income made different

SEMI-ANNUAL FUND REPORT

FOR THE HALF YEAR AS OF
30 JUNE 2019

an NTUC Social Enterprise

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Note: As of 6 September 2019, this report has been updated with the following information:

1. *Global Income Fund on page 86: Schroder International Selection Fund – Global Multi-Asset Income Turnover ratio as of 30 June 2019 changed* "0.00%" *to* "139.42%"
2. *Takaful Fund on page 103: Country Allocation as of 30 June 2019 Total Market Value S$ changed* "18.61" *to* "18.78"

CIO Message

1st September 2019

Dear Policyholder

In the first half of 2019, equities and credits rallied along with traditional safe haven assets, such as developed market government bonds. The rallies are due to markets pricing in the United States (US) Federal Reserve and the European Central Bank (ECB) rate cuts and potentially further quantitative easing by the central banks amidst global economic slow-down, which is compounded by the ongoing trade disputes between the US and China.

However, we can anticipate global economic growth to slow down further for the rest of this year as a result of lower global demand due to the uncertain outlook. A further escalation of trade tensions, particularly between the US and China is a key risk. However, healthy corporate earnings and loose monetary policy should provide some reprieve from a drastic economic downturn. Income will continue to stay diversified in this market environment and our focus will be on delivering long-term investment returns.

Amidst market volatility, I am glad to share that our Investment-Linked Policy (ILP) sub-funds continue to perform well in the market as 76% of our ILP sub-funds were ranked in the first and second quartile of their Morningstar categories in the first half of 2019. Besides that, our ILP sub-funds were also represented in the Lipper Leader categories. This included the Prime Fund and Global Managed Fund (Growth), which are the only ILP sub-funds in the CPF Investment Scheme that received “Lipper Leader” rating across all four metrics namely, “Consistent Return”, “Preservation”, “Expense” and “Total Return” in the first quarter of 2019. Furthermore, the Global Equity Fund, Asia Managed Fund and Takaful Fund also achieved “Lipper Leader” status in three out of the four categories in the same review.

The latest Semi-Annual Fund Report for the financial period ended 30 June 2019 can be downloaded at https://www.income.com.sg/fund/factsheet/2019jun.pdf. You may also access your ILP statement via me@income, our online customer portal at www.income.com.sg.

To request for a copy of the Fund Report, please call our Customer Service Hotline at 67881122/67881777 or email us at csquery@income.com.sg.

Kate Chiew
Chief Investment Officer

Fund Changes for the Half year as of 30 June 2019

Revised Risk Classification for AIM 2035

AIM 2035 is a target maturity multi-asset portfolio that invests in a broad range of assets including fixed income, equities and alternatives to deliver consistent returns over a market cycle. The allocation between the asset classes will become more conservative as the portfolio approaches its maturity date. To reflect the reduced volatility of the portfolio, the CPF Risk Classification of AIM 2035 has been revised from Higher Risk – Broadly Diversified to Medium to High Risk – Broadly Diversified and the expense ratio cap of the revised classification will apply to AIM 2035.

This update is for your information only as AIM 2035 continues to be included under CPF Investment Scheme (CPFIS). No further action is required on your part to remain invested in AIM 2035.

Summary of Fund Performance as of 30 June 2019

	1 year	3 year*	5 year*	10 year*	Since Inception*
Core Funds					
Global Bond Fund	6.06%	1.28%	2.40%	3.94%	3.20%
Global Equity Fund	11.04%	13.07%	9.39%	9.94%	5.28%
Singapore Bond Fund	5.57%	2.51%	3.17%	3.42%	3.41%
Singapore Equity Fund	4.53%	8.75%	3.55%	6.03%	7.95%
Managed Funds					
Asia Managed Fund	0.18%	11.97%	7.83%	8.78%	5.99%
Global Managed Fund (Balanced)	8.31%	7.08%	5.65%	6.67%	5.61%
Global Managed Fund (Conservative)	7.29%	4.82%	4.42%	5.47%	4.65%
Global Managed Fund (Growth)	8.98%	9.18%	6.73%	7.68%	6.33%
Singapore Managed Fund	4.05%	6.13%	3.40%	4.90%	5.57%
Target Maturity Funds					
AIM Now Fund	5.00%	3.27%	3.03%	N.A.	3.02%
AIM 2025 Fund	3.82%	6.14%	4.40%	N.A.	4.82%
AIM 2035 Fund	2.73%	8.63%	5.73%	N.A.	5.96%
AIM 2045 Fund	2.40%	9.07%	5.85%	N.A.	6.08%
Specialised Funds					
Money Market Fund	1.79%	1.32%	1.13%	0.82%	1.11%
Thematic Funds					
Asian Bond Fund	8.45%	2.58%	N.A.	N.A.	3.04%
Asian Income Fund	9.08%	5.54%	5.18%	N.A.	5.28%
Global Income Fund	2.99%	3.08%	N.A.	N.A.	1.04%
Global Technology Fund	11.05%	23.85%	17.15%	16.70%	-0.96%
Multi-Asset Premium Fund	-1.95%	N.A.	N.A.	N.A.	-2.16%
Prime Fund	4.61%	8.49%	6.00%	5.90%	8.40%
Takaful Fund	7.15%	13.41%	10.75%	11.77%	2.88%

*Annualised Returns

Notes:

1. The Global Managed Funds are invested in our Core Funds in the following ratios:
   Balanced: Singapore Equity (10%), Global Equity (40%), Singapore Bond (15%) and Global Bond (35%).
   Conservative: Singapore Equity (5%), Global Equity (25%), Singapore Bond (20%) and Global Bond (50%).
   Growth: Singapore Equity (15%), Global Equity (55%), Singapore Bond (10%) and Global Bond (20%).

2. The returns are calculated on a bid-to-bid basis, in Singapore Dollar terms. All dividends are re-invested. Fees and charges payable through premium deduction or units cancellation are excluded from the calculation.

3. Past performance of the sub-fund is not indicative of future performance. Annualised Returns are not guaranteed as the value of the units may rise or fall as the performance of the sub-fund changes.

Global Bond Fund

INVESTMENT OBJECTIVE

To provide a medium to long-term rate of return by investing mainly in global bonds.

INVESTMENT SCOPE

The sub-fund will invest mainly in global government and corporate bonds, mortgage backed securities and asset backed securities. The portfolio will have an average investment grade rating by Standard and Poor's and the sub-investment manager is allowed to have some currency exposure. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	2 January 2003
Fund Size	S$124.52 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	0.85% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point in time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA and CPF SA)
CPFIS Risk Classification	Low to Medium Risk, Broadly Diversified
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Manager	Amundi Singapore Limited
Benchmark	Barclays Global Aggregate hedged to Singapore Dollars
Structure	Single Fund

TOP 10 HOLDINGS

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
US Treasury Note 2.875% 150828	21.00	16.86	Deutschland Rep 0.5% 150228	12.18	9.98
Deutschland Rep 0.5% 150228	7.17	5.76	US Treasury Note 2.25% 150227	7.86	6.44
US Treasury Infl. Index Bond 1% 150248	6.06	4.87	TSY INFL IX N/B 0.125% 150422	7.84	6.42
Spanish Govt Bond 2.7% 311048	5.54	4.45	US Treasury Note 1.75% 151120	4.69	3.84
US Treasury Infl. Index Bond 0.5% 150128	4.99	4.01	Singapore Government Bonds 4% 010918	4.07	3.33
BTPS 2.45% 011023	4.65	3.74	Japan Govt 20-yr 2.1% 201229	3.78	3.09
Japan Govt 20-yr 2.1% 201229	3.88	3.11	US Treasury Infl. Index Bond 0.625% 150126	3.30	2.70
UK Treasury 0.75% 220723	3.82	3.07	US Treasury Note 3% 150545	2.72	2.23
Portuguese OT's 4.125% 140427	2.62	2.11	Deutschland Rep 2.5% 150846	2.66	2.18
Mexican Bonos 8.5% 310529	2.55	2.05	US Treasury Infl. Index Bond 0.875% 150247	2.55	2.09

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. Amundi Singapore Limited is the Sub-Investment Manager of the sub-fund.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

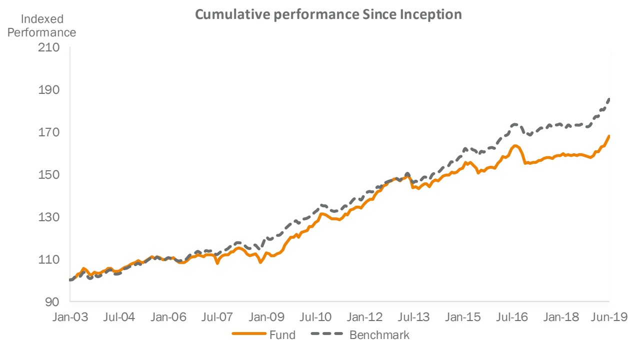
Global Bond Fund

Amundi Singapore Limited

Amundi Singapore Limited is a wholly-owned subsidiary of Amundi Asset Management. It was established in Singapore in 1989 as a business hub for Amundi's group operations in South East Asia. Amundi Singapore Limited is licensed and regulated by the Monetary Authority of Singapore and has been managing collective investment schemes and/or discretionary funds since 1989. It is also one of Amundi's group global investment centres responsible for Asian investment management. It has €1.49 trillion in assets under management as of 30 June 2019.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Global Bond Fund	1.88%	3.32%	6.06%	6.06%
Benchmark	1.34%	2.76%	5.65%	7.05%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Global Bond Fund	1.28%	2.40%	3.94%	3.20%
Benchmark	2.47%	3.83%	4.25%	3.81%



The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Global Bond Fund	2.84%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

First half of 2019 saw economic data gradually get weaker, prompting central banks to turn more dovish. Trade war tensions between the US and trading partners, especially China, grew. Data weakness prompted most central banks to turn more dovish, with the European Central Bank (ECB) announcing new measures to stimulate growth in Europe with a new round of targeted longer-term refinancing operations (TLTROs), bank loans intended for purchase of European sovereign and corporate bonds. European rates are expected to be left on hold by the ECB for some time.

In the US, the Federal Reserve (Fed) surprised markets by responding to globally weaker data and announcing that the pace of rate hikes would be slower than expected. Following four rate hikes in 2018, expectations are now for just one more during the summer of 2019. Escalation of trade war rhetoric between the US and China and increased tensions between Iran and the US were also focal points. Trade negotiations between the US and China, climaxed as President Trump's administration threatened to raise import taxes on US$200bn worth of Chinese imports to the US from 10% to 25%, with the potential for taxes to be levied on a further US$300bn worth of imports. China threatened to retaliate by raising tariffs on US$60bn of imported US goods. The US and China did however agree a trade truce at the G20 summit later in the quarter, bringing relief to an increasingly concerned market as the scale of the tariffs would have a far reaching impact.

Developed markets government bonds have seen strong performance in the first 6 months of the year as yields have fallen sharply in less hawkish central bank expectations. Global corporate bonds have also seen strong performance, with the year to date performance standing at over 7%. The CAD and NOK were strong performers against the USD as the price of oil improved, and the JPY gained as trade war concerns grew and it retained its safe haven status.

Market Outlook

The economic outlook is still positive but with a synchronised global economic slowdown. Central banks have recently used a more dovish tone. The ECB continues to be dovish and we believe that incoming President Christine Lagarde will continue the same policies. Inflation may materialise in some areas, but it is expected to remain subdued at a global level, due to slower global demand.

Geopolitical issues and the turmoil linked to the escalation of trade tensions remain even if there have been some signs of appeasement between China and the US in trade talks. The TLTRO programme and commitment by the ECB to provide support within the Eurozone should support European corporate bonds and European peripheral sovereign bonds. Brexit dropped out of headlines at the end of quarter, but will come back to the forefront once the Conservative party announce a new leader.

Idiosyncratic factors remain key within emerging market currencies, with China slowing, commodity currencies may struggle to rise. While oil exporting currencies stand to gain from renewed tension between the US and Iran. The USD and JPY remain the safe haven currencies of choice.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

Global Bond Fund

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

	Expense ratio	Turnover ratio
As of 30 June 2019	0.87%	79.33%
As of 30 June 2018	0.88%	74.84%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Corporate Bonds	36.17	29.05
Government Bonds	81.83	65.72
Cash & Others	6.52	5.23
Total	124.52	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Britain	7.39	5.94
Canada	2.86	2.30
Denmark	1.11	0.89
France	6.50	5.22
Germany	7.17	5.76
Italy	5.34	4.29
Japan	8.60	6.91
Luxembourg	1.07	0.86
Mexico	4.51	3.62
Netherlands	2.51	2.01
Poland	1.53	1.23
Portugal	4.60	3.69
Singapore	0.96	0.77
Spain	10.04	8.06
United States	50.33	40.42
Others	3.48	2.80
Cash & Others	6.52	5.23
Total	124.52	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Communications	7.81	6.27
Consumer, Cyclical	1.03	0.83
Consumer, Non-cyclical	1.90	1.52
Energy	0.67	0.54
Financial	19.45	15.63
Government	82.91	66.59
Industrial	1.56	1.25
Technology	1.10	0.88
Utilities	1.57	1.26
Cash & Others	6.52	5.23
Total	124.52	100.00

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	44.56	35.78
AA+	1.43	1.15
AA	3.82	3.07
AA-	2.38	1.91
A+	1.82	1.46
A	9.80	7.87
A-	8.26	6.64
BBB+	13.98	11.23
BBB	12.87	10.33
BBB-	11.68	9.38
BB+	1.23	0.99
Not rated	6.17	4.96
Total	118.00	94.77

'Not rated' refers to debt securities which are not rated by S&P or other equivalent rating agencies, including but not limited to treasury bills, bonds issued by government, government agency, statutory board or corporate.

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	7,740,284
Redemptions	(4,295,830)

EXPOSURE TO DERIVATIVES

	Market Value S$	% of Net Asset Value	Realised Gains/(Losses) S$	Unrealised Gains/(Losses) S$
Forwards	519,203	0.42	356,008	519,203
Futures	(303,842)	0.24	(1,993,498)	(303,842)

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

Nil.

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$491,473.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

Amundi

The Sub-Investment Manager currently does not receive or enter into soft dollar and commission sharing arrangements in their management of the ILP sub-fund. Should the Sub-Manager receive or enter into such soft dollar and commission sharing arrangements, it will comply with the soft dollars standards prescribed by the Investment Management Association of Singapore. The goods and services which the Sub-Investment Manager may receive under the soft dollar and commission sharing arrangements (if any) include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to the investment decision making process. The Sub-Investment Manager will not accept or enter into soft dollar and commission sharing arrangements unless such soft dollar and commission sharing arrangements would, in the opinion of the Sub-Investment Manager, assist the Sub-Investment Manager in the management of the ILP sub-fund. The Sub-Investment Manager shall ensure at all times best execution is carried out for the transactions, and that no unnecessary trades are entered into in order to qualify for such soft dollar and commission sharing arrangements. The Sub-Investment Manager shall not retain for its own account, cash or commission rebates arising out of transactions for the ILP sub-fund executed in or outside Singapore.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Amundi

The Sub-Investment Manager is or may be involved in other financial, investment and professional activities which may on occasion cause conflict of interest with the management of the ILP sub-fund. The Sub-Investment Manager will ensure that the performance of its respective duties will not be impaired by any such involvement. If a conflict of interest does arise, the Sub-Investment Manager will try to ensure that it is resolved fairly and in the interest of the clients.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Global Equity Fund

INVESTMENT OBJECTIVE

To achieve long-term capital appreciation and diversification by investing in stocks traded on the global equity markets.

INVESTMENT SCOPE

The sub-fund is fully invested in global equities. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	1 April 1998
Fund Size	S$260.25 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	1.25% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point in time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA)
CPFIS Risk Classification	Higher Risk, Broadly Diversified
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Managers	Morgan Stanley Investment Management Company MFS International Singapore Pte Ltd and Wellington Management Singapore Pte Ltd
Benchmark	MSCI World Index in Singapore Dollars
Structure	Single Fund

TOP 10 HOLDINGS

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Visa Inc	9.19	3.53	Accenture Plc	7.13	2.84
Reckitt Benckiser Group	8.00	3.07	Visa Inc	7.13	2.84
Microsoft Corporation	7.63	2.93	Reckitt Benckiser Group	6.03	2.40
Accenture Plc	7.49	2.88	Thermo Fisher Scientific Inc	5.55	2.21
Abbott Laboratories	5.33	2.05	LVMH Moet Hennessy Louis Vui EUR0.30	4.44	1.77
Nestle SA	4.87	1.87	Bayer AG	4.40	1.75
Philip Morris International Inc	4.73	1.82	Medtronic Plc	4.27	1.70
Comcast Corp	4.65	1.79	Pernod Ricard SA	4.17	1.66
Medtronic Plc	4.61	1.77	Stratasys Inc	4.15	1.66
Pernod Ricard SA	4.59	1.76	Diageo Plc	4.07	1.62

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. Morgan Stanley Investment Management Company, MFS International Singapore Pte Ltd, and Wellington Management Singapore Pte Ltd are the Sub-Investment Managers of the sub-fund.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Global Equity Fund

Morgan Stanley Investment Management Company (MSIM)

MSIM was established in 1975 as a subsidiary of Morgan Stanley Group Inc. As of 30 June 2019, MSIM employs 665 investment professionals worldwide in 23 countries and offers its clients personalised attention, the intelligence and creativity of some of the brightest professionals in the industry and access to the global resources of Morgan Stanley. As of 30 June 2019, MSIM managed US$497 billion in assets for its clients.

MFS International Singapore Pte Ltd^

MFS International Singapore Pte Ltd is incorporated in Singapore and is authorised under a capital markets service license with the Monetary Authority of Singapore to provide fund management services. MFS has been managing pooled vehicles/investment funds and/or discretionary funds in Singapore since 1997. MFS Investment Management (parent company of MFS International Singapore Pte Ltd) was founded in 1924. Assets under management totalled US$488 billion (as of 30 June 2019). MFS believes in active bottom-up research aimed at consistently identifying high-quality investments by focusing on companies that have potential to generate above-average and sustainable earnings. MFS has a global network of research analysts and portfolio managers based in Boston, Toronto, Mexico City, London, Tokyo, Hong Kong, Singapore and Sydney.

^Prior to November 2013, MFS was operating as a branch of MFS International Limited and was an exempted fund manager under the Singaporean regulatory regime.

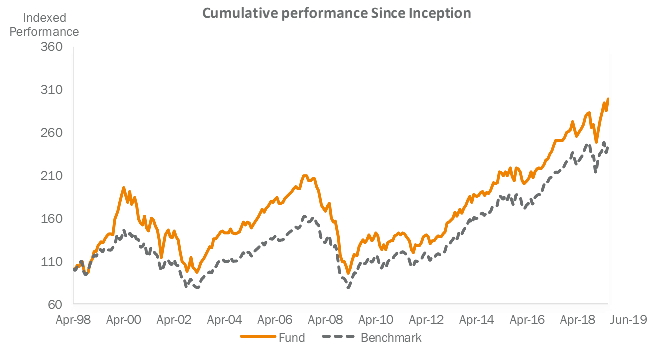
Wellington Management Singapore Pte Ltd (WMS)*

WMS is an affiliate of Wellington Management Company LLP (WMS, Wellington Management Company LLP and the other affiliates of Wellington Management Company LLP are collectively referred to as WMC). With US$1.1 trillion in assets under management, WMC serves as an investment adviser to over 2,200 clients located in more than 60 countries, as of 30 June 2019. WMC's singular focus is investments — from global equities and fixed income to currencies and commodities. WMC describes themselves as a community of teams that create solutions designed to respond to specific client needs. WMC's most distinctive strength is their proprietary, independent research, which is shared across all areas of the organisation and used only for managing clients' portfolios. Tracing its roots to the founding of Wellington Fund in 1928, the firm has offices in Boston, Massachusetts; Chicago, Illinois; Radnor, Pennsylvania; San Francisco, California; Beijing; Frankfurt; Hong Kong; London; Singapore; Sydney; Tokyo; Luxembourg and Zurich.

* With effect from 29 April 2016, Wellington Management Singapore Pte Ltd (WMS) has replaced Schroder Investment Management Limited as one of the Sub-Investment Managers of the Global Equity Fund.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Global Equity Fund	4.70%	5.22%	20.20%	11.04%
Benchmark	4.78%	3.88%	16.12%	5.51%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Global Equity Fund	13.07%	9.39%	9.94%	5.28%
Benchmark	11.96%	8.36%	9.97%	4.34%



The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Global Equity Fund	9.74%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

Global equities, as measured by the MSCI World Index returned 14.8% in SGD terms in the first half of 2019. Falling sovereign bond yields and anticipation of easier global monetary policy more than offset concerns over strained trade relations between the US and China.

The US S&P 500 Index returned 16.5% in SGD terms for the first half of 2019. Anticipation of easier monetary policy from the US Federal Reserve (Fed) and other global central banks sparked hope that the decade-long US expansion can be maintained despite slowing global growth and persistent trade concerns stemming from the worsening US-China trade relationship.

European stocks, as measured by the STOXX Europe 50 Index, returned 13.9% in SGD terms in the first half of 2019. Growth continued to slow during the first half of 2019 amid ongoing Brexit uncertainty, global trade tensions and slumping business confidence though anticipation of fresh monetary stimulus from the European Central Bank along with the Fed helped buoy equities.

In Japan, the Nikkei Composite Index returned 7.5% in SGD terms in the first half of 2019. Moderating global industrial production and global trade friction have been persistent headwinds along with stronger yen. Shareholder–friendly corporate governance reforms resulting in increasing dividends and share buy backs were supportive to the market.

Emerging markets (EM), as measured by the MSCI EM Index returned 8.4% in SGD terms during the first half of 2019. Slowing global growth amid ongoing US-China trade tensions have been a headwind for the region though looser financial conditions have been supportive.

Market Outlook

While recent corporate earnings growth has been slightly better than expectations, analysts' estimates suggest another weak quarter may lie ahead. The US and China agreed to a truce over new tariffs and resumed negotiations, but tariff-related costs and uncertainties continue to weigh on business and consumer confidence. Some companies are finding it difficult to shift global supply chains since few countries have the skilled labour and production capacity to replace China. The Fed, ECB and a number of other central banks have adopted more dovish stances, helping underpin equity markets. However, purchasing managers' indices, which are sensitive measures of economic activity, have slowed considerably on a global basis, suggesting that recent soft economic growth may persist, which could be a headwind for revenue growth.

United States: Signals from the Fed that it could lower interest rates in coming months have supported equities and led to multiple expansion, pushing valuations slightly above long-term averages. The rally to record highs in the S&P 500 comes amid a backdrop of "bad news is good news," fueled by the anticipation of lower interest rates, not just in the US but around the globe. The US-China trade relationship remains unresolved, prompting many companies to rapidly reorient established supply chains beyond China. This is proving challenging and could erode what have been very robust net margins. The potential for a lower USD as a result of anticipated rate cuts would be a tailwind for US equities, though slowing global economic growth is a substantial headwind.

Europe: Uncertainty surrounding global trade has weighed particularly heavily on the export focused German economy. Though the US has postponed a final decision on auto tariffs until late 2019, levies of up to 25% could be imposed at any time, a prime source of uncertainty. Global auto sales are expected to contract in 2019 by low single digits. Major European brands recently announced price cuts in China, where sales have fallen approximately 10% from year-ago levels. Financial stability risks are rising in Europe as in the US given the prolonged period of very accommodative monetary policy. Leverage is rising for businesses and households, and investors are taking additional risks in search of yield in a world of increasingly negative-yielding debt. Amid a decline in market-based inflation measures to record lows, the ECB shifted to an easier policy stance in recent weeks. Easier monetary policy globally, along with the increasing possibility of greater fiscal stimulus from China, has cushioned risk assets. However, markets are concerned that the ECB has relatively few tools with which to fight a further slowdown in inflation and growth. Brexit uncertainty and continued discord between the European Commission and Italy over the country's debt level are ongoing sources of concern. A stronger euro is also a headwind.

Japan: With global growth and trade slowing, largely as a result of spillovers from the US–China trade war, Japan is debating whether to move forward with a planned hike in the twice delayed consumption tax — from 8% to 10% — slated for 31 October. The last such hike in April 2014 resulted in an economic slowdown. With the Bank of Japan (BOJ) already quite dovish, Governor Haruhiko Kuroda has thus far not matched the increased dovishness of the Fed and ECB. At the BOJ's June meeting, Kuroda said it is possible that the central bank could allow 10-year JGB yields to overshoot the bank's -0.2% floor. An aggressive Fed cut in coming months could prompt the BOJ to push rates further into negative territory to try to alleviate the potential for a stronger yen. Despite low expectations for global growth, Japanese companies are increasing capital expenditures, partly because of firms' on-shoring production due to stretched supply chains. Dividend yields remain very attractive, at 2.6%, which compares with the 10-year JGB yield of -0.16%. Continued corporate governance reform and an increased focus on stock buybacks are tailwinds amid lower-than-average valuations.

Emerging Markets: Fading hopes for a quick resolution of the US-China trade standoff have undermined investor confidence, though easier monetary policy stances from global central banks and moderate fiscal and monetary stimulus from China are acting as a counterbalance. A somewhat weaker USD based on expectations of easier Fed policy in coming months is supportive of EM, though the magnitude of USD weakness thus far has been modest. Prior to May's breakdown in trade talks, economic indicators in Korea, Taiwan and Singapore appeared to be building a bottom. An agreement to extend talks struck at the G20 may help stabilise global trade flows. EM looks somewhat attractive relative to global equities from a long-term perspective given its modest undervaluation. A growing share of technology as a percentage of market capitalisation is supportive as EM move up the global value chain.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

	Expense ratio	Turnover ratio
As of 30 June 2019	1.28%	44.65%
As of 30 June 2018	1.28%	30.19%

Global Equity Fund

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Equities	257.87	99.09
Cash & Others	2.38	0.91
Total	260.25	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
France	21.85	8.40
Germany	12.37	4.75
Hong Kong	2.36	0.91
Japan	4.44	1.71
Netherlands	7.72	2.97
Spain	1.64	0.63
Sweden	2.89	1.11
Switzerland	13.55	5.21
United Kingdom	26.53	10.19
United States	159.80	61.40
Others	4.72	1.81
Cash & Others	2.38	0.91
Total	260.25	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Basic Materials	8.03	3.09
Communications	22.55	8.67
Consumer, Cyclical	16.20	6.23
Consumer, Non-cyclical	115.24	44.28
Energy	0.78	0.30
Financial	29.49	11.33
Industrial	32.23	12.38
Technology	33.35	12.81
Cash & Others	2.38	0.91
Total	260.25	100.00

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

CREDIT RATINGS OF DEBT SECURITIES

Nil.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	2,919,322
Redemptions	(24,894,211)

EXPOSURE TO DERIVATIVES

	Market Value S$	% of Net Asset Value	Realised Gains/(Losses) S$	Unrealised Gains/(Losses) S$
Forwards	(13)	<0.01	(1,392)	(13)

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
American Tower Corp	0.94	0.36

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$1,571,050.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

Morgan Stanley

Research received by MSIM Limited from 3 January 2018 (other than research that qualifies as a minor monetary benefit) will be paid out of its own resources. MSIM must take all sufficient steps to obtain the best possible result for its Clients when placing orders as part of MSIM's portfolio management service in compliance with its contractual or agency obligation to act in accordance with the best interests of the Client taking into account the Relevant Factors (as defined below).

When effecting transactions for its Clients, MSIM takes into consideration a number of factors (together referred to as "Relevant Factors") including, but not limited to:

- price/spread
- cost of execution
- speed and likelihood of execution
- order size
- nature of the order
- broker or counterparty selection
- availability of liquidity
- likelihood of settlement
- market impact of the transaction
- MSIM's operational costs
- any other considerations that MSIM deems relevant to the transaction

Wellington

The Managers did not retain for its own account cash or commission rebates arising out of transactions executed in or outside Singapore. Soft dollar commission/ arrangement has been received/ entered into by the Sub-Investment Manager in respect of the ILP. The soft dollar commission/ arrangement relates essentially to research services used for and in support of the investment process. The Sub-Investment Manager did not accept or enter into soft dollar commission/ arrangement unless such commission/ arrangement would reasonably assist the Sub-Investment Manager in the management of the ILP and the trades were executed on a best execution basis. The Sub-Investment Manager took all reasonable steps to obtain the best possible result of the ILP, taking into account the following execution factors, including but not limited to, price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of a trade or transaction, and there was no churning of trades.

Global Equity Fund

MFS International

MFS will pay for external research for all accounts beginning January 3, 2018. NTUC Income's portfolios which are managed by MFSIS are under the scope of MiFID where execution only rates are paid for the trades. There are no soft dollars associated with the trades.

CONFLICTS OF INTEREST

The Manager and Sub-Investment Managers may from time to time have to deal with competing or conflicting interests between these sub-funds. However, the Manager and Sub-Investment Managers will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager and Sub-Investment Managers have in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Singapore Bond Fund

INVESTMENT OBJECTIVE

The objective of this sub-fund is to provide a medium to long-term capital appreciation by investing mainly in investment grade government/quasi-sovereign bonds, corporate bonds and money market securities denominated in Singapore Dollars.

INVESTMENT SCOPE

The types of securities that this sub-fund may invest in include, but are not limited to fixed income instruments (deemed or rated investment grade), bank deposits, money market securities, currency forwards and futures. The sub-fund may also invest in high quality unsecured or unrated bonds. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	1 March 2000
Fund Size	S$315.85 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	0.5% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA and CPF SA)
CPFIS Risk Classification	Low to Medium Risk, Narrowly Focused – Country – Singapore
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Manager	Fullerton Fund Management Company Ltd
Benchmark	Markit iBoxx ALBI Singapore Government 3+ Index
Structure	Single Fund

With effect from 31 May 2017, the benchmark, UOB Singapore Government Bond Index Long has been replaced by Markit iBoxx ALBI Singapore Government 3+ Index.

TOP 10 HOLDINGS

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Singapore Government Bonds 2.875% 010930	51.34	16.25	Singapore Government Bonds 2.875% 010930	51.15	16.16
Singapore Government Bonds 3.375% 010933	28.44	9.00	Singapore Government Bonds 3.375% 010933	25.37	8.01
Singapore Government Bonds 2.75% 010346	22.11	7.00	Singapore Government Bonds 2.75% 010442	20.33	6.42
Singapore Government Bonds 2.375% 010625	17.52	5.55	Singapore Government Bonds 2.75% 010346	14.74	4.65
Singapore Government Bonds 2.75% 010442	16.36	5.18	Singapore Government Bonds 3.5% 010327	13.44	4.25
CMT MTN Pte Ltd Capita 3.48% 060824	7.56	2.39	Singapore Government Bonds 1.625% 011019	10.01	3.16
Mapletree Trea 2.85% 290825	7.00	2.22	Singapore Government Bonds 2.375% 010625	9.99	3.16
ABN Amro Bank 4.75% 010426	6.49	2.06	Export-Import Bk Korea 2.318% 270922	8.82	2.79
Singapore Government Bonds 2.375% 010739	6.45	2.04	CMT MTN Pte Ltd Capita 3.48% 060824	7.46	2.36
Aust & NZ Bank 3.75% 230327	6.12	1.94	Mapletree Trea MAPLSP 2.85% 290825	6.81	2.15

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. Fullerton Fund Management Company Ltd is the Sub-Investment Manager of the sub-fund.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

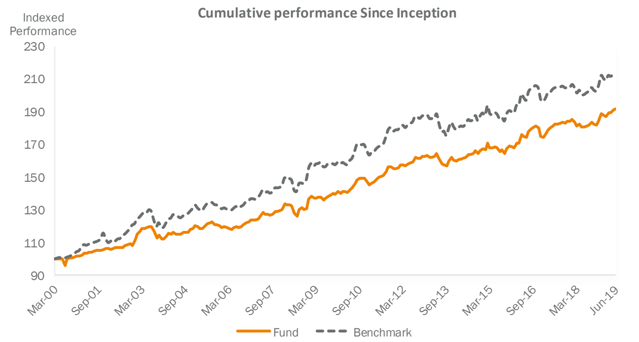
Singapore Bond Fund

Fullerton Fund Management Company Ltd (Fullerton)

Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Singapore Bond Fund	0.31%	1.11%	1.49%	5.57%
Benchmark	0.67%	1.01%	1.03%	6.30%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Singapore Bond Fund	2.51%	3.17%	3.42%	3.41%
Benchmark	1.95%	3.05%	3.20%	4.02%



Changes to benchmarks during the life of the sub-fund: Since inception to 31 May 2017 - UOB Singapore Government Bond Index (Long).
With effect from 31 May 2017, the benchmark has been changed to Markit iBoxx ALBI Singapore Government 3+ Index.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Singapore Bond Fund	3.24%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

Bond markets rallied in the first six months of 2019, supported by dovish central bank policies.

The escalation in US-China trade tensions in May led to a temporary halt in the bond market rally, but the rally resumed on the back of market chatter that the US Federal Reserve (Fed) and European Central Bank would adopt a more dovish policy stance. The US-China trade truce and the potential restart of bilateral trade negotiations between the two nations, further supported sentiment. Overall, US Treasuries rallied strongly in the first six months of 2019. The benchmark 10-year US Treasury yield declined sharply by 68bps over the six-month period and ended June at 2.0%.

The Singapore economy was lacklustre in the first six months of 2019. Singapore's 2Q2019 gross domestic product registered a tepid 0.1% yoy growth, and shrank by 3.4% qoq, as compared to the first quarter. Non-oil domestic exports declined 17.3% yoy in the second quarter on shrinking exports in the electronics sector; this was a result of the supply chain disruptions arising from the trade disputes and a cyclical downturn in the sector.

Singapore's headline consumer price index inflation moderated to 0.6% yoy in June, led by lower private road transport inflation; Monetary Authority of Singapore's core inflation (which excludes private road transport and accommodation costs) eased to 1.2% yoy in June.

Against this backdrop, Singapore government bonds and SGD-denominated non-government bonds delivered positive returns. Singapore rates, as measured by the Markit iBoxx Singapore Government Bond Index, returned 1.1% over the six-month period. The non-government bond sector, as measured by the Markit iBoxx Singapore Non-Government Index, outperformed with a return of 2.1% over the same period.

Market Outlook

Looking ahead, we believe the US-China trade truce will provide some respite to investors in the near term and risk assets should remain well-supported. That said, the overhang from uncertainties over protracted trade negotiations would continue to weigh on global capex activities, corporate spirits and consumer sentiment.

