

### 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	7.34 million units (31 December 2019)	Fund Size	RM10.19 million (31 December 2019)
Unit NAV	RM1.3871 (31 December 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	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"> <li>▪ Have a medium to long-term investment horizon</li> <li>▪ Target capital appreciation</li> <li>▪ Do not require regular income</li> <li>▪ Comfortable with higher volatility</li> <li>▪ Willing to take higher risk for potential higher gains</li> </ul>	Fees	<ul style="list-style-type: none"> <li>▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Equity Income Fund.</li> <li>▪ Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Berhad.</li> </ul>

### ASSET ALLOCATION OF THE TARGET FUND

Equities (Local)	Equities (Foreign)	Mutual Fund	Cash
49.25%	46.37%	1.54%	2.84%

#### SECTOR ALLOCATION OF THE TARGET FUND

Information Technology	19.04%
Financials	18.44%
Industrials	9.61%
Real Estate	9.39%
Consumer Discretionary	8.91%
Communication Services	6.92%
Materials	5.42%
Utilities	5.26%
Energy	5.09%
Consumer Staples	4.75%
Health Care	2.79%
Mutual Fund	1.54%
Cash	2.84%
Total	100.00%

#### TOP HOLDINGS OF THE TARGET FUND

Malayan Banking Bhd (Malaysia)	4.65%
Tenaga Nasional Bhd (Malaysia)	4.53%
CIMB Group Hldgs Bhd (Malaysia)	3.44%
Taiwan Semiconductor Manuf (Taiwan)	3.40%
Alibaba Group Holding Ltd (Cayman Island)	3.34%
Samsung Electronics Co. Ltd (South Korea)	3.18%
Tencent Hldg Ltd (Hong Kong)	2.72%
Lendlease Global Commercial (Singapore)	2.17%
Sime Darby Plantation Bhd (Malaysia)	1.98%
HDFC Bank Ltd (India)	1.98%
Total	31.39%

#### 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 31 December 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	11.48	3.88	5.88	2.80	11.48	27.08	38.71
<b>Benchmark</b>	5.52	3.06	4.72	-0.06	5.52	10.62	19.03

\* 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

Asia: Equities enter the year 2020 with supportive macro tailwinds. We expect global economic growth to accelerate in the coming quarters as global manufacturing PMI bottoms, due to (i) lagged impact from the monetary stimulus of the past year when the Fed cut policy rate by 75 bps, thereby allowing Asian countries to lower theirs (ii) the end of inventory de-stocking, (iii) China's significant and continued fiscal and credit-creation stimulus, (iv) technology-led upcycle with increased capex in 5G, industrial upgrade, new automotive, and smartphones. We expect lowered market volatility as we enter a period of relative calm in policies and geopolitics. With the US going into a Presidential election year, Trump would probably avoid pursuing policies that would create uncertainty for the economy and the financial markets. Meanwhile, the Fed's interest rate policy would be on hold in 2020 with a benign inflation outlook. Further supporting equities is the resumption of balance sheet expansion by the major central banks. We retain our BUY call on Asian Pacific equities, and will be fully invested. We prefer North Asia over ASEAN as they are more leveraged to the trade truce. Sector-wise, we would be looking for investment opportunities in Industrials, Technology, Materials and Consumer Discretionary.

*Source : Principal Asset Management Bhd*  
*Date : 31 December 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.