3136
HLA EverGreen 2030 Fund	: RM0.9660	RM46.81 mil	26 Dec 2030	1.3446
HLA EverGreen 2035 Fund	: RM0.8782	RM749.88 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)

Malaysia's trade surplus improved to an eleven year high at MYR 37.4 billion, thanks to a MYR 12.6 billion increase in December 2019. This was due to the better than expected rise in exports which generated year on year (y-o-y) gains of 2.7%, while imports only gained by 0.9%. Industrial production for the month of December came in at a weaker than expected y-o-y improvement of 1.3%. In addition, the nation's GDP growth for 4Q2019 was a slightly underwhelming 3.6% largely due to disruptions in commodities supply. The GDP growth for the full year for 2019 ended with 4.3%, which was lower than Bank Negara Malaysia's initial forecast of 4.7%.

However, the main event that affected markets in February 2020 was the escalation of concerns over the economic impacts of the novel coronavirus. With the virus spreading to more countries and registering more cases, investors rushed to safe haven assets such as bonds that effectively pushed yields and interest rates downwards. As the epidemic is expected to affect Malaysia's economy especially in the tourism sector, the government announced a MYR 20 billion stimulus package to alleviate the burden of the citizens. Over the course of the month, short term and long term interest rates declined significantly. (Source: CIMB Research)

Note: With effect from 14 August 2019, the fund no longer has any exposure to the CIMB EverGreen Index. Moving forward, the unit price of the fund is expected to behave like a synthetic zero coupon bond portfolio. As such, the performance of fund is no longer dependent on the index but instead on the movement of MYR interest rates.

Net Exposure of HLA EverGreen Funds to CIMB EverGreen Index

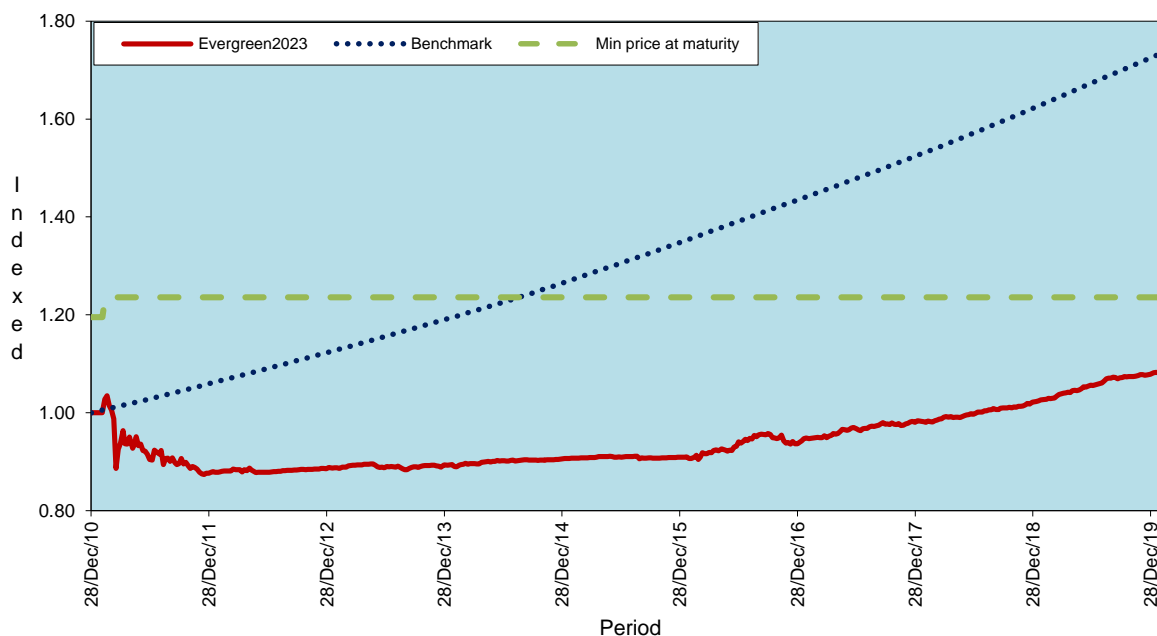
Fund	HLA EverGreen 2023	HLA EverGreen 2025	HLA EverGreen 2028	HLA EverGreen 2030	HLA EverGreen 2035
Avg Exposure of Maximum Assurance FRNID to Max InvestSave PSSIA-i 30Y	0.00%	0.00%	0.00%	0.00%	0.00%
Exposure of MaxInvestSave PSSIA-i 30Y to CIMB EverGreen Index	Not Applicable				
Net Exposure of HLA EverGreen Funds to CIMB EverGreen Index in Feb 2020	0.00%	0.00%	0.00%	0.00%	0.00%

With effect from 14 August 2019, the fund no longer has any exposure to the CIMB EverGreen Index. Moving forward, the unit price of the fund is expected to behave like a synthetic zero coupon bond portfolio. As such, the performance of fund is no longer dependent on the index but instead on the movement of MYR interest rates.

