

FUND OBJECTIVE

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	78.473 million units (30 April 2018)	Fund Size	RM105.214 million (30 April 2018)
Unit NAV	RM1.3408 (30 April 2018)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd	Target Fund	CIMB-Principal Asia Pacific Dynamic Income Fund
Benchmark	Target return of 8% p.a.	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 ▪ Want a well-diversified portfolio of Asia Pacific ex Japan region ▪ Willing to take moderate risk for potentially moderate capital return over the long-term 	Fees	<ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Dynamic Income Fund. ▪ 1.8% of pa fund management charge is applied on the target fund's NAV by CIMB-Principal.

ASSET ALLOCATION OF THE TARGET FUND

Equities	Fixed Income	Liquid Assets
Min 70%; Max 98%	Max 15%	2%

SECTOR ALLOCATION OF THE TARGET FUND

Finance	36.97%
Consumer	17.04%
Industrials	15.68%
Technology	10.67%
Basic Materials	5.39%
Telecommunications	2.41%
Health Care	2.07%
Oil & Gas	1.14%
Cash	8.63%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Industrial and Commercial Bank (China)	4.86%
Tencent Hldg Ltd (Hong Kong)	4.42%
AIA Group Ltd (Hong Kong)	4.02%
Autohome Inc (United States)	3.83%
BHP Billiton Ltd (Australia)	3.71%
Taiwan Semiconductor Manuf (Taiwan)	3.55%
Ping An Insurance Group Co. (China)	3.49%
Samsung Electronics Co. Ltd (South Korea)	3.28%
Anhui Conch Cement Co. Ltd -A (China)	3.00%
Larsen & Toubro Ltd (India)	2.80%

PERFORMANCE RECORD

This fund feeds into CIMB-Principal Asia Pacific Dynamic Income Fund ("target fund") with the objective to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Dynamic Income Fund versus its benchmark as at 30 April 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-0.64	0.86	-2.91	-0.94	14.33	29.80	34.08
Benchmark	2.60	0.64	1.94	3.92	8.00	25.97	28.42

* 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

In April, the Fund increased by 86bps.

Asian Pacific ex-Japan equities was up +0.9% (US\$) month-on-month in April with a stronger US\$, US 10-year bond yields briefly rising above 3% and a sell-off in tech stocks dominating headlines. Taiwan (Apple supply chain companies), Indonesia (concerns about the Rupiah, falling fx reserves) performed poorly while Singapore, India and China outperformed. Topical issues: when will the negative earnings revision for Asian tech stocks stabilize, how will US-China trade relations develop? Asian equities are a BUY: Asian equities require more patience as we grind through earnings downgrades in selected sectors and trade tensions between US & China. A slightly stronger US dollar (DXY @ 92 is flat year-to-date) is also a headwind. The investment case for Asian equities remains a growing middle-class, industrial upgrading, growing financial inclusion and earnings growth of +14% at a reasonable PE of 13x.

The portfolio is geared towards strong franchises, growth and positive earnings revisions. We have recently reduced selective cyclicals (glass, steel, auto) and tech in favor of consumers, telecom and financials. The cash level is just below 10%, we have more investment in surplus current account countries such as Malaysia and Thailand, while relatively cautious in countries with deficit such as Indonesia and India. We position Indo and India cautiously by investing in defensive and top quality stocks.

Source : CIMB-Principal Asset Management Bhd

Date : 21 May 2018

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.