

# ING Life Insurance Company (Bermuda) Limited

## ING CAPITAL GUARANTEE PLAN

Monthly fact sheet as at 9.30.2011

### IMPORTANT

- **ING Capital Guarantee Plan (the "Plan") is a pooled retirement fund scheme.**
- **The Plan is an insurance policy issued by ING Life Insurance Company (Bermuda) Limited ("ING Life"). The guarantee is also given by ING Life. Your investments in the Plan are therefore subject to the credit risks of ING Life. The guarantee is subject to qualifying conditions. Please refer to section 1 of Part II of the Principal Brochure for details of the guarantee features and conditions.**

### INVESTMENT OBJECTIVE

The Fund's investment objective is to preserve the capital of the assets and to seek a stable return to the fund investors.

#### Long Term Investment Strategy:

Fixed Income Securities	67%-100%
Equities	0%-33%
Cash	0%-10%

### INVESTMENT POLICY

Manager adopts a prudential approach in seeking stable return from high-graded fixed income securities and at the same time, an excess return from some exposure in equities.

### GUARANTEE FEATURE

ING Capital Guarantee Fund (the "Fund") under the Plan is a managed fund that guarantees the Declared Rate of return every year will not be less than 0% per annum on the total contributions, less any withdrawals and less any charges applicable, received for the period of ten years from the commencement date of the participation in the Fund. After ten years from the commencement date of the Fund, unless ING Life decides otherwise, the guarantee will lapse. The annual Declared Rate will be announced after each fiscal year end of the Fund. To obtain the annual Declared Rate of return, the employer and employee contributions must be retained in the Fund until the announcement of the Declared Rate for the immediate preceding fiscal year; otherwise, the interim Declared Rate of return shall be given.

The Declared Rate as declared annually by ING Life at its absolute discretion is based on the yield earned and may be nominal value on the investment, net of all relevant taxes and charges but including realized and unrealized gains and adjustments made by the actuary to smooth market fluctuations.

**Investment involves risk. There is no assurance on investment returns and your investments may suffer significant losses.**

### MARKET REVIEW

August Conference Board's Consumer Confidence was revised upward from 44.5 to 45.2 but did not improve much in September with a reading of 45.4 and remained in recession territory. Although S&P/Case Shiller home prices in July declined 4.1%, less than the 4.4% forecasted likely due to delays in foreclosure processing, the supply overhang will continue to keep prices down. As expected, the Fed said on Sept. 21<sup>st</sup> that it will replace short-term securities with longer-maturity debts to sustain the recovery by keeping borrowing rates at record lows. The announcement pushed 10-year yield below 1.70%, surpassing the record low set back in December 2008, before reversing course. For the month, 10-year U.S. Treasury yield fell 30 bps to 1.92% while the Hong Kong government 10-year yield sank 47 bps to 1.27%. 3-month HIBOR remained unchanged at 0.28%

Hang Seng Index had a sharp drop of 14.3% in September and closed the month at 17,592. The weak sentiment in global equity markets caused by credit crisis in Europe continued to dominate the investment sentiment. Global investors were cutting risky assets such as commodities and equities in emerging markets such as Asia equities. Investors also have concerns on the tight liquidity situation in China and potential rising NPL in financial sector. Banks and insurance names in China got big corrections. Property sector also got big hits on the concerns of demand and cash flow. Telecom stocks outperformed due to their defensive nature of earnings and low gearing.

### MARKET OUTLOOK

IMF reduced its global growth forecast to 4% for both 2011 and 2012 citing slower growth in developed economies of US, Eurozone, and Japan. It also warned of "severe repercussions" to the global economy unless Eurozone banking system is strengthened and US fiscal deficit is resolved. In the meanwhile, the sovereign debt crisis in Europe continues to plague the financial markets. Italy's credit rating was cut by S&P to A from A+ and several European banks as well as U.S. banks had their ratings cut by Moody's as contagion spreads. This is a trend that is likely to continue until political talks are backed by actions. 10-year Treasury is expected to trade between 2.00% and 2.50%. HKD interest rates will likely follow the USD rates under the peg system.

The current market sentiment is mainly dominated by news flow from the credit crisis in Europe and the liquidity situation in China. For the situation in Europe, it is not too optimistic in general and it is believed that hair cut in debt of Greece is imminent. Investors are expecting central banks in Europe will further assist banks in Europe to reduce the loss and maintain stable liquidity in the financial system caused by this crisis. Recently we have seen positive development from central bank such as expanding the credit facilities

to banks and the QE2 by Bank of England. The U.S. has no immediate problem with a few improvements in the recent economic indicators. China starts to accelerate the pace to address the liquidity problems to SMEs and local government debt problem in the past 2 weeks. However, further decisive actions are required from the policy front such as a cut in RRR. It is not expected inflation is a threat with a sharp correction in global commodity prices. Investors are waiting for the cue to rebuild the position. In fact, valuation of the Hong Kong and China stocks have approaching the trough valuation of 2008. We think it will be too dangerous to go for defensive at the current low valuation. In contrast, it is time to re-build beta gradually to position for a rebound in the expectation of a policy change. Domestic consumption stocks and energy stocks continues to be our focus. It is not expected consumption story in China has come to an end. Energy demand from emerging markets continues to grow which can compensate for the relative weak demand in developed markets.

