

HLA Venture Dana Putra (HLAVDP)

January 2024

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

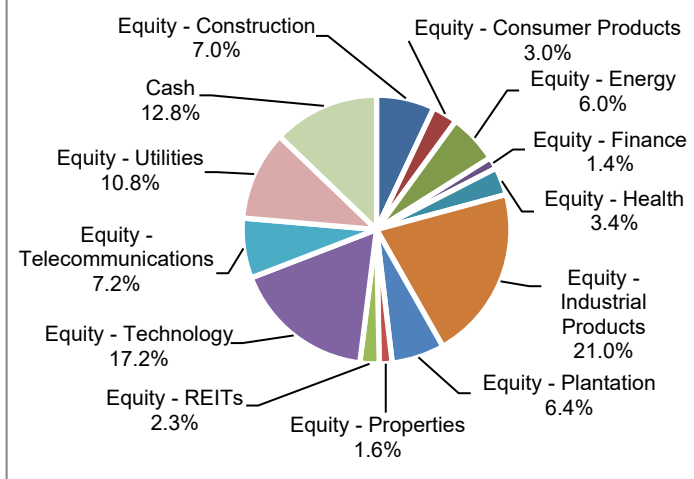
This fund is suitable for investors who are willing to take moderate risk.

Fund Details

Unit Price (31/1/2024)	: RM2.7494
Fund Size (31/1/2024)	: RM178.9 mil
Fund Management Fee (effective as at 01/01/2019)	: 1.40% p.a. (capped at 1.40%)
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 19 Jul 2000
Benchmark	: FBM EmasShariah Index (KL Shariah Index)
Frequency of Unit Valuation	: Daily

The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner three (3) months prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%) of the initial asset allocation.

Asset & Sector Allocation of HLAVDP as at 31 January 2024

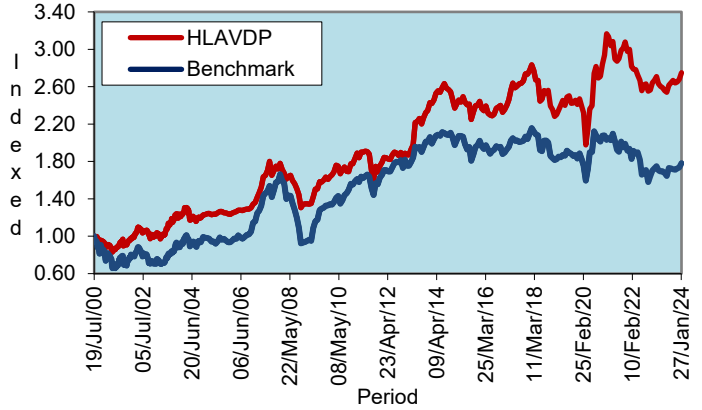


Although the funds invest in Syariah-approved securities, the Investment-Linked Insurance plan that utilizes these funds is not classified as a Syariah-compliant product.

Top 5 Holdings for HLAVDP as at 31 Jan 2024

	%
1. TENAGA	8.1
2. INARI	3.7
3. FRCB	3.7
4. TM	3.4
5. TIME	3.3
Total Top 5	22.2

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVDP	2.65%	2.65%	1.55%	-13.16%	19.41%	13.58%	174.94%
Benchmark*	2.63%	2.63%	1.82%	-12.38%	-2.38%	-10.52%	2.63%
Relative	0.01%	0.01%	-0.27%	-0.78%	21.79%	24.10%	0.01%

Source: Bloomberg

Notice: Past performance of the fund is not an indication of its future performance.