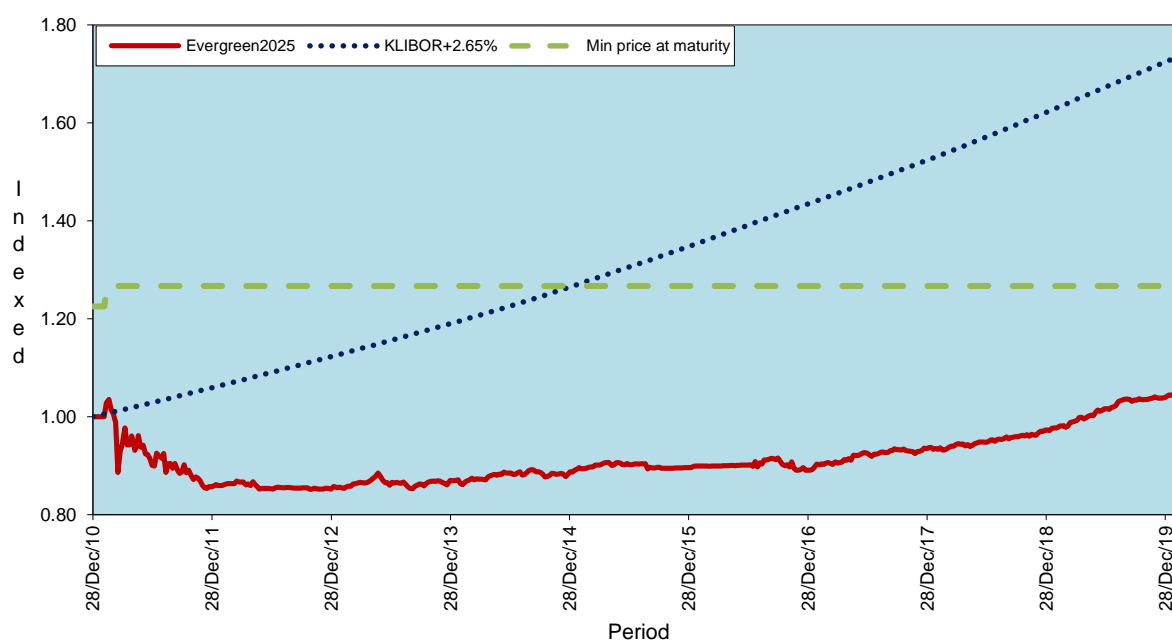
HLA EverGreen Funds

Historical Performance

HLA EverGreen 2023 Fund						
As of 25/2/20	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2023	2.45%	1.34%	7.35%	16.32%	21.71%	10.48%
KLIBOR+2.65% p.a.*	0.99%	0.44%	6.27%	20.15%	36.28%	74.15%
Performance vs Benchmark	1.46%	0.90%	1.07%	-3.83%	-14.57%	-63.67%

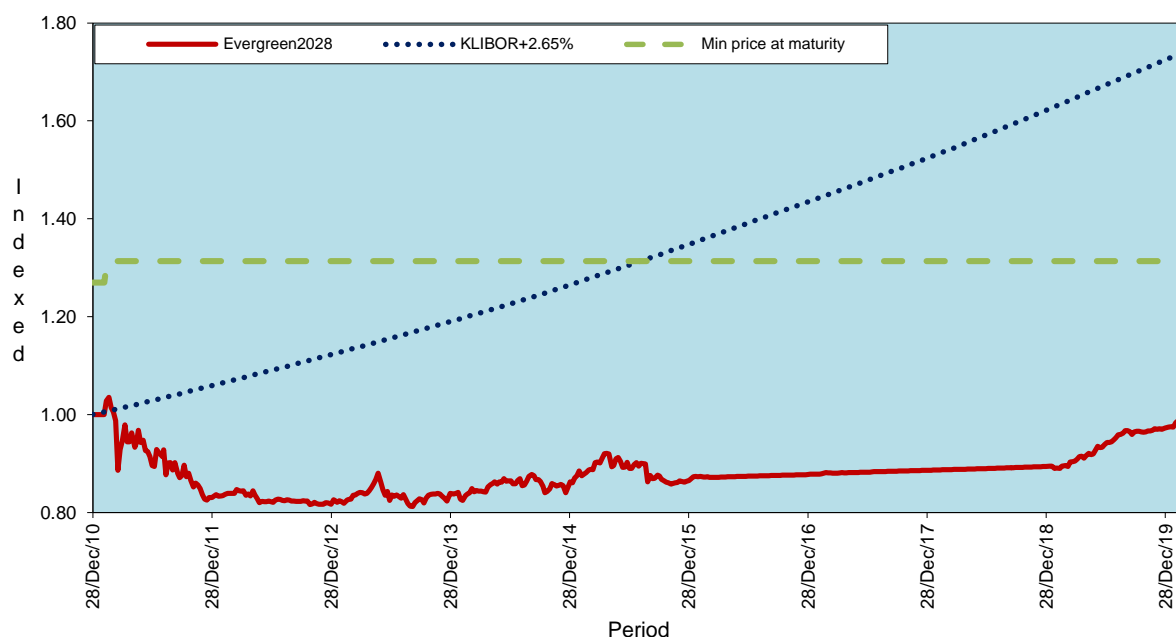


HLA EverGreen 2025 Fund						
As of 25/2/20	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2025	3.13%	1.65%	9.59%	18.30%	19.56%	7.19%
KLIBOR+2.65% p.a.*	0.99%	0.44%	6.27%	20.15%	36.28%	74.15%
Performance vs Benchmark	2.14%	1.21%	3.32%	-1.85%	-16.72%	-66.96%