### FUND PERFORMANCE

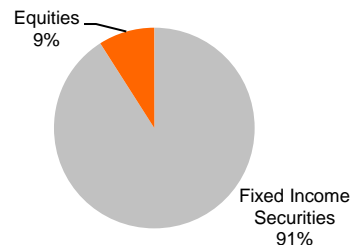
	Interim Declared Rate (From 1 Oct 2010 to 30 Sep 2011)
<b>2010 / 2011</b>	2.50%
	Annual Declared Rate (From 1 Oct to 30 Sep)
<b>2009 / 2010</b>	5.10%
<b>2008 / 2009</b>	5.25%
<b>2007 / 2008</b>	3.00%
<b>2006 / 2007</b>	7.25%
<b>2005 / 2006</b>	6.25%
<b>2004 / 2005</b>	6.25%
<b>2003 / 2004</b>	6.25%
<b>2002 / 2003</b>	7.00%
<b>2001 / 2002</b>	6.00%
<b>2000 / 2001</b>	6.25%
<b>1999 / 2000</b>	7.50%
<b>1998 / 1999</b>	8.75%
<b>1997 / 1998</b>	7.00%
<b>1996 / 1997</b>	7.50%
<b>1995 / 1996</b>	8.10%
<b>1994 / 1995</b>	7.00%

**16 Years' Cumulative Performance 174.73%**

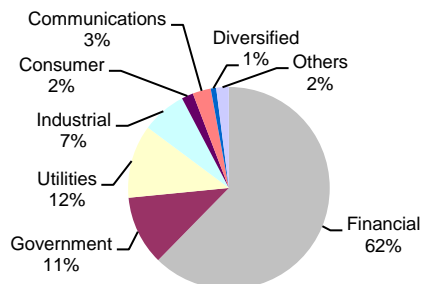
Source: ING Life Insurance Company (Bermuda) Limited

**Past Performance is not necessarily a guide to the future returns, the income from investment may go down as well as up.**

### ASSET ALLOCATION



### FIXED INCOME INDUSTRY ALLOCATION



This fund fact sheet is issued by ING Life Insurance Company (Bermuda) Limited. You should not invest based on this document alone. Please refer to the Principal Brochure for the details of the guarantee features and conditions. The Plan has been authorized by Securities and Futures Commission. Authorization does not imply official recommendation.



重要事項

- ING 本金保證計劃(「本計劃」)為集資退休基金計劃。
- 本計劃是一個由 ING Life Insurance Company (Bermuda) Limited (“ING Life”) 所發行之保險單。而有關係亦由 ING Life 提供。因此，您於本計劃的投資將受 ING Life 的信用風險所影響。保證受限制性條件所管限。有關其保證特點及保證條件的詳情，請參閱主要銷售刊物第 II 部份第 1 節。

投資目標

本基金之投資目標為保存本金及為投資者爭取穩定的回報。

長期投資策略：

定息證券	67%-100%
股票	0%-33%
現金	0%-10%

投資策略

經理採取穩健的投資策略，投資於獲得國際評級較高之固定利息證券，同時亦投資部份資產於股票，以期取得額外回報。

保證特性

ING 本金保證基金(「本基金」)是一個管理基金。由參與本基金之生效日期起計的十年內，本基金保證每年的「宣佈利率」將不低於此段時間所收到的總供款，在扣除任何提取款項及其他適用的收費之後的百分之零。於本基金開始起計十年後，除 ING Life 允許外，保證將會結束。每年的「宣佈利率」將於每年基金財政年度結束後公佈。僱主及僱員的供款必須保留在本基金直至上年的「宣佈利率」公佈後方可獲得該年的「宣佈利率」，否則，「中期利率」將會用作計算該年回報之用。

ING Life 每年公佈的「宣佈利率」是根據其所得及可能其名義投資回報，扣除所有有關的稅項及收費，但包括已變現或未變現的資本增值及由精算師為緩和市場波動而作出的調整。

**投資涉及風險。投資回報並無擔保，而您的投資或會承受重大損失。**

市場回顧

美國會議局將 8 月份消費者信心指數由 44.5 向上修訂至 45.2，但 9 月份指數報 45.4，反映情況沒有多大改善，消費市道持續倒退。儘管 7 月份標普/Case Shiller 樓價指數僅跌 4.1%，較市場預期的 4.4% 跌幅為低，但可能純粹受到斷供物業延誤處理影響，市場供應過剩或對樓價持續造成壓力。一如預期，聯儲局在 9 月 21 日表示，計劃出售短期債券以購入較長期債券，藉以遏抑借款利率於歷史低位。消息公佈後，十年期債券息受壓，一度跌穿 2008 年 12 月創下的 1.70% 歷史低位後才告反彈。十年期美國國庫券息在月內下跌 30 個基點至 1.92%；至於十年期香港政府債券息則跌 47 個基點至 1.27%。三個月本港銀行同業拆息維持於 0.28% 不變。

