

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	19.06 million units (31 July 2019)	Fund Size	RM31.04 million (31 July 2019)
Unit NAV	RM1.6283 (31 July 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	CIMB 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

Mutual Fund	Cash
93.48%	6.52%

SECTOR ALLOCATION OF THE TARGET FUND

Legg Mason Global Funds - US Large Cap	30.81%
Schroder – ISF Euro Equity USD - A	25.66%
Schroder -ISF US Large Cap A Acc	12.99%
Schroder – ISF Japanese Opps USD A Acc	12.60%
Principal GLB – EUR EQ-INS Acc	11.42%
Cash	6.52%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Visa Inc	4.74%
Alphabet Inc.	4.67%
Orix	4.36%
Amazon.com Inc	4.28%
Itochu	4.25%
Sumitomo Mitsui Financial Group	3.91%
Facebook Inc	3.53%
Danone	3.29%
Microsoft Corp	3.26%
Nokia	2.96%
Total	39.25%

PERFORMANCE RECORD

This fund feeds into CIMB Principal Global Titans Fund (“target fund”) with the objective to achieve medium to long-term capital gains by investing into the US, Europe and Japan equities while having some Malaysia equities exposure to counter the short-term volatility in the global equities markets.

Table below shows the investment returns of Sun Life Malaysia Global Titans Fund versus its benchmark as at 31 July 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	14.63	1.80	0.59	8.46	1.86	29.00	62.83
Benchmark	13.99	-0.22	0.11	7.95	2.79	29.56	64.40

* 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 (Class MYR) increased by 1.80% during the month of July 2019, outperformed the benchmark by 2.02%. Year-to-date, the Fund is up 14.63%, outperformed the benchmark by 0.64%.

MSCI US, Europe and Japan increased by 1.42%, 0.25% and 0.91% in July. Markets were volatile following President Donald Trump's announcement on imposing more tariffs on China. The U.S. market rose anticipating a rate cut by the Federal Reserve and subsequently fell after pricing in less easing by the central bank. The dollar index strengthened by 2.48% while Euro and Japanese yen depreciated by 2.61% and 0.86% against the dollar.

Developed economy manufacturing sector shows deterioration as Eurozone growth slips in July. Europe PMI decelerates from 47.7 to 46.9, amid on-going trade tensions, difficulties in automotive industry and political uncertainties. The July US manufacturing PMI drops slightly to 50.4. Japan PMI is relatively stable but still in the contraction zone. Europe forward 12-month earnings are revised down by 2.4% in USD. MSCI US and Japan forward 12-month EPS is relatively stable. US equity valuation is expensive with MSCI US trading at 19% premium compared to its long-term mean of 12% premium, based on P/B-ROE valuation. MSCI Europe is trading at 12% discount vs. its long-term mean at 7% discount. Japan equity valuation is favourable with MSCI Japan trading at a 22% discount compared to its long-term mean of 11% premium.

We will be neutral on all developed markets as we expect monetary policies to remain accommodative amid weakness in global growth momentum. We are neutral on US because of relative stronger economic condition. We are neutral on Europe because of the dovish European Central Bank. We are neutral on Japan because of the favourable valuation.

Source : *Principal Asset Management Bhd*

Date : *31 July 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.