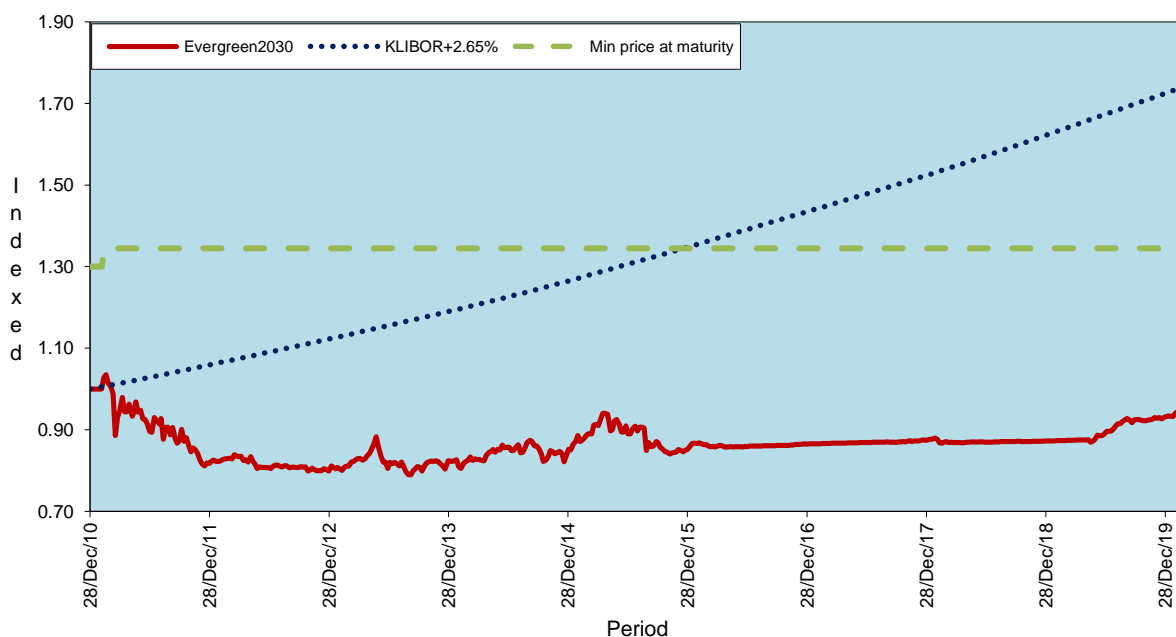


HLA EverGreen Funds

HLA EverGreen 2028 Fund						
As of 25/2/20	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2028	3.48%	2.27%	12.28%	14.23%	13.45%	0.61%
KLIBOR+2.65% p.a.*	0.99%	0.44%	6.27%	20.15%	36.28%	74.15%
Performance vs Benchmark	2.49%	1.83%	6.00%	-5.92%	-22.83%	-73.54%

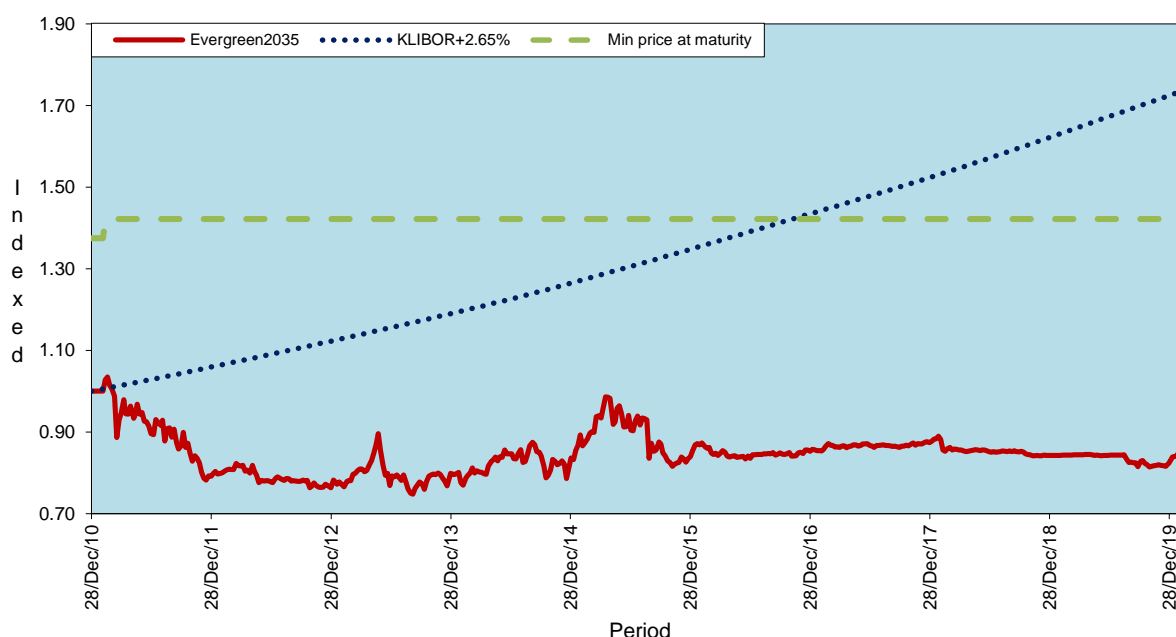


HLA EverGreen 2030 Fund						
As of 25/2/20	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2030	3.66%	2.59%	10.55%	11.47%	8.70%	-3.40%
KLIBOR+2.65% p.a.*	0.99%	0.44%	6.27%	20.15%	36.28%	74.15%
Performance vs Benchmark	2.67%	2.15%	4.28%	-8.68%	-27.59%	-77.55%



HLA EverGreen Funds

HLA EverGreen 2035 Fund						
As of 25/2/20	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2035	6.58%	2.51%	4.13%	1.20%	-2.10%	-12.18%
KLIBOR+2.65% p.a.*	0.99%	0.44%	6.27%	20.15%	36.28%	74.15%
Performance vs Benchmark	5.59%	2.07%	-2.15%	-18.95%	-38.38%	-86.33%



