

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	36.32million units (28 February 2023)	Fund Size	RM75.58 million (28 February 2023)
Unit NAV	RM2.0812 (28 February 2023)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	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

Collective Investments	Cash
95.39%	4.61%

SECTOR ALLOCATION OF THE TARGET FUND	
SPDR S&P 500 ETF Trust	38.77%
IShares Core MSCI Europe ETF EUR Dist	31.40%
TOPIX ETF	7.52%
Principal GIF – European Responsible Equity Fund	3.95%
JP Morgan Europe Strategic Growth Fund	3.64%
Legg Mason Global Funds - US Large Cap	3.62%
JP Morgan Japan Yen Fund	3.35%
Others	1.92%
SPDR S&P Metals & Mining ETF	1.22%
Cash	4.61%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND	
Apple Inc (United States)	2.53%
Microsoft Corp (United States)	2.44%
Nestle SA (Switzerland)	1.23%
Alphabet Inc (United States)	1.22%
Amazon.com Inc (United States)	1.14%
ASML Holding NV (Netherlands)	1.13%
Novo Nordisk A/S (Denmark)	1.08%
LVMH (France)	1.04%
AstraZeneca PLC (United Kingdom)	0.95%
Roche Holding Ltd (Switzerland)	0.88%
Total	13.64%

PERFORMANCE RECORD

This fund feeds into Principal Global Titans Fund (“target fund”) with the objective to achieve 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 Malaysian equities market to balance any short term volatilities.

Table below shows the investment returns of Sun Life Malaysia Global Titans Fund versus its benchmark as at 28 February 2023:

%	YTD	1M	6M	1-Year	3-Years	5-Years	Since Inception
Fund*	5.74	2.61	4.98	-0.18	27.31	36.44	108.12
Benchmark	6.37	2.83	7.29	1.20	35.11	46.66	122.99

* 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 Fund is up by 2.61%, underperforming the benchmark by 22 bps. YTD, the Fund is up 5.74%, underperforming the benchmark by 63 bps.

Developed markets gave back some gains after stronger labor market and inflation data. S&P 500 declined by 2.5% with MSCI Europe and Japan increased by 1.8% and 0.8% respectively, in local currency terms. The US Dollar strengthened by 2.6% with Euro and Japanese Yen depreciated by 2.3% and 4.6% respectively. US 10-year bond yield increased to 4% at the time of writing.

Recent upward surprise in economics data shows that US and Europe economy is resilient and inflation pressure is still high. US labor market remains tight with January non-farm payroll surprised to the upside at 517k. Wage pressure is still high, although moderated slightly from the peak. Consumer spending is strong with retail sales jumped 3% MoM. Both USCPI and PCE surprised to the upside with shelter contributed to most of the increase in CPI print. Europe inflation moderated to 8.5%, at a slower pace. Services PMIs for US and Europe are higher than expected and manufacturing PMIs are stable. Forward 12-month corporate earnings revisions are flat for all developed markets. US valuation came down slightly this month. Japan and Europe valuations went higher but are still favorable.

We maintain our OW position for Europe because of moderating inflation and better than expected economic growth. The region may avoid a deep economic recession and is supported by positive forward earnings revisions and favorable valuation. We maintain a neutral allocation to Japan and US. Although Japan manufacturing PMI is weak, services PMI continued to expand. We expect Japan's economy to be supported by reopening and accommodative monetary policy. We also own commodity ETFs which we expect to benefit from China's economic recovery. Strong labor and consumer data shows the US economy remains resilient. In the short-term, US and Europe equities may come under pressure as the market priced in higher interest rates for longer. However, we maintain our view that inflation should continue to moderate in 2023 and we are moving closer to a pause in central bank interest rate hiking.

RISKS

All investment carries some form of risks. The potential key risks include but are not limited to the following:

Market risk	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the target fund's NAV.
Stock specific risk	Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the target fund's NAV.
Country risk	Investments of the target fund in any country may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the target fund invests. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the target fund in those affected countries. This in turn may cause the NAV of the target fund or prices of units to fall.
Currency risk	As the investments of the target fund may be denominated in currencies other than base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the target fund and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.
Fund manager's risk	Since the target fund invests into collective investment scheme managed by another manager, the fund manager has absolute discretion over the fund's investment technique and knowledge, operational controls and management. In the event of mismanagement of the fund and/or the management company, the NAV of the target fund, which invests into the fund would be affected negatively. Although the probability of such occurrence is minute, should the situation arise, Principal (S) will seek for an alternative collective investment scheme that is consistent with the objective of the target fund.

RISKS (CONTINUED)

All investment carries some form of risks. The potential key risks include but are not limited to the following:

Credit and default risk

Investments of the target fund may involve a certain degree of credit and default risk. Generally, credit and default risk is the risk of loss due to the counterparty's and/or issuer's non-payment or untimely payment of the investment amount as well as the returns on investment. Principal (S) aims to mitigate this risk by performing fundamental credit research and analysis to determine the creditworthiness of its counterparty and/or issuer.

Source : *Principal Asset Management Bhd*
Date : *28 February 2023*

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. Sun Life Malaysia may suspend the unit pricing and defer the payment of benefits, other than death and total and permanent disability benefits, subscription or redemption of units, switching of funds, under this contract for a reasonable period in exceptional circumstances, such as and including intervening events resulting in temporary closure of any stock exchange.