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Market Review, Outlook & Strategy

During the month, global equities continued to move up for a third consecutive month as economic data in the US remained resilient as witnessed by the improvement of its composite PMI to 50.9 in Dec from 50.7 in the previous month, contributed mainly by improvements in services PMI. US Dec CPI reversed its downward trend, increasing to +3.4% yoy as compared to +3.1% yoy the previous month. Following the strong economic data, FOMC Chair Powell iterated the need for more economic data points that supports inflation being on a sustainable path towards their 2% goal, before policymakers decide to cut interest rates. On the other hand, the China equities market slumped as foreign funds continued to withdraw their investments amidst weak economic data and intensified concerns over the troubled real estate sector in China. During the month, China's State Council had called for "forceful" measures to improve the investment value of companies and facilitate the entry of medium and long-term funds into the market, sparking speculation of CNY2trn from offshore state-owned entities to support the market. Brent oil rebounded +6.0% m-o-m in January, after three consecutive months of decline, to USD81.7/bbl underpinned by the growing geopolitical risks in the Middle East and drone strikes on Russia's oil infrastructure as well as a drop in observable oil inventories.

Domestically, most focus was placed on the new Agong's installation with positive factors such as the Malaysia and Singapore memorandum of understanding (MOU) signing to formalise the cooperation of both countries on the Johor-Singapore Special Economic Zone (JS-SEZ) and the National Water Services Commission (SPAN) announcing water tariffs increase for domestic users in the peninsula and Labuan, effective from 1st Feb 2024. Lastly, the government has announced an additional quota of 400MW under the net energy metering (NEM) programme for household, commercial and industrial segments from Feb 5 to Dec 31, 2024.

Average daily trading value grew significantly to RM3.2b in January as compared to RM2.3b a month ago. Foreign investors remained net buyers in January for the third consecutive month with net buy flows of RM0.7 billion. Economically, Malaysia's GDP grew by 3.4% in 4Q23 as compared to 3.3% in 3Q23. November industrial production grew at a slower pace of +0.6% yoy as compared to a growth of +2.7% yoy in October. December PMI and CPI came in unchanged at 47.9 and 1.5% respectively, similar to the reading in the previous month. As such, BNM held steady OPR at 3%. In January, the FBM KLCI outperformed global markets with a positive return of +4.01% m-o-m to close at 1,512.9 points. The FBM Shariah gained by +2.63% m-o-m, FBM Emas increased by +3.88% m-o-m, and the FBMSC climbed by +2.25% m-o-m.

Globally, investors are waiting in anticipation on the timing of US interest rate cuts in 2024, which is largely dependent on upcoming macro data releases. Geopolitically, the Red Sea conflict is intensifying with the US and allies launching strikes against Houthis to protect cargo vessels while the Houthis responded that their attacks will continue. As for HK/ China markets, investors are assessing the impact of potential CNY2 trillion fund to support the market. Domestically, attention will be focused on the implementation of announced initiatives by the government and the potential announcement of several key infrastructure projects such as JS-SEZ, Penang LRT, Phase 1B of Pan Borneo Highway Sabah, and Sabah Sarawak Link Road Phase 2. We remain defensive with our strategy being tilted towards dividend-yielding names. Sectors that we favour include financials (banks), transport, construction, utilities and commodities (Metals/Oil & Gas).

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

Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Benchmark	13.3%	-4.2%	2.4%	-6.1%	10.7%	-13.5%	3.9%	10.1%	-6.8%	-10.8%
HLAVDP- Gross	32.6%	-1.1%	4.9%	-2.4%	20.8%	-17.8%	10.5%	22.0%	3.9%	-10.7%
HLAVDP - Net	28.6%	-2.4%	3.1%	-3.6%	17.7%	-17.7%	8.3%	18.9%	2.1%	-11.0%

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.

Notice: Past performance of the fund is not an indication of its future performance.

Investment Risks

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

1. Market Risk

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

2. Liquidity Risk

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

3. Credit Risk

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

4. Interest Rate Risk

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

Risk Management

The company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework covers the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. The potential investment risks that are taken into consideration in managing the fund include economic conditions, liquidity, qualitative and quantitative aspects of the securities. The investment manager(s) have put in place the following controls to reduce the risks through:

- having a flexible tactical asset allocation
- investing in a wide range of companies across different sectors
- setting prudent investment limits on various exposures
- taking into account the liquidity factor in selecting securities
- engaging in the hedging of foreign currency exposure where appropriate

HLA Venture Dana Putra (HLAVDP)

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

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

Disclaimer:

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