*Source: Bloomberg

Actual Annual Investment Returns for the Past Nine (9) Calendar Years

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019
Benchmark	5.9%	6.1%	6.0%	6.3%	6.5%	6.5%	6.2%	6.4%	6.4%
HLA EVERGREEN 2023 – Gross	-11.0%	2.5%	2.4%	3.0%	1.7%	4.7%	6.5%	6.0%	6.1%
HLA EVERGREEN 2023 – Net	-12.3%	1.0%	0.9%	1.4%	0.3%	3.0%	4.7%	4.2%	5.6%
HLA EVERGREEN 2025 – Gross	-13.0%	0.9%	3.6%	3.6%	2.5%	0.8%	6.7%	5.9%	7.4%
HLA EVERGREEN 2025 – Net	-14.3%	-0.5%	2.0%	2.0%	1.0%	-0.6%	4.9%	4.1%	6.8%
HLA EVERGREEN 2028 – Gross	-15.7%	-0.3%	4.5%	4.5%	1.7%	2.9%	2.5%	2.4%	9.6%
HLA EVERGREEN 2028 – Net	-17.0%	-1.6%	2.8%	2.8%	0.3%	1.4%	1.0%	0.9%	8.7%
HLA EVERGREEN 2030 – Gross	-16.9%	-1.0%	4.8%	5.1%	1.4%	3.0%	2.6%	1.2%	7.9%
HLA EVERGREEN 2030 – Net	-18.2%	-2.3%	3.1%	3.4%	0.0%	1.5%	1.1%	-0.2%	6.8%
HLA EVERGREEN 2035 – Gross	-19.5%	-2.2%	6.4%	6.5%	1.9%	3.2%	4.1%	-2.5%	-1.6%
HLA EVERGREEN 2035 – Net	-20.8%	-3.5%	4.6%	4.7%	0.4%	1.6%	2.4%	-3.6%	-2.2%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past nine (9) 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. 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.

HLA EverGreen Funds

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

1. 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.
2. 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.
3. The maximum value of any asset of any fund shall not exceed the following price:
 - a) The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - b) 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.
4. 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

Not applicable

Note: With effect from 14 August 2019, the fund no longer have any exposure to the CIMB EverGreen Index. Moving forward, the unit price of the fund is expected to behave like a synthetic zero coupon bond portfolio. As such, the performance of fund is no longer dependent on the index but instead on the movement of MYR interest rates.

Performance of CIMB EverGreen Index Against Other Indices

Not applicable

Note: With effect from 14 August 2019, the fund no longer have any exposure to the CIMB EverGreen Index. Moving forward, the unit price of the fund is expected to behave like a synthetic zero coupon bond portfolio. As such, the performance of fund is no longer dependent on the index but instead on the movement of MYR interest rates.

Basis of Calculation of Past Performance

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

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

Others

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

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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)

Feb 2020

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

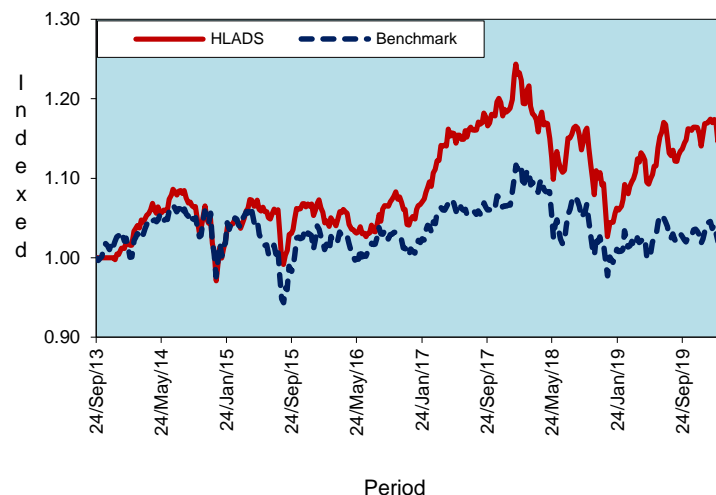
Unit Price (25/2/2020)	:RM1.1712
Fund Size (25/2/2020)	:RM7.1mil
Fund Management Fee	:1.30% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Managed
Fund Inception	:24 Sept 2013
Benchmark	:(70% x FTSE Bursa Malaysia EmasShariah Index) + (30% x 3-month Klibor)
Frequency of Unit Valuation	:Weekly

Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. With effect 27 April 2020, the frequency of unit valuation will be changed from weekly to daily.

Top 5 Holdings for HLADS as at 25 Feb 2020

		%
1.	Lembaga Pembiayaan Perumahan Sektor Awam (LPPSA)	Sukuk 6.4
2.	TNB Western Energy Berhad	Sukuk 3.6
3.	YINSON	Equity 3.5
4.	TENAGA	Equity 3.2
5.	Grand Sepadu (NK) Sendirian Berhad	Sukuk 3.1
Total Top 5		19.7