恒生指數在 9 月份急跌 14.3%，月底收報 17,592 點。由於歐洲信貸危機持續對投資意欲造成困擾，引發環球股市下跌。環球投資者對商品、新興市場股票包括亞洲股票等風險資產作出減持。此外，投資者亦對中國緊縮的流動資金狀況和金融業不良貸款潛在上升風險感到憂慮。內地銀行和保險股走勢大幅調整。地產股亦備受市場需求及現金流等問題困擾備受沽壓。盈利較具防守特性及負債偏低的電訊股則表現領先於大市。

市場展望

國際貨幣基金組織表示，基於美國、歐元區和日本等已發展地區經濟放緩，將 2011 年和 2012 年全球經濟增長的預測下調至 4%，並且警告若歐元區銀行體系未能加強及美國財政赤字無法解決，將對全球經濟構成「更嚴峻影響」。另一方面，歐洲主權債務危機則持續困擾各地金融市場。標準普爾將意大利信貸評級由 A+ 下調至 A，穆迪亦鑑於信貸危機擴散削減個別歐洲和美國銀行的信貸評級。直至政治的談判轉化為實質的行動前，上述情況料將持續。展望十年期國庫券息介乎於 2.00% 至 2.50% 上落。在聯繫匯率的制度下，港元利率將跟隨美元利率的走勢。

目前市場氣氛備受歐洲信貸危機及中國流動資金狀況等問題困擾。對於歐洲的整體狀況不宜過於樂觀，預計希臘削減債務在即。投資者預期歐洲央行將會進一步協助歐洲銀行以減低損失，同時致力維繫金融體系的流動資金狀況穩定，以免受危機的打擊。近期我們看到央行推行的利好政策包括：為銀行提供擴大信貸機制，以及英倫銀行推行第二輪量化寬鬆政策。美國近期公佈經濟指標略呈改善，反映經濟沒有迫切的問題。過去兩週，中國政府加大力度以解決中小企業和地方政府債務的流動資金問題。然而，市場仍期待政策方面有進一步果斷的行動出台，包括削減存款準備金率等。鑑於環球商品價格大幅調

整，市場預計有助降低通脹的威脅。投資者等待有利的啟示重新入市。事實上，目前香港和中國股市的估值已接近 2008 年谷底。我們認為在目前估值偏低階段採取防守性的部署過於冒險。相反，目前是時候因應政策轉變的預期，為後市反彈重整持盤和作出部署。我們的投資焦點繼續集中於內地消費和能源股，並看好中國消費的概念仍然持續。新興市場對能源需求維持增長，可以彌補來自自己發展市場相對較弱的需求。

投資表現

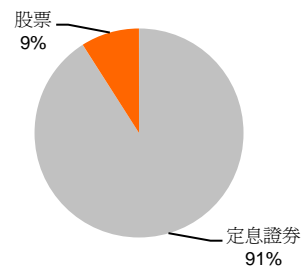
	中期宣佈利率 (由 2010 年 10 月 1 日至 2011 年 9 月 30 日)
2010 / 2011	2.50%
	每年宣佈利率 (由 10 月 1 日至 9 月 30 日)
2009 / 2010	5.10%
2008 / 2009	5.25%
2007 / 2008	3.00%
2006 / 2007	7.25%
2005 / 2006	6.25%
2004 / 2005	6.25%
2003 / 2004	6.25%
2002 / 2003	7.00%
2001 / 2002	6.00%
2000 / 2001	6.25%
1999 / 2000	7.50%
1998 / 1999	8.75%
1997 / 1998	7.00%
1996 / 1997	7.50%
1995 / 1996	8.10%
1994 / 1995	7.00%

16 年累積表現 174.73%

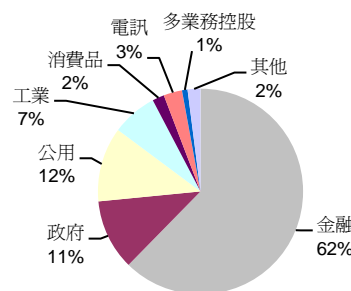
資料來源：ING Life Insurance Company (Bermuda) Limited

基金過去表現並不代表未來業績之指標，基金收益可跌可升。

資產分佈



定息證券行業分佈



本基金便覽由 ING Life Insurance Company (Bermuda) Limited 發出。閣下不應僅倚賴此基金便覽作出投資決定。有關保證特性及條件，請參閱主要銷售刊物。本計劃獲證券及期貨事務監察委員會認可。認可並不意味官方推介。

