

FUND OBJECTIVE

Aims to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonise with Islamic philosophy and laws.

FUND DETAILS

Launch Date	01 December 2009	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	9.380 million units (31 July 2018)	Fund Size	RM14.962 million (31 July 2018)
Unit NAV	RM1.5951 (31 July 2018)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Aiman Growth Fund
Benchmark	FBM Emas Shariah Index (FBMS)	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 Are risk tolerant Seek higher returns on the investment that comply with Shariah requirements 	Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Equity Fund. 1.5% per annum fund management charge is applied on the Target Fund's NAV by Affin Hwang.

ASSET ALLOCATION OF THE TARGET FUND

Equity	Cash
Min 70%; Max 100%	Max 30%

SECTOR ALLOCATION OF THE TARGET FUND

Financials	19.5%
Oil & Gas	12.4%
Industrials	12.3%
Consumer Goods	9.7%
Technology	7.5%
Utilities	6.6%
Basic Materials	4.8%
Health Care	4.0%
Consumer Services	3.1%
Telecommunications	3.1%
Cash & Cash Equivalents	17.1%

TOP HOLDINGS OF THE TARGET FUND

Tenaga Nasional Bhd	6.6%
Dialog Group Bhd	5.5%
Petronas Chemicals Group Bhd	4.1%
Sunway Bhd	3.5%
Petronas Dagangan Bhd	3.2%
Scientex Bhd	3.1%
Fraser & Neave Hldgs Bhd	3.0%
V.S. Industry Bhd	2.7%
Petronas Gas Bhd	2.6%
UOA Development Bhd	2.5%

PERFORMANCE RECORD

This fund feeds into Affin Hwang Aiiiman Growth Fund ("target fund") with the objective to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonise with Islamic philosophy and laws.

Table below shows the investment returns of Sun Life Malaysia Islamic Equity Fund versus its benchmark as at 31 July 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-2.7	3.0	0.1	-3.4	0.3	13.9	59.5
Benchmark	-3.7	5.9	-2.7	-6.2	0.7	3.5	52.2

* 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

- Markets stayed volatile in July as trade tensions between the US and other major economies continue, with trade tariffs now in effect while more has been announced.
- The local market tracked regional gains with the KLCI up by 5.48% in July, while the small cap index was up 5.43%.
- The recovery was driven by a rebound in tech and construction stocks which were heavily sold down after the May elections.
- Markets took the announcement of the resignation of the entire board of directors of Khazanah Nasional Berhad in stride, where all nine board members resigned as a group.
- Inflation was well contained at just 0.8% y-o-y in June, the lowest price increase in 40 months following the zero rating of the Goods and Services Tax.
- The MYR continued to weaken to 4.07 against the USD, after breaching the 4.00 levels again last month.

FUND MANAGER'S COMMENTS (CONTINUED)

- The Fund recorded a gain of 3.0% higher in the month of July, while its benchmark index rose 5.9% over the same period.
- **STRATEGY:** We expect volatility in the market to continue amidst the continued trade tensions and developments on China's deleveraging efforts.
- We believe that the sharp recovery in Malaysian stocks reflects the ample liquidity in the system, with highly cashed up investors looking to redeploy.
- We are incrementally more positive on macro conditions, but given the speed of market rebound, finding conviction buys could be difficult.
- Q2 results is not expected to be good, while going forward the SST may crimp company margins or may cause prices to rise. Hence we are looking to trim some consumer names.
- We remain defensive with protection of capital taking precedence. Cash levels remain around the 20%-30% level, though we are looking to redeploy gradually into the market.
- We still believe that the outlook for the Malaysian market remain strong and will look to pick up good bottom up opportunities at attractive levels.

Source : *Affin Hwang Asset Management Berhad*

Date : *31 July 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.