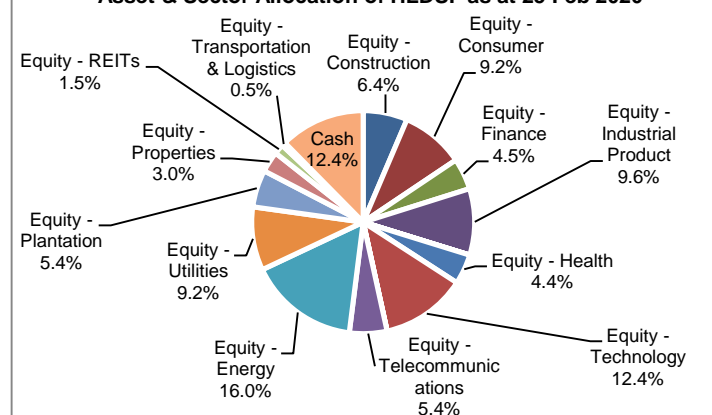
Historical Performance



	YTD	1 month	1 year	3 years	5 years	Since Inception
HLADS	0.15%	0.36%	7.92%	7.48%	11.57%	17.12%
Benchmark*	-3.22%	-1.88%	-1.47%	-2.15%	-3.81%	1.00%
Relative	3.37%	2.24%	9.40%	9.63%	15.38%	16.12%

*Source: Bloomberg

Asset & Sector Allocation of HLDSF as at 25 Feb 2020



Hong Leong Assurance Berhad 198201014849 (94613-X)

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HLA Dana Suria (HLADS)

Market Review, Outlook & Strategy

Regionally, and eventually globally, sentiment was shattered due to fears that the Covid-19 virus was turning into a global pandemic. While the outbreak appeared to be contained in China with number of new confirmed cases declining gradually, the focus shifted to the sharp rise in reported cases internationally - notably in Japan, South Korea and Italy. Warnings by Apple and Microsoft that they might not meet their earlier guidance due to the disruptions to supply and demand from the Covid-19 outbreak in China further dampened investors' sentiment. The spread and economic impact of Covid-19 appeared to be more severe than most economists had anticipated leading to further cuts in 2020 global growth forecasts (recently OECD revised global growth for 2020 from 2.9% to 2.4%). China's central bank tried to shore up sentiment by announcing various supportive measures to ensure adequate liquidity in the banking system.

Domestically, aside from the health crisis posted by Covid-19, the political turmoil exacerbated the bearish mood. The news that the Pakatan Harapan coalition had split led to uncertainty over the administration of the country. The announcement of the RM20b mini stimulus package did little to excite the market. The Dec quarter earnings continued to be uninspiring with disappointments coming from the auto, aviation, petrochemical, utilities and oil & gas. However, on a more positive note we saw higher dividends being declared from selected big cap companies such as Tenaga, Maybank, Petronas Gas and Petronas Dagangan. Ringgit depreciated by close to 3% to 4.215/US\$. Oil price also fell below the US\$50 threshold to close at US\$45.26 (-12% mom).

For the month, the FBM KLCI declined by 3.2% mom to 1,482.64 pts. The broader markets also fell in tandem with FBM Emas, FBM Shariah and FBM Small Cap Indexes declining by 3.8%, 3.7% and 4.1% respectively. In February, Malaysia equities saw an outflow of US\$469m (~RM1.98b) with bulk of the outflows happening in the last week, following the government's collapse and the 4Q19 results season. Cumulatively, in Jan and Feb, Malaysia equities saw a net outflow of US\$503m (~RM2.12b).

Going into March, markets will continue to be volatile. Investors will be following closely Covid-19's pace of infection outside China as well as China's work resumption progress. Domestically investors will have to brace for short-term policy uncertainties following the unexpected change in federal government as well as potentially several state governments. The latest change in government could also bring about another round of changes to the various GLCs leadership. We will continue to be dividend yielding stocks with resilient earnings as well as to reassess at some of the stocks which have retraced sharply.

Market Review, Outlook & Strategy - Fixed Income Market

The month of February was an extremely eventful month for bond markets in general. The U.S Treasuries ("UST") was trading at historical low levels since the global financial crisis. The 10-year and 30-year UST yields plunged 36 bps and 32bps respectively to close at 1.15% and 1.68% in February. The sharp plunge which came on the back of the coronavirus outbreak, has muddled the outlook for the global economy and rattled equity markets. With major U.S. stock indexes plunging into correction territory in the final week of February, money has crowded into sovereign papers and away from risky assets.

On top of the challenges surrounding economic pressures brought about by the widespread Covid-19, the local market was also caught off guard by the political turmoil that sparked worries about the possibility of prolonged political instability going forward. To counter the slowdown risk amid the Covid-19 outbreak, the government has announced an economic stimulus package that is worth about RM20 billion (about 1.3% of GDP). Nonetheless, given the country's relatively stretched fiscal position for its current ratings, the abovesaid impact on Malaysia's sovereign ratings came on the radar. This was reaffirmed by a statement released by S&P Global Ratings to warn of potential downward pressure to Malaysia's sovereign credit ratings should new political developments suggest a weakened commitment to fiscal consolidation. That said, the market quickly digested that the mild widening in fiscal deficit would unlikely be of significant concern. All in all, the risk-off mood in the local market continued to be dominated by headlines surrounding Covid-19 globally and saw yields on the Malaysian Government Securities ("MGS") lower across all tenures (ranging from 18 bps to 32 bps MoM). At close, the 5-, 10-, 15- and 30-year traded at 2.66%, 2.82%, 3.05% and 3.59%.

