

FUND OBJECTIVE

The objective of the Fund is to grow the value of Unit Holders' investments over the medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to the Malaysian equities market to balance any short-term volatilities.

FUND DETAILS

| | | | |
|----------------------|---|--------------|--|
| Launch Date | 20 May 2014 | Domicile | Malaysia |
| Currency | Ringgit Malaysia | Launch Price | RM1.0000 |
| Units in Circulation | 18.785 million units (31 May 2019) | Fund Size | RM29.001 million (31 May 2019) |
| Unit NAV | RM1.5438 (31 May 2019) | Dealing | Daily (as per Bursa Malaysia trading day) |
| Fund Manager | Principal Asset Management Bhd | Target Fund | CIMB Principal Global Titans Fund |
| Benchmark | 42% S&P500 + 36% MSCI Europe + 12% MSCI Japan+ 10% CIMB Bank 1-month Fixed Deposit Rate | Taxation | 8% of annual investment income |
| Risk Profile | Suitable for investors: <ul style="list-style-type: none"> ▪ Have a medium to long term investment horizon ▪ Target capital appreciation ▪ Do not require regular income ▪ Comfortable with higher volatility ▪ Willing to take higher risk for potential higher gains | Fees | <ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Global Titans Fund. ▪ Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Bhd. |

ASSET ALLOCATION OF THE TARGET FUND

| | |
|-------------|--------|
| Mutual Fund | Cash |
| 89.50% | 10.50% |

SECTOR ALLOCATION OF THE TARGET FUND

| | |
|--|---------|
| Legg Mason Global Funds - US Large Cap | 28.78% |
| Schroder – ISF Euro Equity USD-A | 24.34% |
| Schroder – ISF US Large Cap A Acc | 13.20% |
| Schroder – ISF Japanese Opps USD A Acc | 12.45% |
| Principal GLB – EUR EQ-INS Acc | 11.67% |
| Cash | 9.56% |
| Total | 100.00% |

TOP HOLDINGS OF THE TARGET FUND

| | |
|---------------------------------|-------|
| Orix | 4.60% |
| Alphabet Inc. | 4.53% |
| Itochu | 4.40% |
| Visa Inc | 4.36% |
| Amazon.com Inc | 4.12% |
| Sumitomo Mitsui Financial Group | 4.10% |
| Danone | 3.60% |
| Facebook Inc | 3.32% |
| Sanofi | 3.07% |
| Microsoft Corp | 3.05% |

PERFORMANCE RECORD

This fund feeds into CIMB Principal Global Titans Fund (“target fund”) with the objective to achieve medium to long-term capital gains by investing into the US, Europe and Japan equities while having some Malaysia equities exposure to counter the short-term volatility in the global equities markets.

Table below shows the investment returns of Sun Life Malaysia Global Titans Fund versus its benchmark as at 31 May 2019:

| % | YTD | 1M | 3M | 6M | 1-Year | 3-Year | Since Inception |
|------------------|------|-------|------|------|--------|--------|-----------------|
| Fund* | 8.68 | -4.63 | 1.15 | 0.51 | -0.71 | 21.05 | 54.38 |
| Benchmark | 9.36 | -3.96 | 1.72 | 1.35 | 3.00 | 25.10 | 57.15 |

* 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

US, Europe and Japan markets fell in May on the recent development of US-China trade tensions. Amid worries over the uncertainty in the two countries reaching a trade deal, US dollar strengthened while Euro depreciated against the dollar. Japanese yen appreciated by 2.8% as investors fly to safety.

On the economics fundamental, US economic data deteriorated with the sharp decline of the manufacturing PMI from 52.6 to 50.5, on the weak demand and employment. As trade disputes with China accelerated, business confidence was weak while inflation remained soft. Euro area economic outlook was slowing with weak domestic employment growth as companies scaled back expansion plans on the weaker sales and rising geopolitical uncertainty. Japan continued to be negatively impacted by the slowing demand domestically and from China with manufacturing PMI dipping into the contraction zone in May. On earnings forecast, we see upward revisions for MSCI US and Europe next 12-month EPS while slight downward revisions for MSCI Japan in USD term. On valuation side, US remained expensive and Japan has the most favorable valuation. Given growing uncertainty of further escalation of geopolitical tensions and higher likelihood of global synchronized growth slowdown, we reduced exposure to US and Europe on the unfavorable valuation and weak economic condition. We are neutral in Japan on the favorable valuation.

Source : *Principal Asset Management Bhd*

Date : *31 May 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.