Rising downside risk to global growth should in turn be mitigated by the willingness of central banks to ease in response to any economic weaknesses, which should allay investor concerns. More accommodative central bank policies would also continue to anchor bond yields, increasing the relative attractiveness of spread sectors.

Over in Singapore, with contained inflation, weak growth and growing external risks stemming from the US-China trade conflict, the odds of an easing in the upcoming October monetary policy meeting have risen. Singapore government bonds have lagged the recent US Treasury rally (as markets have priced in more aggressive Fed rate cuts than what we have currently forecast) and we expect some catching up in

Singapore Bond Fund

the second half of the year. A drop in SGS duration supply in the second half of this year is also favourable for Singapore bonds, particularly at the long end. We expect the short-term SGD rate to track US rates, with a downwards bias. We continue to favour allocation to SGD corporate bonds vis-à-vis SGD agencies.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

	Expense ratio	Turnover ratio
As of 30 June 2019	0.52%	23.49%
As of 30 June 2018	0.52%	53.68%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Corporate Bonds	140.74	44.56
Government Bonds	175.13	55.45
Cash & Others	-0.02	-0.01
Total	315.85	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Australia	15.11	4.78
Britain	4.41	1.40
France	8.81	2.79
Hong Kong	10.92	3.46
Indonesia	3.83	1.21
Japan	3.01	0.95
Netherlands	6.49	2.06
Singapore	259.25	82.08
South Korea	4.03	1.28
Cash & Others	-0.02	-0.01
Total	315.85	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Basic Materials	1.05	0.34
Communications	10.40	3.29
Consumer, Cyclical	11.24	3.56
Energy	1.37	0.44
Financial	99.48	31.49
Government	175.12	55.45
Industrial	13.85	4.38
Utilities	3.36	1.06
Cash & Others	-0.02	-0.01
Total	315.85	100.00

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	167.20	52.94
AA+	2.08	0.66
AA	12.27	3.88
A+	14.42	4.56
A	24.47	7.75
A-	7.23	2.29
BBB+	4.99	1.58
BBB	21.67	6.86
BBB-	7.45	2.36
Not rated	54.09	17.13
Total	315.87	100.01

'Not rated' refers to debt securities which are not rated by S&P or other equivalent rating agencies, including but not limited to treasury bills, bonds issued by government, government agency, statutory board or corporate.

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	26,279,109
Redemptions	(20,960,905)

EXPOSURE TO DERIVATIVES

	Market Value S$	% of Net Asset Value	Realised Gains/(Losses) S$	Unrealised Gains/(Losses) S$
Swaps	(14,038)	<0.01	-	(14,038)

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

Nil.

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$756,162.

Fullerton is the Sub-Investment Manager of the sub-fund. During the financial period ended 30 June 2019, they managed S$315,848,995, equivalent to 100% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

Fullerton

Fullerton may and intend to receive or enter into soft-dollar commissions/arrangements in our management of the portfolio. Fullerton will comply with applicable regulatory and industry standards on soft dollars. Such soft dollar commissions include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis for investments managed for clients.

Soft dollar commissions/arrangements will not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

Fullerton will not accept or enter into soft dollar commissions/arrangements unless such soft dollar commissions/arrangements would, in Fullerton's opinion, assist them in their management of the portfolio, providing that Fullerton ensures at all times that best execution is carried out for the transactions and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Fullerton

Fullerton is of the view that there are no conflicts of interests in managing the portfolio. Under the conditions of its license, Fullerton is required to conduct its business in a manner so as to avoid conflicts of interests, and ensure that any conflicts of interests arising are resolved fairly and equitably. In addition, as a member of the Investment Management Association of Singapore ("IMAS"), Fullerton adopts the principles and standards of investment conduct, which includes ensuring fair allocation, as set out in the IMAS Code of Ethics & Standards of Professional Conduct.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Singapore Equity Fund

INVESTMENT OBJECTIVE

The objective of this sub-fund is to achieve long-term capital appreciation by investing in a portfolio of Singapore equities.

INVESTMENT SCOPE

This sub-fund is fully invested in Singapore Equities. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	2 January 2003
Fund Size	S$157.50 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	0.65% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA)
CPFIS Risk Classification	Higher Risk, Narrowly Focused – Country – Singapore
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Managers	Fullerton Fund Management Company Ltd State Street Global Advisors Singapore Limited
Benchmark	FTSE Straits Times Index (FTSE STI)
Structure	Single Fund

TOP 10 HOLDINGS

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
DBS Group Holdings Ltd	25.14	15.96	DBS Group Holdings Ltd	27.13	17.41
Oversea-Chinese Banking Corp	19.44	12.35	Oversea-Chinese Banking Corp	21.61	13.87
United Overseas Bank Ltd	17.57	11.16	United Overseas Bank Ltd	15.64	10.04
Singapore Telecommunications Ltd	12.91	8.20	Singapore Telecommunications Ltd	9.70	6.23
Jardine Strategic Holdings Ltd	7.34	4.66	Keppel Corp Ltd	6.53	4.19
Keppel Corp Ltd	6.16	3.91	Jardine Strategic Holdings Ltd	6.16	3.96
Jardine Matheson Holdings	5.93	3.76	Jardine Matheson Holdings	5.92	3.80
Thai Beverage PCL	5.09	3.23	Genting Singapore Ltd	4.87	3.12
CapitaLand Ltd	4.94	3.13	Hongkong Land Holdings Ltd	4.42	2.84
Wilmar International Ltd	4.84	3.07	Thai Beverage PCL	4.35	2.79

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. Fullerton Fund Management Company Ltd and State Street Global Advisors Singapore Limited are the Sub-Investment Managers of the sub-fund.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Singapore Equity Fund

Fullerton Fund Management Company Ltd (Fullerton)

Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

State Street Global Advisors Singapore Limited (SSGA)

For nearly four decades, State Street Global Advisors has been committed to helping our clients, and those who rely on them, achieve their investment objectives.

We partner with many of the world's largest, most sophisticated investors and financial intermediaries to help them reach their goals through a rigorous, research-driven investment process spanning both indexing and active disciplines. With trillions* in assets, our scale and global reach offer clients unrivalled access to markets, geographies and asset classes, and allow us to deliver thoughtful insights and innovative solutions.

SSGA has also attained ETF industry leadership with its SPDR® family, including first-to-market launches with gold, international real estate, fixed-income and sector-specific ETFs.

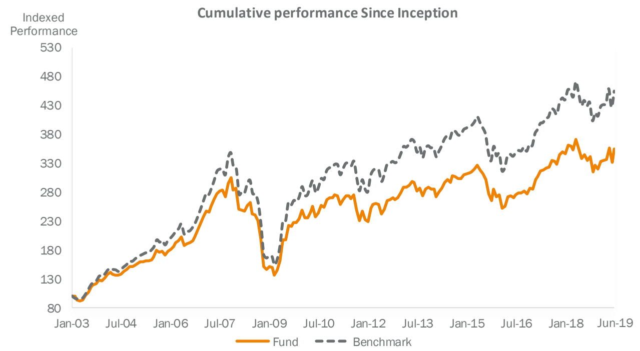
State Street Global Advisors is the investment management arm of State Street Corporation.

**Assets under management were US$2.9 trillion as of 30 June 2019. AUM reflects approx. US$36 billion (as of 30 June 2019) with respect to which State Street Global Advisors Funds Distributors, LLC (SSGA FD) serves as marketing agent; SSGA FD and State Street Global Advisors are affiliated.*

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Singapore Equity Fund	6.83%	5.37%	10.47%	4.53%
Benchmark	6.54%	5.15%	10.52%	5.78%

	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Singapore Equity Fund	8.75%	3.55%	6.03%	7.95%
Benchmark	9.33%	4.08%	7.08%	9.61%



The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Singapore Equity Fund	12.07%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

The first half of 2019 has been unsettling for investors. The strong start and optimism in the equity markets sputtered in May, following the re-escalation of US-China trade tensions, fears of a global capex slowdown and continued downward revision of global growth estimates. The US and China slapped billions of dollars in tariff on each other, and the US ban on select Chinese-made technology added to doubts if a compromise could be reached by both sides.

Singapore equities swiftly rebounded in June, as sentiment was supported by global central banks which embraced easier monetary policy. This came amid softening economic data which suggested that the slowdown in global trade was beginning to weigh on business confidence and domestic consumption. Sentiment was also buoyed by hopes that President Trump would delay additional China tariffs after a meeting with President Xi at the G20 in Osaka, Japan.

The Singapore economy came in effectively flat in the second quarter, when gross domestic product (GDP) expanded a tepid 0.1% yoy. Compared to the first quarter's 3.8% qoq growth, GDP shrank by 3.4% qoq in 2Q19. Notably, non-oil domestic exports declined 17.3% yoy in June on the back of shrinking electronic exports, a result of the supply chain disruptions arising from the trade war and a broader-based cyclical downtown in the sector. Correspondingly Singapore's manufacturing purchasing managers index came in at 49.6 in June, signalling a continued weakness in the third quarter. Inflationary pressure in Singapore has remained tapered, with core inflation clocking 1.2% yoy in June.

Market Outlook

Looking ahead, a less than visible US-China trade war scenario, subdued earnings growth and slowing global economic indicators are likely to constrain investor enthusiasm. Particularly on the trade war front, the recent G20 tariff truce notwithstanding, we do not expect a deal to

Singapore Equity Fund

materialise in the near term as both sides have hardened their stances and optically, it is difficult for either to compromise on key issues. The prolonged uncertainty over trade and growth is likely to impose significant risk on any earnings recovery in the second half of 2019.

While China has pledged to support a slowing economy and will likely employ the necessary policy measures, we envisage more reluctance for a large fiscal stimulus particularly now that trade negotiations have resumed. Similarly, the US Federal Reserve has indicated a readiness to cut rates in response to any significant slowdown in US growth, but it may be less inclined to implement insurance rate cuts in light of the seemingly positive developments in Osaka. This notwithstanding, the street appears to have already priced in at least one rate cut this year.

Specifically in Singapore, weakness continues to exist across all key sectors of the economy, on the back of slower global growth arising from uncertainties in the global investment climate and shifts in global supply chains. Along with the weak overall inflation, this raised the chance of a monetary easing by Monetary Authority of Singapore in the second half of 2019.

Earnings forecasts remain largely unchanged after mixed 1Q19 results as downgrades across the consumer and real estate sectors are offset by upgrades in financials and industrials. With the Singapore equity market having rerated since the start of the year, valuations have also become less compelling, trading closer to their historical average.

All things considered, we are cautious on the Singapore market, in view of the city state's vulnerability to persistent Sino-US tensions and their consequent impact to trade and corporate earnings. We will stay disciplined to our bottom-up driven stock selection process as we continue to populate our portfolios with businesses possessing strong growth and quality fundamentals.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

	Expense ratio	Turnover ratio
As of 30 June 2019	0.75%	15.48%
As of 30 June 2018	0.73%	24.24%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Equities	155.78	98.91
Cash & Others	1.72	1.09
Total	157.50	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Singapore	155.78	98.91
Cash & Others	1.72	1.09
Total	157.50	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Communications	14.25	9.05
Consumer, Cyclical	10.23	6.49
Consumer, Non-cyclical	20.34	12.91
Diversified	5.93	3.76
Energy	0.41	0.26
Financial	85.07	54.02
Industrial	18.84	11.97
Utilities	0.71	0.45
Cash & Others	1.72	1.09
Total	157.50	100.00

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

CREDIT RATINGS OF DEBT SECURITIES

Nil.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	5,605,653
Redemptions	(8,590,859)

EXPOSURE TO DERIVATIVES

	Market Value S$	% of Net Asset Value	Realised Gains/(Losses) S$	Unrealised Gains/(Losses) S$
Futures	6,300	<0.01	-	6,300

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Ascendas Real Estate Investment Trust	4.76	3.02
CapitaLand Mall Trust	3.31	2.10
CapitaLand Commercial Trust REIT	1.72	1.09
Mapletree Commercial Trust	1.28	0.81
Hutchison Port Holdings Trust	0.51	0.32
NetLink NBN Trust	0.07	0.05

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$488,130.

Fullerton is the Sub-Investment Manager of the sub-fund. During the financial period ended 30 June 2019, they managed S$59,612,904, equivalent to 37.85% of its net asset value.

Singapore Equity Fund

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

Fullerton

Fullerton may and intend to receive or enter into soft-dollar commissions/arrangements in our management of the portfolio. Fullerton will comply with applicable regulatory and industry standards on soft dollars. Such soft dollar commissions include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis for investments managed for clients.

Soft dollar commissions/arrangements will not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

Fullerton will not accept or enter into soft dollar commissions/arrangements unless such soft dollar commissions/arrangements would, in Fullerton's opinion, assist them in their management of the portfolio, providing that Fullerton ensures at all times that best execution is carried out for the transactions and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

State Street

SSGA did not retain, for their own account, cash or commission rebates arising out of transactions executed in or outside Singapore. SSGA also did not receive soft dollars for the fund.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Fullerton

Fullerton is of the view that there are no conflicts of interests in managing the portfolio. Under the conditions of its license, Fullerton is required to conduct its business in a manner so as to avoid conflicts of interests, and ensure that any conflicts of interests arising are resolved fairly and equitably. In addition, as a member of the Investment Management Association of Singapore ("IMAS"), Fullerton adopts the principles and standards of investment conduct, which includes ensuring fair allocation, as set out in the IMAS Code of Ethics & Standards of Professional Conduct.

State Street

SSGA did not encounter any conflict of interests in the management of the sub-fund.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Asia Managed Fund

INVESTMENT OBJECTIVE

To achieve long-term capital appreciation by investing in stocks and fixed income securities in the region, including North Asian and South-east Asian countries.

INVESTMENT SCOPE

The sub-fund will invest all or substantially all of its assets in the Singapore-domiciled Schroder Asian Growth Fund (managed by Schroder Investment Management (Singapore) Ltd) in relation to the equity portion (70%) and in Singapore Bond Fund (managed by NTUC Income and sub-managed by Fullerton) in relation to the fixed income portion (30%). Prior to 22 October 2010, the investment scope was Singapore (39%), Hong Kong (18%) and Thailand (13%) stocks and Singapore Bonds (30%). The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	1 September 1995
Fund Size	S$146.85 million
Initial Sales Charge	Please refer to “Fees and Charges” in section 4 of the Product Summary for ILP.
Annual Management Fee	1.0% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA and CPF SA)
CPFIS Risk Classification	Medium to High Risk, Narrowly Focused — Regional — Asia
Fund Manager	NTUC Income Insurance Co-operative Limited
Benchmark	70% MSCI AC Asia ex-Japan Index in Singapore Dollars 30% Markit iBoxx ALBI Singapore Government 3+ Index
Structure	Single Fund

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index Long, has been replaced by Markit iBoxx ALBI Singapore Government 3+ Index.

TOP 10 HOLDINGS

Asia Managed Fund^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Schroder Asian Growth Fund	102.77	69.98	Schroder Asian Growth Fund	101.58	69.03
Singapore Bond Fund	43.81	29.84	Singapore Bond Fund	44.59	30.30

^Please refer to Singapore Bond Fund for the top 10 holdings.

Schroder Asian Growth Fund^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Samsung Electronics	99.89	6.35	Samsung Electronics	97.48	6.65
Taiwan Semiconductor Manufacturing	95.09	6.05	Alibaba Group Holding	90.84	6.20
Alibaba Group Holding	93.29	5.93	Tencent Holdings	85.78	5.85
Tencent Holdings	92.92	5.91	Taiwan Semiconductor Manufacturing	75.25	5.13
AIA Group	72.83	4.63	AIA Group	55.05	3.76
HDFC Bank	60.52	3.85	HDFC Bank	49.42	3.37
Techtronic Industries	45.40	2.89	Huazhu Group	36.38	2.48
ICICI Bank	41.72	2.65	China Pacific Insurance Group	36.37	2.48
China Pacific Insurance Group	38.77	2.47	Techtronic Industries	35.81	2.44
Oversea-Chinese Banking	36.67	2.33	China Petroleum & Chemical	35.59	2.43

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

^Information extracted from the underlying Schroder Asian Growth Fund. Source: Schroder Investment Manager (Singapore) Ltd.

Asia Managed Fund

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. The sub-fund invests significantly in the Schroder Asian Growth Fund which is managed by Schroder Investment Management (Singapore) Ltd. The sub-fund also invests in the Singapore Bond Fund which is managed by NTUC Income Insurance Co-operative Limited and sub-managed by Fullerton Fund Management Company Ltd.

Further information on the Singapore Bond Fund can be found is the Product Highlights Sheet and Fund Summary on our website www.income.com.sg/fund/coopprices.asp.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Fullerton Fund Management Company Ltd (Fullerton)

Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

Schroder Investment Management (Singapore) Ltd

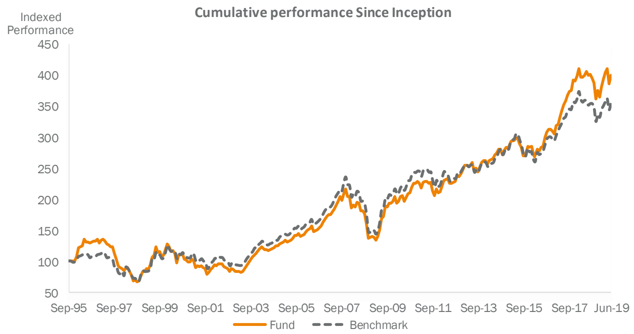
Schroder Investment Management (Singapore) Ltd is the Manager of Schroder Asian Growth Fund and it is part of the Schroder group ("Schroders"). Schroder Investment Management (Singapore) Ltd was incorporated in Singapore and has been managing collective investment schemes and discretionary funds since 1992.

Schroders is a leading global asset management company, whose history dates back over 200 years. The group's holding company, Schroders Plc is and has been listed on the London Stock Exchange since 1959. Assets under management totalled £444.4 billion (as of 30 June 2019).

Schroders' aim is to apply their specialist asset management skills in serving the needs of their clients worldwide. With one of the largest networks of offices of any dedicated asset management company, and over 430 investment professionals covering the world's investment markets, they offer their clients a comprehensive range of products and services.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Asia Managed Fund	3.49%	-1.09%	9.49%	0.18%
Benchmark	3.54%	-0.14%	7.31%	1.27%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Asia Managed Fund	11.97%	7.83%	8.78%	5.99%
Benchmark	8.86%	5.68%	6.72%	5.47%



Changes to benchmarks during the life of the sub-fund: Since Oct 2010 to 31 May 2017 - 70% MSCI AC Asia ex-Japan Index in Singapore Dollars, 30% UOB Long Bond Index; Since Apr 2000 to 21 Oct 2010 - 39% FTSE STI, 18% HSI, 13% SET, 30% UOB Long Bond Index; Since Apr 99 to Mar 2000 - 45% FTSE STI, 20% HSI, 15% SET, 20% UOB Long Bond Index; Since Mar 97 to Mar 99 - 25% DBS 50, 25% KLCI, 10% SET, 40% Singapore 3-Month Deposit rate; Since inception to Feb 97 - 33.33% DBS 50, 33.33% KLCI, 33.33% Singapore 3-Month Deposit rate.

With effect from 31 May 2017, the benchmark has been changed to 70% MSCI AC Asia ex-Japan Index in Singapore Dollars, 30% Markit iBoxx ALBI Singapore Government Index (3+).

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Asia Managed Fund	9.81%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

After a difficult second half last year, Asian equity markets had one of their best starts to a year in 2019. Key to this major reversal in sentiment was the shift in policy stance from the US Federal Reserve (Fed) and the Chinese authorities. Both have moved towards a more accommodative position, more supportive of medium-term growth and liquidity. Until early May this year, there was also greater optimism among investors about the prospects for a trade deal between the US and China, although more recently negotiations have stalled and restarted again, indicating that the threat of a further increase in tariffs remains a major overhang for markets. Against this backdrop, the fund posted some strong gains in Q1 while Q2 was more muted.

In the US, subdued inflation data and more dovish Fed commentary have significantly altered market expectations for future interest rates, with a cut in rates now considered likely in the next 12 months in contrast to the path of steady rate hikes expected six months ago. Tapering of the Fed balance sheet is also likely to end sooner than previously thought. In line with this more accommodative stance and concerns over the impact of the trade war on global growth, long bond yields have fallen dramatically from their November highs. In a world where the USD remains the key reserve currency and many Asian economies need to adjust their own policy stance (at least loosely) along with the Fed to support their local currencies, this shift in USD money markets has positive implications. At the same time, the oil price has corrected from its October highs, which is beneficial for the trade balances of the many oil-importing economies in Asia and improves disposable incomes for consumers around the region. Supporting this view, we have recently seen interest rate cuts in India, Malaysia and the Philippines – reversing hikes put through in 2018 when external conditions were more hostile.

We have also seen an important shift in China's policy stance in the last six months. Until late last year, macro policy had been apparently more focused on deleveraging in the shadow banking sector. More recently, however, reserve requirement ratios have been cut and banks have been encouraged to lend more aggressively to small and medium-sized enterprises and the private sector. The recent acceleration in credit data indicates that local financial institutions are responding to this top-down guidance, albeit on a less dramatic scale to what was seen in previous bouts of stimulus. Fiscal stimulus is also increasing to support growth, with lower income taxes for consumers and reduced value-added tax for corporates being announced for 2019 and an acceleration of infrastructure spending coming through as constraints are eased on local government financing.

This improving monetary backdrop explains the big bounce in markets this year, which by end-April took multiples almost back to the 2018 highs, having touched the (non-crisis) lows of the last 20 years at the bottom in November. In other words, we almost completed a round trip in investor risk appetite from "greed" to "fear" and back towards "greed" again. The most dramatic shift in market behaviour occurred in the onshore China A-share market, where the Shenzhen Composite index, for example, rebounded more than 45% from its lows, having been one of the weakest global performers in 2018. Domestic Chinese investors were very early to react negatively to China's growth slowdown that became more apparent through last year and the escalating trade war, so the policy shifts on these fronts had an outsized positive impact earlier this year.

Market Outlook

Given the much more positive investor expectations and more demanding valuations that were in place at the end of April, it is therefore not a surprise that markets have subsequently corrected sharply as trade negotiations broke down and the US suddenly increased tariffs on Chinese imports again. Although the direct impact of the announced tariffs on earnings of listed Asian companies is relatively small given the dominance of domestic businesses in the regional equity indices, higher tariffs have a much broader negative impact on growth expectations given the impact on corporate and consumer confidence, not just in China but across the region and the rest of the world. Higher tariffs will raise many end-product prices for consumers in both countries which will likely dampen demand and further reduce already weak trade volumes, while heightened uncertainty will deter corporate investment as companies adopt a wait-and-see attitude. The RMB has also started to weaken since April, and this could have a knock-on deflationary impact globally. All of this undermines the earlier optimism around the outlook for growth and earnings for the second half of the year.

A trade deal remains possible as there appear to be clear incentives for both sides to show progress given the downside risk to domestic growth in the current environment. However, it is impossible to be certain about this today given the unpredictability of those involved and the sudden hardening of the US position in May. Given the inherent volatility of the trade negotiations, markets are likely to remain very sensitive to daily headlines with many investors taking a wait-and-see attitude as a result. Although markets could correct further if we do see the imposition of tariffs on all US$500 billion-worth of imports from China, we can take some comfort from the fact that unlike last year when the trade war first blew up, central banks in the US and China have already moved to a more pro-growth stance, and we can expect to see further stimulus announced in China if economic momentum slips from here.

Given the lack of clarity on the macro front, and the risks to Chinese and global growth from a continued escalation of the trade war, we remain focused on selective areas of longer-term secular growth that offer opportunities for attractive compounding of returns and are less reliant on a pick-up in headline gross domestic product growth rates. Within our China holdings, the vast majority of exposure is to domestic businesses with little or no export exposure to the US, in areas such as e-commerce, hotels and travel, education, insurance and healthcare. Where we do have export exposure across the region, it is to industry leaders that we believe will be able to sustain their competitive positioning in the event of higher tariffs being imposed and that have clear, company-specific growth drivers over the medium to long term. As interest rate expectations have moderated, the attraction of growing dividend yields has also become more apparent again and we continue to see attractive value in names where management is taking a more progressive attitude to dividend payout given improving free cash flows and better capital discipline across the region.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

Asia Managed Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	1.23%	10.93%
As of 30 June 2018	1.38%	5.07%

Singapore Bond Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	0.52%	23.49%
As of 30 June 2018	0.52%	53.68%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Schroder Asian Growth Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	1.34%	13.99%
As of 30 June 2018	1.35%	13.06%

Expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Corporate Bonds	19.52	13.29
Government Bonds	24.29	16.55
Equities	102.77	69.98
Cash & Others	0.27	0.18
Total	146.85	100.00

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	4,974,786
Redemptions	(8,724,002)

EXPOSURE TO DERIVATIVES

Nil.

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Schroder Asian Growth Fund	102.77	69.98
Singapore Bond Fund	43.81	29.84

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$716,204.

Fullerton is the Sub-Investment Manager of the Singapore Bond Fund, which the sub-fund invests into. During the financial period ended 30 June 2019, they managed S$43,812,641, equivalent to 29.84% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

Schroder

In the management of the Schroder Asian Growth Fund, Schroder may accept soft dollar commissions from, or enter into soft dollar arrangement with, stockbrokers who execute trades on behalf of the Schroder Asian Growth Fund and the soft dollars received are restricted to the following kinds of services:

i. Research and price information;
ii. Performance measurement;
iii. Portfolio valuations; and
iv. Analysis and administration services.

Schroder may not receive or enter into soft dollar commissions or arrangements unless (a) such soft dollar commissions or arrangements shall reasonably assist Schroder in their management of the Schroder Asian Growth Fund, (b) best execution is carried out for the transactions, and (c) that no unnecessary trades are entered into in order to qualify for such soft dollar commissions or arrangements. Schroder shall not receive goods and services such as travel, accommodation and entertainment.

Fullerton

Fullerton may and intend to receive or enter into soft-dollar commissions/arrangements in our management of the portfolio. Fullerton will comply with applicable regulatory and industry standards on soft dollars. Such soft dollar commissions include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis for investments managed for clients.

Soft dollar commissions/arrangements will not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

Fullerton will not accept or enter into soft dollar commissions/arrangements unless such soft dollar commissions/arrangements would, in Fullerton's opinion, assist them in their management of the portfolio, providing that Fullerton ensures at all times that best execution is carried out for the transactions and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Schroder

Scrhoder may from time to time have to deal with competing or conflicting interests between the other unit trusts which are managed by Schroder and the Schroder Asian Growth Fund. For example, Schroder may make a purchase or sale decision on behalf of some or all of their other unit trusts without making the same decision on behalf of the Schrder Asian Growth Fund, as a decision whether or not to make the same investment or sale for the Schroder Asian Growth Fund depends on factors such as the cash availability and portfolio balance of the Schroder Asian Growth Fund. However Schroder will use reasonable endeavours at all times to act fairly and in the interests of the Schroder Asian Growth Fund. In particular, after taking into account the availability of cash and the relevant investment guidelines of the other unit trusts managed by Schroder and the Schroder Asian Growth Fund, Schroder will endeavour to ensure that securities bought and sold will be allocated proportionately as far as possible among the Schroder Asian Groth Fund and the other unit trusts managed by Schroder.

The factors which Schroder will take into account when determining if there are any conflicts of interest as described above include the assets (including cash) of the Schroder Asian Growth Fund as well as the assets of the other unit trusts managed by the Schroder. To the extent that another unit trust managed by Schroder intends to purchase substantially similar assets, Schroder will ensure that the assets are allocated fairly and proportionately and that the interests of all investors are treated equally between the Schroder Asian Growth Fund and the other unit trusts.

Associates of the trustee for the Schroder Asian Growth Fund may be engaged to provide financial, banking or brokerage services to the Schroder Asian Growth Fund or buy, hold and deal in any investments, enter into contracts or other arrangements with the trustee and make profits from these activities. Such services to the Schroder Asian Growth Fund, where provided, and such activities with the trustee, where entered into, will be on an arm's length basis.

Fullerton

Fullerton is of the view that there are no conflicts of interests in managing the portfolio. Under the conditions of its license, Fullerton is required to conduct its business in a manner so as to avoid conflicts of interests, and ensure that any conflicts of interests arising are resolved fairly and equitably. In addition, as a member of the Investment Management Association of Singapore ("IMAS"), Fullerton adopts the principles and standards of investment conduct, which includes ensuring fair allocation, as set out in the IMAS Code of Ethics & Standards of Professional Conduct.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Global Managed Fund (Balanced)

INVESTMENT OBJECTIVE

The objective of this sub-fund is to provide medium to long-term capital appreciation by investing in the core sub-funds, Global Equity, Global Bond, Singapore Equity and Singapore Bond.

INVESTMENT SCOPE

The Balanced Fund is invested in Income's core sub-funds in the following proportions: Singapore Equity (10%), Global Equity (40%), Singapore Bond (15%), and Global Bond (35%). The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	2 January 2003
Fund Size	S$172.47 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	0.9375% per annum at sub-fund level. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time. Prior to 15 June 2016, the management fees were charged at core sub-fund levels.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA and CPF SA)
CPFIS Risk Classification	Medium to High Risk, Broadly Diversified
Fund Manager	NTUC Income Insurance Co-operative Limited
Benchmark	10% FTSE Straits Times Index (FTSE STI) 40% MSCI World Index in Singapore Dollars 15% Markit iBoxx ALBI Singapore Government 3+ Index 35% Barclays Global Aggregate Index (SGD Hedged)
Structure	Single Fund

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index Long, has been replaced by Markit iBoxx ALBI Singapore Government 3+ Index.

TOP 10 HOLDINGS^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Global Equity Fund	68.88	39.93	Global Equity Fund	67.48	39.68
Global Bond Fund	60.58	35.13	Global Bond Fund	59.64	35.07
Singapore Bond Fund	25.83	14.98	Singapore Bond Fund	25.64	15.08
Singapore Equity Fund	17.29	10.03	Singapore Equity Fund	16.93	9.96

^ Please refer to Global Equity Fund and Global Bond Fund for the top 10 holdings.
Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund.

The sub-fund invests in the Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund. The Investment Manager for these sub-funds is NTUC Income Insurance Co-operative Limited. The Sub-Investment Managers of the Singapore Equity Fund are Fullerton Fund Management Company Ltd and State Street Global Advisors Singapore Limited. The Sub-Investment Managers of the Global Bond Fund and Singapore Bond Fund is Amundi Singapore Limited and Fullerton Fund Management Company Ltd respectively. The Sub-Investment Managers of the Global Equity Fund are Morgan Stanley Investment Management Company, MFS International Singapore Pte Ltd, and Wellington Management Singapore Pte Ltd.

Further information on the underlying core sub-funds, Singapore Equity, Singapore Bond, Global Equity, and Global Bond, can be found in the respective Product Highlights Sheets and Fund Summaries on our website www.income.com.sg/fund/coopprices.asp.

Global Managed Fund (Balanced)

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Amundi Singapore Limited

Amundi Singapore Limited is a wholly-owned subsidiary of Amundi Asset Management. It was established in Singapore in 1989 as a business hub for Amundi's group operations in South East Asia. Amundi Singapore Limited is licensed and regulated by the Monetary Authority of Singapore and has been managing collective investment schemes and/or discretionary funds since 1989. It is also one of Amundi's group investment centres responsible for Asian investment management. It has €1.49 trillion in assets under management as of 30 June 2019.

Morgan Stanley Investment Management Company (MSIM)

MSIM was established in 1975 as a subsidiary of Morgan Stanley Group Inc. As of 30 June 2019, MSIM employs 665 investment professionals worldwide in 23 countries and offers its clients personalised attention, the intelligence and creativity of some of the brightest professionals in the industry and access to the global resources of Morgan Stanley. As of 30 June 2019, MSIM managed US$497 billion in assets for its clients.

MFS International Singapore Pte Ltd^

MFS International Singapore Pte Ltd is incorporated in Singapore and is authorised under a capital markets service license with the Monetary Authority of Singapore to provide fund management services. MFS has been managing pooled vehicles/investment funds and/or discretionary funds in Singapore since 1997. MFS Investment Management (parent company of MFS International Singapore Pte Ltd) was founded in 1924. Assets under management totalled US$488 billion (as of 30 June 2019). MFS believes in active bottom-up research aimed at consistently identifying high-quality investments by focusing on companies that have potential to generate above-average and sustainable earnings. MFS has a global network of research analysts and portfolio managers based in Boston, Toronto, Mexico City, London, Tokyo, Hong Kong, Singapore and Sydney.

^Prior to November 2013, MFS was operating as a branch of MFS International Limited and was an exempted fund manager under the Singaporean regulatory regime.

Wellington Management Singapore Pte Ltd (WMS)*

WMS is an affiliate of Wellington Management Company LLP (WMS, Wellington Management Company LLP and the other affiliates of Wellington Management Company LLP are collectively referred to as WMC). With US$1.1 trillion in assets under management, WMC serves as an investment adviser to over 2,200 clients located in more than 60 countries, as of 30 June 2019. WMC's singular focus is investments — from global equities and fixed income to currencies and commodities. WMC describes themselves as a community of teams that create solutions designed to respond to specific client needs. WMC's most distinctive strength is their proprietary, independent research, which is shared across all areas of the organisation and used only for managing clients' portfolios. Tracing its roots to the founding of Wellington Fund in 1928, the firm has offices in Boston, Massachusetts; Chicago, Illinois; Radnor, Pennsylvania; San Francisco, California; Beijing; Frankfurt; Hong Kong; London; Singapore; Sydney; Tokyo; Luxembourg and Zurich.

*With effect from 29 April 2016, Wellington Management Singapore Pte Ltd (WMS) has replaced Schroder Investment Management Limited as one of the Sub-Investment Managers of the Global Equity Fund.

State Street Global Advisors Singapore Limited (SSGA)

For nearly four decades, State Street Global Advisors has been committed to helping our clients, and those who rely on them, achieve their investment objectives.

We partner with many of the world's largest, most sophisticated investors and financial intermediaries to help them reach their goals through a rigorous, research-driven investment process spanning both indexing and active disciplines. With trillions* in assets, our scale and global reach offer clients unrivalled access to markets, geographies and asset classes, and allow us to deliver thoughtful insights and innovative solutions.

SSGA has also attained ETF industry leadership with its SPDR® family, including first-to-market launches with gold, international real estate, fixed-income and sector-specific ETFs.

State Street Global Advisors is the investment management arm of State Street Corporation.

