

FUND OBJECTIVE

To achieve moderate capital growth by investing in a portfolio of Shariah-compliant collective investment schemes that invests in Shariah-compliant equities and/or Sukuk.

FUND DETAILS

Launch Date	1 December 2017	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	204,440 units (30 August 2019)	Fund Size	200,464 units (30 August 2019)
Unit NAV	RM0.9806 (30 August 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	CIMB Islamic Balanced Wholesale Fund-of Funds
Benchmark	50% Quantshop GII Medium Index + 50% MSCI AC Asia ex Japan Islamic Index	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a long-term investment horizon Want a balanced portfolio that includes Shariah-compliant equities and Sukuk Want a portfolio of investments that adhere to Shariah principles 	Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Strategic Balanced Fund. Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Berhad.

ASSET ALLOCATION OF THE TARGET FUND

Mutual Funds	Cash
89.23%	10.77%

SECTOR ALLOCATION OF THE TARGET FUND

Mutual Funds	89.23%
Cash	10.77%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

CIMB Islamic DALI Equity Fund	45.67%
CIMB Islamic Sukuk Fund	21.81%
CIMB Islamic Enhanced Sukuk Fund	21.75%
Total	89.23%

PERFORMANCE RECORD

This fund feeds into CIMB Islamic Balanced Wholesale Fund-of-Funds ("target fund") with the objective to achieve moderate capital growth by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

Table below shows the investment returns of Sun Life Malaysia Islamic Strategic Balanced Fund versus its benchmark as at 30 August 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	4.43	-0.03	1.75	2.55	-0.06	N/A	-1.94
Benchmark	5.43	-0.02	1.41	0.09	-1.13	N/A	-0.60

* 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 August, the Fund declined 0.03%, underperforming the Benchmark by 0.01%. Year-to-date, the Fund rose by 4.43%, underperforming the Benchmark by 1.00%.

The Government Investment Issues ("GII") continued to bull flatten in August with the long end of the curve moved lower by 38bps. Local govvnies continued to track global yield movement amidst concerns on slowing global growth afflicted by the lingering US-China trade tensions. Credit spreads mostly widened from the 7 year onwards for the AAA segment and 5 year onwards for the AA segment following the lower government bond yields especially on the longer end of the curve. Over the past few weeks, policy flip-flop of the new federal government rears its ugly head again. Policy concern will likely dampen investors' sentiment until there is clarity. While we remain sanguine on infrastructure spending resumption and RAB framework themes, we believe re-rating will only come once certainty is achieved. In this regard, we will be watching closely the Budget 2020, regulatory approval for Telenor-Axiata merger, RAB framework formalization for MAHB.

We maintain NEUTRAL on Malaysia while await policy clarity post Budget 2020 announcement on 11 Oct. With expectation of further OPR cuts over the next 18 months, we continue to like the dividend investment theme, favouring high dividend yielders with earnings resilience. We also look to accumulate selective growth stocks on weakness within the REITs, Utilities, Basic Material, Automotive, Oil and Gas, and Construction sectors. We will also look for opportunistic trade on weakening MYR, especially glove manufacturers and equipment makers in the technology sectors.

Source : Principal Asset Management Bhd

Date : 30 August 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.