Corporate bond yields dropped further in February by 22bps-37bps across the curve in line with the general trend in the MGS market. Given the scarcity of local corporate bonds, strong investor interest was seen across the government guaranteed ("GG"), AAA-rated and AA-rated space. In the primary space, we have seen some issuers flocking the market to leverage on the opportunity to tap into cheap funding. Some of the prominent issuances include Lembaga Pembiayaan Perumahan Sektor Awam's RM2.25 billion GG papers with tenures ranging from 10 years-30 years at coupons ranging between 3.3%-4.0%, Prasarana's 7-30 years GG issuance at coupons ranging between 3.07%-3.42%. RM 2 billion 5 year and 15 year papers issued by AAA-rated Danum Capital Berhad and Top Glove's Perpetual Sukuk which closed 33 bps lower at 3.62% compared to its issued coupon of 3.95%.

After the sharp drop in global bond yields seen in the final week of February which was largely described as the best performing week since the global financial crisis, investors are now expecting that central banks will step in to try to mitigate the Covid-19 crisis that is threatening global economic growth. Based on the movements in Fed funds futures, investors now think it is almost certain that the Federal Reserve will cut interest rates when it meets later in March. Analysts are expecting policymakers across the globe to indicate that they are open to further cuts should the need for more economic stimulus arises. This is expected to put further pressure on yields moving forward.

On the local front, the market will continue to be clouded by uncertainties that can push the local yields in either direction. On the one hand, we are mindful of the potential risk of a downgrade to Malaysia's credit rating which will prompt a wave of outflows from MGS and Government Investment Issues ("GI"). On the other hand, the prevailing external uncertainties on the global pandemic outbreak may dominate local sentiment and push yields even lower. Though Tan Sri Muhiyiddin Yassin has already been sworn in as Malaysia's 8th Prime Minister, the path ahead remains highly uncertain as ex-Prime Minister Tun Mahathir claims that he has the support of the majority and even if the current political turmoil eventually settles down, investors still need to deal with policy uncertainties as the new government may have different set of policy priorities. Given the already rich valuations, local bond yields could sharply reverse should we see a downgrade in Malaysia's credit rating and fear of Covid-19 subsiding. As such, we are actively monitoring for opportunities with favourable risk-reward for investment.

HLA Dana Suria (HLADS)

Actual Annual Investment Returns for the Past Seven (7) Calendar Years

Year	2013	2014	2015	2016	2017	2018	2019
Benchmark	3.3%	-1.4%	2.2%	0.4%	7.5%	-7.5%	4.3%
HLADS - Gross	2.7%	1.5%	7.4%	-0.6%	17.0%	-12.6%	14.5%
HLADS - Net	1.2%	0.1%	5.5%	-1.9%	14.3%	-12.9%	12.0%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past seven (7) 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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Performance	14.4%	2.8%	6.4%	7.0%	0.1%	9.1%	-1.2%	13.1%	-11.1%	17.8%

Source: Hong Leong Asset Management Berhad

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

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Performance	11.9%	-4.5%	7.8%	28.6%	-2.4%	3.1%	-3.6%	17.7%	-17.7%	8.3%

Source: Hong Leong Assurance Berhad

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.

HLA Dana Suria (HLADS)

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

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.

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 Secure Fund (HLASF)

Feb 2020

Fund Features

1. Investment Objective

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

2. Investment Strategy & Approach

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

3. Asset Allocation

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

4. Target Market

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

Fund Details

Unit Price (25/2/2020)	:RM1.4632
Fund Size (25/2/2020)	:RM21.4mil
Fund Management Fee	:1.00% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Managed
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

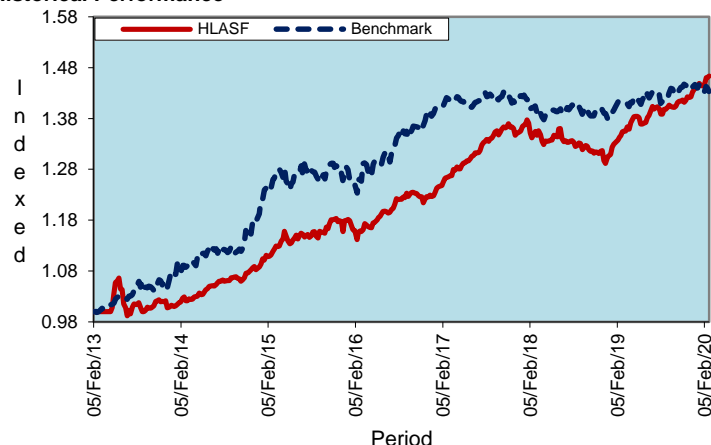
Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.

With effect 27 April 2020, the frequency of unit valuation will be changed from weekly to daily.

Top 5 Holdings for HLASF as at 25 Feb 2020

		%
1.	TSMC	Equity 2.0
2.	AIA Group Ltd	Equity 2.0
3.	Ping An Insurance Grp Co China	Equity 1.8
4.	China Life Insurance Co Ltd	FI 1.7
5.	Singapore Telecom Ltd	FI 1.4
Total Top 5		8.9

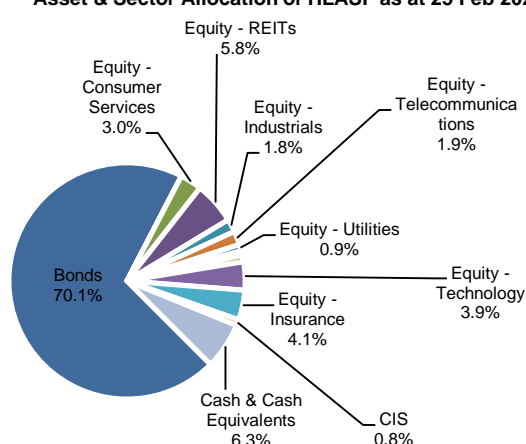
Historical Performance



	YTD	1 month	1 Year	3 Years	5 Years	Since Inception
HLASF	1.60%	1.35%	8.10%	15.67%	30.83%	46.32%
Benchmark*	-1.09%	-0.30%	1.31%	0.89%	13.52%	43.11%
Relative	2.69%	1.65%	6.78%	14.78%	17.31%	3.21%