*Assets under management were US$2.9 trillion as of 30 June 2019. AUM reflects approx. US$36 billion (as of 30 June 2019) with respect to which State Street Global Advisors Funds Distributors, LLC (SSGA FD) serves as marketing agent; SSGA FD and State Street Global Advisors are affiliated. Please note that AUM totals are unaudited.

Fullerton Fund Management Company Ltd (Fullerton)

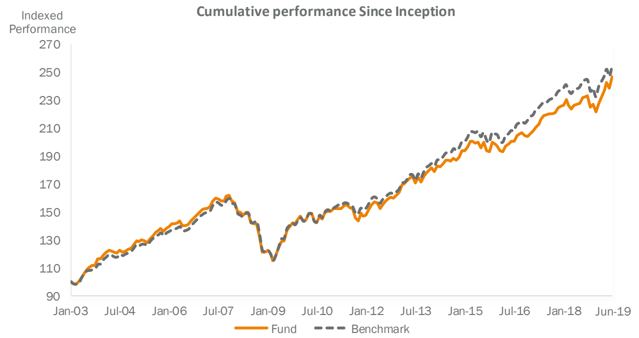
Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary

Global Managed Fund (Balanced)

Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Global Managed Fund (Balanced)	3.27%	3.97%	11.40%	8.31%
Benchmark	3.14%	3.29%	9.65%	6.56%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Global Managed Fund (Balanced)	7.08%	5.65%	6.67%	5.61%
Benchmark	6.98%	5.74%	6.86%	5.82%



Changes to benchmarks during the life of the sub-fund: Since inception to 31 May 2017 – 10% FTSE Straits Times Index (FTSE STI), 40% MSCI World Index in Singapore Dollars, 15% UOB Singapore Government Bond Index Long, 35% Barclays Global Aggregate in Singapore Dollars.

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index Long, has been replaced by Markit iBoxx ALBI Singapore Government 3+ Index.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Global Managed Fund (Balanced)	4.98%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Global Bond

Market Review

First half of 2019 saw economic data gradually get weaker, prompting central banks to turn more dovish. Trade war tensions between the US and trading partners, especially China, grew. Data weakness prompted most central banks to turn more dovish, with the European Central Bank (ECB) announcing new measures to stimulate growth in Europe with a new round of targeted longer-term refinancing operations (TLTRO), bank loans intended for purchase of European sovereign and corporate bonds. European rates are expected to be left on hold by the ECB for some time.

In the US, the Federal Reserve (Fed) surprised markets by responding to globally weaker data and announcing that the pace of rate hikes would be slower than expected. Following four rate hikes in 2018, expectations are now for just one more during the summer of 2019. Escalation of trade war rhetoric between the US and China and increased tensions between Iran and the US were also focal points. Trade negotiations between the US and China, climaxed as President Trump's administration threatened to raise import taxes on US$200bn worth of Chinese imports to the US from 10% to 25%, with the potential for taxes to be levied on a further US$300bn worth of imports. China threatened to retaliate by raising tariffs on US$60bn of imported US goods. The US and China did however agree a trade truce at the G20 summit later in the quarter, bringing relief to an increasingly concerned market as the scale of the tariffs would have a far reaching impact.

Developed markets government bonds have seen strong performance in the first 6 months of the year as yields have fallen sharply in less hawkish central bank expectations. Global corporate bonds have also seen strong performance, with the year to date performance standing at over 7%. The CAD and NOK were strong performers against the USD as the price of oil improved, and the JPY gained as trade war concerns grew and it retained its safe haven status.

Market Outlook

The economic outlook is still positive but with a synchronised global economic slowdown. Central banks have recently used a more dovish tone. The ECB continues to be dovish and we believe that incoming President Christine Lagarde will continue the same policies. Inflation may materialise in some areas, but it is expected to remain subdued at a global level, due to slower global demand.

Geopolitical issues and the turmoil linked to the escalation of trade tensions remain even if there have been some signs of appeasement between China and the US in trade talks. The TLTRO programme and commitment by the ECB to provide support within the Eurozone should support European corporate bonds and European peripheral sovereign bonds. Brexit dropped out of headlines at the end of quarter, but will come back to the forefront once the Conservative party announce a new leader.

Idiosyncratic factors remain key within emerging market currencies, with China slowing, commodity currencies may struggle to rise. While oil exporting currencies stand to gain from renewed tension between the US and Iran. The USD and JPY remain the safe haven currencies of choice.

Singapore Bond

Market Review

Bond markets rallied in the first six months of 2019, supported by dovish central bank policies.

The escalation in US-China trade tensions in May led to a temporary halt in the bond market rally, but the rally resumed on the back of market chatter that the Fed and ECB would adopt a more dovish policy stance. The US-China trade truce and the potential restart of bilateral trade negotiations between the two nations, further supported sentiment. Overall, US Treasuries rallied strongly in the first six months of 2019. The benchmark 10-year US Treasury yield declined sharply by 68bps over the six-month period and ended June at 2.0%.

The Singapore economy was lacklustre in the first six months of 2019. Singapore's 2Q2019 gross domestic product (GDP) registered a tepid 0.1% yoy growth, and shrank by 3.4% qoq, as compared to the first quarter. Non-oil domestic exports (NODX) declined 17.3% yoy in the second quarter on shrinking exports in the electronics sector; this was a result of the supply chain disruptions arising from the trade disputes and a cyclical downturn in the sector.

Singapore's headline consumer price index inflation moderated to 0.6% yoy in June, led by lower private road transport inflation; Monetary Authority of Singapore (MAS)'s core inflation (which excludes private road transport and accommodation costs) eased to 1.2% yoy in June.

Against this backdrop, Singapore government bonds and SGD-denominated non-government bonds delivered positive returns. Singapore rates, as measured by the Markit iBoxx Singapore Government Bond Index, returned 1.1% over the six-month period. The non-government bond sector, as measured by the Markit iBoxx Singapore Non-Government Index, outperformed with a return of 2.1% over the same period.

Market Outlook

Looking ahead, we believe the US-China trade truce will provide some respite to investors in the near term and risk assets should remain well-supported. That said, the overhang from uncertainties over protracted trade negotiations would continue to weigh on global capex activities, corporate spirits and consumer sentiment.

Rising downside risk to global growth should in turn be mitigated by the willingness of central banks to ease in response to any economic weaknesses, which should allay investor concerns. More accommodative central bank policies would also continue to anchor bond yields, increasing the relative attractiveness of spread sectors.

Over in Singapore, with contained inflation, weak growth and growing external risks stemming from the US-China trade conflict, the odds of an easing in the upcoming October monetary policy meeting have risen. Singapore government bonds have lagged the recent US Treasury rally (as markets have priced in more aggressive Fed rate cuts than what we have currently forecast) and we expect some catching up in the second half of the year. A drop in Singapore government securities duration supply in the second half of this year is also favourable for Singapore bonds, particularly at the long end. We expect the short-term SGD rate to track US rates, with a downwards bias. We continue to favour allocation to SGD corporate bonds vis-à-vis SGD agencies.

Global Equity

Market Review

Global equities, as measured by the MSCI World Index returned 14.8% in SGD terms in the first half of 2019. Falling sovereign bond yields and anticipation of easier global monetary policy more than offset concerns over strained trade relations between the US and China.

The US S&P 500 Index returned 16.5% in SGD terms for the first half of 2019. Anticipation of easier monetary policy from the Fed and other global central banks sparked hope that the decade-long US expansion can be maintained despite slowing global growth and persistent trade concerns stemming from the worsening US-China trade relationship.

European stocks, as measured by the STOXX Europe 50 Index, returned 13.9% in SGD terms in the first half of 2019. Growth continued to slow during the first half of 2019 amid ongoing Brexit uncertainty, global trade tensions and slumping business confidence though anticipation of fresh monetary stimulus from the ECB along with the Fed helped buoy equities.

In Japan, the Nikkei Composite Index returned 7.5% in SGD terms in the first half of 2019. Moderating global industrial production and global trade friction have been persistent headwinds along with stronger JPY. Shareholder–friendly corporate governance reforms resulting in increasing dividends and share buy backs were supportive to the market.

Emerging markets (EM), as measured by the MSCI EM Index returned 8.4% in SGD terms during the first half of 2019. Slowing global growth amid ongoing US-China trade tensions have been a headwind for the region though looser financial conditions have been supportive.

Market Outlook

While recent corporate earnings growth has been slightly better than expectations, analysts' estimates suggest another weak quarter may lie ahead. The US and China agreed to a truce over new tariffs and resumed negotiations, but tariff-related costs and uncertainties continue to weigh on business and consumer confidence. Some companies are finding it difficult to shift global supply chains since few countries have the skilled labour and production capacity to replace China. The Fed, ECB and a number of other central banks have adopted more dovish stances, helping underpin equity markets. However, purchasing managers' indices (PMIs), which are sensitive measures of economic activity, have slowed considerably on a global basis, suggesting that recent soft economic growth may persist, which could be a headwind for revenue growth.

Singapore Equity

Market Review

The first half of 2019 has been unsettling for investors. The strong start and optimism in the equity markets sputtered in May, following the re-escalation of US-China trade tensions, fears of a global capex slowdown and continued downward revision of global growth estimates. The US and China slapped billions of dollars in tariff on each other, and the US ban on select Chinese-made technology added to doubts if a compromise could be reached by both sides.

Singapore equities swiftly rebounded in June, as sentiment was supported by global central banks which embraced easier monetary policy. This came amid softening economic data which suggested that the slowdown in global trade was beginning to weigh on business confidence and domestic consumption. Sentiment was also buoyed by hopes that President Trump would delay additional China tariffs after a meeting with President Xi at the G20 in Osaka, Japan.

The Singapore economy came in effectively flat in the second quarter, when GDP expanded a tepid 0.1% yoy. Compared to the first quarter's 3.8% qoq growth, GDP shrank by 3.4% qoq in 2Q19. Notably, NODX declined 17.3% yoy in June on the back of shrinking electronic exports, a result of the supply chain disruptions arising from the trade war and a broader-based cyclical downtown in the sector. Correspondingly Singapore's manufacturing PMI came in at 49.6 in June, signalling a continued weakness in the third quarter. Inflationary pressure in Singapore has remained tapered, with core inflation clocking 1.2% yoy in June.

Market Outlook

Looking ahead, a less than visible US-China trade war scenario, subdued earnings growth and slowing global economic indicators are likely to constrain investor enthusiasm. Particularly on the trade war front, the recent G20 tariff truce notwithstanding, we do not expect a deal to materialise in the near term as both sides have hardened their stances and optically, it is difficult for either to compromise on key issues. The prolonged uncertainty over trade and growth is likely to impose significant risk on any earnings recovery in the second half of 2019.

While China has pledged to support a slowing economy and will likely employ the necessary policy measures, we envisage more reluctance for a large fiscal stimulus particularly now that trade negotiations have resumed. Similarly, the Fed has indicated a readiness to cut rates in response to any significant slowdown in US growth, but it may be less inclined to implement insurance rate cuts in light of the seemingly positive developments in Osaka. This notwithstanding, the street appears to have already priced in at least one rate cut this year.

Specifically in Singapore, weakness continues to exist across all key sectors of the economy, on the back of slower global growth arising from uncertainties in the global investment climate and shifts in global supply chains. Along with the weak overall inflation, this raised the chance of a monetary easing by MAS in the second half of 2019.

Earnings forecasts remain largely unchanged after mixed 1Q19 results as downgrades across the consumer and real estate sectors are offset by upgrades in financials and industrials. With the Singapore equity market having rerated since the start of the year, valuations have also become less compelling, trading closer to their historical average.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

Global Managed Fund (Balanced)

	Expense ratio	Turnover ratio
As of 30 June 2019	1.07%	7.51%
As of 30 June 2018	1.14%	4.00%

Global Equity Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	1.28%	44.65%
As of 30 June 2018	1.28%	30.19%

Global Bond Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	0.87%	79.33%
As of 30 June 2018	0.88%	74.84%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Singapore Equity	17.10	9.92
Global Equity	68.25	39.57
Singapore Bond	25.84	14.98
Global Bond	57.41	33.28
Cash & Others	3.87	2.25
Total	172.47	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Britain	12.75	7.39
Canada	2.04	1.18
France	9.66	5.60
Germany	6.19	3.59
Hong Kong	3.10	1.80
Ireland	3.55	2.06
Italy	2.80	1.63
Japan	5.61	3.25
Mexico	2.29	1.33
Netherlands	3.61	2.09
Portugal	2.24	1.30
Singapore	36.12	20.94
Spain	5.32	3.08
Switzerland	3.59	2.08
United States	61.01	35.38
Others	8.72	5.05
Cash & Others	3.87	2.25
Total	172.47	100.00

Global Managed Fund (Balanced)

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Basic Materials	2.22	1.28
Communications	12.18	7.06
Consumer, Cyclical	6.83	3.96
Consumer, Non-cyclical	33.65	19.51
Diversified	0.65	0.38
Energy	0.69	0.40
Financial	34.75	20.15
Government	54.66	31.69
Industrial	12.49	7.24
Technology	9.36	5.43
Utilities	1.12	0.65
Cash & Others	3.87	2.25
Total	172.47	100.00

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	35.36	20.50
AA+	0.87	0.50
AA	2.86	1.66
AA-	1.15	0.67
A+	2.07	1.19
A	6.77	3.93
A-	4.61	2.67
BBB+	7.21	4.18
BBB	8.03	4.66
BBB-	6.29	3.65
BB+	0.60	0.35
Not rated	7.43	4.30
Total	83.25	48.26

'Not rated' refers to debt securities which are not rated by S&P or other equivalent rating agencies, including but not limited to treasury bills, bonds issued by government, government agency, statutory board or corporate.

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	2,315,988
Redemptions	(9,315,101)

EXPOSURE TO DERIVATIVES

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Global Equity Fund	68.88	39.93
Global Bond Fund	60.58	35.13
Singapore Bond Fund	25.83	14.98
Singapore Equity Fund	17.29	10.03

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$775,268.

Fullerton is the Sub-Investment Manager of the Singapore Bond Fund and Singapore Equity Fund, which the sub-fund invests into. During the financial period ended 30 June 2019, they managed S$32,380,187, equivalent to 18.77% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

The Manager did not retain for its own account cash or commission rebates arising out of transactions executed in or outside Singapore. Soft dollar commission/arrangement had been received/entered into by the Manager in respect of the sub-fund. The soft dollar commission/arrangement relates essentially to research services, economic and political analyses, portfolio analyses, market analyses, data and quotation services, computer hardware and software used for and in support of the investment process. The Manager did not accept or enter into soft dollar commission/arrangement unless such commission /arrangement would, in the opinion of the Manager, assist the Manager in the management of the sub-fund. The Manager confirmed that trades were made on best execution basis, that is, the Manager took all reasonable steps to obtain the best possible result for the sub-fund, taking into account the following execution factors: price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of a trade or transaction, and there was no churning of trades. The said brokers had also executed trades for other sub-funds managed by the Manager.

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

CONFLICTS OF INTEREST

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Global Managed Fund (Balanced)

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Global Managed Fund (Conservative)

INVESTMENT OBJECTIVE

The objective of this sub-fund is to provide medium to long-term capital appreciation by investing in the core sub-funds, Global Equity, Global Bond, Singapore Equity and Singapore Bond.

INVESTMENT SCOPE

The Conservative Fund is invested in Income's core sub-funds in the following proportions: Singapore Equity (5%), Global Equity (25%), Singapore Bond (20%), and Global Bond (50%). The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	2 January 2003
Fund Size	S$12.52 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	0.87% per annum at sub-fund level. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time. Prior to 15 June 2016, the management fees were charged at core sub-fund levels.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA and CPF SA)
CPFIS Risk Classification	Medium to High Risk, Broadly Diversified
Fund Manager	NTUC Income Insurance Co-operative Limited
Benchmark	5% FTSE Straits Times Index (FTSE STI) 25% MSCI World Index in Singapore Dollars 20% Markit iBoxx ALBI Singapore Government 3+ Index 50% Barclays Global Aggregate Index (SGD Hedged)
Structure	Single Fund

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index Long, has been replaced by Markit iBoxx ALBI Singapore Government 3+ Index.

TOP 10 HOLDINGS^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Global Bond Fund	6.18	49.36	Global Bond Fund	6.00	49.58
Global Equity Fund	3.07	24.55	Global Equity Fund	2.97	24.54
Singapore Bond Fund	2.46	19.65	Singapore Bond Fund	2.41	19.90
Singapore Equity Fund	0.62	4.93	Singapore Equity Fund	0.60	4.93

^ Please refer to Global Bond Fund for the top 10 holdings.
Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund.

The sub-fund invests in the Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund. The Investment Manager for these sub-funds is NTUC Income Insurance Co-operative Limited. The Sub-Investment Managers of the Singapore Equity Fund are Fullerton Fund Management Company Ltd and State Street Global Advisors Singapore Limited. The Sub-Investment Managers of the Global Bond Fund and Singapore Bond Fund is Amundi Singapore Limited and Fullerton Fund Management Company Ltd respectively. The Sub-Investment Managers of the Global Equity Fund are Morgan Stanley Investment Management Company, MFS International Singapore Pte Ltd, and Wellington Management Singapore Pte Ltd.

Further information on the underlying core sub-funds, Singapore Equity, Singapore Bond, Global Equity, and Global Bond, can be found in the respective Product Highlights Sheets and Fund Summaries on our website www.income.com.sg/fund/coopprices.asp.

Global Managed Fund (Conservative)

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Amundi Singapore Limited

Amundi Singapore Limited is a wholly-owned subsidiary of Amundi Asset Management. It was established in Singapore in 1989 as a business hub for Amundi's group operations in South East Asia. Amundi Singapore Limited is licensed and regulated by the Monetary Authority of Singapore and has been managing collective investment schemes and/or discretionary funds since 1989. It is also one of Amundi's group investment centres responsible for Asian investment management. It has €1.49 trillion in assets under management as of 30 June 2019.

Morgan Stanley Investment Management Company (MSIM)

MSIM was established in 1975 as a subsidiary of Morgan Stanley Group Inc. As of 30 June 2019, MSIM employs 665 investment professionals worldwide in 23 countries and offers its clients personalised attention, the intelligence and creativity of some of the brightest professionals in the industry and access to the global resources of Morgan Stanley. As of 30 June 2019, MSIM managed US$497 billion in assets for its clients.

MFS International Singapore Pte Ltd^

MFS International Singapore Pte Ltd is incorporated in Singapore and is authorised under a capital markets service license with the Monetary Authority of Singapore to provide fund management services. MFS has been managing pooled vehicles/investment funds and/or discretionary funds in Singapore since 1997. MFS Investment Management (parent company of MFS International Singapore Pte Ltd) was founded in 1924. Assets under management totalled US$488 billion (as of 30 June 2019). MFS believes in active bottom-up research aimed at consistently identifying high-quality investments by focusing on companies that have potential to generate above-average and sustainable earnings. MFS has a global network of research analysts and portfolio managers based in Boston, Toronto, Mexico City, London, Tokyo, Hong Kong, Singapore and Sydney.

^Prior to November 2013, MFS was operating as a branch of MFS International Limited and was an exempted fund manager under the Singaporean regulatory regime.

Wellington Management Singapore Pte Ltd (WMS)*

WMS is an affiliate of Wellington Management Company LLP (WMS, Wellington Management Company LLP and the other affiliates of Wellington Management Company LLP are collectively referred to as WMC). With US$1.1 trillion in assets under management, WMC serves as an investment adviser to over 2,200 clients located in more than 60 countries, as of 30 June 2019. WMC's singular focus is investments — from global equities and fixed income to currencies and commodities. WMC describes themselves as a community of teams that create solutions designed to respond to specific client needs. WMC's most distinctive strength is their proprietary, independent research, which is shared across all areas of the organisation and used only for managing clients' portfolios. Tracing its roots to the founding of Wellington Fund in 1928, the firm has offices in Boston, Massachusetts; Chicago, Illinois; Radnor, Pennsylvania; San Francisco, California; Beijing; Frankfurt; Hong Kong; London; Singapore; Sydney; Tokyo; Luxembourg and Zurich.

*With effect from 29 April 2016, Wellington Management Singapore Pte Ltd (WMS) has replaced Schroder Investment Management Limited as one of the Sub-Investment Managers of the Global Equity Fund.

State Street Global Advisors Singapore Limited (SSGA)

For nearly four decades, State Street Global Advisors has been committed to helping our clients, and those who rely on them, achieve their investment objectives.

We partner with many of the world's largest, most sophisticated investors and financial intermediaries to help them reach their goals through a rigorous, research-driven investment process spanning both indexing and active disciplines. With trillions* in assets, our scale and global reach offer clients unrivalled access to markets, geographies and asset classes, and allow us to deliver thoughtful insights and innovative solutions.

SSGA has also attained ETF industry leadership with its SPDR® family, including first-to-market launches with gold, international real estate, fixed-income and sector-specific ETFs.

State Street Global Advisors is the investment management arm of State Street Corporation.

*Assets under management were US$2.9 trillion as of 30 June 2019. AUM reflects approx. US$36 billion (as of 30 June 2019) with respect to which State Street Global Advisors Funds Distributors, LLC (SSGA FD) serves as marketing agent; SSGA FD and State Street Global Advisors are affiliated. Please note that AUM totals are unaudited.

Fullerton Fund Management Company Ltd (Fullerton)

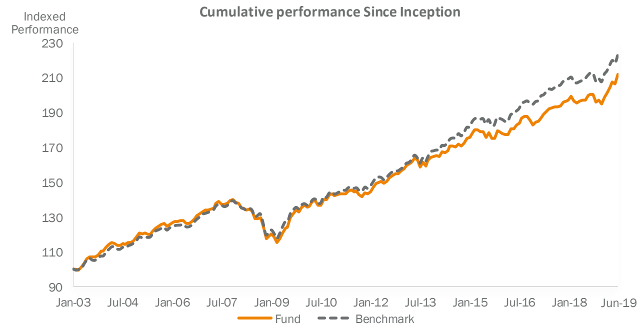
Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the

Global Managed Fund (Conservative)

Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Global Managed Fund (Conservative)	2.47%	3.42%	8.73%	7.29%
Benchmark	2.33%	2.89%	7.59%	6.75%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Global Managed Fund (Conservative)	4.82%	4.42%	5.47%	4.65%
Benchmark	5.16%	4.97%	5.76%	4.99%



Changes to benchmarks during the life of the sub-fund: Since inception to 31 May 2017 – 5% FTSE Straits Times Index (FTSE STI), 25% MSCI World Index in Singapore Dollars, 20% UOB Singapore Government Bond Index Long, 50% Barclays Global Aggregate in Singapore Dollars.

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index Long, has been replaced by Markit iBoxx ALBI Singapore Government 3+ Index.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Global Managed Fund (Conservative)	3.50%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Global Bond

Market Review

First half of 2019 saw economic data gradually get weaker, prompting central banks to turn more dovish. Trade war tensions between the US and trading partners, especially China, grew. Data weakness prompted most central banks to turn more dovish, with the European Central Bank (ECB) announcing new measures to stimulate growth in Europe with a new round of targeted longer-term refinancing operations (TLTRO), bank loans intended for purchase of European sovereign and corporate bonds. European rates are expected to be left on hold by the ECB for some time.

In the US, the Federal Reserve (Fed) surprised markets by responding to globally weaker data and announcing that the pace of rate hikes would be slower than expected. Following four rate hikes in 2018, expectations are now for just one more during the summer of 2019. Escalation of trade war rhetoric between the US and China and increased tensions between Iran and the US were also focal points. Trade negotiations between the US and China, climaxed as President Trump's administration threatened to raise import taxes on US$200bn worth of Chinese imports to the US from 10% to 25%, with the potential for taxes to be levied on a further US$300bn worth of imports. China threatened to retaliate by raising tariffs on US$60bn of imported US goods. The US and China did however agree a trade truce at the G20 summit later in the quarter, bringing relief to an increasingly concerned market as the scale of the tariffs would have a far reaching impact.

Developed markets government bonds have seen strong performance in the first 6 months of the year as yields have fallen sharply in less hawkish central bank expectations. Global corporate bonds have also seen strong performance, with the year to date performance standing at over 7%. The CAD and NOK were strong performers against the USD as the price of oil improved, and the JPY gained as trade war concerns grew and it retained its safe haven status.

Market Outlook

The economic outlook is still positive but with a synchronised global economic slowdown. Central banks have recently used a more dovish tone. The ECB continues to be dovish and we believe that incoming President Christine Lagarde will continue the same policies. Inflation may materialise in some areas, but it is expected to remain subdued at a global level, due to slower global demand.

Geopolitical issues and the turmoil linked to the escalation of trade tensions remain even if there have been some signs of appeasement between China and the US in trade talks. The TLTRO programme and commitment by the ECB to provide support within the Eurozone should support European corporate bonds and European peripheral sovereign bonds. Brexit dropped out of headlines at the end of quarter, but will come back to the forefront once the Conservative party announce a new leader.

Idiosyncratic factors remain key within emerging market currencies, with China slowing, commodity currencies may struggle to rise. While oil exporting currencies stand to gain from renewed tension between the US and Iran. The USD and JPY remain the safe haven currencies of choice.

Singapore Bond

Market Review

Bond markets rallied in the first six months of 2019, supported by dovish central bank policies.

The escalation in US-China trade tensions in May led to a temporary halt in the bond market rally, but the rally resumed on the back of market chatter that the Fed and ECB would adopt a more dovish policy stance. The US-China trade truce and the potential restart of bilateral trade negotiations between the two nations, further supported sentiment. Overall, US Treasuries rallied strongly in the first six months of 2019. The benchmark 10-year US Treasury yield declined sharply by 68bps over the six-month period and ended June at 2.0%.

The Singapore economy was lacklustre in the first six months of 2019. Singapore's 2Q2019 gross domestic product (GDP) registered a tepid 0.1% yoy growth, and shrank by 3.4% qoq, as compared to the first quarter. Non-oil domestic exports (NODX) declined 17.3% yoy in the second quarter on shrinking exports in the electronics sector; this was a result of the supply chain disruptions arising from the trade disputes and a cyclical downturn in the sector.

Singapore's headline consumer price index inflation moderated to 0.6% yoy in June, led by lower private road transport inflation; Monetary Authority of Singapore (MAS)'s core inflation (which excludes private road transport and accommodation costs) eased to 1.2% yoy in June.

Against this backdrop, Singapore government bonds and SGD-denominated non-government bonds delivered positive returns. Singapore rates, as measured by the Markit iBoxx Singapore Government Bond Index, returned 1.1% over the six-month period. The non-government bond sector, as measured by the Markit iBoxx Singapore Non-Government Index, outperformed with a return of 2.1% over the same period.

Market Outlook

Looking ahead, we believe the US-China trade truce will provide some respite to investors in the near term and risk assets should remain well-supported. That said, the overhang from uncertainties over protracted trade negotiations would continue to weigh on global capex activities, corporate spirits and consumer sentiment.

Rising downside risk to global growth should in turn be mitigated by the willingness of central banks to ease in response to any economic weaknesses, which should allay investor concerns. More accommodative central bank policies would also continue to anchor bond yields, increasing the relative attractiveness of spread sectors.

Over in Singapore, with contained inflation, weak growth and growing external risks stemming from the US-China trade conflict, the odds of an easing in the upcoming October monetary policy meeting have risen. Singapore government bonds have lagged the recent US Treasury rally (as markets have priced in more aggressive Fed rate cuts than what we have currently forecast) and we expect some catching up in the second half of the year. A drop in Singapore government securities duration supply in the second half of this year is also favourable for Singapore bonds, particularly at the long end. We expect the short-term SGD rate to track US rates, with a downwards bias. We continue to favour allocation to SGD corporate bonds vis-à-vis SGD agencies.

Global Equity

Market Review

Global equities, as measured by the MSCI World Index returned 14.8% in SGD terms in the first half of 2019. Falling sovereign bond yields and anticipation of easier global monetary policy more than offset concerns over strained trade relations between the US and China.

The US S&P 500 Index returned 16.5% in SGD terms for the first half of 2019. Anticipation of easier monetary policy from the Fed and other global central banks sparked hope that the decade-long US expansion can be maintained despite slowing global growth and persistent trade concerns stemming from the worsening US-China trade relationship.

European stocks, as measured by the STOXX Europe 50 Index, returned 13.9% in SGD terms in the first half of 2019. Growth continued to slow during the first half of 2019 amid ongoing Brexit uncertainty, global trade tensions and slumping business confidence though anticipation of fresh monetary stimulus from the ECB along with the Fed helped buoy equities.

In Japan, the Nikkei Composite Index returned 7.5% in SGD terms in the first half of 2019. Moderating global industrial production and global trade friction have been persistent headwinds along with stronger JPY. Shareholder–friendly corporate governance reforms resulting in increasing dividends and share buy backs were supportive to the market.

Emerging markets (EM), as measured by the MSCI EM Index returned 8.4% in SGD terms during the first half of 2019. Slowing global growth amid ongoing US-China trade tensions have been a headwind for the region though looser financial conditions have been supportive.

Market Outlook

While recent corporate earnings growth has been slightly better than expectations, analysts' estimates suggest another weak quarter may lie ahead. The US and China agreed to a truce over new tariffs and resumed negotiations, but tariff-related costs and uncertainties continue to weigh on business and consumer confidence. Some companies are finding it difficult to shift global supply chains since few countries have the skilled labour and production capacity to replace China. The Fed, ECB and a number of other central banks have adopted more dovish stances, helping underpin equity markets. However, purchasing managers' indices (PMIs), which are sensitive measures of economic activity, have slowed considerably on a global basis, suggesting that recent soft economic growth may persist, which could be a headwind for revenue growth.

Singapore Equity

Market Review

The first half of 2019 has been unsettling for investors. The strong start and optimism in the equity markets sputtered in May, following the re-escalation of US-China trade tensions, fears of a global capex slowdown and continued downward revision of global growth estimates. The US and China slapped billions of dollars in tariff on each other, and the US

Global Managed Fund (Conservative)

ban on select Chinese-made technology added to doubts if a compromise could be reached by both sides.

Singapore equities swiftly rebounded in June, as sentiment was supported by global central banks which embraced easier monetary policy. This came amid softening economic data which suggested that the slowdown in global trade was beginning to weigh on business confidence and domestic consumption. Sentiment was also buoyed by hopes that President Trump would delay additional China tariffs after a meeting with President Xi at the G20 in Osaka, Japan.

The Singapore economy came in effectively flat in the second quarter, when GDP expanded a tepid 0.1% yoy. Compared to the first quarter's 3.8% qoq growth, GDP shrank by 3.4% qoq in 2Q19. Notably, NODX declined 17.3% yoy in June on the back of shrinking electronic exports, a result of the supply chain disruptions arising from the trade war and a broader-based cyclical downtown in the sector. Correspondingly Singapore's manufacturing PMI came in at 49.6 in June, signalling a continued weakness in the third quarter. Inflationary pressure in Singapore has remained tapered, with core inflation clocking 1.2% yoy in June.

Market Outlook

Looking ahead, a less than visible US-China trade war scenario, subdued earnings growth and slowing global economic indicators are likely to constrain investor enthusiasm. Particularly on the trade war front, the recent G20 tariff truce notwithstanding, we do not expect a deal to materialise in the near term as both sides have hardened their stances and optically, it is difficult for either to compromise on key issues. The prolonged uncertainty over trade and growth is likely to impose significant risk on any earnings recovery in the second half of 2019.

While China has pledged to support a slowing economy and will likely employ the necessary policy measures, we envisage more reluctance for a large fiscal stimulus particularly now that trade negotiations have resumed. Similarly, the Fed has indicated a readiness to cut rates in response to any significant slowdown in US growth, but it may be less inclined to implement insurance rate cuts in light of the seemingly positive developments in Osaka. This notwithstanding, the street appears to have already priced in at least one rate cut this year.

Specifically in Singapore, weakness continues to exist across all key sectors of the economy, on the back of slower global growth arising from uncertainties in the global investment climate and shifts in global supply chains. Along with the weak overall inflation, this raised the chance of a monetary easing by MAS in the second half of 2019.

Earnings forecasts remain largely unchanged after mixed 1Q19 results as downgrades across the consumer and real estate sectors are offset by upgrades in financials and industrials. With the Singapore equity market having rerated since the start of the year, valuations have also become less compelling, trading closer to their historical average.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

Global Managed Fund (Conservative)

	Expense ratio	Turnover ratio
As of 30 June 2019	0.98%	5.11%
As of 30 June 2018	1.05%	6.44%

Global Bond Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	0.87%	79.33%
As of 30 June 2018	0.88%	74.84%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Singapore Equity	0.61	4.87
Global Equity	3.05	24.33
Singapore Bond	2.46	19.65
Global Bond	5.85	46.78
Cash & Others	0.55	4.37
Total	12.52	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Britain	0.79	6.34
Canada	0.17	1.36
France	0.65	5.19
Germany	0.48	3.81
Hong Kong	0.16	1.32
Ireland	0.16	1.26
Italy	0.27	2.19
Japan	0.50	4.02
Mexico	0.23	1.82
Netherlands	0.26	2.06
Portugal	0.23	1.82
Singapore	2.58	20.64
Spain	0.52	4.13
Switzerland	0.16	1.28
United States	4.13	32.97
Others	0.68	5.42
Cash & Others	0.55	4.37
Total	12.52	100.00

Global Managed Fund (Conservative)

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Basic Materials	0.10	0.82
Communications	0.79	6.31
Consumer, Cyclical	0.37	2.96
Consumer, Non-cyclical	1.54	12.26
Diversified	0.02	0.19
Energy	0.05	0.44
Financial	2.42	19.35
Government	5.48	43.76
Industrial	0.64	5.11
Technology	0.45	3.58
Utilities	0.11	0.85
Cash & Others	0.55	4.37
Total	12.52	100.00

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	3.50	28.06
AA+	0.09	0.70
AA	0.29	2.28
AA-	0.12	0.94
A+	0.20	1.62
A	0.68	5.40
A-	0.47	3.73
BBB+	0.73	5.85
BBB	0.81	6.45
BBB-	0.64	5.09
BB+	0.06	0.49
Not rated	0.73	5.81
Total	8.32	66.42

'Not rated' refers to debt securities which are not rated by S&P or other equivalent rating agencies, including but not limited to treasury bills, bonds issued by government, government agency, statutory board or corporate.

