

FUND OBJECTIVE

To provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	7.660 million units (28 February 2019)	Fund Size	RM9.935 million (28 February 2019)
Unit NAV	RM1.2969 (28 February 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd	Target Fund	CIMB Principal Equity Income Fund
Benchmark	50% FBM100 Index + 50% MSCI AC Asia ex-Japan Index	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	Management fee: 1.500% p.a.

ASSET ALLOCATION OF THE TARGET FUND

Equities (Local)	Equities (Foreign)	Preferred Stock	Cash
49.96%	44.05%	0.03%	5.96%

SECTOR ALLOCATION OF THE TARGET FUND

Financials Services	33.86%
Consumer Products & Svc	21.98%
Industrials Products & Svc	7.96%
Utilities	5.05%
Telecommunications/Media	4.65%
Technology	3.76%
Construction	3.35%
Plantation	3.31%
Energy	2.71%
Oil & Gas	1.87%
Transportation/Logistics	1.70%
Mutual Fund	1.70%
Health Care	1.11%
REIT	1.00%
Property	0.03%
Cash	5.96%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Tenaga Nasional Bhd (Malaysia)	4.60%
Malayan Banking Bhd (Malaysia)	4.35%
CIMB Group Hldgs Bhd (Malaysia)	3.17%
Petronas Chemicals Group Bhd (Malaysia)	2.70%
Samsung Electronics Co. Ltd (South Korea)	2.37%
AIA Group Ltd (Hong Kong)	2.25%
Hong Leong Bank Bhd (Malaysia)	2.12%
Link REIT (Hong Kong)	2.12%
Genting Bhd (Malaysia)	2.04%
Alibaba Group Holding Ltd (Cayman Islands)	1.89%
Total	27.61%

PERFORMANCE RECORD

This fund feeds into CIMB Principal Equity Income Fund (“target fund”) with the objective to provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

Table below shows the investment returns of Sun Life Malaysia Equity Income Fund versus its benchmark as at 28 February 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	4.23%	1.48%	2.29%	-4.45%	-7.74%	29.21%	29.69%
Benchmark	4.98%	1.32%	2.63%	-4.73%	-8.02%	20.67%	18.43%

***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 was up 1.48%, outperforming the Benchmark by +16 bps. Year-to-date the Fund is up 4.23% underperforming the Benchmark by 75 basis points. The underperformance was due to our low exposure to Consumer services (e.g. Internet stock re-categorized from Tech) and Technology.

Asia ex-Japan equities as measured by MSCI Asia ex-Japan Index rose 2.1% in February as investors are more upbeat about the outcome of the trade talks. The best performing markets were Hong Kong, Taiwan, while Indonesia and Philippines saw some profit taking activities. Consensus earnings cuts in Asia should bottom out in 1H2019. We expect EPS growth for 2019 in Asia Pac ex-Japan to be about 6%. We maintain positively on Asian equities. The reflationary efforts of the Chinese government, pro-growth policies in ASEAN, the end of trade war rhetoric and the US government shut-down, receding risks from Brexit and Italian stress, all point to a re-acceleration of global growth in the quarters ahead. Downside risks to global economic deterioration would be arrested. The low inflation environment is giving global central banks more leeway to adopt dovish central bank policies; with several countries in Asia possibly cutting interest rates this year. This more accommodative liquidity backdrop would support asset prices. Moreover, valuation is still undemanding at 12x PER FY2019.

For Malaysia, we are adopting a more balanced view to the portfolio with a combination of growth and defensive sectors. We will take the opportunity to add quality large caps and alpha in to the portfolio- we prefer big cap GLCs with improving fundamentals and companies with solid cash flow and dividends in sectors such as Utilities & Renewable Energy, Banks, Oil and Gas and Industrials.

Source : CIMB-Principal Asset Management Bhd

Date : 28 February 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.