

FUND OBJECTIVE

Aims to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonise with Islamic philosophy and laws.

FUND DETAILS

Launch Date	01 December 2009	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	12.18 million units (30 August 2019)	Fund Size	RM18.72 million (30 August 2019)
Unit NAV	RM1.5373 (30 August 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Aiiman Growth Fund
Benchmark	FBM Emas Shariah Index (FBMS)	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a medium to long term investment horizon Are risk tolerant Seek higher returns on the investment that comply with Shariah requirements 	Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Equity Fund. 1.5% per annum fund management charge is applied on the Target Fund's NAV by Affin Hwang Asset Management Berhad.

ASSET ALLOCATION OF THE TARGET FUND

Equity	Cash
Min 70%; Max 100%	Max 30%

SECTOR ALLOCATION OF THE TARGET FUND

Financials	21.50%
Industrials	14.70%
Oil & Gas	13.50%
Utilities	8.40%
Telecommunications	7.40%
Basic Materials	4.80%
Technology	4.80%
Consumer Goods	3.40%
Health Care	1.80%
Consumer Services	1.40%
Cash & Cash Equivalents	18.20%
Total	100.0%

TOP HOLDINGS OF THE TARGET FUND

Tenaga Nasional Bhd	8.40%
Axis Real Estate Invst Trust	4.50%
Dialog Group Bhd	4.50%
Syarikat Takaful Malaysia	3.40%
Petronas Dagangan Berhad	3.30%
Scientex Bhd	3.00%
Axiata Group Bhd	3.00%
KLCCP Stapled Group Stapled Security	2.90%
My EG Services Bhd	2.90%
Velesto Energy Bhd	2.70%
Total	38.60%

PERFORMANCE RECORD

This fund feeds into Affin Hwang Aiiman Growth Fund ("target fund") with the objective to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonize with Islamic philosophy and laws.

Table below shows the investment returns of Sun Life Malaysia Islamic Equity Fund versus its benchmark as at 30 August 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	3.10	-1.45	-0.08	0.47	-3.63	6.06	53.73
Benchmark	3.54	-0.76	0.99	1.53	-6.99	-4.17	41.49

* 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

- The local market treaded water with the benchmark KLCI edging 1.4% lower amidst a lack of catalyst from a mixed reporting season and external headwinds from the escalating US-China trade row.
- During the month, it was reported (by New Straits Times) that a special purpose vehicle (SPV) under Khazanah Nasional known as the highway trust will issue two perpetual debt papers once the enterprise values of the highways are finalized, with Paper A valued at RM30.1billion and Paper B valued at RM12.7billion. The coupon rate for both will be 6% with Paper A's coming with RM10billion in cash and Paper B's coming with a government guarantee.
- Earnings season for the 2Q2019 also just concluded for the local market. On a net-basis, there was more earnings disappointment across sectors with a 4.0% downgrade in profit growth. Similar to 2016, valuations haven't come down despite the fall in the stock market since earnings have deteriorated.
- The Ringgit ended the month at RM4.2055:USD1; 2% weaker against US Dollar and in line with the USD strength against most regional currencies.
- **STRATEGY:** Over the month, the fund's invested levels were maintained between 80% and 90%. The fund remains positioned with value companies and quality large-cap Shariah-compliant stocks in the domestic market.
- The fund's portfolio consisted (i) 35% exposure in defensive; (ii) 30%-35% exposure in sectorial growth; and (iii) 10% in tactical positions.
- A cautious stance remains as markets could experience heightened volatility in the near term amid the uncertainty arising from the US-China trade war.

Source : Affin Hwang Asset Management Berhad

Date : 30 August 2019

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.