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	235,704
Redemptions	(562,536)

EXPOSURE TO DERIVATIVES

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Global Bond Fund	6.18	49.36
Global Equity Fund	3.07	24.55
Singapore Bond Fund	2.46	19.65
Singapore Equity Fund	0.62	4.93

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$51,994.

Fullerton is the Sub-Investment Manager of the Singapore Bond Fund and Singapore Equity Fund, which the sub-fund invests into. During the financial period ended 30 June 2019, they managed S$2,694,142, equivalent to 21.51% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

The Manager did not retain for its own account cash or commission rebates arising out of transactions executed in or outside Singapore. Soft dollar commission/arrangement had been received/entered into by the Manager in respect of the sub-fund. The soft dollar commission/arrangement relates essentially to research services, economic and political analyses, portfolio analyses, market analyses, data and quotation services, computer hardware and software used for and in support of the investment process. The Manager did not accept or enter into soft dollar commission/arrangement unless such commission /arrangement would, in the opinion of the Manager, assist the Manager in the management of the sub-fund. The Manager confirmed that trades were made on best execution basis, that is, the Manager took all reasonable steps to obtain the best possible result for the sub-fund, taking into account the following execution factors: price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of a trade or transaction, and there was no churning of trades. The said brokers had also executed trades for other sub-funds managed by the Manager.

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

CONFLICTS OF INTEREST

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Global Managed Fund (Conservative)

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Global Managed Fund (Growth)

INVESTMENT OBJECTIVE

The objective of this sub-fund is to provide medium to long-term capital appreciation by investing in the core sub-funds, Global Equity, Global Bond, Singapore Equity and Singapore Bond.

INVESTMENT SCOPE

The Growth Fund is invested in Income's core sub-funds in the following proportions: Singapore Equity (15%), Global Equity (55%), Singapore Bond (10%), and Global Bond (20%). The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	2 January 2003
Fund Size	S$260.94 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	1.005% per annum at sub-fund level. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time. Prior to 15 June 2016, the management fees were charged at core sub-fund levels.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA)
CPFIS Risk Classification	Medium to High Risk, Broadly Diversified
Fund Manager	NTUC Income Insurance Co-operative Limited
Benchmark	15% FTSE Straits Times Index (FTSE STI) 55% MSCI World Index in Singapore Dollars 10% Markit iBoxx ALBI Singapore Government 3+ Index 20% Barclays Global Aggregate Index (SGD Hedged)
Structure	Single Fund

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index Long, has been replaced by Markit iBoxx ALBI Singapore Government 3+ Index.

TOP 10 HOLDINGS^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Global Equity Fund	143.37	54.94	Global Equity Fund	137.81	54.93
Global Bond Fund	52.41	20.08	Global Bond Fund	50.62	20.18
Singapore Equity Fund	39.27	15.05	Singapore Equity Fund	37.72	15.04
Singapore Bond Fund	26.07	9.99	Singapore Bond Fund	25.39	10.12

^ Please refer to Global Equity Fund for the top 10 holdings.
Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund.

The sub-fund invests in the Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund. The Investment Manager for these sub-funds is NTUC Income Insurance Co-operative Limited. The Sub-Investment Managers of the Singapore Equity Fund are Fullerton Fund Management Company Ltd and State Street Global Advisors Singapore Limited. The Sub-Investment Managers of the Global Bond Fund and Singapore Bond Fund is Amundi Singapore Limited and Fullerton Fund Management Company Ltd respectively. The Sub-Investment Managers of the Global Equity Fund are Morgan Stanley Investment Management Company, MFS International Singapore Pte Ltd, and Wellington Management Singapore Pte Ltd.

Further information on the underlying core sub-funds, Singapore Equity, Singapore Bond, Global Equity, and Global Bond, can be found in the respective Product Highlights Sheets and Fund Summaries on our website www.income.com.sg/fund/coopprices.asp.

Global Managed Fund (Growth)

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Amundi Singapore Limited

Amundi Singapore Limited is a wholly-owned subsidiary of Amundi Asset Management. It was established in Singapore in 1989 as a business hub for Amundi's group operations in South East Asia. Amundi Singapore Limited is licensed and regulated by the Monetary Authority of Singapore and has been managing collective investment schemes and/or discretionary funds since 1989. It is also one of Amundi's group investment centres responsible for Asian investment management. It has €1.49 trillion in assets under management as of 30 June 2019.

Morgan Stanley Investment Management Company (MSIM)

MSIM was established in 1975 as a subsidiary of Morgan Stanley Group Inc. As of 30 June 2019, MSIM employs 665 investment professionals worldwide in 23 countries and offers its clients personalised attention, the intelligence and creativity of some of the brightest professionals in the industry and access to the global resources of Morgan Stanley. As of 30 June 2019, MSIM managed US$497 billion in assets for its clients.

MFS International Singapore Pte Ltd^

MFS International Singapore Pte Ltd is incorporated in Singapore and is authorised under a capital markets service license with the Monetary Authority of Singapore to provide fund management services. MFS has been managing pooled vehicles/investment funds and/or discretionary funds in Singapore since 1997. MFS Investment Management (parent company of MFS International Singapore Pte Ltd) was founded in 1924. Assets under management totalled US$488 billion (as of 30 June 2019). MFS believes in active bottom-up research aimed at consistently identifying high-quality investments by focusing on companies that have potential to generate above-average and sustainable earnings. MFS has a global network of research analysts and portfolio managers based in Boston, Toronto, Mexico City, London, Tokyo, Hong Kong, Singapore and Sydney.

^Prior to November 2013, MFS was operating as a branch of MFS International Limited and was an exempted fund manager under the Singaporean regulatory regime.

Wellington Management Singapore Pte Ltd (WMS)*

WMS is an affiliate of Wellington Management Company LLP (WMS, Wellington Management Company LLP and the other affiliates of Wellington Management Company LLP are collectively referred to as WMC). With US$1.1 trillion in assets under management, WMC serves as an investment adviser to over 2,200 clients located in more than 60 countries, as of 30 June 2019. WMC's singular focus is investments — from global equities and fixed income to currencies and commodities. WMC describes themselves as a community of teams that create solutions designed to respond to specific client needs. WMC's most distinctive strength is their proprietary, independent research, which is shared across all areas of the organisation and used only for managing clients' portfolios. Tracing its roots to the founding of Wellington Fund in 1928, the firm has offices in Boston, Massachusetts; Chicago, Illinois; Radnor, Pennsylvania; San Francisco, California; Beijing; Frankfurt; Hong Kong; London; Singapore; Sydney; Tokyo; Luxembourg and Zurich.

*With effect from 29 April 2016, Wellington Management Singapore Pte Ltd (WMS) has replaced Schroder Investment Management Limited as one of the Sub-Investment Managers of the Global Equity Fund.

State Street Global Advisors Singapore Limited (SSGA)

For nearly four decades, State Street Global Advisors has been committed to helping our clients, and those who rely on them, achieve their investment objectives.

We partner with many of the world's largest, most sophisticated investors and financial intermediaries to help them reach their goals through a rigorous, research-driven investment process spanning both indexing and active disciplines. With trillions* in assets, our scale and global reach offer clients unrivalled access to markets, geographies and asset classes, and allow us to deliver thoughtful insights and innovative solutions.

SSGA has also attained ETF industry leadership with its SPDR® family, including first-to-market launches with gold, international real estate, fixed-income and sector-specific ETFs.

State Street Global Advisors is the investment management arm of State Street Corporation.

*Assets under management were US$2.9 trillion as of 30 June 2019. AUM reflects approx. US$36 billion (as of 30 June 2019) with respect to which State Street Global Advisors Funds Distributors, LLC (SSGA FD) serves as marketing agent; SSGA FD and State Street Global Advisors are affiliated. Please note that AUM totals are unaudited.

Fullerton Fund Management Company Ltd (Fullerton)

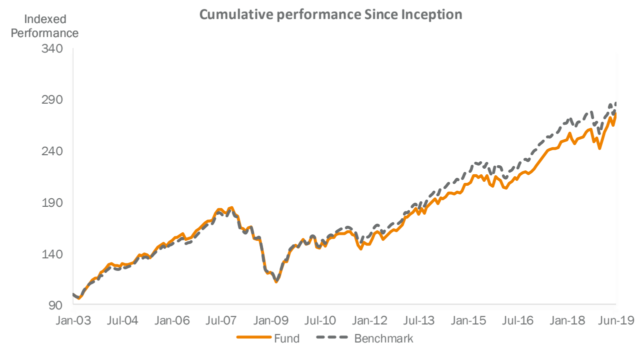
Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the

Global Managed Fund (Growth)

Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Global Managed Fund (Growth)	4.00%	4.47%	13.98%	8.98%
Benchmark	3.94%	3.65%	11.69%	6.28%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Global Managed Fund (Growth)	9.18%	6.73%	7.68%	6.33%
Benchmark	8.79%	6.47%	7.91%	6.59%



Changes to benchmarks during the life of the sub-fund: Since inception to 31 May 2017 – 15% FTSE Straits Times Index (FTSE STI), 55% MSCI World Index in Singapore Dollars, 10% UOB Singapore Government Bond Index Long, 20% Barclays Global Aggregate in Singapore Dollars.

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index Long, has been replaced by Markit iBoxx ALBI Singapore Government 3+ Index.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Global Managed Fund (Growth)	6.64%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Global Bond

Market Review

First half of 2019 saw economic data gradually get weaker, prompting central banks to turn more dovish. Trade war tensions between the US and trading partners, especially China, grew. Data weakness prompted most central banks to turn more dovish, with the European Central Bank (ECB) announcing new measures to stimulate growth in Europe with a new round of targeted longer-term refinancing operations (TLTRO), bank loans intended for purchase of European sovereign and corporate bonds. European rates are expected to be left on hold by the ECB for some time.

In the US, the Federal Reserve (Fed) surprised markets by responding to globally weaker data and announcing that the pace of rate hikes would be slower than expected. Following four rate hikes in 2018, expectations are now for just one more during the summer of 2019. Escalation of trade war rhetoric between the US and China and increased tensions between Iran and the US were also focal points. Trade negotiations between the US and China, climaxed as President Trump's administration threatened to raise import taxes on US$200bn worth of Chinese imports to the US from 10% to 25%, with the potential for taxes to be levied on a further US$300bn worth of imports. China threatened to retaliate by raising tariffs on US$60bn of imported US goods. The US and China did however agree a trade truce at the G20 summit later in the quarter, bringing relief to an increasingly concerned market as the scale of the tariffs would have a far reaching impact.

Developed markets government bonds have seen strong performance in the first 6 months of the year as yields have fallen sharply in less hawkish central bank expectations. Global corporate bonds have also seen strong performance, with the year to date performance standing at over 7%. The CAD and NOK were strong performers against the USD as the price of oil improved, and the JPY gained as trade war concerns grew and it retained its safe haven status.

Market Outlook

The economic outlook is still positive but with a synchronised global economic slowdown. Central banks have recently used a more dovish tone. The ECB continues to be dovish and we believe that incoming President Christine Lagarde will continue the same policies. Inflation may materialise in some areas, but it is expected to remain subdued at a global level, due to slower global demand.

Geopolitical issues and the turmoil linked to the escalation of trade tensions remain even if there have been some signs of appeasement between China and the US in trade talks. The TLTRO programme and commitment by the ECB to provide support within the Eurozone should support European corporate bonds and European peripheral sovereign bonds. Brexit dropped out of headlines at the end of quarter, but will come back to the forefront once the Conservative party announce a new leader.

Idiosyncratic factors remain key within emerging market currencies, with China slowing, commodity currencies may struggle to rise. While oil exporting currencies stand to gain from renewed tension between the US and Iran. The USD and JPY remain the safe haven currencies of choice.

Singapore Bond

Market Review

Bond markets rallied in the first six months of 2019, supported by dovish central bank policies.

The escalation in US-China trade tensions in May led to a temporary halt in the bond market rally, but the rally resumed on the back of market chatter that the Fed and ECB would adopt a more dovish policy stance. The US-China trade truce and the potential restart of bilateral trade negotiations between the two nations, further supported sentiment. Overall, US Treasuries rallied strongly in the first six months of 2019. The benchmark 10-year US Treasury yield declined sharply by 68bps over the six-month period and ended June at 2.0%.

The Singapore economy was lacklustre in the first six months of 2019. Singapore's 2Q2019 gross domestic product (GDP) registered a tepid 0.1% yoy growth, and shrank by 3.4% qoq, as compared to the first quarter. Non-oil domestic exports (NODX) declined 17.3% yoy in the second quarter on shrinking exports in the electronics sector; this was a result of the supply chain disruptions arising from the trade disputes and a cyclical downturn in the sector.

Singapore's headline consumer price index inflation moderated to 0.6% yoy in June, led by lower private road transport inflation; Monetary Authority of Singapore (MAS)'s core inflation (which excludes private road transport and accommodation costs) eased to 1.2% yoy in June.

Against this backdrop, Singapore government bonds and SGD-denominated non-government bonds delivered positive returns. Singapore rates, as measured by the Markit iBoxx Singapore Government Bond Index, returned 1.1% over the six-month period. The non-government bond sector, as measured by the Markit iBoxx Singapore Non-Government Index, outperformed with a return of 2.1% over the same period.

Market Outlook

Looking ahead, we believe the US-China trade truce will provide some respite to investors in the near term and risk assets should remain well-supported. That said, the overhang from uncertainties over protracted trade negotiations would continue to weigh on global capex activities, corporate spirits and consumer sentiment.

Rising downside risk to global growth should in turn be mitigated by the willingness of central banks to ease in response to any economic weaknesses, which should allay investor concerns. More accommodative central bank policies would also continue to anchor bond yields, increasing the relative attractiveness of spread sectors.

Over in Singapore, with contained inflation, weak growth and growing external risks stemming from the US-China trade conflict, the odds of an easing in the upcoming October monetary policy meeting have risen. Singapore government bonds have lagged the recent US Treasury rally (as markets have priced in more aggressive Fed rate cuts than what we have currently forecast) and we expect some catching up in the second half of the year. A drop in Singapore government securities duration supply in the second half of this year is also favourable for Singapore bonds, particularly at the long end. We expect the short-term SGD rate to track US rates, with a downwards bias. We continue to favour allocation to SGD corporate bonds vis-à-vis SGD agencies.

Global Equity

Market Review

Global equities, as measured by the MSCI World Index returned 14.8% in SGD terms in the first half of 2019. Falling sovereign bond yields and anticipation of easier global monetary policy more than offset concerns over strained trade relations between the US and China.

The US S&P 500 Index returned 16.5% in SGD terms for the first half of 2019. Anticipation of easier monetary policy from the Fed and other global central banks sparked hope that the decade-long US expansion can be maintained despite slowing global growth and persistent trade concerns stemming from the worsening US-China trade relationship.

European stocks, as measured by the STOXX Europe 50 Index, returned 13.9% in SGD terms in the first half of 2019. Growth continued to slow during the first half of 2019 amid ongoing Brexit uncertainty, global trade tensions and slumping business confidence though anticipation of fresh monetary stimulus from the ECB along with the Fed helped buoy equities.

In Japan, the Nikkei Composite Index returned 7.5% in SGD terms in the first half of 2019. Moderating global industrial production and global trade friction have been persistent headwinds along with stronger JPY. Shareholder–friendly corporate governance reforms resulting in increasing dividends and share buy backs were supportive to the market.

Emerging markets (EM), as measured by the MSCI EM Index returned 8.4% in SGD terms during the first half of 2019. Slowing global growth amid ongoing US-China trade tensions have been a headwind for the region though looser financial conditions have been supportive.

Market Outlook

While recent corporate earnings growth has been slightly better than expectations, analysts' estimates suggest another weak quarter may lie ahead. The US and China agreed to a truce over new tariffs and resumed negotiations, but tariff-related costs and uncertainties continue to weigh on business and consumer confidence. Some companies are finding it difficult to shift global supply chains since few countries have the skilled labour and production capacity to replace China. The Fed, ECB and a number of other central banks have adopted more dovish stances, helping underpin equity markets. However, purchasing managers' indices (PMIs), which are sensitive measures of economic activity, have slowed considerably on a global basis, suggesting that recent soft economic growth may persist, which could be a headwind for revenue growth.

Singapore Equity

Market Review

The first half of 2019 has been unsettling for investors. The strong start and optimism in the equity markets sputtered in May, following the re-escalation of US-China trade tensions, fears of a global capex slowdown and continued downward revision of global growth estimates. The US and China slapped billions of dollars in tariff on each other, and the US ban on select Chinese-made technology added to doubts if a compromise could be reached by both sides.

Singapore equities swiftly rebounded in June, as sentiment was supported by global central banks which embraced easier monetary policy. This came amid softening economic data which suggested that the slowdown in global trade was beginning to weigh on business confidence and domestic consumption. Sentiment was also buoyed by hopes that President Trump would delay additional China tariffs after a meeting with President Xi at the G20 in Osaka, Japan.

The Singapore economy came in effectively flat in the second quarter, when GDP expanded a tepid 0.1% yoy. Compared to the first quarter's 3.8% qoq growth, GDP shrank by 3.4% qoq in 2Q19. Notably, NODX declined 17.3% yoy in June on the back of shrinking electronic exports, a result of the supply chain disruptions arising from the trade war and a broader-based cyclical downtown in the sector. Correspondingly Singapore's manufacturing PMI came in at 49.6 in June, signalling a continued weakness in the third quarter. Inflationary pressure in Singapore has remained tapered, with core inflation clocking 1.2% yoy in June.

Market Outlook

Looking ahead, a less than visible US-China trade war scenario, subdued earnings growth and slowing global economic indicators are likely to constrain investor enthusiasm. Particularly on the trade war front, the recent G20 tariff truce notwithstanding, we do not expect a deal to materialise in the near term as both sides have hardened their stances and optically, it is difficult for either to compromise on key issues. The prolonged uncertainty over trade and growth is likely to impose significant risk on any earnings recovery in the second half of 2019.

While China has pledged to support a slowing economy and will likely employ the necessary policy measures, we envisage more reluctance for a large fiscal stimulus particularly now that trade negotiations have resumed. Similarly, the Fed has indicated a readiness to cut rates in response to any significant slowdown in US growth, but it may be less inclined to implement insurance rate cuts in light of the seemingly positive developments in Osaka. This notwithstanding, the street appears to have already priced in at least one rate cut this year.

Specifically in Singapore, weakness continues to exist across all key sectors of the economy, on the back of slower global growth arising from uncertainties in the global investment climate and shifts in global supply chains. Along with the weak overall inflation, this raised the chance of a monetary easing by MAS in the second half of 2019.

Earnings forecasts remain largely unchanged after mixed 1Q19 results as downgrades across the consumer and real estate sectors are offset by upgrades in financials and industrials. With the Singapore equity market having rerated since the start of the year, valuations have also become less compelling, trading closer to their historical average.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

Global Managed Fund (Growth)

	Expense ratio	Turnover ratio
As of 30 June 2019	1.10%	8.90%
As of 30 June 2018	1.17%	4.86%

Global Equity Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	1.28%	44.65%
As of 30 June 2018	1.28%	30.19%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Singapore Equity	38.84	14.88
Global Equity	142.06	54.44
Singapore Bond	26.07	9.99
Global Bond	49.67	19.04
Cash & Others	4.30	1.65
Total	260.94	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Britain	21.78	8.35
Canada	2.55	0.98
France	15.50	5.94
Germany	8.64	3.31
Hong Kong	5.87	2.25
Ireland	7.38	2.83
Italy	2.67	1.03
Japan	6.32	2.42
Mexico	2.09	0.80
Netherlands	5.46	2.09
Portugal	1.93	0.74
Singapore	54.62	20.93
Spain	5.13	1.96
Switzerland	7.46	2.86
United States	97.22	37.26
Others	12.02	4.60
Cash & Others	4.30	1.65
Total	260.94	100.00

Global Managed Fund (Growth)

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Basic Materials	4.51	1.73
Communications	20.12	7.71
Consumer, Cyclical	12.84	4.91
Consumer, Non-cyclical	69.35	26.58
Diversified	1.48	0.57
Energy	0.93	0.36
Financial	53.86	20.64
Government	49.35	18.91
Industrial	24.25	9.29
Technology	18.83	7.22
Utilities	1.12	0.43
Cash & Others	4.30	1.65
Total	260.94	100.00

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	32.56	12.48
AA+	0.77	0.30
AA	2.61	1.00
AA-	1.00	0.38
A+	1.96	0.75
A	6.15	2.36
A-	4.08	1.56
BBB+	6.30	2.41
BBB	7.20	2.76
BBB-	5.53	2.12
BB+	0.52	0.20
Not rated	7.06	2.71
Total	75.74	29.03

'Not rated' refers to debt securities which are not rated by S&P or other equivalent rating agencies, including but not limited to treasury bills, bonds issued by government, government agency, statutory board or corporate.

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	4,937,993
Redemptions	(11,848,191)

EXPOSURE TO DERIVATIVES

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Global Equity Fund	143.37	54.94
Global Bond Fund	52.41	20.08
Singapore Equity Fund	39.27	15.05
Singapore Bond Fund	26.07	9.99

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$1,239,729.

Fullerton is the Sub-Investment Manager of the Singapore Bond Fund and Singapore Equity Fund, which the sub-fund invests into. During the financial period ended 30 June 2019, they managed S$40,936,784, equivalent to 15.69% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

The Manager did not retain for its own account cash or commission rebates arising out of transactions executed in or outside Singapore. Soft dollar commission/arrangement had been received/entered into by the Manager in respect of the sub-fund. The soft dollar commission/arrangement relates essentially to research services, economic and political analyses, portfolio analyses, market analyses, data and quotation services, computer hardware and software used for and in support of the investment process. The Manager did not accept or enter into soft dollar commission/arrangement unless such commission /arrangement would, in the opinion of the Manager, assist the Manager in the management of the sub-fund. The Manager confirmed that trades were made on best execution basis, that is, the Manager took all reasonable steps to obtain the best possible result for the sub-fund, taking into account the following execution factors: price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of a trade or transaction, and there was no churning of trades. The said brokers had also executed trades for other sub-funds managed by the Manager.

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

CONFLICTS OF INTEREST

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Global Managed Fund (Growth)

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Singapore Managed Fund

INVESTMENT OBJECTIVE

The objective of this sub-fund is to achieve long-term capital appreciation by investing in equities and bonds in Singapore.

INVESTMENT SCOPE

The sub-fund invests primarily 60% of its assets in Singapore equities and 40% in the Singapore Bond Fund. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	1 May 1994
Fund Size	S$85.42 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	1.0% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point in time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA and CPF SA)
CPFIS Risk Classification	Medium to High Risk, Narrowly Focused – Country – Singapore
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Manager	Fullerton Fund Management Company Ltd
Benchmark	60% FTSE Straits Times Index (FTSE STI) 40% 3-month SIBOR
Structure	Single Fund

TOP 10 HOLDINGS^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Singapore Bond Fund	33.81	39.58	Singapore Bond Fund	33.91	39.80
DBS Group Holdings Ltd	8.61	10.08	DBS Group Holdings Ltd	9.62	11.29
Oversea-Chinese Banking Corp	6.16	7.21	Oversea-Chinese Banking Corp	7.71	9.05
United Overseas Bank Ltd	5.76	6.74	United Overseas Bank Ltd	3.65	4.29
Singapore Telecommunications Ltd	3.84	4.50	Jardine Strategic Holdings Ltd	2.72	3.19
Jardine Strategic Holdings Ltd	3.73	4.37	Keppel Corp Ltd	2.69	3.16
Keppel Corp Ltd	2.66	3.11	Singapore Technologies Engineering Ltd	2.27	2.66
Singapore Technologies Engineering Ltd	2.22	2.60	Genting Singapore Ltd	2.17	2.54
Wilmar International Ltd	2.17	2.54	Comfortdelgro Corp Ltd	2.00	2.35
Thai Beverage PCL	2.12	2.48	Wilmar International Ltd	1.90	2.23

^ Please refer to Singapore Bond Fund for the top 10 holdings.
Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. Fullerton Fund Management Company Ltd is the Sub-Investment Manager of the sub-fund. The sub-fund invests significantly in Singapore Bond Fund which is managed by NTUC Income Insurance Co-operative Limited and is sub-managed by Fullerton Fund Management Company Ltd.

Further information on the Singapore Bond Fund can be found is the Product Highlights Sheet and Fund Summary on our website www.income.com.sg/fund/coopprices.asp.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

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Singapore Managed Fund

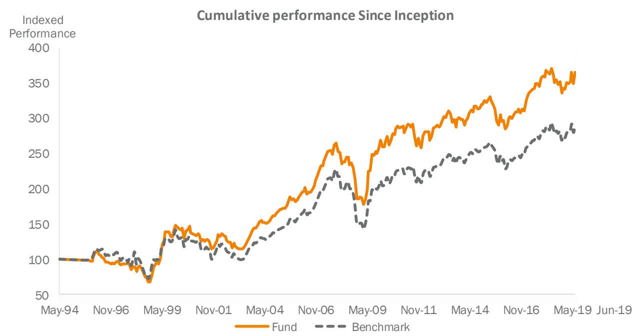
Fullerton Fund Management Company Ltd (Fullerton)

Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Singapore Managed Fund	4.53%	3.94%	6.98%	4.05%
Benchmark	3.99%	3.42%	6.78%	4.46%

	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Singapore Managed Fund	6.13%	3.40%	4.90%	5.57%
Benchmark	6.24%	3.09%	4.75%	4.00%



Changes to benchmarks during the life of the sub-fund: Since inception to 31 Mar 98 - 60% DBS50, 40% Singapore 3-Month Deposit rate.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Singapore Managed Fund	7.59%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

After a stellar 2017 which saw equity markets in Asia ex Japan generate some 37% in returns (USD terms), 2018 saw Asian equities fall, on the back of concerns pertaining to US rate normalisation, the US-China trade war, geopolitical uncertainties, fluctuating commodity prices with a sustained weakness in oil prices being a particular worry, as well as a strong USD.

Investors remained cautious even towards the end of the year, despite a 90-day trade truce negotiated between US and China. Moreover, the US Federal Reserve (Fed) increased its target for the benchmark Fed funds rate for the fourth time in December, amid expectations for two more hikes in 2019, and this further dampened sentiment.

On the growth front, Asian economies were however relatively resilient, albeit decelerating into 3Q18. Specifically for Singapore, the economy saw slower growth in 4Q18 at 2.2%yoy, a modest drop from a previous 2.3%yoy figure in 3Q18 but also the lowest year-on-year growth since 3Q16. Notably, the slowdown in the fourth quarter was broad-based, supported mainly by a fairly resilient manufacturing performance. Singapore's manufacturing growth started strong in 1H18 (1Q18: 10.8%yoy and 2Q18: 10.7%yoy versus 2017 full-year growth of 10.1%). The manufacturing Purchasing Managers Index peaked at 53 in March 2018, but eased later in the second half of the year, to finally register at 51.5 in November 2018. Meanwhile, the construction sector remained a laggard, having been on a contracting trend since 3Q16, with the latest 4Q18 print at -2.2%yoy amid weakness in public sector construction activities. Overall, Singapore registered a 3.3%yoy gross domestic product growth in 2018, down from 3.6% in 2017 but within the government's 3-3.5%yoy forecast range.

Turning to policy, the Monetary Authority of Singapore (MAS) normalised the SGD Nominal Effective Exchange Rate (S$NEER) by twice steepening the gradient in 2018, as local rates continued to play catch-up to USD rates. The first tightening took place in April, when the MAS increased slightly the slope of the S$NEER, following two years of a neutral policy stance. Then in October, the MAS again increased the slope and stated that the move was consistent with a modest and gradual appreciation path of the policy band, to ensure medium-term price stability. The MAS Survey of Professional Forecasters tipped the 3-month Singapore Interbank Offered Rate to climb higher to 2.31% by end-2019.

Market Outlook

Ongoing US-China trade tensions, political uncertainty (upcoming elections in Asia and the UK's exit from the European Union) and US interest rate directions are likely to result in another rollercoaster year for equities. Specifically in Asia, the export cycle is stalling as the lagged impact of trade tensions and slower growth in the developed markets take its toll. Nevertheless, policy support in China is likely to buttress the largest economy in Asia, and thus provide some buffer to regional growth.

Overall, the region's economic growth is resilient and alongside fewer Fed rate hikes as well as limited USD strength, these should all provide support to Asian equities.

Singapore Managed Fund

In Singapore, we are cognisant of risks coming in the forms of further earning downgrades, macro headwinds as well as policy overhang on the Singapore property market, all of which are likely to cap market performance in 1H2019. To this end, we note that earnings forecasts have been cut across all sectors, following disappointing quarterly numbers for the first nine months of 2018. Weakening macro data points suggest downside risks to consensus numbers.

With the above in mind, we have positioned our portfolio focusing on stocks with limited downside earnings risks as well as stocks trading at attractive valuations. We intend to maintain overweight exposures in the Consumer and Industrials sectors, on the back of positive retail spending and attractive valuations, respectively. We have a neutral view on the Financials sector, in view of decelerating loan growth on the back of the ongoing US-China trade tensions and property cooling measures, coupled with slow net interest margin expansion given a more dovish Fed. Elsewhere, we are underweight Real Estate, Technology and Telecoms, given property cooling measures, a slowing global growth cycle which has seen a decline in Singapore's Non-Oil Domestic Exports, and intensifying competition, respectively.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

Singapore Managed Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	1.08%	25.18%
As of 30 June 2018	1.07%	34.01%

Singapore Bond Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	0.52%	23.49%
As of 30 June 2018	0.52%	53.68%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Corporate Bonds	15.06	17.64
Government Bonds	18.75	21.95
Equities	50.90	59.58
Cash & Others	0.71	0.83
Total	85.42	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Australia	1.62	1.89
Britain	0.47	0.55
France	0.94	1.10
Hong Kong	4.90	5.74
Indonesia	0.41	0.48
Japan	0.32	0.38
Netherlands	0.70	0.81
Singapore	72.80	85.23
South Korea	0.43	0.51
Thailand	2.12	2.48
Cash & Others	0.71	0.83
Total	85.42	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Basic Materials	0.11	0.13
Communications	5.02	5.88
Consumer, Cyclical	4.98	5.82
Consumer, Non-cyclical	8.90	10.42
Energy	0.50	0.58
Financial	37.31	43.69
Government	18.75	21.95
Industrial	8.78	10.28
Utilities	0.36	0.42
Cash & Others	0.71	0.83
Total	85.42	100.00

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	17.90	20.94
AA+	0.22	0.26
AA	1.31	1.54
A+	1.54	1.81
A	2.62	3.07
A-	0.77	0.91
BBB+	0.53	0.63
BBB	2.32	2.72
BBB-	0.80	0.93
Not rated	5.79	6.78
Total	33.81	39.59

'Not rated' refers to debt securities which are not rated by S&P or other equivalent rating agencies, including but not limited to treasury bills, bonds issued by government, government agency, statutory board or corporate.

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	1,736,729
Redemptions	(5,252,495)

EXPOSURE TO DERIVATIVES

Nil.

Singapore Managed Fund

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Singapore Bond Fund	33.81	39.58
Ascendas Real Estate Investment Trust	1.90	2.23
Mapletree Commercial Trust	1.11	1.30
CapitaLand Mall Trust	1.09	1.28
NetLink NBN Trust	0.06	0.08

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$417,027.

Fullerton is the Sub-Investment Manager of the sub-fund. During the financial period ended 30 June 2019, they managed S$85,421,961, equivalent to 100% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

Fullerton

Fullerton may and intend to receive or enter into soft-dollar commissions/arrangements in our management of the portfolio. Fullerton will comply with applicable regulatory and industry standards on soft dollars. Such soft dollar commissions include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis for investments managed for clients.

Soft dollar commissions/arrangements will not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

Fullerton will not accept or enter into soft dollar commissions/arrangements unless such soft dollar commissions/arrangements would, in Fullerton's opinion, assist them in their management of the portfolio, providing that Fullerton ensures at all times that best execution is carried out for the transactions and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Fullerton

Fullerton is of the view that there are no conflicts of interests in managing the portfolio. Under the conditions of its license, Fullerton is required to conduct its business in a manner so as to avoid conflicts of interests, and ensure that any conflicts of interests arising are resolved fairly and equitably. In addition, as a member of the Investment Management Association of Singapore ("IMAS"), Fullerton adopts the principles and standards of investment conduct, which includes ensuring fair allocation, as set out in the IMAS Code of Ethics & Standards of Professional Conduct.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

AIM Now Fund

INVESTMENT OBJECTIVE

To provide investors with a regular and steady income whilst maintaining a stable capital value.

The sub-fund offers a semi-annual pay-out feature, with a historical distribution of up to 4% per annum (which constitutes of payouts up to 2% of the net asset value on 31 May and 30 November every year). Distributions are not guaranteed and can be made out of income, capital gains, and/or capital of the sub-fund which is expected to result in an immediate reduction of the net asset value per unit/share. Past payout yields do not represent future payout yields.

INVESTMENT SCOPE

The sub-fund intends to achieve this objective by investing in a diversified portfolio of asset classes including fixed income, equities and alternatives. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	25 September 2009
Fund Size	S$67.24 million
Initial Sales Charge	Please refer to “Fees and Charges” in section 4 of the Product Summary for ILP.
Annual Management Fee	0.85% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Fund Manager	NTUC Income Insurance Co-operative Limited
Inclusion in CPFIS	Yes (CPF OA and CPF SA)
CPFIS Risk Classification	Low to Medium Risk, Broadly Diversified
Sub-Investment Manager	Schroder Investment Management (Singapore) Ltd
Benchmark	Barclays Global Aggregate Index (SGD Hedged) Markit iBoxx ALBI Singapore Government Index MSCI AC Asia ex Japan Index in Singapore Dollars MSCI AC World Index in Singapore Dollars FTSE Straits Times Index (FTSE STI) Gold Spot hedged to Singapore Dollars
Structure	Single Fund

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index All, has been replaced by Markit iBoxx ALBI Singapore Government Index.

