

FUND OBJECTIVE

To achieve medium to long-term capital appreciation through investments primarily in Malaysian bonds

FUND DETAILS

Launch Date	20 October 2008
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	30.52 million units (31 March 2017)
Fund Size	RM38.32 million (31 March 2017)
Unit NAV	RM 1.2554 (31 March 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Benchmark	12 month FD
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a medium to long-term investment horizon Want a diversified portfolio of fixed interest securities Are looking for a less volatile investment but can accept lower returns
Fees	<ul style="list-style-type: none"> Management Fee: 1.0% p.a.
Taxation	8% of annual investment income

ASSET ALLOCATION

Bonds/ Debentures	80% - 98%	Cash	Up to 20%
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WHERE THE FUND INVESTS

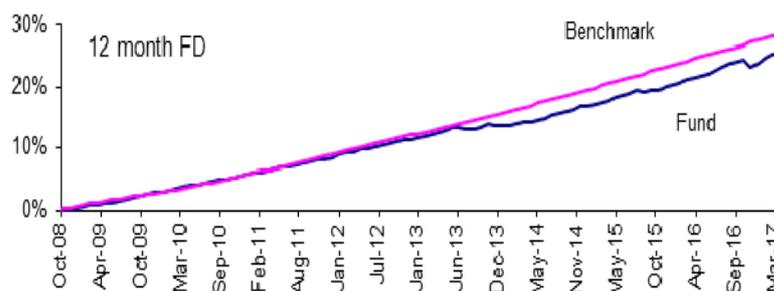
Corporate Bond	82.89%
Government Bond	10.44%
Short Term Paper	-
Cash	6.67%
Total	100.00%

TOP 10 HOLDINGS

MMC Corporation Berhad	5.950%	12/11/2027	13.75%
UMW Hldg Bhd	4.820%	4/10/2019	13.37%
UniTapah Sdn Bhd	4.900%	12/06/2018	13.33%
Berjaya Land Bhd	4.750%	15/12/2017	13.25%
UEM Sunrise Bhd	4.6%	13/12/2018	13.23%
Malakoff Power Bhd	4.9%	17/12/2018	6.67%
Malaysia Government Securities	4.059%	30/09/2024	6.53%
Tanjung Bin Power Sdn Bhd	4.66%	14/08/2020	5.29%
Temasek Eksklusif Sdn Bhd	4.620%	20/11/2019	4.00%
GII Murabahah	4.070%	30/09/2026	3.90%

Source: CIMB-Principal Asset Management Bhd

PERFORMANCE RECORD



Source: CIMB-Principal Asset Management Bhd

NAV TO NAV

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	1.24	0.26	1.24	1.12	3.18	10.01	25.54
Benchmark	0.75	0.25	0.75	1.51	3.14	10.09	28.51

Source: CIMB-Principal Asset Management Bhd

*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'S MANAGER COMMENTS

For the month of March 2017, the Fund gained 0.26% outperforming the benchmark marginally by 0.01%.

For fixed income, the Malaysia Government Securities (MGS) yield curve bear flattened in March 2017. The MGS curve had initially bull flattened following the FOMC meeting when the Federal Reserve proved less aggressive than priced in by the market, but uncertainty in the market amid various Fed speaks and the formalization of Brexit ended the month with rising risk-off sentiment. Trading volume for corporate bonds increased to RM11.82 billion from RM11.08 billion the previous month. Trading interest picked up in Quasi-government issuers, GG and AAA segments. 3 years, 5 years and 10 years credit spread saw the most tightening due to continued weakness in sovereign bonds.

Malaysia's inflation surged to 4.5% in February 2017, more than expected. Nevertheless we expect BNM to maintain the OPR at current levels this year to support economic growth. In view of the large supply of corporate bonds in the pipeline, we will raise cash by taking profit on existing holdings. We are overweight on corporate bonds and aim to switch into primary issuances that offer attractive spreads. We will participate in new benchmark government auctions opportunistically where we see value. Nevertheless, we will be cautious as the 2017 auction calendar for government issuances poses a steepening risk due to the focus on long-tenor issuances.

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.