

FUND OBJECTIVE

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

FUND DETAILS

Launch Date	13 February 2015
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	76.883 million units (28 February 2018)
Fund Size	RM105.287 million (28 February 2018)
Unit NAV	RM1.3694 (28 February 2018)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB-Principal Asia Pacific Dynamic Income Fund
Benchmark	Target return of 8% p.a.
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a medium to long-term investment horizon Want a well-diversified portfolio of Asia Pacific ex Japan region Willing to take moderate risk for potentially moderate capital return over the long-term.
Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Dynamic Income Fund. 1.8% of pa fund management charge is applied on the target fund's NAV by CIMB-Principal.
Taxation	8% of annual investment income

ASSET ALLOCATION

Equities	Min 70%; Max 98%
Fixed Income	Max 15%
Liquid Assets	2%

WHERE THE FUND INVESTS

Finance	33.71%	Health Care	1.60%
Consumer	19.37%	Telecommunications	0.99%
Industrials	14.00%	Trading/Services	0.75%
Technology	11.57%	Cash	5.89%
Oil & Gas	7.05%	Basic Materials	5.07%
		Total	100.0%

TOP HOLDINGS OF THE TARGET FUND

Tecent Hldg Ltd (Hong Kong)	5.99%
AIA Group Ltd (Hong Kong)	4.02%
BHP Billiton Ltd (Australia)	3.62%
Hangzhou Hikv (China)	3.59%
Industrial and Commercial Bank (China)	3.50%
Midea Group Co Ltd –A (China)	3.15%
Samsung Electronics Co. Ltd (S. Korea)	3.10%
Autohome Inc –ADR (United States)	2.91%
Ping An Insurance Group. –H (China)	2.68%
HCL Technologies Ltd (India)	2.52%

PERFORMANCE RECORD

This fund feeds into CIMB-Principal Asia Pacific Dynamic Income Fund ("target fund") with the objective to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Dynamic Income Fund versus its benchmark as at 28 February 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	1.47	-0.84	3.81	5.99	20.68	36.67	36.94
Benchmark	1.29	0.64	1.94	3.92	8.00	25.97	26.78

* Calculation of past performance is based on NAV-to-NAV

Notice: Past performance of the fund is not an indication of its future performance which may differ. The fund performance is not guaranteed.

FUND MANAGER'S COMMENTS

In February, the Fund declined by 84 bps.

Asia Pac ex-Japan equities went into a risk-off mode and corrected -4.9% (US\$) in February triggered by a surge in US 10-year yields and concerns of higher inflation. The sell-off was broad-based with underperformance in energy, telecoms, industrials, real estate and financials while healthcare was the only gainer. Topical issues: can Asian equities withstand higher US bond yields, how will the US\$ fare against major Asian currencies? Asian equities remain a BUY: Upside in Asian equities should be guided by earnings growth of ~13% in 2018 but volatility could be higher given trade tensions, rising bond yields and credit spreads, and diminishing central bank bond purchases. Investor sentiment on the "Goldilocks" scenario (growth that is not too high as to stoke inflation) will also be tested especially if US wage growth data shows a pick-up significantly beyond 3%. Our view is that US corporates can manage a gradual rise through better productivity & pricing. We prefer cyclical to defensives as Asia is just into the 2nd year of significant sales & earnings growth and China is still implementing supply side reform. We also prefer companies that have above average growth to enable higher re-investment into the business. Given relatively tighter liquidity vs. 2017, we would be more cautious on countries with a weakening current account and fiscal deficit coupled with rising inflation like India and the Philippines.

APDI has recently added more weights in Malaysia, because of its strong GDP growth outlook, inflation under control, and increasing surplus in current account. The fund is fully invested with cash less than 5%.

Source: CIMB-Principal Asset Management Bhd

Disclaimer:

The benchmark performance is not a guide to future performances which may differ. The performance of the fund is not guaranteed. The value of the fund will fluctuate and may fall below the amount of premiums paid and the fund value depends on the actual performance of the underlying investment. This material is for information purposes only and is subject to change at any time without notice. Sun Life Malaysia does not guarantee its accuracy, completeness, correctness or timeliness for any purpose or reason. This information should not be considered as advice or recommendation in relation to your account or particular investment objectives, financial situation or needs. You may not revise, transform, or build upon this material without prior written consent of Sun Life Malaysia. Before acting on any information you should seek independent financial advice.