

FUND OBJECTIVE

Aims to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

FUND DETAILS

Launch Date	13 February 2015
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	1.608 million units (28 February 2017)
Fund Size	RM 1.740 million (28 February 2017)
Unit NAV	RM1.0820 (28 February 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB Islamic Asia Pacific Equity Fund
Benchmark	Dow Jones Islamic Market Asia Pacific ex Japan Index
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a long-term investment horizon Want a portfolio of investments that adhere to Syariah principles Want a well-diversified portfolio of Asia Pacific ex Japan regional equities Seek capital appreciation over 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.
Taxation	<ul style="list-style-type: none"> 8% of annual investment income

ASSET ALLOCATION

Equities	Minimum 70% - 98%	Liquid Assets	Min 2%
Sukuk & Deposits	Max 30%		

WHERE THE FUND INVESTS

Consumer	26.13%	Basic Material	6.66%
Technology	13.18%	Mutual Fund	1.72%
Oil & Gas	10.54%	Health Care	1.59%
Industrials	10.35%	Trading / Services	1.26%
Telecommunication	8.16%	Utilities	0.85%
Finance	8.05%	Cash	11.51%

TOP HOLDINGS OF THE TARGET FUND

Alibaba Group Holding Ltd (Cayman Island)	9.04%
Tencent Hldg Ltd (Hong Kong)	8.57%
Singapore Telecommunications (S'pore)	3.84%
Maruti Suzuki India Ltd (India)	3.37%
China Petroleum & Chemical (China)	3.23%
SK Hynix inc. (S.Korea)	3.15%
MTR Corp Ltd (Hong Kong)	2.94%
Link REIT (Hong Kong)	2.82%
China Shenhua Energy Co. Ltd (China)	2.44%
Dabur India Ltd (India)	2.33%

PERFORMANCE RECORD

This fund feeds into CIMB Islamic Asia Pacific Equity Fund ("target fund") with the objective to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Equity Fund versus its benchmark as at 28 February 2017:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
Fund*	3.84	0.59	3.18	4.33	13.33	N/A	8.20
Benchmark	7.88	2.50	6.56	11.26	25.76	N/A	20.65

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 February 2017, the Fund increased 0.59%, underperforming the benchmark by 191 basis points. We were overweight in India, Indonesia and Philippines and underweight in Korea and Taiwan. Sector-wise, we were overweight in Oil & Gas and Telecommunications and underweight in Technology and Utilities.

Asia Ex Japan equity markets continued to rally in February, buoyed by reflation of global economies, low inflation, falling bond yields and signs that Trump's trade policies may be more benign or further delayed than expected. While we expect the US Dollar to continue strengthening through the year, and that the Fed would raise rates 2-3 times this year, we continue to see Asia corporate profitability improving on the back of global reflationary trend. As such, we are looking for Asia's corporate earnings to grow 10% year on year, a substantial recovery from the negative growth of the past 2 years. Valuations are fair. Downside would be limited by (1) global central banks' proactive and aggressive policies to limit financial risks; (2) bottoming of inflation and price stability for the commodity complex; and (3) a rebound in earnings growth.

The portfolios are targeting to be fully invested, and expect to be buyers of the market on dips. The sectors we are increasing exposure to are Industrials, Materials and Technology. Given our expectations on inflation and the interest rate cycles, we are reducing exposure to Utilities and Telecoms. Country-wise, we continue to favour India and Indonesia for their structural growth prospects, while staying cautious on Philippines.

Source: CIMB Principal Asset Management Bhd

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..