TOP 10 HOLDINGS^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Singapore Bond Fund	30.46	45.30	Singapore Bond Fund	34.59	45.23
Schroder ISF Global Corporate Bond	8.34	12.41	Schroder Asian Investment Grade Credit	10.50	13.73
Schroder ISF Global Bond	6.48	9.64	Schroder ISF Global Inflation Linked Bond	6.94	9.08
Schroder ISF Global Inflation Linked Bond	6.13	9.11	Schroder ISF Global Bond	6.31	8.24
Schroder Asian Investment Grade Credit	5.68	8.45	Schroder ISF Global Corporate Bond	5.69	7.44
Schroder ISF Global Equity	3.44	5.12	Schroder ISF Global Equity	4.08	5.33
Schroder ISF Asian Opportunities	2.92	4.34	Singapore Equity Fund	3.07	4.02
Singapore Equity Fund	2.11	3.13	Schroder ISF Asian Opportunities	3.06	4.00
SPDR Gold Shares	1.40	2.08	SPDR Gold Trust	0.79	1.04

^ Please refer to Singapore Bond Fund for the top 10 holdings.
Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

The sub-fund is managed by NTUC Income Insurance Co-operative Limited and sub-managed by Schroder Investment Management (Singapore) Ltd

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today’s digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

AIM Now Fund

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Schroder Investment Management (Singapore) Ltd

Schroder Investment Management (Singapore) Ltd was incorporated in Singapore and has been managing collective investment schemes and discretionary funds since 1992.

Schroders is a leading global asset management company, whose history dates back over 200 years. The group's holding company, Schroders Plc is and has been listed on the London Stock Exchange since 1959. Assets under management totalled £444.4 billion (as of 30 June 2019).

Schroders' aim is to apply their specialist asset management skills in serving the needs of their clients worldwide. With one of the largest networks of offices of any dedicated asset management company, and over 430 investment professionals covering the world's investment markets, they offer their clients a comprehensive range of products and services.

This sub-fund invests into the Singapore Bond Fund which is managed by Income and the sub-managed by Fullerton. Further information on Singapore Bond Fund is available on our website www.income.com.sg/fund/coopprices.asp.

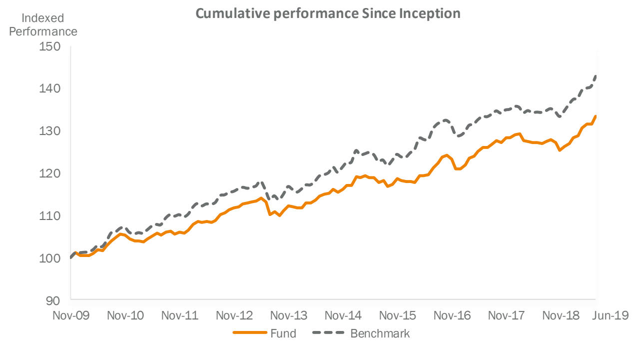
Fullerton Fund Management Company Ltd (Fullerton)

Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
AIM Now Fund	1.43%	2.19%	4.98%	5.00%
Benchmark	1.67%	2.34%	4.91%	6.34%

	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
AIM Now Fund	3.27%	3.03%	N.A.	3.02%
Benchmark	3.11%	3.62%	N.A.	3.76%



Changes to benchmarks during the life of the sub-fund: Since 31 May 2011 to 31 May 2017 - MSCI AC World, MSCI AC Asia Ex Japan, FTSE STI, Barclays Global Agg (SGD Hedged), UOB All Bond Index, Gold Spot (SGD Hedged); Since 1 Mar 2010 to 31 May 2011 - MSCI AC World, MSCI AC Asia ex Japan, FTSE STI, Barclays Global Agg (SGD Hedged), UOB All Bond Index, DJ UBS Commodity Index; Since inception to Feb 2010 - MSCI AC World, MSCI AC Asia ex Japan, FTSE STI, Barclays Global Agg (SGD Hedged), UOB All Bond Index.

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index All, has been replaced by Markit iBoxx ALBI Singapore Government Index.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
AIM Now Fund	2.63%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

Global equities rebounded strongly during 1H2019 from a weak 4Q2018, despite heightened volatility in May due to concerns over the US-China trade conflict. Stock markets were supported by increasingly accommodative central banks and hopes of progress in trade tensions by the end of June.

US equities led gains with the S&P 500 achieving a new record high while Europe also advanced. Japan lagged as compared to the other developed markets on the back of a stronger yen. Elsewhere, Asian and emerging markets also recorded strong returns.

In fixed income, bond yields continued to fall on the back of a more supportive policy environment. US 10-year Treasury yields fell 68 bps to 2.0% as at end-June, while 10-year Bund yields were 57 bps lower and fell below zero for the first time since October 2016.

Corporate bonds outperformed government bonds, with investment grade outpacing high yield. Emerging market bonds made good returns across the board while local currency bonds did particularly well, benefiting from USD weakness.

Commodities registered a positive return, led by energy and precious metal. In the currency space, the SGD strengthened against most major currencies but weakened against the JPY.

Market outlook

Looking ahead, major equity markets look to be supported by ample liquidity. However, cyclical risks remain elevated with global trade data remaining soft while trade tensions could weigh in coming months, even if there seems to be a trade truce for the moment. Rising volatility is a risk factor with ongoing political and policy uncertainty.

In this environment, we maintain a neutral view on global equities as we await more clarity on the cyclical picture, and prefer defensive sectors that provide downside protection during periods of market stress. Our regional preferences within equities remain unchanged – we favour the high quality US market as well as the higher growth and attractively valued Asian / emerging markets.

We continue to like carry strategies such as credit because they benefit from low interest rates with more contained levels of cyclical risk. We remain positive on duration over a 6-12 month view given our expectation of slower growth. Meanwhile, we are broadly neutral on Gold and are looking to add on any weakness. In this maturing economic cycle environment, the need for active asset allocation and risk management becomes ever more important.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

AIM Now Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	0.93%	30.49%
As of 30 June 2018	0.94%	8.50%

Singapore Bond Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	0.52%	23.49%
As of 30 June 2018	0.52%	53.68%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Bonds	57.09	84.91
Equities	8.47	12.59
Alternatives	1.40	2.08
Cash & Others	0.28	0.42
Total	67.24	100.00

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	12,361,186
Redemptions	(16,739,432)

EXPOSURE TO DERIVATIVES

	Market Value S$	% of Net Asset Value	Realised Gains/(Losses) S$	Unrealised Gains/(Losses) S$
Forwards	195,576	0.29	231,743	195,576
Futures	(442)	<0.01	11,183	(442)

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Singapore Bond Fund	30.46	45.30
Schroder ISF Global Corporate Bond	8.34	12.41
Schroder ISF Global Bond	6.48	9.64
Schroder ISF Global Inflation Linked Bond	6.13	9.11
Schroder Asian Investment Grade Credit	5.68	8.45
Schroder ISF Global Equity	3.44	5.12
Schroder ISF Asian Opportunities	2.92	4.34
Singapore Equity Fund	2.11	3.13
SPDR Gold Shares	1.40	2.08

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$283,661.

Fullerton is the Sub-Investment Manager of the Singapore Bond Fund and Singapore Equity Fund, which the sub-fund invests into. During the financial period ended 30 June 2019, they managed S$31,255,520, equivalent to 46.48% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

The Manager and Sub-Investment Manager did not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager and Sub-Investment Manager also did not receive soft dollars for the sub-fund.

More information on soft dollars for Singapore Bond Fund can be found in the Fund Report of Singapore Bond Fund.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Schroder

Schroder has in place policies and procedures to mitigate conflicts of interests which may arise in the management of clients' accounts. Schroder believes that these policies and procedures are reasonably designed to ensure that clients are treated fairly and material conflicts of interest are either avoided or are managed to avoid damage to a client's interests.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

AIM 2025 Fund

INVESTMENT OBJECTIVE

To generate capital growth at a sensible risk level for investors who intend to accumulate assets for retirement or other purposes until the year 2025.

INVESTMENT SCOPE

The sub-fund intends to achieve this objective by investing in a diversified portfolio of asset classes including fixed income, equities and alternatives. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	25 September 2009
Fund Size	S$19.26 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	1.0% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA and CPF SA)
CPFIS Risk Classification	Medium to High Risk, Broadly Diversified
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Manager	Schroder Investment Management (Singapore) Ltd
Benchmark	Barclays Global Aggregate Index (SGD Hedged) Markit iBoxx ALBI Singapore Government Index MSCI AC Asia ex Japan Index in Singapore Dollars MSCI AC World Index in Singapore Dollars FTSE Straits Times Index (FTSE STI) DJ UBS Commodity hedged to Singapore Dollars Gold Spot hedged to Singapore Dollars
Structure	Single Fund

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index All, has been replaced by Markit iBoxx ALBI Singapore Government Index.

TOP 10 HOLDINGS

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Singapore Bond Fund	4.58	23.77	Singapore Bond Fund	3.59	21.04
Schroder ISF Global Equity	2.63	13.67	Schroder ISF Global Equity	2.41	14.11
Schroder ISF Asian Opportunities	2.25	11.66	Schroder ISF Global Bond	2.14	12.55
Schroder ISF Global Corporate Bond	2.18	11.30	Schroder ISF Asian Opportunities	1.86	10.91
Schroder ISF Global Bond	2.08	10.82	Schroder ISF Global Corporate Bond	1.44	8.46
Schroder ISF Global Inflation Linked Bond	1.19	6.17	Schroder Asian Investment Grade Credit	1.19	6.99
Schroder Asian Investment Grade Credit	1.15	5.99	Schroder ISF Global Inflation Linked Bond	1.08	6.34
Singapore Equity Fund	0.98	5.09	Singapore Equity Fund	0.99	5.82
Schroder ISF Emerging Markets	0.57	2.96	Schroder Alt Solutions Commodity	0.70	4.08
Schroder ISF Global Smaller Companies	0.51	2.64	Schroder ISF Global Smaller Companies	0.52	3.08

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

The sub-fund is managed by NTUC Income Insurance Co-operative Limited and sub-managed by Schroder Investment Management (Singapore) Ltd

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

AIM 2025 Fund

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Schroder Investment Management (Singapore) Ltd

Schroder Investment Management (Singapore) Ltd was incorporated in Singapore and has been managing collective investment schemes and discretionary funds since 1992.

Schroders is a leading global asset management company, whose history dates back over 200 years. The group's holding company, Schroders Plc is and has been listed on the London Stock Exchange since 1959. Assets under management totalled £444.4 billion (as of 30 June 2019).

Schroders' aim is to apply their specialist asset management skills in serving the needs of their clients worldwide. With one of the largest networks of offices of any dedicated asset management company, and over 430 investment professionals covering the world's investment markets, they offer their clients a comprehensive range of products and services.

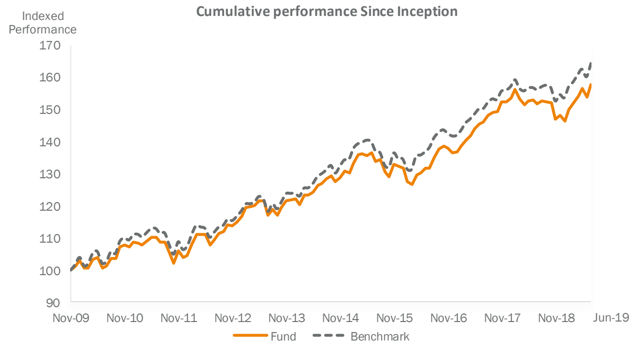
This sub-fund invests into the Singapore Bond Fund which is managed by Income and the sub-managed by Fullerton. Further information on Singapore Bond Fund is available on our website www.income.com.sg/fund/coopprices.asp.

Fullerton Fund Management Company Ltd (Fullerton)

Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
AIM 2025 Fund	2.49%	2.28%	7.71%	3.82%
Benchmark	2.58%	2.24%	6.95%	5.23%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
AIM 2025 Fund	6.14%	4.40%	N.A.	4.82%
Benchmark	5.94%	4.80%	N.A.	5.27%



Changes to benchmarks during the life of the sub-fund: Since 31 May 2011 to 31 May 2017 - MSCI AC World, MSCI AC Asia Ex Japan, FTSE STI, Barclays Global Agg (SGD Hedged), UOB All Bond Index, FTSE EPRA/NAREIT Developed Real Estate, DJ UBS Commodity, Gold Spot (SGD Hedged); Since inception to 31 May 2011 - MSCI AC World, MSCI AC Asia Ex Japan, FTSE STI, Barclays Global Agg (SGD Hedged), UOB All Bond Index, FTSE EPRA/NAREIT Developed Real Estate, DJ UBS Commodity.

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index All, has been replaced by Markit iBoxx ALBI Singapore Government Index.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
AIM 2025 Fund	4.59%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

Global equities rebounded strongly during 1H2019 from a weak 4Q2018, despite heightened volatility in May due to concerns over the US-China trade conflict. Stock markets were supported by increasingly accommodative central banks and hopes of progress in trade tensions by the end of June.

US equities led gains with the S&P 500 achieving a new record high while Europe also advanced. Japan lagged as compared to the other developed markets on the back of a stronger yen. Elsewhere, Asian and emerging markets also recorded strong returns.

In fixed income, bond yields continued to fall on the back of a more supportive policy environment. US 10-year Treasury yields fell 68 bps to 2.0% as at end-June, while 10-year Bund yields were 57 bps lower and fell below zero for the first time since October 2016.

Corporate bonds outperformed government bonds, with investment grade outpacing high yield. Emerging market bonds made good returns across the board while local currency bonds did particularly well, benefiting from USD weakness.

Commodities registered a positive return, led by energy and precious metal. In the currency space, the SGD strengthened against most major currencies but weakened against the JPY.

Market outlook

Looking ahead, major equity markets look to be supported by ample liquidity. However, cyclical risks remain elevated with global trade data remaining soft while trade tensions could weigh in coming months, even if there seems to be a trade truce for the moment. Rising volatility is a risk factor with ongoing political and policy uncertainty.

In this environment, we maintain a neutral view on global equities as we await more clarity on the cyclical picture, and prefer defensive sectors that provide downside protection during periods of market stress. Our regional preferences within equities remain unchanged – we favour the high quality US market as well as the higher growth and attractively valued Asian / emerging markets.

We continue to like carry strategies such as credit because they benefit from low interest rates with more contained levels of cyclical risk. We remain positive on duration over a 6-12 month view given our expectation of slower growth. Meanwhile, we are broadly neutral on Gold and are looking to add on any weakness. In this maturing economic cycle environment, the need for active asset allocation and risk management becomes ever more important.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

	Expense ratio	Turnover ratio
As of 30 June 2019	1.19%	31.31%
As of 30 June 2018	1.20%	23.47%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Bonds	11.18	58.05
Equities	6.94	36.02
Alternatives	0.84	4.37
Cash & Others	0.30	1.56
Total	19.26	100.00

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	3,152,698
Redemptions	(2,647,586)

EXPOSURE TO DERIVATIVES

	Market Value S$	% of Net Asset Value	Realised Gains/(Losses) S$	Unrealised Gains/(Losses) S$
Forwards	63,141	0.33	44,028	63,141
Futures	(253)	<0.01	2,267	(253)

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Singapore Bond Fund	4.58	23.77
Schroder ISF Global Equity	2.63	13.67
Schroder ISF Asian Opportunities	2.25	11.66
Schroder ISF Global Corporate Bond	2.18	11.30
Schroder ISF Global Bond	2.08	10.82
Schroder ISF Global Inflation Linked Bond	1.19	6.17
Schroder Asian Investment Grade Credit	1.15	5.99
Singapore Equity Fund	0.98	5.09
Schroder ISF Emerging Markets	0.57	2.96
Schroder ISF Global Smaller Companies	0.51	2.64
SPDR Gold Shares	0.43	2.22
Schroder Alt Solutions Commodity	0.41	2.15

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$92,094.

Fullerton is the Sub-Investment Manager of the Singapore Bond Fund and Singapore Equity Fund, which the sub-fund invests into. During the financial period ended 30 June 2019, they managed S$4,950,926, equivalent to 25.70% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

The Manager and Sub-Investment Manager did not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager and Sub-Investment Manager also did not receive soft dollars for the sub-fund.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Schroder

Schroder has in place policies and procedures to mitigate conflicts of interests which may arise in the management of clients' accounts. Schroder believes that these policies and procedures are reasonably designed to ensure that clients are treated fairly and material conflicts of interest are either avoided or are managed to avoid damage to a client's interests.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

AIM 2035 Fund

INVESTMENT OBJECTIVE

To generate capital growth at a sensible risk level for investors who intend to accumulate assets for retirement or other purposes until the year 2035.

INVESTMENT SCOPE

The sub-fund intends to achieve this objective by investing in a diversified portfolio of asset classes including fixed income, equities and alternatives. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	25 September 2009
Fund Size	S$23.50 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	1.0% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA)
CPFIS Risk Classification	Medium to High Risk, Broadly Diversified
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Manager	Schroder Investment Management (Singapore) Ltd
Benchmark	Barclays Global Aggregate Index (SGD Hedged) Markit iBoxx ALBI Singapore Government Index MSCI AC Asia ex Japan Index in Singapore Dollars MSCI AC World Index in Singapore Dollars FTSE Straits Times Index (FTSE STI) DJ UBS Commodity hedged to Singapore Dollars Gold Spot hedged to Singapore Dollars
Structure	Single Fund

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index All, has been replaced by Markit iBoxx ALBI Singapore Government Index.

TOP 10 HOLDINGS

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Schroder ISF Asian Opportunities	5.03	21.40	Schroder ISF Global Equity	5.05	22.23
Schroder ISF Global Equity	5.01	21.33	Schroder ISF Asian Opportunities	4.92	21.64
Singapore Bond Fund	2.34	9.98	Singapore Equity Fund	2.22	9.76
Singapore Equity Fund	2.17	9.25	Singapore Bond Fund	1.56	6.85
Schroder ISF Global Corporate Bond	1.96	8.35	Schroder ISF Emerging Markets	1.28	5.63
Schroder ISF Emerging Markets	1.56	6.62	Schroder ISF Global Corporate Bond	1.19	5.24
Schroder ISF Global Smaller Companies	1.19	5.06	Schroder ISF Global Inflation Linked Bond	1.16	5.11
Schroder ISF Global Inflation Linked Bond	1.16	4.95	Schroder ISF Global Smaller Companies	1.14	5.01
Schroder ISF Global Bond	1.01	4.31	Schroder Asian Investment Grade Credit	1.10	4.86
Schroder Asian Investment Grade Credit	0.95	4.06	Schroder ISF Global Bond	0.96	4.21

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

The sub-fund is managed by NTUC Income Insurance Co-operative Limited and sub-managed by Schroder Investment Management (Singapore) Ltd.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

AIM 2035 Fund

Schroder Investment Management (Singapore) Ltd

Schroder Investment Management (Singapore) Ltd was incorporated in Singapore and has been managing collective investment schemes and discretionary funds since 1992.

Schroder is a leading global asset management company, whose history dates back over 200 years. The group's holding company, Schroders Plc is and has been listed on the London Stock Exchange since 1959. Assets under management totalled £444.4 billion (as of 30 June 2019).

Schroders' aim is to apply their specialist asset management skills in serving the needs of their clients worldwide. With one of the largest networks of offices of any dedicated asset management company, and over 430 investment professionals covering the world's investment markets, they offer their clients a comprehensive range of products and services.

This sub-fund invests into the Singapore Bond Fund which is managed by Income and the sub-managed by Fullerton. Further information on Singapore Bond Fund is available on our website www.income.com.sg/fund/coopprices.asp.

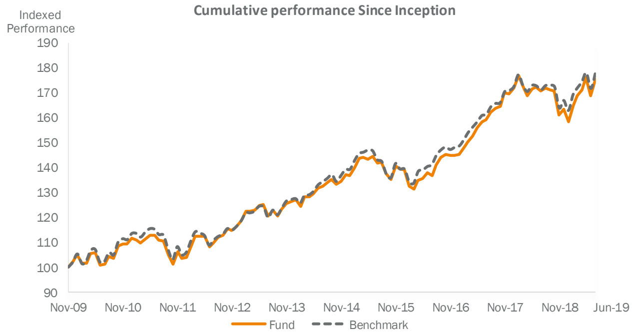
Fullerton Fund Management Company Ltd (Fullerton)

Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
AIM 2035 Fund	3.81%	2.36%	10.60%	2.73%
Benchmark	3.70%	2.15%	9.32%	4.05%

	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
AIM 2035 Fund	8.63%	5.73%	N.A.	5.96%
Benchmark	8.04%	5.81%	N.A.	6.14%



Changes to benchmarks during the life of the sub-fund: Since 31 May 2011 to 31 May 2017 - MSCI AC World, MSCI AC Asia Ex Japan, FTSE STI, Barclays Global Agg (SGD Hedged), UOB All Bond Index, FTSE EPRA/NAREIT Developed Real Estate, DJ UBS Commodity, Gold Spot (SGD Hedged); Since inception to 31 May 2011 - MSCI AC World, MSCI AC Asia Ex Japan, FTSE STI, Barclays Global Agg (SGD Hedged), UOB All Bond Index, FTSE EPRA/NAREIT Developed Real Estate, DJ UBS Commodity.

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index All, has been replaced by Markit iBoxx ALBI Singapore Government Index.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
AIM 2035 Fund	7.40%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

Global equities rebounded strongly during 1H2019 from a weak 4Q2018, despite heightened volatility in May due to concerns over the US-China trade conflict. Stock markets were supported by increasingly accommodative central banks and hopes of progress in trade tensions by the end of June.

US equities led gains with the S&P 500 achieving a new record high while Europe also advanced. Japan lagged as compared to the other developed markets on the back of a stronger yen. Elsewhere, Asian and emerging markets also recorded strong returns.

In fixed income, bond yields continued to fall on the back of a more supportive policy environment. US 10-year Treasury yields fell 68 bps to 2.0% as at end-June, while 10-year Bund yields were 57 bps lower and fell below zero for the first time since October 2016.

Corporate bonds outperformed government bonds, with investment grade outpacing high yield. Emerging market bonds made good returns across the board while local currency bonds did particularly well, benefiting from USD weakness.

AIM 2035 Fund

Commodities registered a positive return, led by energy and precious metal. In the currency space, the SGD strengthened against most major currencies but weakened against the JPY.

Market outlook

Looking ahead, major equity markets look to be supported by ample liquidity. However, cyclical risks remain elevated with global trade data remaining soft while trade tensions could weigh in coming months, even if there seems to be a trade truce for the moment. Rising volatility is a risk factor with ongoing political and policy uncertainty.

In this environment, we maintain a neutral view on global equities as we await more clarity on the cyclical picture, and prefer defensive sectors that provide downside protection during periods of market stress. Our regional preferences within equities remain unchanged – we favour the high quality US market as well as the higher growth and attractively valued Asian / emerging markets.

We continue to like carry strategies such as credit because they benefit from low interest rates with more contained levels of cyclical risk. We remain positive on duration over a 6-12 month view given our expectation of slower growth. Meanwhile, we are broadly neutral on Gold and are looking to add on any weakness. In this maturing economic cycle environment, the need for active asset allocation and risk management becomes ever more important.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

	Expense ratio	Turnover ratio
As of 30 June 2019	1.23%	27.83%
As of 30 June 2018	1.24%	23.72%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Bonds	7.43	31.63
Equities	14.96	63.66
Alternatives	0.94	3.97
Cash & Others	0.17	0.74
Total	23.50	100.00

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	825,339
Redemptions	(1,141,583)

EXPOSURE TO DERIVATIVES

	Market Value S$	% of Net Asset Value	Realised Gains/(Losses) S$	Unrealised Gains/(Losses) S$
Forwards	56,847	0.24	42,108	56,847
Futures	(316)	<0.01	4,198	(316)

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Schroder ISF Asian Opportunities	5.03	21.40
Schroder ISF Global Equity	5.01	21.33
Singapore Bond Fund	2.34	9.98
Singapore Equity Fund	2.17	9.25
Schroder ISF Global Corporate Bond	1.96	8.35
Schroder ISF Emerging Markets	1.56	6.62
Schroder ISF Global Smaller Companies	1.19	5.06
Schroder ISF Global Inflation Linked Bond	1.16	4.95
Schroder ISF Global Bond	1.01	4.31
Schroder Asian Investment Grade Credit	0.95	4.06
SPDR Gold Shares	0.50	2.11
Schroder Alt Solutions Commodity	0.44	1.86

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$113,068.

Fullerton is the Sub-Investment Manager of the Singapore Bond Fund and Singapore Equity Fund, which the sub-fund invests into. During the financial period ended 30 June 2019, they managed S$3,167,727, equivalent to 13.48% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

The Manager and Sub-Investment Manager did not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager and Sub-Investment Manager also did not receive soft dollars for the sub-fund.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these subfunds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Schroder

Schroder has in place policies and procedures to mitigate conflicts of interests which may arise in the management of clients' accounts. Schroder believes that these policies and procedures are reasonably designed to ensure that clients are treated fairly and material conflicts of interest are either avoided or are managed to avoid damage to a client's interests.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

AIM 2045 Fund

INVESTMENT OBJECTIVE

To generate capital growth at a sensible risk level for investors who intend to accumulate assets for retirement or other purposes until the year 2045.

INVESTMENT SCOPE

The sub-fund intends to achieve this objective by investing in a diversified portfolio of asset classes including fixed income, equities and alternatives. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	25 September 2009
Fund Size	S$29.70 million
Initial Sales Charge	Please refer to “Fees and Charges” in section 4 of the Product Summary for ILP.
Annual Management Fee	1.0% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA)
CPFIS Risk Classification	Higher Risk, Broadly Diversified
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Manager	Schroder Investment Management (Singapore) Ltd
Benchmark	Barclays Global Aggregate Index (SGD Hedged) Markit iBoxx ALBI Singapore Government Index MSCI AC Asia ex Japan Index in Singapore Dollars MSCI AC World Index in Singapore Dollars FTSE Straits Times Index (FTSE STI) DJ UBS Commodity hedged to Singapore Dollars Gold Spot hedged to Singapore Dollars
Structure	Single Fund

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index All, has been replaced by Markit iBoxx ALBI Singapore Government Index.

TOP 10 HOLDINGS

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Schroder ISF Global Equity	6.89	23.21	Schroder ISF Global Equity	6.79	24.42
Schroder ISF Asian Opportunities	6.84	23.03	Schroder ISF Asian Opportunities	6.60	23.73
Singapore Equity Fund	3.05	10.27	Singapore Equity Fund	2.97	10.69
Schroder ISF Emerging Markets	2.97	10.01	Schroder ISF Emerging Markets	2.25	8.10
Schroder ISF Global Corporate Bond	2.34	7.87	Schroder ISF Global Smaller Companies	1.88	6.76
Singapore Bond Fund	1.79	6.04	Schroder ISF Global Corporate Bond	1.31	4.73
Schroder ISF Global Smaller Companies	1.76	5.91	Schroder Asian Investment Grade Credit	1.31	4.73
Schroder Asian Investment Grade Credit	1.12	3.78	Schroder Alt Solutions Commodity	1.13	4.07
Schroder ISF Global Inflation Linked Bond	0.80	2.70	Schroder ISF Global Inflation Linked Bond	0.80	2.88
SPDR Gold Shares	0.61	2.06	Singapore Bond Fund	0.73	2.62

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

The sub-fund is managed by NTUC Income Insurance Co-operative Limited and sub-managed by Schroder Investment Management (Singapore) Ltd.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today’s digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

AIM 2045 Fund

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Schroder Investment Management (Singapore) Ltd

Schroder Investment Management (Singapore) Ltd was incorporated in Singapore and has been managing collective investment schemes and discretionary funds since 1992.

Schroder is a leading global asset management company, whose history dates back over 200 years. The group's holding company, Schroders Plc is and has been listed on the London Stock Exchange since 1959. Assets under management totalled £444.4 billion (as of 30 June 2019).

Schroders' aim is to apply their specialist asset management skills in serving the needs of their clients worldwide. With one of the largest networks of offices of any dedicated asset management company, and over 430 investment professionals covering the world's investment markets, they offer their clients a comprehensive range of products and services.

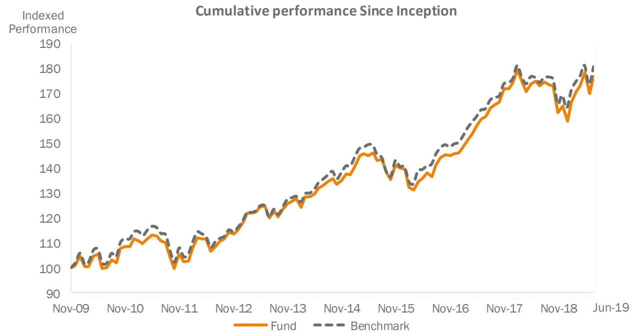
This sub-fund invests into the Singapore Bond Fund which is managed by Income and the sub-managed by Fullerton. Further information on Singapore Bond Fund is available on our website www.income.com.sg/fund/coopprices.asp

Fullerton Fund Management Company Ltd (Fullerton)

Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
AIM 2045 Fund	4.21%	2.27%	11.34%	2.40%
Benchmark	4.05%	2.08%	10.05%	3.59%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
AIM 2045 Fund	9.07%	5.85%	N.A.	6.08%
Benchmark	8.47%	5.90%	N.A.	6.30%



Changes to benchmarks during the life of the sub-fund: Since 31 May 2011 to 31 May 2017 - MSCI AC World, MSCI AC Asia Ex Japan, FTSE STI, Barclays Global Agg (SGD Hedged), UOB All Bond Index, FTSE EPRA/NAREIT Developed Real Estate, DJ UBS Commodity, Gold Spot (SGD Hedged); Since inception to 31 May 2011 - MSCI AC World, MSCI AC Asia Ex Japan, FTSE STI, Barclays Global Agg (SGD Hedged), UOB All Bond Index, FTSE EPRA/NAREIT Developed Real Estate, DJ UBS Commodity.

With effect from 31 May 2017, one of the benchmark constituents, UOB Singapore Government Bond Index All, has been replaced by Markit iBoxx ALBI Singapore Government Index.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
AIM 2045 Fund	8.19%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

Global equities rebounded strongly during 1H2019 from a weak 4Q2018, despite heightened volatility in May due to concerns over the US-China trade conflict. Stock markets were supported by increasingly accommodative central banks and hopes of progress in trade tensions by the end of June.

US equities led gains with the S&P 500 achieving a new record high while Europe also advanced. Japan lagged as compared to the other developed markets on the back of a stronger yen. Elsewhere, Asian and emerging markets also recorded strong returns.

In fixed income, bond yields continued to fall on the back of a more supportive policy environment. US 10-year Treasury yields fell 68 bps to 2.0% as at end-June, while 10-year Bund yields were 57 bps lower and fell below zero for the first time since October 2016.

Corporate bonds outperformed government bonds, with investment grade outpacing high yield. Emerging market bonds made good returns across the board while local currency bonds did particularly well, benefiting from USD weakness.

Commodities registered a positive return, led by energy and precious metal. In the currency space, the SGD strengthened against most major currencies but weakened against the JPY.

Market outlook

Looking ahead, major equity markets look to be supported by ample liquidity. However, cyclical risks remain elevated with global trade data remaining soft while trade tensions could weigh in coming months, even if there seems to be a trade truce for the moment. Rising volatility is a risk factor with ongoing political and policy uncertainty.

In this environment, we maintain a neutral view on global equities as we await more clarity on the cyclical picture, and prefer defensive sectors that provide downside protection during periods of market stress. Our regional preferences within equities remain unchanged – we favour the high quality US market as well as the higher growth and attractively valued Asian / emerging markets.

We continue to like carry strategies such as credit because they benefit from low interest rates with more contained levels of cyclical risk. We remain positive on duration over a 6-12 month view given our expectation of slower growth. Meanwhile, we are broadly neutral on Gold and are looking to add on any weakness. In this maturing economic cycle environment, the need for active asset allocation and risk management becomes ever more important.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

	Expense ratio	Turnover ratio
As of 30 June 2019	1.25%	29.36%
As of 30 June 2018	1.24%	18.58%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Bonds	6.59	22.18
Equities	21.51	72.43
Alternatives	1.12	3.78
Cash & Others	0.48	1.61
Total	29.70	100.00

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	1,705,998
Redemptions	(2,206,403)

EXPOSURE TO DERIVATIVES

	Market Value S$	% of Net Asset Value	Realised Gains/(Losses) S$	Unrealised Gains/(Losses) S$
Forwards	64,049	0.22	27,924	64,049
Futures	(379)	<0.01	4,198	(379)

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Schroder ISF Global Equity	6.89	23.21
Schroder ISF Asian Opportunities	6.84	23.03
Singapore Equity Fund	3.05	10.27
Schroder ISF Emerging Markets	2.97	10.01
Schroder ISF Global Corporate Bond	2.34	7.87
Singapore Bond Fund	1.79	6.04
Schroder ISF Global Smaller Companies	1.76	5.91
Schroder Asian Investment Grade Credit	1.12	3.78
Schroder ISF Global Inflation Linked Bond	0.80	2.70
SPDR Gold Shares	0.61	2.06
Schroder ISF Global Bond	0.53	1.79
Schroder Alt Solutions Commodity	0.51	1.72

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$143,089.

Fullerton is the Sub-Investment Manager of the Singapore Bond Fund and Singapore Equity Fund, which the sub-fund invests into. During the financial period ended 30 June 2019, they managed S$2,947,624, equivalent to 9.92% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

The Manager and Sub-Investment Manager did not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager and Sub-Investment Manager also did not receive soft dollars for the sub-fund.

AIM 2045 Fund

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal withcompeting or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Schroder

Schroder has in place policies and procedures to mitigate conflicts of interests which may arise in the management of clients' accounts. Schroder believes that these policies and procedures are reasonably designed to ensure that clients are treated fairly and material conflicts of interest are either avoided or are managed to avoid damage to a client's interests.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Money Market Fund

INVESTMENT OBJECTIVE

To achieve a return that is better than short-term cash deposits while maintaining liquidity and security of capital.