*Source: AffinHwang

Asset & Sector Allocation of HLASF as at 25 Feb 2020



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HLA Secure Fund (HLASF)

Market Review, Outlook & Strategy relevant to Target Fund

Global equities trended lower in February as risk assets continue to reel from the impact of the Covid-19 outbreak which sent chills to investors. The rapid spread of the infection outside of China with new cases springing in Italy, South Korea and Iran led to a rush towards safe haven assets with US Treasury yields dipping to record lows. At least 85,000 cases of the coronavirus have been confirmed around the world so far, along with more than 2,900 virus-related deaths at the time of writing. Australia, Thailand and the US reported over the weekend their first coronavirus-related deaths. US and Europe stock markets caught up with losses as investors become increasingly fearful of a contagion effect as the coronavirus reaches their shores. Seoul raised its coronavirus alert to the "highest level," with the latest spike in numbers bringing the country with the most cases outside of mainland China. Industry heavyweight Samsung Electronics had also announced that a coronavirus case had been confirmed at a mobile device factory complex in South Korea, resulting in the shutdown of the entire facility. The affected factory reportedly accounts for a small portion of Samsung's total smartphone production. The impact of the coronavirus outbreak has been felt acutely in the world's second largest economy. China's latest Purchasing Managers' Index ("PMI") data plunged to a record low in February as sentiment was soured by the outbreak. The Markit/ Caixin manufacturing PMI dropped to 40.3 below the 50-point threshold signalling contraction.

The ensuing market correction is likely overdone with volatility exacerbated by the presence of algo-traders. Strict containment measures undertaken by China has helped to reduce the spread of infection as factories gradually begin to reopen. Apple and Starbucks which temporarily shuttered their retail outlets due to the outbreak have also begun to reopen in China. The central Hubei province, which was the epicentre of the country's coronavirus outbreak, reported less than 200 cases of new infections for the first time since January. If the outbreak can be effectively contained, we could then begin to see factory activities start to normalise and consumption picking-up again. Expectations that governments would also embark on additional fiscal stimulus to support the economy is seen positively by investors to soothe a recovery. Similarly, global central banks like the People's Bank of China ("PBoC") and the US Federal Reserve may cut interest rates further and pump liquidity to keep markets buoyant.

On the domestic front, the benchmark KLCI fell by 3% in February as the country plunged into political turmoil which ultimately culminated in the appointment of Tan Sri Muhyiddin Yassin as the eighth Prime Minister, from the Perikatan Nasional coalition (UMNO, PAS, Bersatu and a splinter faction of PKR). The appointment was announced by Istana Negara amidst shifting political allegiances and frantic horse-trading across the ruling and opposition coalitions. Whilst Muhyiddin's appointment as PM has ended the political stalemate temporarily, we expect volatility to continue to persist in the local market. Without a strong mandate or a solid support base, Muhyiddin could face challenges in pushing through policy decisions or may even find himself challenged again, either from his coalition or through a vote of no confidence when the Parliament reconvenes next week. Sin stocks such as Carlsberg, Heineken and Genting faced selling pressure amidst concerns over policy changes in the industry under the new government that is perceived to be more conservative. The small-mid-caps which has outperformed the rest of the market last year were not spared from the sell-off as well with the FBM Small Cap index down 4% in February. On top of the political uncertainty, the economy faces additional headwinds from the covid-19 with the government reducing its growth outlook for 2020 to 3.2-4.2% from 4.8% previously. There are concerns if the RM20 billion fiscal stimulus package unveiled last week by interim Prime Minister Tun Dr Mahathir will proceed or a new stimulus package will be announced. Nonetheless, the government, old or new will be under a lot of pressure to implement policies to support economic growth and shore up support.

Actual Annual Investment Returns for the Past Seven (7) Calendar Years

Year	2013	2014	2015	2016	2017	2018	2019
Benchmark	7.2%	10.4%	7.7%	8.2%	2.6%	-2.2%	-0.2%
HLASF - Gross	2.5%	9.2%	10.2%	5.6%	12.4%	-3.0%	12.3%
HLASF - Net	1.3%	7.5%	8.4%	4.1%	10.4%	-3.7%	10.4%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past seven (7) 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.

HLA Secure Fund (HLASF)

Basis of Unit Valuation

1. 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.
2. 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.
3. The maximum value of any asset of any fund shall not exceed the following price:
 - a) The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - b) 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.
4. 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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Performance	9.3%	5.6%	15.1%	2.9%	6.9%	8.6%	4.1%	10.5%	-4.2%	10.0%

Source: Affin Hwang Investment Management

Basis of Calculation of Past Performance

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

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

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

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)

Feb 2020

Fund Features

1. Investment Objective

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

2. Investment Strategy & Approach

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

3. Asset Allocation

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

4. Target Market

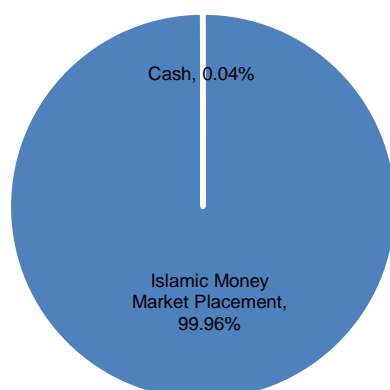
This fund is suitable for investors who are low risk profile.

