

# Global Bond Fund

Fund Summary  
as of 8 October 2021

## Investment Objective

The sub-fund aims to provide a medium to long-term rate of return by investing mainly in global bonds.

## Investment Scope

The sub-fund will invest primarily in global investment grade corporate bonds. The sub-fund may also invest in global government 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 Managers are allowed to have some currency exposure. The sub-fund is denominated in Singapore Dollars.

## Investment Approach

The sub-fund will be actively managed with the investment process and philosophy which include top-down and bottom-up decision making input to identify sources of value. The forward-looking credit selection process combines top-down macro views with rigorous bottom-up research which seeks to identify industries and companies with healthy growth prospects before the market and credit agencies. The Sub-Investment Managers shall not engage in securities lending and repurchase transactions unless with the prior consent of the Manager.

## Fund Details

<b>Launch Date</b>	2 January 2003
<b>Fund Manager</b>	NTUC Income Insurance Co-operative Limited
<b>Sub-Investment Managers</b>	PIMCO Asia Pte Ltd Invesco Asset Management Singapore Ltd (with effect from 17 August 2021)
<b>Custodian</b>	The Bank of New York Mellon
<b>Dealing Frequency</b>	Every business day
<b>Premium Charge</b>	Please refer to "Fees and Charges" in section 4 of the Product Summary for ILP
<b>Annual Management Fee</b>	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 The annual management fee will be 0.90% p.a. from 17 August 2022
<b>Inclusion in CPFIS</b>	Yes (CPF OA and CPF SA)
<b>CPFIS Risk Classification</b>	Low to Medium Risk, Broadly Diversified
<b>Structure</b>	Single Fund. The units in the sub-fund are not classified as Excluded Investment Products
<b>Benchmark</b>	Bloomberg Barclays Global Aggregate Credit Index (SGD Hedged)
<b>Subscription Method</b>	Cash / SRS / CPF OA / CPF SA
<b>Financial Year End</b>	31 December

## Past Performance (as of 30 June 2021)

	1-month	3-month	6-month	1-year	3-year <sup>^</sup>	5-year <sup>^</sup>	10-year <sup>^</sup>	Since inception <sup>^</sup>
<b>Global Bond Fund</b>	1.01	1.99	-1.48	2.39	4.29	2.13	3.23	3.22
<b>Benchmark</b>	1.04	2.15	-1.01	1.75	4.83	2.97	4.00	3.80

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With effect from 3 August 2020, the benchmark has been changed from Barclays Global Aggregate Index (SGD Hedged) to Bloomberg Barclays Global Aggregate Credit Index (SGD Hedged) to align with the fund scope to invest primarily in global investment grade corporate bonds.

The returns are calculated using bid-to-bid prices, in Singapore Dollar terms, with dividends and distributions reinvested. Source: Bloomberg and Factset, as of end June 2021.

^Returns above one year are annualised. Past performance is not indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

## Fund Manager

NTUC Income Insurance Co-operative Limited is the Investment Manager of the sub-fund. PIMCO Asia Pte Ltd and Invesco Asset Management Singapore 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 31 December 2020, Income had S\$45.91 billion in assets under management. Our financial strength and diversified investment portfolio is reflected by our strong credit ratings and predicated on our core investment philosophy of value, prudence and discipline. Income is regulated by Monetary Authority of Singapore.

### PIMCO Asia Pte Ltd (PAPL)

PAPL is incorporated in Singapore and regulated by the Monetary Authority of Singapore as a holder of a capital market services license and an exempt financial adviser. Pacific Investment Management Company LLC (PIMCO) is the parent company of PAPL which was launched in 1971 and headquartered in Newport Beach, California. As of 31 December 2020, PIMCO's professionals work in 18 offices across the globe, united by a single purpose which is creating opportunities for investors for every environment. PIMCO managed \$2.21 trillion in assets, including \$1.63 trillion in third-party client assets as of 31 December 2020. Assets include \$17.1 billion in assets of clients contracted with Gurtin Fixed Income Management, LLC, an affiliate and wholly-owned subsidiary of PIMCO.

### Invesco Asset Management Singapore Ltd (IAMSL)

IAMSL is incorporated in Singapore and regulated by the Monetary Authority of Singapore. Invesco Ltd (Invesco) is the parent company of IAMSL which is an independent investment management firm dedicated to delivering an investment experience that helps people get more out of life. With more than 8,444 employees worldwide, Invesco manages US\$1,350 billion of assets around the globe, serving clients in more than 120 countries as at 31 December 2020. Invesco was established in 1935 and today operates in 25 countries. The firm is currently listed on the New York Stock Exchange under the symbol IVZ. Invesco is an independent firm, solely focused on investment management. Invesco directs all its intellectual capital, global strength and operational stability towards helping investors achieve their long-term financial objectives.

## Risks

### Key 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.

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The securities and instruments in which the sub-fund may invest are subject to market fluctuations and other risks inherent in such investments and there can be no assurance that any appreciation in value will occur.

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.

The risk factors may cause you to lose some or all of your investments. A description of the major risks is provided below. This is not an exhaustive list of risks.

## Market and Credit Risks

You are exposed to market risks. Prices of the securities held by the sub-fund may go up or down, sometimes rapidly or unpredictably. Securities may decline in value due to factors affecting securities markets generally or particular industries.