INVESTMENT SCOPE

This sub-fund invests mainly in good quality money market instruments and short-term bonds which include bank deposits, government and statutory board securities, certificates of deposit and corporate bonds. Non-SGD denominated investments, if any, will be hedged to SGD. The sub-fund may be suitable for investors seeking for yield enhancement to their SGD deposit. Do note that the purchase of a unit in the money market fund is not the same as placing funds on deposit with a bank or deposit-taking financial institution. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	1 May 2006
Fund Size	S$13.28 million
Initial Sales Charge	Please refer to “Fees and Charges” in section 4 of the Product Summary for ILP.
Annual Management Fee	0.25% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	N.A.
CPFIS Risk Classification	N.A.
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Manager	Fullerton Fund Management Company Ltd
Benchmark	Singapore 3-month Interbank Bid Rate
Structure	Single Fund

TOP 10 HOLDINGS

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
SingTel Group 3.4875% 080420	1.27	9.56	Singapore Government Bonds 4% 010918	2.03	13.47
Bank of China/SG Bchina 2.75% 300619	1.27	9.54	Monetary Authority of Singapore Bills 060718	1.50	9.93
Chn Const BK/SG 2.08% 261020	1.25	9.40	SingTel Group 3.4875% 080420	1.28	8.50
Temasek FINL I 3.265% 190220	1.02	7.68	Public Utilities Board 3.9% 310818	1.27	8.41
Singapore Government Bonds 1.625% 011019	1.00	7.56	SP PowerAssets 4.84% 221018	1.26	8.35
Monetary Authority of Singapore Bills 051119	0.99	7.48	National University of Singapore 1.708% 130219	1.25	8.31
SP PowerAssets 4.665% 180820	0.78	5.89	Korea Dev Bank 2.65% 031218	1.00	6.65
Monetary Authority of Singapore Bills 230819	0.70	5.26	Singapore Government Bonds 1.625% 011019	1.00	6.63
Mizuho Bank Ltd 2.455% 141119	0.50	3.78	Bank of China/SG Bchina 2.75% 300619	1.00	6.63
Mizuho Bank Ltd 2.01% 281019	0.50	3.77	Mizuho Bank Ltd 2.77% 150319	0.76	5.03

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. Fullerton Fund Management Company Ltd is the Sub-Investment Manager of the sub-fund.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today’s digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Money Market Fund

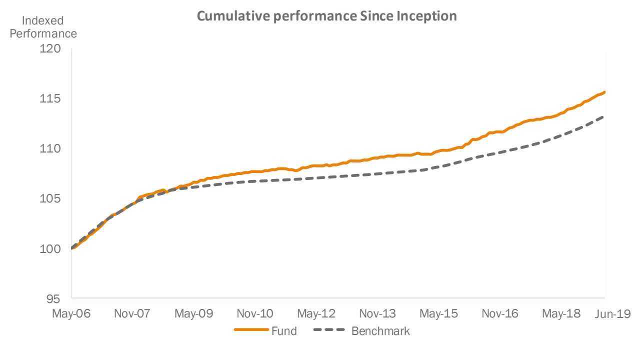
Fullerton Fund Management Company Ltd (Fullerton)

Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Money Market Fund	0.17%	0.42%	0.85%	1.79%
Benchmark	0.15%	0.46%	0.90%	1.65%

	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Money Market Fund	1.32%	1.13%	0.82%	1.11%
Benchmark	1.21%	1.02%	0.65%	0.95%



The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Money Market Fund	0.25%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

Bond markets rallied in the first six months of 2019, supported by dovish central bank policies.

The escalation in US-China trade tensions in May led to a temporary halt in the bond market rally, but the rally resumed on the back of market chatter that the US Federal Reserve and European Central Bank would adopt a more dovish policy stance. The US-China trade truce and the potential restart of bilateral trade negotiations between the two nations, further supported sentiment. Overall, US Treasuries rallied strongly in the first six months of 2019. The benchmark 10-year US Treasury yield declined sharply by 68bps over the six-month period and ended June at 2.0%.

The Singapore economy was lacklustre in the first six months of 2019. Singapore's 2Q2019 gross domestic product registered a tepid 0.1% yoy growth, and shrank by 3.4% qoq, as compared to the first quarter. Non-oil domestic exports declined 17.3% yoy in the second quarter on shrinking exports in the electronics sector; this was a result of the supply chain disruptions arising from the trade disputes and a cyclical downturn in the sector.

Singapore's headline consumer price index inflation moderated to 0.6% yoy in June, led by lower private road transport inflation; Monetary Authority of Singapore's core inflation (which excludes private road transport and accommodation costs) eased to 1.2% yoy in June.

Market Outlook

Looking ahead, we believe the US-China trade truce will provide some respite to investors in the near term and risk assets should remain well-supported. That said, the overhang from uncertainties over protracted trade negotiations would continue to weigh on global capex activities, corporate spirits and consumer sentiment.

Rising downside risk to global growth should in turn be mitigated by the willingness of central banks to ease in response to any economic weaknesses, which should allay investor concerns. More accommodative central bank policies would also continue to anchor bond yields, increasing the relative attractiveness of spread sectors.

Over in Singapore, with contained inflation, weak growth and growing external risks stemming from US-China trade conflict, the odds of an easing in the upcoming October monetary policy meeting have risen. On the portfolio's strategy, we continue to actively re-invest maturing proceeds in a combination of Singapore government bonds and short-dated SGD denominated bonds. We continue to favour allocation to SGD corporate bonds vis-à-vis SGD agencies.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

Money Market Fund

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

	Expense ratio	Turnover ratio
As of 30 June 2019	0.27%	24.37%
As of 30 June 2018	0.27%	31.23%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Corporate Bonds	6.59	49.62
Government Bonds	4.69	35.31
Cash & Others	2.00	15.07
Total	13.28	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Japan	1.00	7.55
Singapore	10.28	77.38
Cash & Others	2.00	15.07
Total	13.28	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Communications	1.27	9.56
Financial	6.98	52.55
Government	2.25	16.93
Utilities	0.78	5.89
Cash & Others	2.00	15.07
Total	13.28	100.00

TERM TO MATURITY OF INVESTMENTS AS OF 30 JUNE 2019

Term to maturity	Market Value S$ (mil)	% of Net Asset Value
1-30	1.52	11.42
31-60	1.20	9.01
91-120	1.00	7.56
121-180	2.49	18.77
>180	5.07	38.17
Total	11.28	84.93

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	2.02	15.23
AA	0.78	5.90
A+	2.27	17.11
A	2.52	18.94
Not rated	3.69	27.75
Total	11.28	84.93

'Not rated' refers to debt securities which are not rated by S&P or other equivalent rating agencies, including but not limited to treasury bills, bonds issued by government, government agency, statutory board or corporate.

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	6,548,663
Redemptions	(6,989,420)

EXPOSURE TO DERIVATIVES

Nil.

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

Nil.

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$17,108.

Fullerton is the Sub-Investment Manager of the sub-fund. During the financial period ended 30 June 2019, they managed S$13,280,336, equivalent to 100% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

Fullerton

Fullerton may and intend to receive or enter into soft-dollar commissions/arrangements in our management of the portfolio. Fullerton will comply with applicable regulatory and industry standards on soft dollars. Such soft dollar commissions include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis for investments managed for clients.

Soft dollar commissions/arrangements will not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

Fullerton will not accept or enter into soft dollar commissions/arrangements unless such soft dollar commissions/arrangements would, in Fullerton's opinion, assist them in their management of the portfolio, providing that Fullerton ensures at all times that best execution is carried out for the transactions and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Fullerton

Fullerton is of the view that there are no conflicts of interests in managing the portfolio. Under the conditions of its license, Fullerton is required to conduct its business in a manner so as to avoid conflicts of interests, and ensure that any conflicts of interests arising are resolved fairly and equitably. In addition, as a member of the Investment Management Association of Singapore ("IMAS"), Fullerton adopts the principles and standards of investment conduct, which includes ensuring fair allocation, as set out in the IMAS Code of Ethics & Standards of Professional Conduct.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Asian Bond Fund

INVESTMENT OBJECTIVE

To provide a medium to long-term rate of return by investing mainly in Asian fixed income securities.

INVESTMENT SCOPE

The sub-fund intends to achieve this objective by investing all or substantially all of its assets in BlackRock Global Funds – Asian Tiger Bond Fund ("underlying fund") in A6 SGD Hedged Share Class. The underlying fund will invest at least 70% of its total assets in the fixed income transferable securities of issuers domiciled in, or exercising the predominant part of their economic activity in, Asian Tiger countries (i.e. South Korea, the People's Republic of China, Taiwan, Hong Kong, the Philippines, Thailand, Malaysia, Singapore, Vietnam, Cambodia, Laos, Myanmar, Indonesia, Macau, India and Pakistan). The underlying fund may also invest in the full spectrum of available securities, including non-investment grade. The underlying fund's exposure to contingent convertible bonds is limited to 20% of total assets.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	3 May 2016
Fund Size	S$36.78 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	1.0% p.a. which includes management fee charged by the manager of the BlackRock Global Funds – Asian Tiger Bond Fund. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	N.A.
CPFIS Risk Classification	N.A.
Fund Manager	NTUC Income Insurance Co-operative Limited
Manager of the Underlying Fund	BlackRock (Luxembourg) S.A.
Benchmark	J.P. Morgan Asia Credit Index Hedged to Singapore Dollars
Structure	Single Fund

TOP 10 HOLDINGS

Asian Bond Fund

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
BlackRock Asian Tiger Bond Fund	37.77	102.69	BlackRock Asian Tiger Bond Fund	31.93	100.74

Asian Bond Fund

BlackRock Global Funds – Asian Tiger Bond Fund ^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Indonesia Government 8.25% 150529	93.12	2.59	Adani Transmission Ltd 4% 030826	33.50	1.24
India Government 7.17% 080128	40.84	1.13	Overseas Chinese Town Asia Holding 4.3% 311249	31.87	1.18
CNAC HK SYNBR 5% 050520	40.32	1.12	Abu Dhabi (Emirate Of) 4.125% 111047	30.78	1.14
Indonesia Govt Mtn Regs 4.75% 180126	37.50	1.04	CNOOC Nexen Finance 2014 ULC 4.25% 300424	30.23	1.12
Hutchison Whampoa Int 3.625% 103124	33.66	0.93	CNAC HK SYNBR 5% 050520	29.42	1.09
Sinopec Group Overseas Development Regs 3.25% 280425	32.96	0.92	Indonesia Govt Mtn Regs 4.75% 180747	28.87	1.07
CNOOC Nexen Finance 2014 4.25% 300424	31.94	0.89	Hutchison Whampoa Int 3.625% 103124	28.05	1.04
Overseas Chinese Town Asia Holding 4.3% 311249	31.48	0.87	1Malaysia Development Bhd 5.99% 110522	23.97	0.89
China Huadian Overseas Development 4% 311249	29.71	0.82	Minejesa Capital BV Regs 4.625% 100830	22.88	0.85
UHI Capital Ltd RegS 3% 120624	27.44	0.76	Perusahaan Penerbit SBSN Indonesia Regs 4.55% 290326	21.52	0.80

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.
^ Information extracted from the underlying BlackRock Global Funds – Asian Tiger Bond Fund A6 SGD Hedged Share Class.
Source: BlackRock (Singapore) Limited.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. BlackRock (Luxembourg) S.A. is the manager of the underlying fund.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

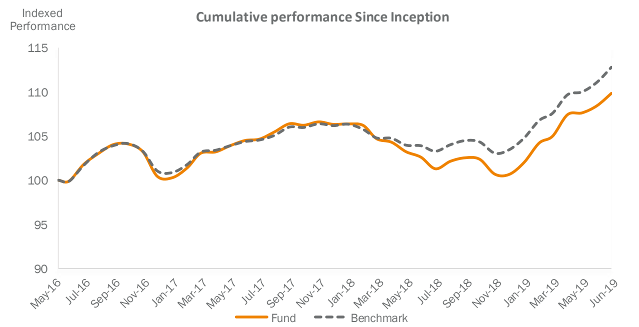
BlackRock (Luxembourg) S.A.

BlackRock (Luxembourg) S.A, is a wholly owned subsidiary within the BlackRock Group and has been managing collective investment schemes or discretionary funds since 1988. As of 30 June 2019, BlackRock Group managed approximately US$6.84 trillion in assets on behalf of investors worldwide. For additional information on BlackRock, please visit www.blackrock.com/sg.

Asian Bond Fund

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Asian Bond Fund	1.30%	2.25%	7.68%	8.45%
Benchmark	1.54%	2.85%	7.67%	9.24%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Asian Bond Fund	2.58%	N.A.	N.A.	3.04%
Benchmark	3.53%	N.A.	N.A.	3.92%



The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Asian Bond Fund	3.64%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

First half of 2019 was a period of steady rise for Asian Credit, with periods of volatility in the middle. In terms of return contribution, the main difference between the first and second quarter was that returns in Q1 were driven primarily by tighter credit spreads, while returns in Q2 were driven by lower US Treasury yields. Despite being at the forefront of trade tensions, Asia has proven more resilient than its emerging market (EM) and developed market (DM) peers, which serves as a reflection of the region's higher ratings and stickier investor base, which should continue to underpin the market.

Moving into 2019, risk assets were poised for recovery after a year of drawdowns and uncertainty that resulted in valuations that were at multi-year highs. One of the main triggering points that turned markets was the increased dovishness of the US Federal Reserve (Fed). This downshift in rate rise expectations, expected stabilisation of the USD and easing in trade escalations produced a positive backdrop for EM assets, kick starting a resumption in inflows.

In Q1, the fund outperformed the benchmark. Most of this outperformance was from credit, with some from duration positioning. Under credit, our overweight in China high yield (HY) property, security selection in China HY industrials and overweight in China secondary state-owned enterprises outperformed the benchmark, along with the off-benchmark position in China convertible bonds. Many of these sectors rallied this quarter due to the broad market recovery driven by positive investor sentiment. Security selection within the Indian bank senior sector also was a positive contributor to active returns. In addition, our tactical off-benchmark positions in the Middle East i.e. Saudi sovereigns and an A-rated Qatar financial added to returns. Elsewhere, security selection in India HY detracted from returns. In addition, our underweight positions in Hong Kong, Philippine and South Korean IG bonds detracted from returns.

We benefited from our long USD duration position given the fall in US Treasury yields this year. Our off benchmark position in IDR government bonds added to alpha as the bonds have been well-supported by demand this year. Our positions in INR government bonds detracted because of unfavourable technicals.

In Q2, the fund underperformed the benchmark, with most of the underperformance due to credit positioning. Duration positioning, on the other hand, was accretive to returns. Under credit, India and China were the largest detractors to returns because of idiosyncratic issues in some credit holdings. On the other hand, our overweight position in APAC DM sub debt and Asian local currency bonds added to returns.

In the local currency space, our positions in Indian and Indonesian local currency bonds have added to returns. These have been supported by the dovish tilt in both countries' central banks. The Reserve Bank of India has cut rates by 25bps thrice this year and we expect one more 25bps cut in August. Bank Indonesia is expected to cut rates by 75bps this year. After the win of the incumbent party in both countries' elections, capital inflows increased because of the resultant boost in investor sentiment.

Market Outlook

Asian risk assets were rebounding this year as the US-China trade talks appeared headed in the right direction, the Fed turned more dovish and the US dollar stopped its breakneck appreciation. In 2018, rising interest rates and a stronger dollar weighed on performance in most EM despite hefty prospects for economic growth and corporate earnings. The stronger greenback tightened global financial conditions, hurting US dollar debtors the hardest. Other drivers of Asian assets were China's pause on financial deleveraging and the strong fiscal stimulus to shore up the economy and alleviate negatives from the US tariffs.

The collapse of the US-China trade talks spurred a run-up in US Treasuries and a modest appreciation of the US dollar as investors sought higher quality assets at the expense of riskier ones. This reversed part of this year's gains in EM assets.

We see rising geopolitical tensions surpassing Fed policy as the lead driver of global financial markets near term. The flop in US-China trade talks and posturing on key technologies of the future evidenced the deeper-than-trade gap that separates the world's two largest economies.

Asian Bond Fund

Tough rhetoric from both the U.S. and China, tit-for-tat tariffs and tensions over U.S. restrictions on Chinese tech signal an economic conflict that will be difficult to meaningfully resolve —temporary trade truces notwithstanding. We see tensions between the U.S. and China as structural and long-lasting, with economic and security interests increasingly intertwined. Market attention to the U.S.-China competition has been rising, as the countries compete to dominate the industries of the future.

Trade tensions have already caused global growth to slow and we expect further fallout that may weaken domestic spending. Yet central banks have been quick to pivot to more dovish policy stances. European Central Bank (ECB) President Mario Draghi declared that the persistent stretch of low inflation in the post-crisis period means that more action is needed to reinforce the central bank's credibility in getting inflation higher. Draghi looks set to commit the central bank to more stimulus in his final months in office before a successor takes the reins in November. We expect ECB measures in the form of both deeper negative interest rates and more quantitative easing as a result. The Fed too now looks ready to trim rates as insurance against any slowdown. These indicate their readiness to provide more stimulus to reduce downside risks, even though it is not clear that monetary policy stimulus can effectively offset the protectionist push. We expect US growth to cool to around trend-like levels just below a 2% annual rate. The Eurozone is steadying after last year's abrupt slowdown, in part caused by China.

Economic activity in China has faltered on the back of an escalation in trade tensions, and we see limited near-term upside in growth. Policy stimulus is likely to help offset any trade shocks but not deliver a meaningful growth boost. Nevertheless, we expect Chinese policymakers to revert to trusted tools such as infrastructure spending and other fiscal stimulus to counter the slowdown. We see significant monetary easing or a sharp currency depreciation as unlikely. This would run counter to Beijing's prime objective to maintain financial stability and prevent a rerun of the destabilising capital outflows seen in 2015-2016.

The plunge in bond yields, including 10-year German bunds trading at record low negative levels, is creating more challenges for investors in an already yield-starved world. About half of DM bonds currently yields less than 1%, with more than a quarter in negative territory. This creates a reach-for-yield scenario, with investors hungry for high quality assets that also provide a yield pickup against DM bonds. Therefore, we believe Asian credit retains its attractiveness as a core allocation to portfolios, providing income at low volatility levels.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

Asian Bond Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	1.25%	77.44%
As of 30 June 2018	1.28%	21.72%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

BlackRock Global Funds – Asian Tiger Bond Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	1.22%	128.16%
As of 30 June 2018	1.22%	150.15%

Expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Government Related	17.94	48.80
Corporates	16.96	46.10
Cash & Others	1.88	5.10
Total	36.78	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
China	17.88	48.60
Hong Kong	1.46	3.97
India	3.35	9.12
Indonesia	5.32	14.46
Malaysia	0.68	1.85
South Korea	1.31	3.56
Sri Lanka	0.56	1.53
Taiwan	0.47	1.28
United States	0.95	2.59
Others	2.92	7.94
Cash and Derivatives	1.88	5.10
Total	36.78	100.00

Asian Bond Fund

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Agency	10.96	29.80
Local Authority	0.66	1.80
Sovereign	3.27	8.90
Government	3.05	8.30
Basic Industry	1.07	2.90
Capital Goods	0.30	0.80
Communications	0.30	0.80
Consumer Cyclical	4.78	13.00
Consumer Non-Cyclical	0.18	0.50
Energy	0.55	1.50
Technology	0.66	1.80
Transportation	0.88	2.40
Industrial Other	1.62	4.40
Electric	1.62	4.40
Banking	1.74	4.70
Brokerage/Asset Managers	0.07	0.20
Finance Companies	0.18	0.50
Insurance	0.77	2.10
REITs	0.88	2.40
Financial Other	1.36	3.70
Cash and Derivatives	1.88	5.10
Total	36.78	100.00

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	0.95	2.59
AA	0.38	1.04
A	8.80	23.91
BBB	16.20	44.04
BB	2.73	7.43
B	5.36	14.57
CCC	0.25	0.68
CC	0.11	0.29
D	0.03	0.09
Not rated	0.09	0.26
Total	34.90	94.90

'Not rated' refers to debt securities which are not rated by S&P or other equivalent rating agencies, including but not limited to treasury bills, bonds issued by government, government agency, statutory board or corporate.

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	22,559,030
Redemptions	(18,800,434)

EXPOSURE TO DERIVATIVES

Nil.

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
BlackRock Asian Tiger Bond Fund	37.77	102.69

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$166,495.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager did not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also did not receive soft dollars for the sub-fund.

BlackRock

Pursuant to EU Directive 2014/65/EU on markets in financial instruments referred to as "MiFID II", the BlackRock group (including the investment manager of the Underlying Fund) ("BlackRock Group") will no longer pay for external research via client trading commissions for its MiFID II-impacted funds ("MIFID II-impacted funds").

The BlackRock Group shall meet such research costs out of its own resources. MiFID II-impacted funds are those which have appointed a BlackRock Group MiFID firm as investment adviser or where investment management has been delegated by such firm to an overseas affiliate.

Funds which have directly appointed an overseas affiliate of the BlackRock Group within a third country (i.e. outside the European Union) to perform portfolio management are not in-scope for the purposes of MiFID II and will be subject to the local laws and market practices governing external research in the applicable jurisdiction of the relevant affiliate. This means that costs of external research may continue to be met out of the assets of such funds. A list of such funds is available on request from the Management Company of the Underlying Fund.

Where investments are made in non-BlackRock Group funds, they will continue to be subject to the external manager's approach to paying for external research in each case. This approach may be different from that of the BlackRock Group and may include the collection of a research charge alongside trading commissions in accordance with applicable laws and 67 market practice. This means that the costs of external research may continue to be met out of the assets within the fund.

Where permitted by applicable regulation (excluding, for the avoidance of doubt, any Funds which are in scope for MiFID II), BlackRock Group companies acting as investment adviser to the Funds may accept commissions generated when trading equities with certain brokers in certain jurisdictions. Commissions may be reallocated to purchase eligible research services. Such arrangements may benefit one Fund over another because research can be used for a broader range of clients than just those whose trading funded it. The BlackRock Group has a Use of Commissions Policy designed to ensure only eligible services are purchased and excess commissions are reallocated to an eligible service provider where appropriate.

To the extent that investment advisers within the BlackRock Group are permitted to receive trading commissions or soft dollar commissions, with respect to the Funds (or portion of a Fund) for which they provide investment management and advice, they may select brokers (including, without limitation, brokers who are affiliated with the BlackRock Group or PNC

Group) that furnish the BlackRock Group, directly or through third-party or correspondent relationships, with research or execution services which provide, in the BlackRock Group's view, lawful and appropriate assistance to each applicable BlackRock Group company in the investment decision-making or trade execution processes and the nature of which is that their provision can reasonably be expected to benefit the Fund as a whole and may contribute to an improvement in the Funds' performance. Such research or execution services may include, without limitation and to the extent permitted by applicable law: research reports on companies, industries and securities; economic and financial information and analysis; and quantitative analytical software. Research or execution services obtained in this manner may be used in servicing not only the account from which commissions were used to pay for the services, but also BlackRock Group client accounts. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods and services, general office equipment, computer hardware or premises, membership fees, employee salaries or direct money payments. To the extent that the BlackRock Group uses its clients' commission dollars to obtain research or execution services, the BlackRock Group companies will not have to pay for those products and services themselves. The BlackRock Group companies may receive research or execution services that are bundled with the trade execution, clearing and/or settlement services provided by a particular broker-dealer. To the extent that each BlackRock Group company receives research or execution services on this basis, many of the same potential conflicts related to receipt of these services through third party arrangements exist. For example, the research effectively will be paid by client commissions that also will be used to pay for the execution, clearing and settlement services provided by the broker-dealer and will not be paid by that BlackRock Group company.

Each BlackRock Group company may endeavour, subject to best execution, to execute trades through brokers who, pursuant to such arrangements, provide research or execution services in order to ensure the continued receipt of research or execution services that the BlackRock Group company believes are useful in their investment decision-making or trade execution process.

Each BlackRock Group company may pay, or be deemed to have paid, commission rates higher than it could have otherwise paid in order to obtain research or execution services if that BlackRock Group company determines in good faith that the commission paid is reasonable in relation to the value of the research or execution services provided. The BlackRock Group believes that using commission dollars to obtain the research or execution services enhances its investment research and trading processes, thereby increasing the prospect for higher investment returns.

The BlackRock Group may from time to time choose to alter or choose not to engage in the above described arrangements to varying degrees, without notice to the BlackRock Group clients, to the extent permitted by applicable law.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

BlackRock

The Management Company of the Underlying Fund and other BlackRock Group companies undertake business for other clients. The BlackRock Group companies, their employees and their other clients face conflicts with the interests of the Management Company of the Underlying Fund and its clients. BlackRock Group maintains a Conflicts of Interest Policy. It is not always possible for the risk of detriment to a client's interests to be entirely mitigated such that, on every transaction when acting for clients, a risk of detriment to their interests does not remain. The types of conflict scenario giving rise to risks which the sub investment manager considers it cannot with reasonable confidence mitigate are disclosed in the Luxembourg Prospectus of the Underlying Fund. The disclosable conflict scenarios, may be updated from time to time.

Please refer to the section "Conflicts of Interest" in Appendix C of the Underlying Fund's Luxembourg Prospectus for more information.

BlackRock's Prospectus Disclosures- https://www.blackrock.com/sg/en/literature/prospectus/bgf-singapore-prospectus-sg.pdf

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Asian Income Fund

INVESTMENT OBJECTIVE

The Asian Income Fund aims to provide income and capital growth over the medium- to longer-term by investing primarily in Asian equities (including real estate investment trusts) and Asian fixed income securities.

The sub-fund currently offers a monthly distribution pay-out feature. Distributions are not guaranteed and can be made out of the income, capital gains and/or capital of the sub-fund.

INVESTMENT SCOPE

The sub-fund intends to achieve this objective by investing all or substantially all of its assets in Schroder International Opportunities Portfolio – Schroder Asian Income (“underlying fund”), in Class X Distribution, which is managed by Schroder Investment Management (Singapore) Ltd. The underlying fund will seek to achieve the investment objective primarily through investment in a portfolio of equity securities of Asian companies which offer attractive yields and sustainable dividend payments, and fixed income securities and other fixed or floating rate securities, of investment grade or below investment grade (at the time of or subsequent to acquisition), issued by governments, government agencies, supra-national and corporate issuers in Asia which offer attractive yields. The underlying fund may substantially invest in fixed income securities and debt securities which are below investment grade or unrated.

The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	12 May 2014
Fund Size	S$839.37 million
Initial Sales Charge	Please refer to “Fees and Charges” in section 4 of the Product Summary for ILP.
Annual Management Fee	1.25% p.a., which includes management fee charged by the investment manager of the Schroder Asian Income Fund. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point in time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	N.A.
CPFIS Risk Classification	N.A.
Fund Manager	NTUC Income Insurance Co-operative Limited
Manager of the Underlying Fund	Schroder Investment Management (Singapore) Ltd
Benchmark	The Asian Income Fund is neither constrained to nor is it targeting any specific benchmark. However, as an indication of the performance of such a strategy, investors can consider the performance of a reference benchmark comprising 50% MSCI AC Asia Pacific ex Japan Net and 50% JP Morgan Asia Credit Index.
Structure	Single Fund

TOP 10 HOLDINGS

Asian Income Fund

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Schroder International Opportunities Portfolio – Schroder Asian Income	837.37	99.76	Schroder International Opportunities Portfolio – Schroder Asian Income	655.66	100.11

Asian Income Fund

Schroder International Opportunities Portfolio - Schroder Asian Income ^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Link REIT	102.03	2.09	HK Electric Investments & HKE	87.69	1.98
Mapletree Commercial Trust REIT	99.59	2.04	Link REIT	77.06	1.74
Mapletree North Asia Commercial Trust REIT	99.10	2.03	Mapletree North Asia Commercial Trust REIT	75.29	1.70
Ascendas Real Estate Investment Trust	97.64	2.00	Ascendas Real Estate Investment Trust	72.19	1.63
CapitaLand Commercial Trust REIT	93.73	1.92	CapitaLand Commercial Trust REIT	72.19	1.63
HK Electric Investments	92.75	1.90	China Mobile Ltd	71.30	1.61
Fortune REIT	82.50	1.69	Fortune REIT	71.30	1.61
China Mobile Ltd	82.01	1.68	Mapletree Commercial Trust REIT	70.86	1.60
Mapletree Industrial Trust REIT	82.01	1.68	Mapletree Industrial Trust REIT	70.86	1.60
National Australia Bank Limited	79.08	1.62	China Construction Bank	69.09	1.56

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.
^ Information extracted from the underlying Schroder International Opportunities Portfolio – Schroder Asian Income.
Source: Schroder Investment Manager (Singapore) Ltd.

FUND MANAGER

NTUC Income Co-operative Limited is the Investment Manager of the sub-fund. Schroder Investment Management (Singapore) Ltd is the manager of the underlying fund.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Schroder Investment Management (Singapore) Ltd

Schroder Investment Management (Singapore) Ltd is the manager of the underlying fund, Schroder Asian Income Fund and it is part of the Schroder group ("Schroders"). Schroder Investment Management (Singapore) Ltd was incorporated in Singapore and has been managing collective investment schemes and discretionary funds since 1992.

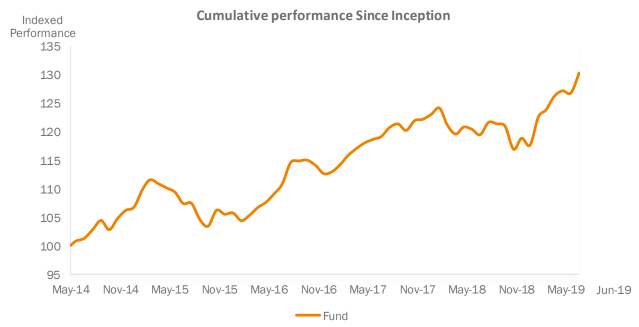
Schroders is a leading global asset management company, whose history dates back over 200 years. The group's holding company, Schroders Plc is and has been listed on the London Stock Exchange since 1959. Assets under management totalled £444.4 billion (as of 30 June 2019).

Schroders' aim is to apply their specialist asset management skills in serving the needs of their clients worldwide. With one of the largest networks of offices of any dedicated asset management company, and over 430 investment professionals covering the world's investment markets, they offer their clients a comprehensive range of products and services.

Asian Income Fund

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Asian Income Fund	2.76%	3.22%	10.78%	9.08%
Benchmark	N.A.	N.A.	N.A.	N.A.
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Asian Income Fund	5.54%	5.18%	N.A.	5.28%
Benchmark	N.A.	N.A.	N.A.	N.A.



The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Asian Income Fund	5.12%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

Asia ex-Japan equities rallied during the first half of 2019, as fears over the China-US trade dispute eased and major central banks grew more accommodative. Both Asian USD credit and local currency bonds recorded gains, with high-yield bonds outperforming.

Against this backdrop, the fund delivered strong returns over the period. An overweight in equities contributed positively, as it outperformed both the broad equity market, as well as fixed income. Stock selection, such as the positions in REITs and utilities, were positive contributors, including a Thai power provider which rose on the back of better than expected earnings and growth prospects. An underweight in China detracted value, as the market rebounded in the first quarter on optimism of a trade deal and hopes of further stimulus measures. The fixed income portfolio also recorded positive gains, and performed in line against the broad market. Our exposure to emerging markets added value, as did our allocation to short-dated paper within the Chinese property developer sector.

Market Outlook

Looking ahead, we remain constructive on equities over the medium-term. We believe the current backdrop of ample liquidity and the improvement in sentiment is likely to see risky assets grind higher from here. Trade tensions between the US and China seem to have improved after the two countries agreed to a truce and will resume trade negotiations.

We remain focused on selective areas of longer-term secular growth that offer attractive valuation opportunities and less exposed to export risk. Within our portfolio, the vast majority of exposure is to domestic businesses with little or no export exposure to the US. In particular, our allocation to REITs and defensive sectors continue to offer some stability amid the heightened volatility.

In addition, as interest rate expectations have moderated, the attraction of growing dividend yields has become more apparent again. We continue to see attractive value in names where management is taking a more progressive attitude to dividend payouts given improving free cash flows and better capital discipline across the region.

Many of the issuers in the Asian USD credit universe tend to be domestically focused and hence should continue to perform well, as long as the economies are still reasonably positive and consumer spending is not severely affected.

We continue to adopt a highly selective approach to investing given a dimmer outlook on growth fundamentals in the region, with the continued uncertainty over US-China trade war remaining an ‘overhang’ on the macro outlook.

RISKS

Income’s ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income’s ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

Asian Income Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	1.46%	9.50%
As of 30 June 2018	1.45%	8.34%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Schroder International Opportunities Portfolio - Schroder Asian Income

	Expense ratio	Turnover ratio
As of 30 June 2019	1.44%	31.43%
As of 30 June 2018	1.46%	23.94%

Expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Equity	456.62	54.40
Fixed Income	284.04	33.84
Other Asset Classes	36.01	4.29
Cash	62.70	7.47
Total	839.37	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Australia	113.82	13.56
China	183.07	21.81
Global	36.01	4.29
Hong Kong	155.28	18.50
India	29.88	3.56
Indonesia	37.10	4.42
Japan	4.78	0.57
Singapore	111.64	13.30
South Korea	12.59	1.50
Taiwan	12.42	1.48
Thailand	33.07	3.94
Others	47.01	5.60
Cash & Others	62.70	7.47
Total	839.37	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Financials	394.67	47.02
Utilities	86.37	10.29
Telecommunications	64.63	7.70
Energy	45.16	5.38
Global	36.01	4.29
Consumer Discretionary	32.57	3.88
Government	32.48	3.87
Industrial	27.78	3.31
Basic Materials	17.21	2.05
Consumer Staples	14.02	1.67
Technology	11.00	1.31
Diversified	7.22	0.86
Others	10.32	1.23
Hedges	-2.77	-0.33
Cash & Cash Equivalents	62.70	7.47
Total	839.37	100.00

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	3.41	0.41
AA	4.16	0.50
A	59.85	7.13
BBB	112.13	13.36
BB	24.11	2.87
B	33.33	3.97
Not rated	47.05	5.60
Total	284.04	33.84

'Not rated' refers to debt securities which are not rated by S&P or other equivalent rating agencies, including but not limited to treasury bills, bonds issued by government, government agency, statutory board or corporate.

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	121,576,506
Redemptions	(42,030,190)

EXPOSURE TO DERIVATIVES

Nil.

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Schroder International Opportunities Portfolio – Schroder Asian Income	837.37	99.76

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$4,730,305.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager did not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also did not receive soft dollars for the sub-fund.

Schroder

In the management of the underlying Fund, Schroder may accept soft dollar commissions from, or enter into soft dollar arrangement with, stockbrokers who execute trades on behalf of the underlying Fund and the soft dollars received are restricted to the following kinds of services:

i. Research, analysis or price information, including computer or other information facilities;
ii. Performance measurement;
iii. Portfolio valuations; and
iv. Administration services.

