

# AIM Now Fund

Fund Summary  
as of 22 September 2020

## 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.

## Investment Approach

Target maturity multi-asset portfolio that invests in a broad range of asset classes to deliver consistent returns over a market cycle. A volatility target combined with an asset allocation range is defined for each AIM Portfolio whereby the total risk for each portfolio is aligned with the remaining years left to maturity. Asset allocation decisions are largely driven from a top-down basis considering broader macro environment and outlook for assets over the next leg of the economic cycle. As AIM Now Fund is designed for investors who require a supplemental source of income, it will have a low risk profile and volatility target and as such, will allocate more to defensive assets such as fixed income.

## Fund Details

<b>Launch Date</b>	25 September 2009
<b>Fund Manager</b>	NTUC Income Insurance Co-operative Limited
<b>Sub-Investment Manager</b>	Schroder Investment Management (Singapore) Ltd
<b>Custodian</b>	The Bank of New York Mellon
<b>Dealing Frequency</b>	Every business day
<b>Initial Sales 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 of time.
<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
<b>Benchmark</b>	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
<b>Subscription Method</b>	Cash / SRS / CPF OA / CPF SA
<b>Financial Year End</b>	31 December
<b>Distribution</b>	The sub-fund offers a semi-annual pay-out feature, with a potential distribution of up to 2% of the net asset value, or 4% per annum. The declaration date is set on 31 May and 30 November every year. If these dates fall on a weekend/public holiday, the last business day before these dates will be taken as the declaration date. The declaration date is subject to review and the distribution dates

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are stated in our website. The Manager has the sole discretion to determine the rate and frequency of the distribution.

The Manager intends to pay the distribution within 45 days from the declaration date. The distributions are not guaranteed and can be made out of the income, capital gains and/or capital of the sub-fund.

The default option for distribution is to reinvest them into the sub-fund. If a policyholder wants to encash the distribution, he must notify the Manager in writing at least 30 days before the Declaration Date. Any distribution below S\$50 has to be reinvested and encashment is not allowed. Any distribution payable for investment bought using SRS monies, if applicable, will also be reinvested.

## Past Performance (as of 30 June 2020)

	1-month	3-month	6-month	1-year	3-year <sup>^</sup>	5-year <sup>^</sup>	10-year <sup>^</sup>	Since inception <sup>^</sup>
AIM Now Fund	1.01	5.34	3.61	7.19	4.30	3.97	3.35	3.40
Benchmark	0.50	3.73	3.98	6.92	4.64	4.47	3.93	4.05

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, due to the discontinuation of UOB Singapore Government Bond index statistics publication. The replacement benchmark exhibits similar return and volatility characteristics to the previous benchmark.

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 2020.

<sup>^</sup>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

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 2020, Income had S\$41.46 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

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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 £525.8 billion (as of 30 June 2020). 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.

## 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 16 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 2020, Fullerton Fund Management's assets under management was S\$55 billion.

## 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.

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. Foreign currency exchange rate movements are likely to influence the returns to investors in Singapore, hence investors may be exposed to exchange rate risk. While the underlying fund attempts to hedge the currency risk passively, there can be no guarantee that it will be successful in doing so.

You are exposed to credit risks. Changes in the financial condition or credit standing of an issuer may negatively affect the underlying 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.

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## 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. Derivative instruments, including futures, options, warrants, forwards, swaps or swap options, may be used from time to time in managing the investments of the sub-fund. The use of derivatives may expose the sub-fund to a higher degree of risk. Derivative contracts can be highly volatile and a relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative position can hence increase the sub-fund's volatility. The sub-fund may sustain loss as a result of the failure of a derivatives counterparty to comply with the term of the derivative contract. The sub-fund may also use derivatives to facilitate more complex efficient portfolio management techniques.

You are exposed to risks relating to distributions. The Manager also reserves the right to review and make changes to the distribution policy from time to time. Where the income generated by the sub-fund is insufficient to pay distributions as declared, the Manager may at its discretion make such distributions out of the capital of the sub-fund; the NAV of the sub-fund will be reduced.

## Expense and Turnover Ratio

	Expense Ratio	Turnover Ratio
As of 31 December 2019	0.93%	61.87%
As of 31 December 2018	0.91%	11.32%

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 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

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 has in place policies and procedures to mitigate conflicts of interest 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

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

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## 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.

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 AIM Now Fund is an Investment-Linked Plan (ILP) 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 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 fund. Investments are subject to investment risks including the possible loss of the principal amount invested. 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 fund are not necessarily indicative of the future or likely performance of the fund. The 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 fund is not guaranteed and the value of units in the 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 22 September 2020