Fund Details

Unit Price (25/2/2020)	: RM1.2555
Fund Size (25/2/2020)	: RM34.0mil
Fund Management Fee	: 0.25% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Money Market Fund
Fund Inception	: 28 Dec 2010
Benchmark	: Overnight Policy Rate
Frequency of Unit Valuation	: Weekly

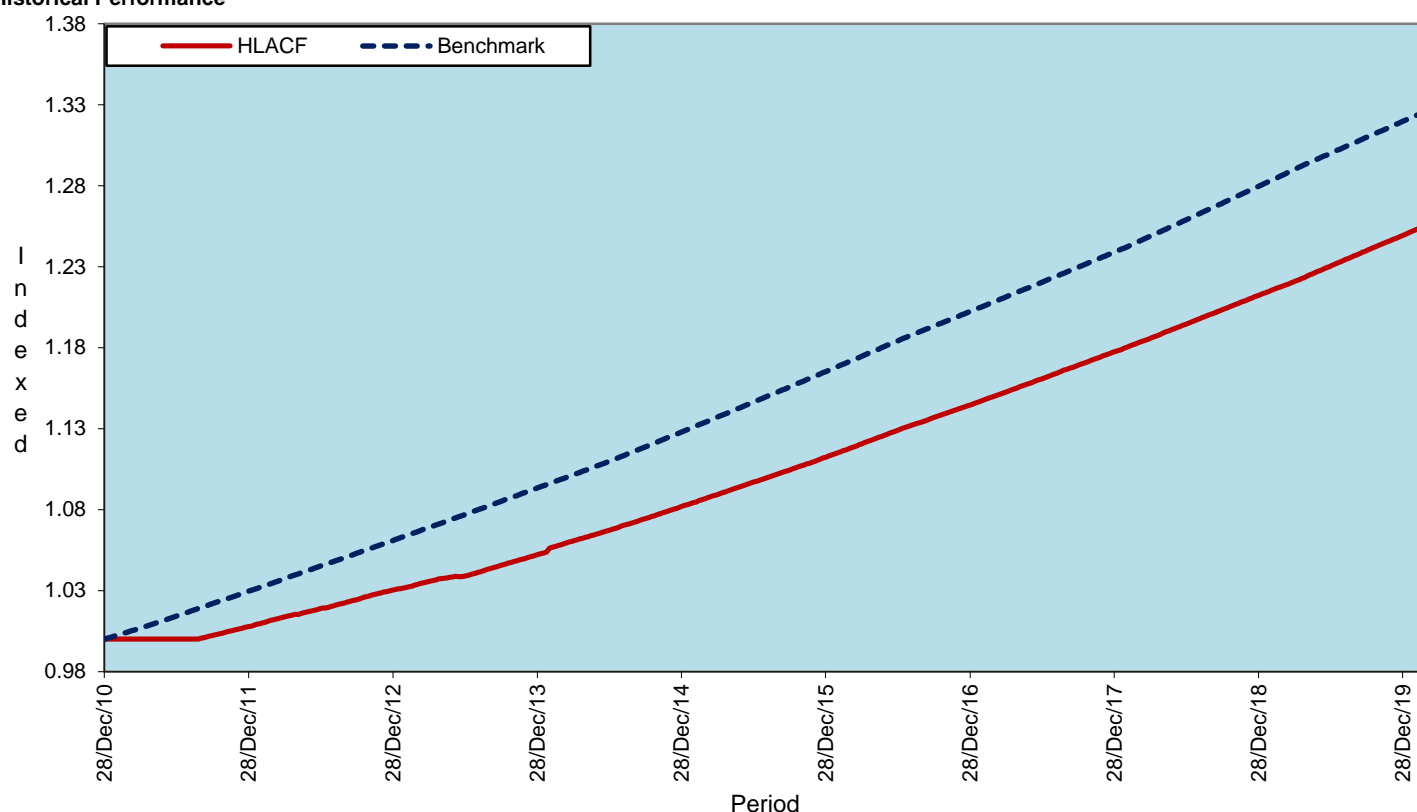
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. With effect 27 April 2020, the frequency of unit valuation will be changed from weekly to daily.

Asset & Sector Allocation of HLACF as at 25 Feb 2020



HLA Cash Fund (HLACF)

Historical Performance



As of 25/2/20	YTD	1 month	1 Year	3 Years	5 Years	Since Inception
HLACF	0.50%	0.22%	3.08%	9.16%	15.53%	25.55%
Benchmark*	0.47%	0.20%	3.06%	9.71%	16.93%	32.59%
Relative	0.03%	0.02%	0.02%	-0.54%	-1.40%	-7.04%

*Source: Bloomberg

Actual Annual Investment Returns for the Past Nine (9) Calendar Years

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019
Benchmark	3.0%	3.0%	3.0%	3.1%	3.2%	3.1%	3.0%	3.3%	3.1%
HLACF- Gross	1.1%	2.8%	2.6%	3.4%	3.3%	3.4%	3.4%	3.5%	3.6%
HLACF - Net	0.8%	2.3%	2.1%	2.9%	2.8%	2.9%	2.9%	3.0%	3.1%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past nine (9) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

Investment Risks

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

1. Counterparty risk

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

Risk Management

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

Basis of Unit Valuation

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

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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.

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.

Fund Risk Type & Customer Risk Appetite

Fund Risk Type

High

Customer Risk Appetite

Aggressive