Schroder may not receive or enter into soft dollar commissions or arrangements unless (a) such soft dollar commissions or arrangements shall reasonably assist Schroder in their management of the underlying Fund, (b) best execution is carried out for the transactions, and (c) that no unnecessary trades are entered into in order to qualify for such soft dollar commissions or arrangements. Schroder shall not receive goods and services such as travel, accommodation and entertainment.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Schroder

The Managers and/or SIML may from time to time have to deal with competing or conflicting interests between the other funds which are managed by the Managers and/or SIML (as the case may be) with (in the case of the Managers) one or more of the Sub-Funds or (in the case of SIML) the Schroder Global Quality Bond. For example, the Managers or SIML may make a purchase or sale decision on behalf of some or all of the other funds without making the same decision on behalf of the relevant Sub-Fund(s), as a decision whether or not to make the same investment or sale for the relevant Sub-Fund(s) depends on factors such as the cash availability and portfolio balance of such Sub-Fund(s). However the Managers and SIML will each use reasonable endeavours at all times to act fairly and in the interests of the relevant Sub-Fund(s). In particular, after taking into account the availability of cash and relevant investment guidelines of the other funds and the relevant Sub-Fund(s), the Managers and/or SIML (as the case may be) will endeavour to ensure that securities bought and sold will be allocated proportionately as far as possible among the other funds and the relevant Sub-Fund(s).

The factors which the Managers and/or SIML will take into account when determining if there are any conflicts of interest as described above include the assets (including cash) of the relevant Sub-Fund(s) as well as the assets of the other funds managed by the Managers and/or SIML (as the case may be). To the extent that another fund managed by the Managers and/or SIML (as the case may be) intends to purchase substantially similar assets, the Managers and/or SIML (as the case may be) will ensure that the assets are allocated fairly and proportionately and that the interests of all investors are treated equally between the relevant Sub-Fund(s) and the other funds. Associates of the Trustee may be engaged to offer financial, banking and brokerage services to the Sub-Fund(s) or buy, hold and deal in any investments, enter into contracts or other arrangements with the Trustee and make profits from these activities. Such services, where provided, and such activities, where entered into, will be on an arm's length basis.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Global Income Fund

INVESTMENT OBJECTIVE

The Global Income Fund aims to provide income and capital growth over the medium to long-term by investing primarily in global equities and global fixed income securities directly or indirectly through the use of investment funds or financial derivative instruments (including, but not limited to, futures, options and credit default swaps).

The sub-fund currently offers a monthly distribution pay-out feature. Distributions are not guaranteed and can be made out of the income, capital gains and/or capital of the sub-fund.

INVESTMENT SCOPE

The sub-fund intends to achieve the objective by investing all or substantially all of its assets in Schroder International Selection Fund Global Multi-Asset Income ("underlying fund") in SGD Hedged A Distribution Share Class. The underlying fund invests at least two-thirds of its assets directly or indirectly through derivatives in equity and equity-related securities, fixed income securities and alternative asset classes. As the underlying fund is index-unconstrained it is managed without reference to an index.

The sub-fund is denominated in Singapore Dollars.

Further information on the exposure to alternative asset classes, can be found in Appendix III, section "Fund Details" of the underlying fund's Luxembourg Prospectus available at https://www.schroders.com/getfunddocument/?oid=1.9.116178.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	26 March 2015
Fund Size	S$85.86 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	1.25% p.a. which includes management fee charged by the investment manager of the Schroder International Selection Fund Global Multi-Asset Income. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	N.A.
CPFIS Risk Classification	N.A.
Fund Manager	NTUC Income Insurance Co-operative Limited
Investment Manager of the Underlying Fund	Schroder Investment Management Limited
Benchmark	The Global Income fund is unconstrained and therefore not managed with reference to a benchmark.
Structure	Single Fund

TOP 10 HOLDINGS

Global Income Fund

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Schroder International Selection Fund - Global Multi-Asset Income	86.56	100.82	Schroder International Selection Fund - Global Multi-Asset Income	90.64	100.26

Global Income Fund

Schroder International Selection Fund - Global Multi-Asset Income^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Bank of America Corp Perp 7.25% 311249	25.25	0.60	US Treasury Note 4.375% 150238	31.14	0.78
Wells Fargo & Co Series L Perp 7.5% 311249	24.83	0.59	US Treasury Note 4.5% 150236	31.14	0.78
Cheniere Energy Partners LP 5.625% 011026	17.25	0.41	US Treasury Note 4.5% 150538	31.14	0.78
Virgin Media Secured Finance Plc 5.5% 150529	17.25	0.41	US Treasury Note 4.75% 150237	31.14	0.78
CCO Holdings LLC 5.375% 010629	16.83	0.40	US Treasury Note 5% 150537	31.14	0.78
Sprint Capital Corporation 6.875% 151128	16.41	0.39	US Treasury Note 5.25% 151128	31.14	0.78
Starwood European Real Estate Finance Ltd	15.99	0.38	US Treasury Note 5.5% 150828	31.14	0.78
Oman Sultanate of (Government) 3.625%	14.72	0.35	US Treasury Note 6.125% 150829	31.14	0.78
Ally Financial Inc T2 5.75% 201125	14.30	0.34	US Treasury Note 6.125% 151127	31.14	0.78
Microsoft Corporation	13.88	0.33	US Treasury Note 6.25% 150530	31.14	0.78

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.
^ Information extracted from the underlying Schroder International Selection Fund - Global Multi-Asset Income.
Source: Schroder Investment Manager (Singapore) Ltd.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. The investment manager of the underlying fund is Schroder Investment Management Limited.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Schroder Investment Management Limited

The investment manager of the underlying fund is Schroder Investment Management Limited which is domiciled in the United Kingdom and has been managing collective investment schemes and discretionary funds since 1985. The management company of Schroder International Selection Fund is Schroder Investment Management (Europe) S.A. which has been managing funds since 2005.

Schroder Investment Management (Singapore) Ltd

The investment management of a portion of the fixed income portfolio of the underlying fund has been delegated by Schroder Investment Management Limited to Schroder Investment Management (Singapore) Ltd, which is incorporated in Singapore and has been managing collective investment schemes and discretionary funds since 1992.

Schroder Investment Management Limited, Schroder Investment Management (Europe) S.A and Schroder Investment Management (Singapore) Ltd are part of the Schroder group ("Schroders").

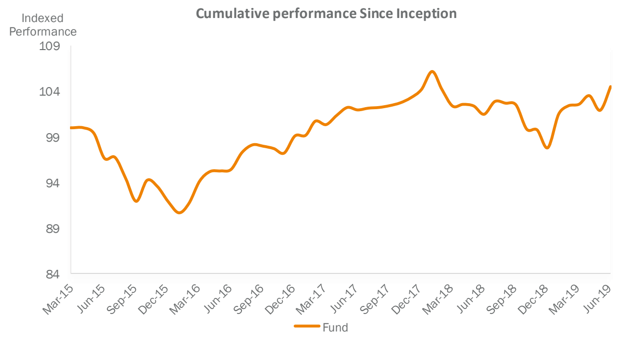
Schroders is a leading global asset management company, whose history dates back over 200 years. The group's holding company, Schroders Plc is and has been listed on the London Stock Exchange since 1959. Assets under management totalled £444.4 billion (as of 30 June 2019).

Schroders' aim is to apply their specialist asset management skills in serving the needs of their clients worldwide. With one of the largest networks of offices of any dedicated asset management company, and over 430 investment professionals covering the world's investment markets, they offer their clients a comprehensive range of products and services.

Global Income Fund

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Global Income Fund	2.56%	1.89%	6.86%	2.99%
Benchmark	N.A.	N.A.	N.A.	N.A.
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Global Income Fund	3.08%	N.A.	N.A.	1.04%
Benchmark	N.A.	N.A.	N.A.	N.A.



The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Global Income Fund	4.54%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

Over the first half of 2019, the fund returned 6.86% in SGD term. Fixed income made positive contributions across the board, with high yield bonds particularly strong following supportive central bank policy and sustained investor appetite for yield. Other contributions came from our tactical position in European investment grade held through the middle of the period, and hedging positions, with government bonds in particular able to capitalise on May's volatility. Elsewhere, our allocation to hybrids boosted performance led by convertibles which benefited from security selection and rising equity markets.

Equities also benefited from supportive policy, with our core portfolio contributing the bulk of equity returns over the period. Investor sentiment was further buoyed late in the period by signs from the G20 summit in Osaka that US-China trade tensions were thawing. European, Asian, and our newly initiated US equity sleeve were also all positive. Although equities were positive, our core portfolio underperformed MSCI ACWI as diversifying factors were unable to offset the protracted underperformance of value stocks. Value continued to lag more growth-oriented themes through the period.

Market Outlook

With positive, albeit slowing underlying economic growth and markets supported by ample liquidity, we continue to see opportunities to generate returns over the second half of the year. However, we need to recognise that, relative to the start of the year, valuations are no longer as attractive and cyclical risk is still present. As a result we are running reduced levels of risk, favouring hybrid securities and high yield debt alongside a cautious allocation to equities.

There has been a shortage of demand in the world economy since the financial crisis as households have deleveraged and China has begun to address the bad debts in its banking system. More recently this weakness has been masked by fiscal policy, but as this has faded we are left with a relatively slow rate of underlying growth. Without the normal triggers for a recession, namely higher inflation and rising interest rates, our central case is for a gradual slowdown in growth. However, the slow rate of underlying growth leaves the world economy vulnerable to shocks. Our cyclical models are pointing to elevated cyclical risks.

Low levels of inflation have allowed central banks to proactively react to the weak data and, once again, with short-term interest rates anchored by central banks, the path of least resistance is for assets to grind higher. We also see a return to "currency wars", with the European Central Bank in particular seemingly focused on ensuring that the euro doesn't rally too much against the USD.

Against this backdrop, we emphasise strategies with attractive carry without requiring a significant improvement in the cyclical backdrop to unlock returns. We therefore continue to favour high yield debt. While we have some longer term concerns about fundamental credit quality, particularly in the US, it is difficult to envisage a pick-up in default rates in the medium-term given the low cost of refinancing debt. Emerging market (EM) debt also offers an attractive carry. In particular, a more benign Fed gives EM central banks greater scope to cut rates, which should benefit local currency bonds. However, we maintain a highly selective approach within the EM universe.

Having reduced exposure to equities, we added further to hybrids securities. We favour the contained cyclical risk of these assets relative to equities and credit, will still providing some upside exposure and an attractive income stream. Finally, following the strong rally in government bonds we have taken some profits in our duration (sensitivity to interest rate changes) positions, favouring the JPY as a hedge.

In the UK, a no deal Brexit remains a key risk. The situation is highly uncertain but here we benefit from our global approach, and we continue to reduce our exposure to UK property and infrastructure assets. We have hedged our exposure to GBP with the currency expected to bear the brunt of the uncertainty. On the other hand we own EM currencies for their yield and potential to generate return, as well as USD and JPY for their risk reducing properties.

Global Income Fund

In conclusion, we have entered the slowdown phase of the economic cycle which we expect to be gradual, cushioned by central bank policies. Nevertheless, slowing growth leaves markets vulnerable to shocks and so we favour strategies that benefit from low interest rates and are being careful not to take too much cyclical risk. We remain very much focused on our objectives of delivering a sustainable income stream and managing volatility.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

Global Income Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	1.59%	30.53%
As of 30 June 2018	1.59%	29.50%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Schroder International Selection Fund - Global Multi-Asset Income

	Expense ratio	Turnover ratio
As of 30 June 2019	1.57%	139.42%
As of 30 June 2018	1.56%	110.22%

Expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Equity	22.77	26.52
US High Yield	17.42	20.29
Hybrids	10.91	12.71
EM Local Currency	6.87	8.00
US Investment Grade	5.56	6.47
Alternative Income	3.67	4.27
Securitised Debt	3.64	4.24
EM USD Sovereign	3.52	4.10
EM USD Corporates	3.52	4.10
EUR High Yield	3.04	3.54
Catastrophe Bonds	2.31	2.69
Government Bonds	1.18	1.38
Cash	1.45	1.69
Total	85.86	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Asia Pacific ex Japan	3.72	4.34
Emerging Markets	15.96	18.59
Europe ex-UK	7.12	8.29
Japan	1.39	1.62
North America	45.01	52.42
UK	6.22	7.24
Other	6.44	7.50
Total	85.86	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Financials	21.77	25.36
Consumer Discretionary	9.32	10.86
Government	8.11	9.44
Industrials	6.84	7.97
Energy	6.78	7.90
Communication Services	6.00	6.99
Health Care	5.19	6.04
Real Estate	4.96	5.78
Consumer Staples	4.16	4.85
Information Technology	4.08	4.75
Materials	3.37	3.91
Utilities	2.50	2.91
Infrastructure	0.49	0.57
Telecommunications	0.44	0.51
Loans	0.35	0.41
Transportation	0.05	0.06
Cash & Others	1.45	1.69
Total	85.86	100.00

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	0.42	0.48
AA	1.03	1.20
A	5.71	6.66
BBB	8.63	10.05
BB	12.74	14.84
B	5.88	6.85
CCC	1.40	1.63
Not rated	5.30	6.17
Total	41.11	47.88

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	12,958,084
Redemptions	(17,456,582)

EXPOSURE TO DERIVATIVES

Nil.

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Schroder International Selection Fund - Global Multi-Asset Income	86.56	100.82

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$530,904.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

Schroder

Schroder may enter into soft commission arrangements only where there is a direct and identifiable benefit to the clients of Schroder, including the underlying fund, and where Schroder is satisfied that the transactions are generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interest of the underlying fund. Any such arrangements must be made by Schroder on terms commensurate with best market practices.

CONFLICTS OF INTEREST

Income

As the Manager of various ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interest which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Schroder

The investment manager of the underlying fund and Schroders may effect transactions in which the investment manager or Schroders have, directly or indirectly, an interest which might involve a potential conflict with the investment manager's duty to the Schroder International Selection Fund. Neither the investment manager or Schroders shall be liable to the Schroder International Selection Fund for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the investment manager's fees, unless otherwise provided, be abated.

The investment manager will ensure that such transactions are effected on terms which are not less favourable to the Schroder International Selection Fund than if the potential conflict had not existed.

Such potential conflicting interest or duties may arise because the investment managers or Schroder may have invested directly or indirectly in the Schroder International Selection Fund.

The Investment Managers may also have to deal with competing or conflicting interests between any of the Sub-Funds which may be managed by the same Investment Manager. In such instance, the Investment Manager will use reasonable endeavours at all times to act fairly and in the interests of the relevant Sub-Funds, taking into account the availability of cash and relevant investment guidelines of the Sub-Funds and ensuring that the securities bought and sold are allocated proportionally as far as possible among the Sub-Funds.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Global Technology Fund

INVESTMENT OBJECTIVE

To achieve long-term capital growth by investing globally in technology or technology-related industries.

INVESTMENT SCOPE

The sub-fund is fully invested in global technology equities. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	1 August 2000
Fund Size	S$94.71 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	1.25% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point in time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA)
CPFIS Risk Classification	Higher Risk, Narrowly Focused – Sector – Technology
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Manager	Wellington Management Singapore Pte Ltd
Benchmark	MSCI World Information Technology Index (with net dividends reinvested) in Singapore Dollars
Structure	Single Fund

TOP 10 HOLDINGS

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Amazon.com Inc	7.81	8.25	Facebook Inc	6.08	6.83
Microsoft Corporation	6.07	6.41	Amazon.com Inc	5.28	5.92
Marvell Technology Group Ltd	5.65	5.97	Alphabet Inc Class A	3.29	3.70
Facebook Inc	5.33	5.63	Visa Inc	2.98	3.35
Apple Inc	5.13	5.41	Salesforce.com Inc	2.89	3.24
Western Digital Corp Com	3.70	3.91	Flex Ltd	2.66	2.98
Global Payments Inc	3.16	3.33	Apple Inc	2.45	2.75
Advanced Micro Devices Inc	3.14	3.32	ServiceNow Inc	2.04	2.29
Lumentum Holdings Inc	2.59	2.73	II-VI Inc	2.00	2.25
Flex Ltd	2.49	2.63	Alibaba Group Holdings	1.93	2.17

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. Wellington Management Singapore Pte Ltd is the Sub-Investment Manager of the sub-fund.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Wellington Management Singapore Pte Ltd (WMS)*

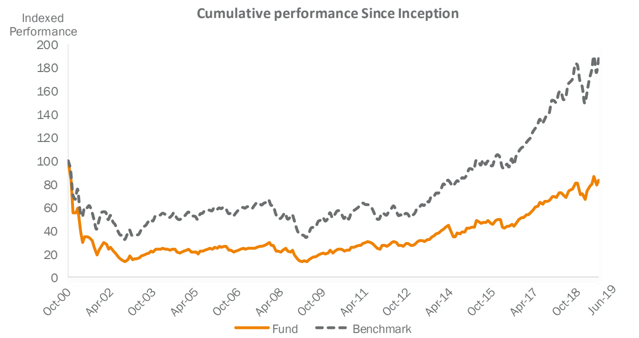
WMS is an affiliate of Wellington Management Company LLP (WMS, Wellington Management Company LLP and the other affiliates of Wellington Management Company LLP are collectively referred to as WMC). With US$1.1 trillion in assets under management, WMC serves as an investment adviser to over 2,200 clients located in more than 60 countries, as of 30 June 2019. WMC's singular focus is investments — from global equities and fixed income to currencies and commodities. WMC describes themselves as a community of teams that create solutions designed to respond to specific client needs. WMC's most distinctive strength is their proprietary, independent research, which is shared across all areas of the organisation and used only for managing clients' portfolios. Tracing its roots to the founding of Wellington Fund in 1928, the firm has offices in Boston.

Massachusetts; Chicago, Illinois; Radnor, Pennsylvania; San Francisco, California; Beijing; Frankfurt; Hong Kong; London; Singapore; Sydney; Tokyo; Luxembourg and Zurich.

*With effect from 29 April 2016, Wellington Management Singapore Pte Ltd (WMS) has replaced Trust Company of the West (TCW) Asset Management Company as the Sub-Investment Manager of the Global Technology Fund.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Global Technology Fund	5.84%	4.64%	25.04%	11.05%
Benchmark	6.81%	5.75%	25.66%	11.81%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Global Technology Fund	23.85%	17.15%	16.70%	-0.96%
Benchmark	24.73%	17.71%	15.81%	3.41%



Changes to benchmarks during the life of the sub-fund: Since inception to Mar 2009 - 100% NASDAQ Composite Index.
From Mar 2009 to 29 April 2016, the benchmark has been changed to Merrill Lynch 100 Technology Index in Singapore Dollar. With effect from 29 April 2016, the benchmark has been changed to MSCI World Information Technology Index in Singapore Dollars unhedged.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Global Technology Fund	16.76%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

In the first quarter of 2019, global equities surged to their best quarterly return since September 2009. Markets were buoyed by productive trade negotiations between the US and China, and by dovish rhetoric and policy actions from the major central banks. The US delayed its plan to increase tariffs on US$200 billion of imports from China, amid constructive dialogue between US and Chinese trade representatives and growing optimism that the two countries can ultimately reach a trade agreement. Brexit remained a key area of concern, with the British Parliament rejecting Prime Minister Theresa May's deal for the third time, leaving the future relationship between the UK and European Union (EU) clouded in uncertainty. On the monetary front, the European Central Bank (ECB) surprised markets by pushing back interest-rate hikes, slashing its growth forecast, and announcing an extended liquidity policy. The US Federal Reserve (Fed) left short-term interest rates unchanged, indicating that rates will likely remain stable in 2019.

In the second quarter, global equities posted positive results for the second straight quarter, ending the first half of the year with a 16.3% gain. Sluggish global growth and geopolitical events dominated headlines. Trade tensions between China and the US escalated in May but eased at the end of the quarter after the two countries agreed at the G20 summit to resume trade negotiations. Although US President Donald Trump announced that existing tariffs would remain in place, he suspended proposed tariffs on an additional US$300 billion of Chinese goods. Mexico evaded a 5% tariff on all exports to the US after it agreed to increase enforcement to stem the flow of illegal immigrants into the US. In Europe, Brexit was a major concern, with the UK avoiding an abrupt no-deal departure from the EU on April 12 after EU leaders granted the UK a flexible extension until October 31. UK Prime Minister Theresa May announced that she would resign as leader of Britain's Conservative Party on June 7 after failing to secure a Brexit deal. On the monetary front, dovish central bank rhetoric and policy bolstered global markets. The Fed signalled it was open to rate cuts amid concerns about the downside risks associated with slowing global growth and trade disputes. The ECB hinted that it may lower rates if the outlook for growth and inflation fails to improve.

Market Outlook

Escalating trade tensions between the US and China dominated headlines during the second quarter, with macro concerns continuing to build and bring volatility into the stock market. The technology sector was front and centre, highlighted by the Trump administration's announcement that Chinese smartphone manufacturer Huawei would be placed on the entities list. This effectively banned US companies from doing business with them. The team took several trips to Washington D.C. during the quarter to speak directly with government officials and trade experts, and came away feeling the broad, blunt export controls appear to be unlikely, and were encouraged by the easing of tensions that occurred in the final weeks of the quarter. That being said, the team is exercising caution around the companies and industries with most exposure to upcoming US and China trade negotiations and will continue to monitor the situation closely.

Portfolio positioning is a fallout of the team's fundamental investment process, but changes from quarter to quarter can be an indication of where the team is finding their most compelling investment opportunities. During the period we added most to technology hardware names, and reduced active exposure to the semiconductor industry.

Elsewhere in the semiconductor industry, we reduced our position in semi-cap equipment names. The long-term structural outlook is still very positive, however, it is increasingly clear that semiconductors equipment companies and associated technologies are at risk of regulatory interference and remain in the headlines surrounding US and China trade tensions.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

	Expense ratio	Turnover ratio
As of 30 June 2019	1.32%	179.85%
As of 30 June 2018	1.31%	149.74%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Equities	93.12	98.33
Cash & Others	1.59	1.67
Total	94.71	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Argentina	0.49	0.52
China	6.92	7.30
Japan	1.38	1.46
Luxembourg	1.99	2.10
Russia	1.15	1.22
South Korea	0.58	0.62
Sweden	0.48	0.50
United States	80.13	84.61
Cash & Others	1.59	1.67
Total	94.71	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Communications	29.85	31.51
Consumer, Non-cyclical	8.64	9.12
Energy	1.85	1.96
Financial	1.01	1.07
Industrial	7.60	8.02
Technology	44.17	46.65
Cash & Others	1.59	1.67
Total	94.71	100.00

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

CREDIT RATINGS OF DEBT SECURITIES

Nil.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	24,563,875
Redemptions	(30,667,347)

EXPOSURE TO DERIVATIVES

	Market Value S$	% of Net Asset Value	Realised Gains/(Losses) S$	Unrealised Gains/(Losses) S$
Forwards	(2)	<0.01	2,702	(2)

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

Nil.

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$569,514.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

Wellington

The Managers did not retain for its own account cash or commission rebates arising out of transactions executed in or outside Singapore. Soft dollar commission/ arrangement has been received/ entered into by the Sub-Investment Manager in respect of the ILP. The soft dollar commission/ arrangement relates essentially to research services used for and in support of the investment process. The Sub-Investment Manager did not accept or enter into soft dollar commission/ arrangement unless such commission/ arrangement would reasonably assist the Sub-Investment Manager in the management of the ILP and the trades were executed on a best execution basis. The Sub-Investment Manager took all reasonable steps to obtain the best possible result of the ILP, taking into account the following execution factors, including but not limited to, price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of a trade or transaction, and there was no churning of trades.

CONFLICTS OF INTEREST

The Manager and Sub-Investment Managers may from time to time have to deal with competing or conflicting interests between these sub-funds. However, the Manager and Sub-Investment Managers will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager and Sub-investment Managers have in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Multi-Asset Premium Fund

INVESTMENT OBJECTIVE

To generate regular income and long-term capital appreciation for investors by investing into various asset classes.

INVESTMENT SCOPE

The sub-fund will invest in the Fullerton Premium Fund Class C SGD distributing class ("underlying fund"). The underlying fund may invest in global markets through collective investment schemes, other investment funds, exchange traded funds, real estate investment trusts, listed and unlisted securities (including but not limited to equities, fixed income/debt securities and securitized/asset-backed instruments), alternatives (including but not limited to listed and OTC financial derivative instruments ("FDIs"), money market instruments, cash deposits and other permissible investments as deemed appropriate to achieve its investment objective. The underlying fund may opportunistically allocate into private equities, commodities and other alternative investments for additional diversification.

The underlying fund may use FDIs for hedging, efficient portfolio management, optimising returns and lux fund or a combination of all three objectives.

The underlying fund may invest 30% or more of its net asset value into sub-funds under the umbrella Fullerton Lux Funds, the Fullerton SGD Cash Fund, or in any other collective investment schemes deemed appropriate.

The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	27 April 2018
Fund Size	S$4.63 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	1.3% p.a. which includes management fee charged by the manager of the Fullerton Premium Fund Class C SGD distributing class. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	N.A.
CPFIS Risk Classification	N.A.
Fund Manager	NTUC Income Insurance Co-operative Limited
Manager of the Underlying Fund	Fullerton Fund Management Company Ltd
Benchmark	The Multi-Asset Premium Fund is unconstrained and therefore not managed with reference to a benchmark.
Structure	Single Fund

TOP 10 HOLDINGS

Multi-Asset Premium Fund

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Fullerton Premium Fund	4.62	99.82	Fullerton Premium Fund	3.86	99.21

Multi-Asset Premium Fund

Fullerton Premium Fund^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Nikkoam ST A E JP Reitetf-SG	2.39	9.73	Invesco QQQ Trust Series 1	1.75	7.40
Invesco QQQ Trust Series 1	1.95	7.94	iShares Global Tech ETF	1.54	6.50
SPDR S&P 500 ETF Trust	0.49	1.98	Vanguard Long-term Treasury	1.47	6.20
Tencent Holdings Ltd	0.30	1.23	SPDR Port Long Term Treasury	1.28	5.40
Alibaba Group Holdings - ADR	0.27	1.09	Tencent Holdings Ltd	0.85	3.60
AIA Group Ltd	0.21	0.87	Taiwan Semiconductor Manufacturing Co Ltd	0.64	2.70
Taiwan Semiconductor Manufacturing Co Ltd	0.21	0.85	Alibaba Group Holdings	0.62	2.60
PING An Insurance Group Co	0.19	0.76	AIA Group Ltd	0.52	2.20
Delta Electronics Inc	0.17	0.71	CNOOC Ltd	0.47	2.00
Singapore Technologies Engineering Ltd	0.17	0.71	United Overseas Bank Ltd	0.47	2.00

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.
^Information extracted from the underlying Fullerton Premium Fund.
Source: Fullerton Fund Management Company Ltd.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. Fullerton Fund Management Company Ltd is the Sub-Investment Manager of the sub-fund.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

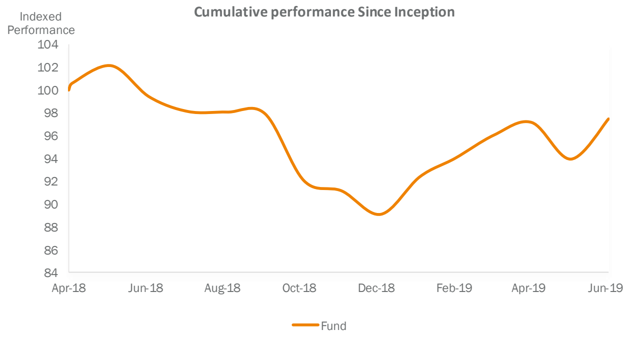
Fullerton Fund Management Company Ltd

Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

Multi-Asset Premium Fund

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Multi-Asset Premium Fund	3.77%	1.48%	9.43%	-1.95%
Benchmark	N.A.	N.A.	N.A.	N.A.
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Multi-Asset Premium Fund	N.A.	N.A.	N.A.	-2.16%
Benchmark	N.A.	N.A.	N.A.	N.A.



The returns are calculated using bid-to-bid prices, in Singapore dollar terms, with dividends and distributions reinvested. Past performance is not indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)*
Multi-Asset Premium Fund	N.A.

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.
*1-year volatility is 10.02% as 3-year volatility data is not available.

MARKET REVIEW

Market Review

Risk assets had a positive first half of the year. Financial markets started strong, boosted by optimism on US-China trade relations and dovish support from the US Federal Reserve (Fed). Investors took comfort in the Fed's guidance that it could afford to be patient in tightening policy and the US Treasuries rallied sharply. Later in May, the market rally was temporarily halted after US-China trade tensions resurfaced. However, the two nations eventually reached a trade truce end June, and paved the way for the resumption of trade negotiations. Central banks pledged to stay vigilant and to act to contain risks to global growth and bond markets rallied as markets priced in rate cuts by the Fed. The benchmark 10-year US Treasury yield declined sharply by 61.5bps over the six-month period and ended June at 2.0%.

Global equity markets registered gains in USD in excess of 10%, with developed markets capping off its best first half since 1998. Within emerging markets, Asia ex-Japan equity markets led despite US-China trade tensions.

Turning to central bank actions, policymakers were dovish overall in 2019. In particular, the People's Bank of China cut the reserve requirement ratio and injected liquidity to a bid to provide a boost to China's slowing economy and prevent shortages during the tax season. The European Central Bank has announced long term refinancing operation to provide additional liquidity, despite ending quantitative easing in December. Meanwhile, the Fed similarly stayed dovish over the year.

Market Outlook

While our central scenario remains that global recovery has not been derailed as yet, downside risks have risen significantly. Indeed, global growth has steadily ebbed due to weak business confidence. Specifically, investment spending has fallen globally, given macro and geopolitical uncertainty. Global earnings expectations have also been downgraded. In response, policymakers will need to stay accommodative for longer. On balance, the global outlook remains challenging. Worries over Trump missteps and global trade tensions still linger. While Fed patience and further China policy easing are helpful, the key is whether US-China tensions eventually de-escalate when trade discussions resume.

Financial markets have priced in a weak global growth scenario. Bond investors are expecting the Fed to reduce policy rates to support growth. Survey of fund managers' portfolio exposure suggests an accumulation of cash holdings by reducing equity. As we are not expecting a US recession, we assess that the upside risk from a better than expected G20 meeting and the downside risk from deteriorating US-China trade talks are evenly balanced. Hence, we have shifted the asset allocation mix closer to the reference benchmark exposure. As markets are positioned with a bearish tilt, we have also started to put in place strategies that will benefit from an unexpected positive development from the meeting between US and China leaders.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

Multi-Asset Premium Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	2.29%	43.94%
As of 30 June 2018	N.A.	N.A.

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Multi-Asset Premium Fund

Fullerton Premium Fund Class C

	Expense ratio	Turnover ratio
As of 30 June 2019	1.99%	216.17%
As of 30 June 2018	N.A.	N.A.

Expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Equiities	2.92	63.13
Fixed Income	1.34	28.96
Cash	0.37	7.91
Total	4.63	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Australia	0.04	0.90
China	1.37	29.44
Hong Kong	0.30	6.48
India	0.20	4.42
Indonesia	0.18	3.96
Japan	0.04	0.86
Korea	0.08	1.80
Singapore	0.69	14.92
Taiwan	0.15	3.19
Thailand	0.06	1.24
US	0.97	21.00
Others	0.18	3.88
Cash	0.37	7.91
Total	4.63	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Consumer Discretionary	0.13	2.78
Consumer Staples	0.09	2.01
Asset Backed Securities	0.02	0.47
Energy	0.12	2.52
Financials	0.64	13.81
Government	0.07	1.52
Health Care	0.04	0.76
Industrials	0.19	4.21
Materials	0.11	2.35
Real Estate	0.43	9.29
Information Technology	0.21	4.85
Communication Services	0.19	4.02
Utilities	0.08	1.66
Sector ETF	0.83	17.87
Country ETF	0.11	2.37
Hedges	1.00	21.60
Cash	0.37	7.91
Total	4.63	100.00

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	0.01	0.12
AA	0.00	0.10
A	0.16	3.38
BBB	0.63	13.70
BB	0.25	5.32
B	0.29	6.32
CCC	0.00	0.01
C	0.00	0.01
Total	1.34	28.96

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	747,725
Redemptions	(390,189)

EXPOSURE TO DERIVATIVES

Nil.

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Fullerton Premium Fund	4.62	99.82

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$27,963.

Fullerton is the Manager of the Underlying Fund of the sub-fund. During the financial period ended 30 June 2019, they managed S$4,631,316, equivalent to 100% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager did not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also did not receive soft dollars for the sub-fund.

Fullerton

Fullerton may and intend to receive or enter into soft-dollar commissions/arrangements in our management of the portfolio. Fullerton will comply with applicable regulatory and industry standards on soft dollars. Such soft dollar commissions include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis for investments managed for clients.

Soft dollar commissions/arrangements will not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

Fullerton will not accept or enter into soft dollar commissions/arrangements unless such soft dollar commissions/arrangements would, in Fullerton's opinion, assist them in their management of the portfolio, providing that Fullerton ensures at all times that best execution is carried out for the transactions and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Fullerton

Fullerton is of the view that there are no conflicts of interests in managing the portfolio. Under the conditions of its license, Fullerton is required to conduct its business in a manner so as to avoid conflicts of interests, and ensure that any conflicts of interests arising are resolved fairly and equitably. In addition, as a member of the Investment Management Association of Singapore ("IMAS"), Fullerton adopts the principles and standards of investment conduct, which includes ensuring fair allocation, as set out in the IMAS Code of Ethics & Standards of Professional Conduct.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Prime Fund

INVESTMENT OBJECTIVE

The objective of this sub-fund is to achieve long-term capital appreciation by investing in Asian equities and in Singapore bonds.

INVESTMENT SCOPE

The sub-fund invests primarily 60% of its assets in Asian equities and 40% in the Singapore Bond Fund. The investment scope for Asian equities is mainly in Singapore (30%), Hong Kong (20%) and Thailand (10%). The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	2 August 1973
Fund Size	S$258.20 million
Initial Sales Charge	Please refer to “Fees and Charges” in section 4 of the Product Summary for ILP.
Annual Management Fee	1.0% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Inclusion in CPFIS	Yes (CPF OA and CPF SA)
CPFIS Risk Classification	Medium to High Risk, Narrowly Focused – Regional – Asia
Fund Manager	NTUC Income Insurance Co-operative Limited
Sub-Investment Manager	Fullerton Fund Management Company Ltd
Benchmark	30% FTSE Straits Times Index (FTSE STI) 20% Hang Seng Index in Singapore Dollars 10% Stock Exchange of Thailand Index in Singapore Dollars 40% 3-month SIBOR
Structure	Single Fund

TOP 10 HOLDINGS^

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Singapore Bond Fund	101.72	39.40	Singapore Bond Fund	101.86	39.81
DBS Group Holdings Ltd	13.99	5.42	DBS Group Holdings Ltd	16.83	6.58
Jardine Strategic Holdings Ltd	9.73	3.77	Oversea-Chinese Banking Corp	12.83	5.01
United Overseas Bank Ltd	9.69	3.75	Tencent Holdings Ltd	8.70	3.40
AIA Group Ltd	8.74	3.38	PING AN Insurance Group Co	6.53	2.55
Tencent Holdings Ltd	6.69	2.59	HSBC Holdings Plc	6.17	2.41
HSBC Holdings Plc	6.63	2.57	AIA Group Ltd	5.96	2.33
Keppel Corp Ltd	5.73	2.22	Industrial & Commercial Bank of China	5.75	2.25
China Construction Bank	5.44	2.11	Singapore Technologies Engineering Ltd	5.20	2.03
PING An Insurance Group Co	5.36	2.07	Keppel Corp Ltd	4.84	1.89

^ Please refer to Singapore Bond Fund for the top 10 holdings.
Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. Fullerton Fund Management Company Ltd is the Sub-Investment Manager of the sub-fund.

