

Sun Life Malaysia Islamic Global Balanced Fund

October 2023



FUND OBJECTIVE

To provide income and capital appreciation over the medium to long term by investing in Shariah-compliant equities and Sukuk globally.

FUND DETAILS

Launch Date	19 April 2021	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	13.40 million units (31 October 2023)	Fund Size	RM 11.53 million (31 October 2023)
Unit NAV	RM0.8602 (31 October 2023)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	UOB Islamic Asset Management Sdn Bhd	Target Fund	United- <i>i</i> Global Balanced Fund - MYR hedge Class
Benchmark	50% S&P Global BMI Shariah Index + 50% Dow Jones Sukuk Index	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none">▪ seek an investment that provides income and capital appreciation;▪ have a moderate risk tolerance;▪ want a portfolio of investments that adhere to Shariah principles; and▪ want to have investment with global exposure.	Fees	<ul style="list-style-type: none">▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Global Balanced Fund.▪ Up to 1.8% p.a. fund management charge is applied on the target fund's NAV by UOB Islamic Asset Management Sdn Bhd.

ASSET ALLOCATION OF THE TARGET FUND

Sukuk & Islamic Money Market Instruments	Shariah-compliant Equities	Others
Min 40%; Max 60%	Min 40%; Max 60%	Remaining Balance

Sun Life Malaysia Takaful Berhad 200501012215 (689263-M)

Level 11, 338 Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur

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SECTOR ALLOCATION OF THE TARGET FUND (EQUITIES)

Technology	15.66%
Consumer Products	8.87%
Health Care	8.30%
Industrial Products	5.36%
Telecommunication Services	3.19%
Energy	2.48%
Materials	2.28%
Real Estate	0.88%
Financials	0.77%
Utilities	0.10%
Total	47.89%

SECTOR ALLOCATION OF THE TARGET FUND (SUKUK)

Government	14.80%
Financials	11.19%
Infrastructures & Utilities	9.34%
Telecommunication	2.10%
Property & Real Estate	1.98%
Mining & Petroleum	1.14%
Transportation & Logistics	0.91%
CIS	0.80%
Energy	0.78%
Basic Materials	0.19%
Total	43.23%

PORTFOLIO ALLOCATION

Equity	47.89%
Bonds	43.23%
Cash	8.88%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND (SUKUK)

Bonds Issuer	Coupon	Maturity Date	%
KSA SUKUK	2.969	29/10/29	1.51
SAUDI ELECTRICITY GLOBAL SUKUK	4.723	27/09/28	1.26
KSA SUKUK	4.303	19/01/29	1.25
PERUSAHAAN PENERBIT SSBN	4.150	29/03/27	1.25
KSA SUKUK	3.628	20/04/27	1.23

TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

MICROSOFT ORD	3.74%
AMAZON COM ORD	2.59%
APPLE ORD	2.28%
ALPHABET CL A ORD	1.80%
META PLATFORMS CL A ORD	0.95%

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PERFORMANCE RECORD

This fund feeds into United-*i* Global Balanced Fund -MYR hedge Class ("target fund") with the objective to provide income and capital appreciation over the medium to long term by investing in Shariah-compliant equities and Sukuk globally.

Table below shows the investment returns of Sun Life Malaysia Islamic Global Balanced Fund versus its benchmark as at 31 October 2023:

%	YTD	1M	3M	6M	1-Years	3-Years	Since Inception
Fund*	-0.61	-2.43	-7.45	-5.17	2.70	N/A	-13.98
Benchmark	4.38	-2.07	-6.43	-2.22	7.29	N/A	-4.82

* 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

Equity

Strong selection in consumer discretionary, industrials and health care was partially offset by selection in information technology. On a regional basis, strong stock selection in North America was partially offset by selection in Japan. Within consumer discretionary and industrials, our top relative contributors were overweights to Amazon.com and General Dynamics, respectively. Within information technology and consumer staples, our top relative detractors were overweights to ON Semiconductor and Unilever, respectively. Shares of Amazon rose during the period. The e-commerce giant reported third quarter results that beat consensus estimates as revenue rose 13% compared to the prior quarter. The company saw sales growth within its Amazon Web Services (AWS) business as well as its third-party seller services and advertising units. Amazon also issued promising sales guidance for the fourth quarter, which will include the holiday period. Shares of ON Semiconductor fell over the period. The chipmaker reported third-quarter earnings and revenue that beat consensus estimates, but issued worse-than-expected guidance for the fourth quarter. ON Semi is being impacted by a slowdown in the electric vehicle market, as the company generates half its revenue from auto-related chips.

Sukuk

The sukuk sleeves underperform its benchmark by 5bps (Sukuk Return: -0.90 vs Benchmark: -0.95), driven by utility sector (Fund: -0.44 vs Benchmark: -0.08). Contributor of fund were DP World Crescent and Penerbitan Perusahaan SBSB, while detractor of fund was Indonesia sukuk.

RISKS

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

General market environment 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.

Inflation Risk

This is the risk that your investment in the target fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.

Manager's Risk

This risk refers to the day-to-day management of the target fund by UOBAM which will impact the performance of the target fund, e.g. investment decisions undertaken by UOBAM as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the deed, relevant law or guidelines due to factors such as human error or weakness in operational process and systems may adversely affect the performance of the target fund.

Reclassification of Shariah non-compliant status Risk

This risk refers to the risk that the currently held Shariah-compliant securities in the target fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of the Securities Commission Malaysia (SACSC), the Shariah adviser or the Shariah boards of the relevant Islamic indices. There may be opportunity loss to the target fund due to the target fund not being allowed to retain the excess gains derived from the disposal of the Shariah non-compliant securities. In the event the Shariah non-compliant securities are disposed at a price lower than the investment cost, it may adversely affect the value of the target fund. Thus, it may cause the NAV of the target fund to fall.

Credit and Default Risk

Credit risk relates to the creditworthiness of the issuers of Sukuk, Islamic money market instruments and/or financial institutions where the Islamic deposits are placed and their expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuer of the Sukuk, Islamic money market instruments and /or financial institutions where the Islamic deposits are placed may impact the value as well as liquidity of the Sukuk, Islamic money market instruments and/or Islamic deposits. In the case of rated Sukuk, Islamic money market instruments and financial institutions, this may lead to a credit downgrade.

Default risk relates to the risk that an issuer of a Sukuk, Islamic money market instrument or a financial institution where the Islamic deposits are placed either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the Sukuk, Islamic money market instruments and Islamic deposits. This could adversely affect the NAV of the target fund.

Interest Rate Risk

Interest rate risk refers to the impact of interest rate changes on the valuation of Sukuk and/or Islamic money market instruments. When interest rates rise, Sukuk and/or Islamic money market instruments prices generally decline and this may lower the market value of the target fund's investment in Sukuk and/or Islamic money market instruments. The reverse may apply when interest rates fall. Meanwhile, Sukuk and/or Islamic money market instruments with longer maturities and lower profit rates are more sensitive to interest rate changes.

RISKS (CONTINUED)

Equity Risk

As the target fund will be investing in Shariah-compliant equities, the target fund will be affected by equity risk. Generally, equity risk may arise in the following forms, i.e., equity risks related to external factors and equity risks related to company-specific factors. All of these related equity risks can adversely affect the prices of equities, which would negatively impact the performance of the target fund.

Country Risk

The target fund is also subject to country risk. The value of the assets of the target fund may also be affected by 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 may invest in. Further, when investing in foreign markets, there are countries which may require prior approvals before investments can take place.

Source : UOB Asset Management (Malaysia) Berhad
Date : 31 October 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 contributions 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.