You are exposed to interest rate risks. The sub-fund's investment in debt securities may be subject to the risk of interest rate fluctuations which may cause the price of debt securities to go up or down. In general, as nominal interest rates rise, the value of fixed income securities is likely to fall.

You are exposed to currency risks. Changes in exchange rates between currencies or the conversion from one currency to another may cause the value of a sub-fund's investments to diminish or increase. Currency exchange rates may fluctuate significantly over short periods of time. The sub-managers will actively hedge the foreign currency exposure in order to manage the currency risk, but will not knowingly leverage in the foreign currency exposure.

You are exposed to credit risks. Changes in the financial condition or credit standing of an issuer may negatively affect the sub-fund. An issuer of fixed income securities may suffer adverse changes in its financial condition and unable to pay the principal and/or interest on the instrument.

## Liquidity Risks

You are exposed to liquidity risks. There is no secondary market for the sub-fund. All redemption requests should be made to the Manager.

## Product-Specific Risks

You are exposed to derivatives risks. The sub-fund may invest in derivatives instruments including futures, options, forwards, swaps or credit derivatives for purposes of hedging and/or efficient portfolio management. Derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. The usage of derivatives may negatively impact the value of the sub-fund. The global exposure of the sub-fund to financial derivatives or embedded financial derivatives will be calculated using the commitment approach and in accordance with provisions of the Code on Collective Investment Schemes. The Manager will ensure that the risk management and compliance procedures are adequate and have been or will be implemented and that it has the necessary expertise to manage the risks relating to the use of financial derivatives.

You are exposed to high yield risks. The sub-fund may be subject to greater levels of interest rate, credit and liquidity risks than funds that do not invest in such securities.

You are exposed to emerging markets risks. Investment risk may be particularly high to the extent that a sub-fund invests in emerging market securities of issuers based in countries with developing economies. These securities may present market, credit, currency, liquidity, legal, political and other risks different from, or greater than, the risks of investing in developed countries.

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## Expense and Turnover Ratio

	Expense Ratio	Turnover Ratio
As of 31 December 2020	0.87%	188.01%
As of 31 December 2019	0.87%	93.47%

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.

## Soft Dollar Commission or Arrangement

The Manager and Sub-Investment Managers do not retain for its own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The Manager and Sub-Investment Managers also do 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.

### PIMCO

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.

### Invesco

In the normal course of business, situations resulting in potential or actual conflicts of interests may arise. Invesco will try to avoid conflicts and, when they cannot be avoided, seek to ensure that its clients are treated fairly. Where a potential conflict arises, Invesco will always seek to ensure that transactions and services are effected on terms that are not materially less favourable to the client than those had the conflict, real or potential, had not existed. Invesco endeavours to maintain and operate effective organisational and administrative arrangements with a view to taking all appropriate steps to identify and to prevent or manage conflicts of interest whose existence may damage the interests of 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

There is no material information that will adversely impact the valuation of the sub-fund.

## Reports

If you wish to track the performance of the sub-funds you have invested in, you can refer to the Semi Annual Fund Report and the Annual Fund Report for our ILP sub-funds.

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The financial year-end of Income's ILP sub-funds is 31 December of each year. You can find the semi-annual financial statements in the Semi Annual Fund report, and the annual audited financial statements in the ILP Financial Statements. The Semi Annual Fund Report will be available by the end of August of each year, and the Annual Fund Report and annual audited financial statements by the end of March of the following year respectively.

The Semi Annual Fund Report and Annual Fund Report are available on Income's website at [www.income.com.sg/fund/coopprices.asp](http://www.income.com.sg/fund/coopprices.asp), and the annual audited financial statements are available at [www.income.com.sg/about-us/reports-publications](http://www.income.com.sg/about-us/reports-publications). Alternatively, you can also approach our insurance advisers, contact us at 6788 1122 / 6788 1777, or email [csquery@income.com.sg](mailto:csquery@income.com.sg) to request for a copy of the reports.

## IMPORTANT NOTES

The Global Bond Fund is an Investment-Linked Policy (ILP) sub-fund issued by NTUC Income Insurance Co-operative Limited (Unique Entity Number No. S97CS0162D), a co-operative society registered in Singapore and having its registered address office at 75 Bras Basah Road, Income Centre, Singapore 189557. The information in this fund summary is for informational use only. A product summary relating to the sub-fund is available and may be obtained through Income. A potential investor should read the product summary before deciding whether to subscribe for units in the sub-fund. Investments are subject to investment risks including the possible loss of the principal amount invested. The sub-fund shall comply with the investment guidelines as set out in the Code of Collective Investment Schemes, CPF Investment Guidelines, internal investment restrictions, relevant laws and regulations. Past performance, as well as the prediction, projection or forecast on the economy, securities markets or the economic trends of the markets targeted by the sub-fund are not necessarily indicative of the future or likely performance of the sub-fund. The sub-fund returns are calculated on the assumption that all dividends and distributions are reinvested, taking into account all charges which would have been payable upon such reinvestment. The performance of the sub-fund is not guaranteed and the value of units in the sub-fund and the income accruing to the units, if any, may fall or rise. Any opinion or estimate contained in this document is subject to change without notice.

Information correct as of 8 October 2021