The sub-fund invests significantly in the Singapore Bond Fund which is managed by NTUC Income Insurance Co-operative Limited and sub-managed by Fullerton Fund Management Company Ltd.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today’s digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

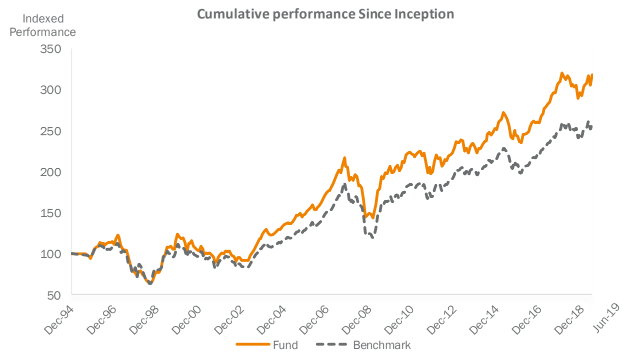
Prime Fund

Fullerton Fund Management Company Ltd (Fullerton)

Fullerton Fund Management ("Fullerton") is an Asia-based investment specialist, with capabilities that span equities, fixed income, multi-asset and alternatives, including private equity. Prior to its establishment, Fullerton's investment team operated as the internal fund management division within Temasek, a global investment company headquartered in Singapore. The firm was incorporated in Singapore in 2003 and is a subsidiary of Temasek Holdings ("Temasek"). NTUC Income, a leading Singapore insurer, became our minority shareholder in 2018. Fullerton provides investment solutions for institutions such as government agencies, pension plans, insurance companies, endowments and sovereign wealth, as well as for private wealth and the retail segment. With 15 years of experience in Asian financial markets, Fullerton builds on its heritage to provide clients with investment solutions that are long term, research-based and conviction-led. Headquartered in Singapore, Fullerton also has associated offices in Shanghai, London, Tokyo and Brunei. Fullerton is licensed under the Securities and Futures Act and regulated by the Monetary Authority of Singapore. As of 30 June 2019, Fullerton Fund Management's assets under management was S$46.96 billion.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Prime Fund	4.17%	3.56%	8.46%	4.61%
Benchmark	3.91%	2.92%	7.90%	5.13%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Prime Fund	8.49%	6.00%	5.90%	8.40%
Benchmark	7.94%	4.80%	5.74%	N.A.



Changes to benchmarks during the life of the sub-fund: 31 Dec 94 to 31 Mar 98 - 33.33% DBS50, 33.33% KLCI, 33.33% Singapore 3-Month Deposit rate.

Important: The comparison to the benchmark commenced from December 1994 even though the inception date for Prime fund was August 1973.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Volatility

	3-year (annualised)
Prime Fund	7.04%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

The first half of 2019 has been unsettling for investors. The strong start and optimism in the equity markets sputtered in May, following the re-escalation of US-China trade tensions, fears of a global capex slowdown and continued downward revision of global growth estimates. The US and China slapped billions of dollars in tariff on each other, and the US ban on select Chinese-made technology added to doubts if a compromise could be reached by both sides.

Equity markets swiftly rebounded in June, as sentiment was supported by global central banks which embraced easier monetary policy. This came amid softening economic data which suggested that the slowdown in global trade was beginning to weigh on business confidence and domestic consumption. Sentiment was also buoyed by hopes that President Trump would delay additional China tariffs after a meeting with President Xi at the G20 in Osaka, Japan.

The Singapore economy came in effectively flat in the second quarter, when gross domestic product (GDP) expanded a tepid 0.1% yoy. Compared to the first quarter's 3.8% qoq growth, GDP shrank by 3.4% qoq in 2Q19. Notably, non-oil domestic exports declined 17.3% yoy in June on the back of shrinking electronics exports, a result of the supply chain disruptions arising from the trade war and a broader-based cyclical downtown in the sector. Correspondingly Singapore's manufacturing purchasing managers index (PMI) came in at 49.6 in June, signalling a continued weakness in the third quarter. Inflationary pressure in Singapore has remained tapered, with core inflation clocking 1.2% yoy in June.

Up North, Thai manufacturing activity moderated, albeit remaining above the expansionary zone; the country's PMI reading came in at 50.7 in May, and has stayed mostly in expansion territory in the first half. Exports however contracted 5.8% yoy in May in the face of weakening global demand, with no convincing support from import trends. Meanwhile, the Bank of Thailand has voted unanimously to keep the policy rate unchanged, even as it recognises that the Thai economy is likely to grow at a slower pace than previously assessed.

And in Hong Kong, the export-driven economy likewise saw a flurry of broadly disappointing data throughout the period. Trade figures, which have been insipid in the first six months of the year, remained in the doldrums in June. Total exports fell by 9% yoy and imports contracted by 7.5% yoy, hurt by a slowdown in the Chinese economy and trade tensions. Consumer price index inflation rose by 3.3% yoy in June, driven mainly by higher food inflation and packaged tour fees.

The portfolio outperformed its benchmark in first half of 2019 due to positive stock selection in Hong Kong and Singapore. By sector, positions in consumer staples, industrials and financials were primary contributors to performance. Positions in quality compounders such as AIA Group, Ping An Insurance and ST Engineering were key sources of value-add as they provided the portfolio with the necessary ballast to endure the heightened volatility in the markets, particularly in 2Q19. Elsewhere, our decision to avoid benchmark constituents Jardine Matheson and Dairy Farm also contributed positively as these were among the benchmark's key laggards during the period.

Market Outlook

Looking ahead, a less than visible US-China trade war scenario, subdued earnings growth and slowing global economic indicators are likely to constrain investor enthusiasm. Particularly on the trade war front, the recent G20 tariff truce notwithstanding, we do not expect a deal to materialise in the near term as both sides have hardened their stances and optically, it is difficult for either to compromise on key issues. The prolonged uncertainty over trade and growth is likely to impose significant risk on any earnings recovery in the second half of 2019.

While China has pledged to support a slowing economy and will likely employ the necessary policy measures, we envisage more reluctance for a large fiscal stimulus particularly now that trade negotiations have resumed. Similarly, the US Federal Reserve has indicated a readiness to cut rates in response to any significant slowdown in US growth, but it may be less inclined to implement insurance rate cuts in light of the seemingly positive developments in Osaka. This notwithstanding, the street appears to have already priced in at least one rate cut this year.

Valuations in Asia are not far from their recent highs after the market rebound in June, and thus appear arguably expensive when considered in the context a more challenging outlook in the second half. All things considered, we find it sensible adhering to our bottom-up investment approach, as we position our portfolio accordingly in this current environment of trade uncertainty, liquidity-driven sentiment and geopolitical sensitivity.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

Prime Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	1.06%	37.88%
As of 30 June 2018	1.06%	24.79%

Singapore Bond Fund

	Expense ratio	Turnover ratio
As of 30 June 2019	0.52%	23.49%
As of 30 June 2018	0.52%	53.68%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Corporate Bonds	45.33	17.56
Government Bonds	56.40	21.84
Equities	155.90	60.38
Cash & Others	0.57	0.22
Total	258.20	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Hong Kong	51.06	19.77
Singapore	178.62	69.18
Thailand	27.95	10.83
Cash & Others	0.57	0.22
Total	258.20	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Basic Materials	0.34	0.13
Communications	23.58	9.14
Consumer, Cyclical	17.60	6.82
Consumer, Non-cyclical	20.69	8.01
Energy	10.94	4.24
Financial	106.80	41.36
Government	56.40	21.84
Industrial	20.20	7.82
Utilities	1.08	0.42
Cash & Others	0.57	0.22
Total	258.20	100.00

CREDIT RATINGS OF DEBT SECURITIES

S&P's rating or its equivalent	Market Value S$ (mil)	% of Net Asset Value
AAA	53.85	20.86
AA+	0.67	0.26
AA	3.95	1.53
A+	4.64	1.80
A	7.88	3.05
A-	2.33	0.90
BBB+	1.61	0.62
BBB	6.98	2.70
BBB-	2.40	0.93
Not rated	17.42	6.75
Total	101.73	39.40

'Not rated' refers to debt securities which are not rated by S&P or other equivalent rating agencies, including but not limited to treasury bills, bonds issued by government, government agency, statutory board or corporate.

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

Prime Fund

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	6,225,129
Redemptions	(17,570,020)

EXPOSURE TO DERIVATIVES

Nil.

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Singapore Bond Fund	101.72	39.40
Mapletree Commercial Trust	3.40	1.32
HKT Trust & HKT Limited	2.46	0.95

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$1,258,257.

Fullerton is the Sub-Investment Manager of the sub-fund. During the financial period ended 30 June 2019, they managed S$258,204,182, equivalent to 100% of its net asset value.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

Fullerton

Fullerton may and intend to receive or enter into soft-dollar commissions/arrangements in our management of the portfolio. Fullerton will comply with applicable regulatory and industry standards on soft dollars. Such soft dollar commissions include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis for investments managed for clients.

Soft dollar commissions/arrangements will not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

Fullerton will not accept or enter into soft dollar commissions/arrangements unless such soft dollar commissions/arrangements would, in Fullerton's opinion, assist them in their management of the portfolio, providing that Fullerton ensures at all times that best execution is carried out for the transactions and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

CONFLICTS OF INTEREST

Income

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Fullerton

Fullerton is of the view that there are no conflicts of interests in managing the portfolio. Under the conditions of its license, Fullerton is required to conduct its business in a manner so as to avoid conflicts of interests, and ensure that any conflicts of interests arising are resolved fairly and equitably. In addition, as a member of the Investment Management Association of Singapore ("IMAS"), Fullerton adopts the principles and standards of investment conduct, which includes ensuring fair allocation, as set out in the IMAS Code of Ethics & Standards of Professional Conduct.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Takaful Fund

INVESTMENT OBJECTIVE

To achieve long-term capital appreciation by investing in a diversified global portfolio of equity securities issued by companies considered to be in compliance with Islamic guidelines. This sub-fund is designed based on Islamic principles.

INVESTMENT SCOPE

The sub-fund invests in the global equity markets via instruments that are Shariah compliant. The sub-fund is denominated in Singapore Dollars.

FUND DETAILS AS OF 30 JUNE 2019

Launch Date	1 September 1995
Fund Size	S$18.78 million
Initial Sales Charge	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.
Annual Management Fee	1.0% p.a. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point in time.
Custodian	The Bank of New York Mellon
Dealing Frequency	Every business day
Fund Manager	NTUC Income Insurance Co-operative Limited
Inclusion in CPFIS	N.A.
CPFIS Risk Classification	N.A.
Sub-Investment Manager	Wellington Management Singapore Pte Ltd (WMS)
Benchmark	S&P BMI Global Shari'ah Index in Singapore Dollars
Structure	Single Fund

TOP 10 HOLDINGS

June 2019	Market Value S$ (mil)	% of Net Asset Value	June 2018	Market Value S$ (mil)	% of Net Asset Value
Microsoft Corporation	0.85	4.54	Alphabet Inc Class A	0.65	3.34
Nestle SA	0.63	3.34	Facebook Inc	0.48	2.44
Alphabet Inc	0.55	2.94	Nestle SA	0.44	2.24
Procter & Gamble Co/The	0.44	2.34	Visa Inc	0.41	2.09
Visa Inc	0.42	2.24	Apple Inc	0.40	2.04
Apple Inc	0.37	1.97	Tencent Holdings Ltd	0.35	1.80
Coca Cola Co/The	0.36	1.93	Chevron Corp	0.32	1.65
Novartis AG	0.34	1.81	Microsoft Corp	0.32	1.64
Home Depot Inc	0.33	1.77	Bristol-Myers Squibb Co	0.31	1.58
Facebook Inc	0.31	1.65	Alibaba Group Holdings	0.31	1.57

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

FUND MANAGER

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. Wellington Management Singapore Pte Ltd is the Sub-Investment Manager of the sub-fund.

NTUC Income Insurance Co-operative Limited (Income)

Income was established in 1970 to make essential insurance accessible to all Singaporeans. Today, Income is the leading composite insurer in Singapore offering life, health and general insurance. Our wide network of financial advisers and partners provide value-added financial advisory that complements today's digital-first landscape, offering insurance products and services that serve the protection, savings and investment needs of customers at different stages and across all segments of society.

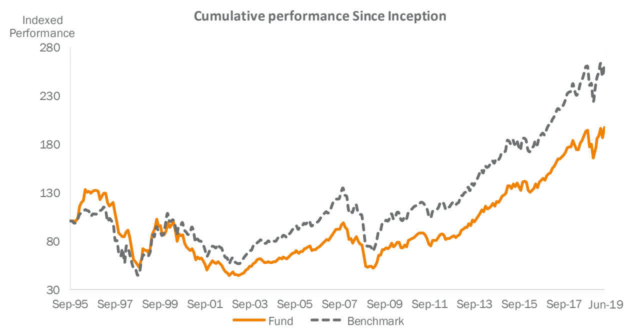
As of 30 June 2019, Income had S$35.64 billion in assets under management. Our financial strength and diversified investment portfolio are reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline.

Wellington Management Singapore Pte Ltd (WMS)

WMS is an affiliate of Wellington Management Company LLP (WMS, Wellington Management Company LLP and the other affiliates of Wellington Management Company LLP are collectively referred to as WMC). With US$1.1 trillion in assets under management, WMC serves as an investment adviser to over 2,200 clients located in 60 countries, as of 30 June 2019. WMC's singular focus is investments – from global equities and fixed income to currencies and commodities. WMC describes themselves as a community of teams that create solutions designed to respond to specific client needs. WMC's most distinctive strength is their proprietary, independent research, which is shared across all areas of the organisation and used only for managing clients' portfolios. Tracing its roots to the founding of Wellington Fund in 1928, the firm has offices in Boston, Massachusetts; Chicago, Illinois; Radnor, Pennsylvania; San Francisco, California; Beijing; Frankfurt; Hong Kong; London; Singapore; Sydney; Tokyo; Luxembourg and Zurich.

FUND PERFORMANCE VS BENCHMARK

	1-month	3-month	6-month	1-year
Takaful Fund	5.67%	4.23%	19.09%	7.15%
Benchmark	5.33%	3.46%	17.55%	6.92%
	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Takaful Fund	13.41%	10.75%	11.77%	2.88%
Benchmark	13.72%	10.12%	11.46%	4.14%



Changes to benchmarks during the life of the sub-fund: Since 1 Jul 2010 to 16 Dec 2010 - 60% S&P Global BMI Shari'ah Index, 20% FTSE STI, 16% HSI,4% SET; Since Oct 2002 to Jun 2010 - 60% DJ Islamic Index, 20% FTSE STI, 16% HSI, 4% SET; Since Jun 2001 to Sep 2002 - 60% MSCI World, 20% FTSE STI, 16% HSI, 4% SET; Since Apr 1998 to May 2001 - 50% FTSE STI, 40% HSI, 10% SET; Since Apr 1997 to Mar 1998 - 50% FTSE STI, 50% KLCI; Since inception to Mar 1997 - 33.33% DBS 50, 33.33% KLCI, 33.33% Singapore 3-Month Deposit rate.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculations.

1 Note to our Policyholders on Revision of Benchmark Return:
Effective from 1 April 2011, dividend reinvested has been included in the returns of the benchmark to achieve a better comparison of the sub-fund's performance against its benchmark. The historical benchmark returns for the period from 1 July 2010 to 31 March 2011 have therefore been revised.

Volatility

	3-year (annualised)
Takaful Fund	11.40%

Calculated using bid-bid prices in Singapore Dollar terms, with dividends and distributions reinvested.

MARKET REVIEW

Market Review

In the first quarter of 2019, global equities surged to their best quarterly return since September 2009. Markets were buoyed by productive trade negotiations between the US and China, and by dovish rhetoric and policy actions from the major central banks. The US delayed its plan to increase tariffs on US$200 billion of imports from China, amid constructive dialogue between US and Chinese trade representatives and growing optimism that the two countries can ultimately reach a trade agreement. Brexit remained a key area of concern, with the British Parliament rejecting Prime Minister Theresa May's deal for the third time, leaving the future relationship between the UK and European Union (EU) clouded in uncertainty. On the monetary front, the European Central Bank (ECB) surprised markets by pushing back interest-rate hikes, slashing its growth forecast, and announcing an extended liquidity policy. The US Federal Reserve (Fed) left short-term interest rates unchanged, indicating that rates will likely remain stable in 2019.

In the second quarter, global equities rose for the second straight quarter, ending the first half of the year with a 13.3% gain. Sluggish global growth and geopolitical events dominated headlines. Trade tensions between China and the US escalated in May but eased at the end of the quarter after the two countries agreed at the G20 summit to resume trade negotiations. US President Donald Trump announced that existing tariffs would remain in place but suspended tariffs on an additional US$300 billion of Chinese goods. Mexico avoided a 5% tariff on all exports to the US after it agreed to increase enforcement to stem the flow of illegal immigrants into the US. In Europe, Brexit was a major concern, with the UK avoiding an abrupt no-deal departure from the EU on April 12 after EU leaders granted the UK a flexible extension until October 31. UK Prime Minister Theresa May announced that she would resign as leader of Britain's Conservative Party on June 7 after failing to secure a Brexit deal. On the monetary front, dovish central bank rhetoric and policy bolstered global markets. The Fed signaled it was open to rate cuts amid concerns about the downside risks associated with slowing global growth and trade disputes. The ECB hinted that it may lower rates if the outlook for growth and inflation fails to improve.

Market Outlook

Looking ahead, our analysts remain focused on fundamental, bottom-up stock selection with an eye on how the macro-economic outlook will affect the companies in which they invest. We continue to identify themes and opportunities that will shape future investment decisions.

The importance of innovation across sectors focuses our analysts on identifying companies that can lead technological advancement within their industries. Across semiconductors, hardware, software, and applications there will be winners that can shape markets for years to come. Semiconductors can benefit from the upcoming 5G cycle, but are also subject to ongoing tariff risks. As such, we look to invest in companies with advanced memory technology and less exposure to the Chinese supply chain.

In the health care sector, our analysts focus on companies developing cutting edge treatments and health care equipment companies focused on increased level of care for a broad range of diseases. The portfolio has exposure to a variety of biotech companies with diverse specialisations including immunotherapy, gene therapy, and rare diseases.

Takaful Fund

Our analysts focus on the quality of science and platform scalability for these therapies.

Within consumer staples, we have re-positioned away from riskier areas of the sector to more stable, long-term compounding companies. We look to invest in companies that can take advantage of scale to capitalise on emerging trends and divest from failing businesses while returning profits to shareholders. We hold market leaders across the food, beverages, and household product industries which we believe have strong balance sheets and durable business models.

From a regional perspective, our largest overweight was North America and we were most underweight to Emerging Markets and Developed Asia Pacific ex Japan.

RISKS

Income's ILP sub-funds are intended for long-term investment, it is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in Income's ILP sub-funds. It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in any ILP sub-fund.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the sub-fund changes.

More information on the risks of the sub-fund can be found in the Fund Summary and Product Highlights Sheet.

EXPENSE AND TURNOVER RATIO

	Expense ratio	Turnover ratio
As of 30 June 2019	1.27%	38.05%
As of 30 June 2018	1.24%	40.78%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

ASSET ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Equities	18.68	99.45
Cash & Others	0.10	0.55
Total	18.78	100.00

COUNTRY ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Australia	0.17	0.90
Belgium	0.11	0.59
Britain	0.73	3.89
Canada	0.15	0.75
China	0.65	3.47
Finland	0.10	0.53
France	0.62	3.32
Germany	0.10	0.53
Hong Kong	0.19	1.03
Ireland	0.25	1.31
Japan	1.07	5.71
Sweden	0.26	1.40
Switzerland	1.01	5.39
Taiwan	0.22	1.16
United States	12.56	66.88
Others	0.49	2.59
Cash & Others	0.10	0.55
Total	18.78	100.00

SECTOR ALLOCATION AS OF 30 JUNE 2019

	Market Value S$ (mil)	% of Net Asset Value
Basic Materials	0.99	5.26
Communications	1.86	9.91
Consumer, Cyclical	1.62	8.60
Consumer, Non-cyclical	5.60	29.80
Energy	0.89	4.77
Financial	0.62	3.28
Industrial	2.95	15.73
Technology	4.08	21.75
Utilities	0.07	0.35
Cash & Others	0.10	0.55
Total	18.78	100.00

Important: Any difference in the total and percentage of the Net Asset Value is the result of rounding.

CREDIT RATINGS OF DEBT SECURITIES

Nil.

SUBSCRIPTIONS AND REDEMPTIONS AS OF 30 JUNE 2019

	S$
Subscriptions	361,527
Redemptions	(1,783,737)

EXPOSURE TO DERIVATIVES

	Market Value S$	% of Net Asset Value	Realised Gains/(Losses) S$	Unrealised Gains/(Losses) S$
Forwards	(5)	<0.01	(776)	(5)

INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

June 2019	Market Value S$ (mil)	% of Net Asset Value
Public Storage	0.06	0.29
Link REIT	0.05	0.27
Camden Property Trust	0.03	0.18
Unite Group PLC	0.02	0.12

BORROWINGS

Nil.

RELATED PARTY DISCLOSURE

Income is the Investment Manager of the sub-fund. During the financial period ended 30 June 2019, management fee paid or payable by the sub-fund to the Investment Manager is S$91,026.

SOFT DOLLAR COMMISSION OR ARRANGEMENT

Income

The Manager does not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager also does not receive soft dollars for the sub-fund.

Wellington

The Managers did not retain for its own account cash or commission rebates arising out of transactions executed in or outside Singapore. Soft dollar commission/ arrangement has been received/ entered into by the Sub-Investment Manager in respect of the ILP. The soft dollar commission/ arrangement relates essentially to research services used for and in support of the investment process. The Sub-Investment Manager did not accept or enter into soft dollar commission/arrangement unless such commission/ arrangement would reasonably assist the Sub-Investment Manager in the management of the ILP and the trades were executed on a best execution basis. The Sub-Investment Manager took all reasonable steps to obtain the best possible result of the ILP, taking into account the following execution factors, including but not limited to, price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of a trade or transaction, and there was no churning of trades.

CONFLICTS OF INTEREST

As the Manager of various Income ILP sub-funds and insurance funds, we may from time to time have to deal with competing or conflicting interests between these sub-funds/insurance funds. However, we will use all reasonable endeavours to act fairly and in the best interest of the sub-fund. We will conduct all transactions with or for the sub-fund on an arm's length basis. The Manager has in place policies and procedures to monitor and mitigate conflicts of interests which may arise in the management of these sub-funds. We believe that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interest of the sub-fund and each sub-fund is treated fairly, regardless of the existence of any conflict.

Wellington did not encounter any conflict of interests in the management of the sub-fund.

OTHER PARTIES

The auditor of this sub-fund is KPMG LLP. Please note that financial results ending 31 December of each year will be audited.

MATERIAL INFORMATION

Nil.

Financial Statements

CAPITAL AND INCOME ACCOUNT

	Global Bond Fund S$	Global Equity Fund S$	Singapore Bond Fund S$	Singapore Equity Fund S$
Value of fund as of 1 January 2019	114,137,963	235,639,585	305,995,614	145,349,087
Subscriptions	7,740,284	2,919,322	26,279,109	5,605,653
Redemptions	(4,295,830)	(24,894,211)	(20,960,905)	(8,590,859)
Dividend distribution	-	-	-	-
Net investment income/ (loss)	7,428,867	48,161,213	5,291,339	15,623,291
Management fees & other charge	(491,473)	(1,571,050)	(756,162)	(488,130)
Value of fund as of 30 June 2019	124,519,811	260,254,859	315,848,995	157,499,042

	Asia Managed Fund S$	Global Managed Fund (Balanced) S$	Global Managed Fund (Conservative) S$	Global Managed Fund (Growth) S$
Value of fund as of 1 January 2019	137,552,680	161,349,430	11,833,193	235,298,683
Subscriptions	4,974,786	2,315,988	235,704	4,937,993
Redemptions	(8,724,002)	(9,315,101)	(562,536)	(11,848,191)
Dividend distribution	-	-	-	-
Net investment income/ (loss)	13,089,820	18,115,138	1,017,905	32,545,252
Management fees & other charge	(44,286)	4,802	(369)	6,907
Value of fund as of 30 June 2019	146,848,998	172,470,257	12,523,897	260,940,644

Financial Statements

CAPITAL AND INCOME ACCOUNT

	Singapore Managed Fund S$	Aim Now Fund S$	Aim 2025 Fund S$	Aim 2035 Fund S$
Value of fund as of 1 January 2019	83,236,255	69,061,881	17,378,324	21,532,227
Subscriptions	1,736,729	12,361,186	3,152,698	825,339
Redemptions	(5,252,495)	(16,739,432)	(2,647,586)	(1,141,583)
Dividend distribution	-	(855,352)	-	-
Net investment income/ (loss)	6,037,745	3,613,852	1,458,897	2,385,589
Management fees & other charge	(336,273)	(202,462)	(78,105)	(101,129)
Value of fund as of 30 June 2019	85,421,961	67,239,673	19,264,228	23,500,443

	Aim 2045 Fund S$	Money Market Fund S$	Asian Bond Fund S$	Asian Income Fund S$
Value of fund as of 1 January 2019	27,098,547	13,575,561	31,406,103	702,700,574
Subscriptions	1,705,998	6,548,663	22,559,030	121,576,506
Redemptions	(2,206,403)	(6,989,420)	(18,800,434)	(42,030,190)
Dividend distribution	-	-	(923,818)	(20,645,414)
Net investment income/ (loss)	3,235,234	162,640	2,543,691	77,766,355
Management fees & other charge	(130,417)	(17,108)	-	-
Value of fund as of 30 June 2019	29,702,959	13,280,336	36,784,572	839,367,831

	Global Income Fund S$	Global Technology Fund S$	Multi-Asset Premium Fund S$	Prime Fund S$	Takaful Fund S$
Value of fund as of 1 January 2019	86,813,165	80,511,365	3,927,800	248,757,638	17,021,489
Subscriptions	12,958,084	24,563,875	747,725	6,225,129	361,527
Redemptions	(17,456,582)	(30,667,347)	(390,189)	(17,570,020)	(1,783,737)
Dividend distribution	(2,201,901)	-	(43,424)	-	-
Net investment income/ (loss)	5,745,702	20,874,107	389,404	21,804,643	3,269,236
Management fees & other charge	-	(569,514)	-	(1,013,208)	(91,026)
Value of fund as of 30 June 2019	85,858,468	94,712,486	4,631,316	258,204,182	18,777,489

Financial Statements

BALANCE SHEET

	Global Bond Fund	Global Equity Fund	Singapore Bond Fund	Singapore Equity Fund	Asia Managed Fund
	S$	S$	S$	S$	S$
ASSETS					
Financial assets					
Equities	-	257,874,751	-	155,776,483	146,579,151
Debt securities	118,002,913	-	315,867,470	-	-
Financial derivatives	1,020,331	-	-	6,300	-
Other receivables and assets	1,087,788	739,700	53,245	81,381	353,145
Cash and cash equivalents	5,415,834	3,098,462	6,791,310	2,116,954	972,281
Total assets	125,526,866	261,712,913	322,712,025	157,981,118	147,904,577
LIABILITIES					
Financial liabilities					
Financial derivatives	804,969	13	14,038	-	-
Other payables and liabilities	202,086	1,458,041	6,848,992	482,076	1,055,579
Total liabilities	1,007,055	1,458,054	6,863,030	482,076	1,055,579
Value of fund	124,519,811	260,254,859	315,848,995	157,499,042	146,848,998
Units in issue	74,090,136	67,907,955	165,137,094	44,567,944	44,990,360
Net asset value per unit					
- at the beginning of the year	1.585	3.188	1.885	3.199	2.981
- as of 30 June 2019	1.681	3.832	1.913	3.534	3.264

	Global Managed Fund (Balanced)	Global Managed Fund (Conservative)	Global Managed Fund (Growth)	Singapore Managed Fund	Aim Now Fund
	S$	S$	S$	S$	S$
ASSETS					
Financial assets					
Equities	172,586,406	12,334,431	261,119,955	84,713,466	66,956,563
Debt securities	-	-	-	-	-
Financial derivatives	-	-	-	-	195,576
Other receivables and assets	320,028	17,199	419,226	48,755	2,285,718
Cash and cash equivalents	200,467	190,200	200,419	1,113,239	1,448,236
Total assets	173,106,901	12,541,830	261,739,600	85,875,460	70,886,093
LIABILITIES					
Financial liabilities					
Financial derivatives	-	-	-	-	442
Other payables and liabilities	636,644	17,933	798,956	453,499	3,645,978
Total liabilities	636,644	17,933	798,956	453,499	3,646,420
Value of fund	172,470,257	12,523,897	260,940,644	85,421,961	67,239,673
Units in issue	70,013,627	5,912,288	94,714,555	27,452,771	70,763,447
Net asset value per unit					
- at the beginning of the year	2.211	1.948	2.417	2.909	0.915
- as of 30 June 2019	2.463	2.118	2.755	3.112	0.950

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BALANCE SHEET

	Aim 2025 Fund	Aim 2035 Fund	Aim 2045 Fund	Money Market Fund	Asian Bond Fund
	S$	S$	S$	S$	S$
ASSETS					
Financial assets					
Equities	18,962,824	23,327,579	29,226,043	-	37,773,809
Debt securities	-	-	-	11,279,178	-
Financial derivatives	63,141	56,847	64,049	-	-
Other receivables and assets	4,761	4,084	25,733	6,788	1,546,520
Cash and cash equivalents	333,352	303,791	508,889	3,267,997	195,468
Total assets	19,364,078	23,692,301	29,824,714	14,553,963	39,515,797
LIABILITIES					
Financial liabilities					
Financial derivatives	253	316	379	-	-
Other payables and liabilities	99,597	191,542	121,376	1,273,627	2,731,225
Total liabilities	99,850	191,858	121,755	1,273,627	2,731,225
Value of fund	19,264,228	23,500,443	29,702,959	13,280,336	36,784,572
Units in issue	12,653,809	13,897,242	17,382,756	11,140,228	40,096,638
Net asset value per unit					
- at the beginning of the year	1.413	1.529	1.535	1.182	0.873
- as of 30 June 2019	1.522	1.691	1.709	1.192	0.917

	Asian Income Fund	Global Income Fund	Global Technology Fund	Multi-Asset Premium Fund	Prime Fund	Takaful Fund
	S$	S$	S$	S$	S$	S$
ASSETS						
Financial assets						
Equities	837,370,030	86,559,960	93,127,014	4,623,183	257,627,072	18,674,040
Debt securities	-	-	-	-	-	-
Financial derivatives	-	-	-	-	-	-
Other receivables and assets	5,168,227	1,519,187	1,879,968	26,497	333,073	81,007
Cash and cash equivalents	4,858,563	1,311,722	2,950,524	9,177	1,494,167	221,928
Total assets	847,396,820	89,390,869	97,957,506	4,658,857	259,454,312	18,976,975
LIABILITIES						
Financial liabilities						
Financial derivatives	-	-	2	-	-	5
Other payables and liabilities	8,028,989	3,532,401	3,245,018	27,541	1,250,130	199,481
Total liabilities	8,028,989	3,532,401	3,245,020	27,541	1,250,130	199,486
Value of fund	839,367,831	85,858,468	94,712,486	4,631,316	258,204,182	18,777,489
Units in issue	868,384,955	105,255,690	113,544,264	5,034,763	28,083,161	11,714,945
Net asset value per unit						
- at the beginning of the year	0.896	0.783	0.667	0.849	8.477	1.346
- as of 30 June 2019	0.967	0.816	0.834	0.920	9.194	1.603

Notes to The Financial Statements

These notes form an integral part of the financial statements.

1 Significant Accounting Policies

(a) Basis of preparation

The financial statements of the NTUC Income Funds have been prepared on the historical cost basis, except for investments and derivatives which are stated at fair value.

The financial statements of the NTUC Income Funds are expressed in Singapore Dollars.

(b) Recognition of income and expenses

Dividend income is recognised when the right to receive payment is established.

Interest income on bank deposits is recognised on a time-proportionate basis using the effective interest method.

Expenses are recognised on an accrual basis.

(c) Investments

All purchases of investments are recognised on their trade dates, which are the date the commitment exists to purchase the investments. The investments are initially recorded at fair value, being the consideration given and excluding acquisition charges associated with the investments. These acquisition charges are recognised in the Capital and Income Account when incurred. After initial recognition, the unrealised gains or losses on re-measurement to fair value are taken to the Capital and Income Account. The quoted market price at the close of trading is adopted for all equity investments. Equity investments comprise the direct investments in equity securities and investments in funds. The bid price has been adopted for all fixed income investments. Unquoted fixed income securities are valued at bid prices quoted by banks, inclusive of accrued interest.

(d) Derivative financial instruments

Derivative financial instruments are measured at initial recognition, and subsequently, at fair value and changes in fair value are recognised in the Capital and Income Account. Transaction costs incurred in buying and selling derivative instruments are recognised in the Capital and Income Account when incurred. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The fair value of a derivative financial instrument is determined by reference to its quoted price if quoted prices are regularly available from an exchange, dealer, or broker and there are regularly recurring market transactions in the instrument.

(e) Realised gains/losses from sale of investments

All sales of investments are recognised on their trade dates, which are the date the fund commits to sell the investments.

Realised gains/losses from the sale of investments are taken to the Capital and Income Account.

(f) Foreign currency transactions

Foreign currency transactions are translated into the functional currency, Singapore Dollars, at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rates at the reporting date.

Foreign currency differences are recognised in the Capital and Income Account.