

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	11.26 million units (31 May 2019)	Fund Size	RM17.32 million (31 May 2019)
Unit NAV	RM1.5385 (31 May 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Aiiman Growth Fund
Benchmark	FBM Emas Shariah Index (FBMS)	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <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 Management Berhad.

ASSET ALLOCATION OF THE TARGET FUND

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

SECTOR ALLOCATION OF THE TARGET FUND

Financials	24.3%
Industrials	17.7%
Oil & Gas	12.9%
Utilities	7.1%
Basic Materials	6.7%
Consumer Goods	6.2%
Telecommunications	6.1%
Technology	4.6%
Health Care	1.7%
Consumer Services	1.5%
Cash & Cash Equivalents	11.2%

TOP HOLDINGS OF THE TARGET FUND

Tenaga Nasional Bhd	7.1%
Sunway Bhd	5.3%
Dialog Group Bhd	5.2%
Syarikat Takaful Malaysia	4.4%
Petronas Dagangan Berhad	3.8%
Scientex Bhd	3.7%
IJM Corporation Bhd	3.4%
BIMB Holdings Bhd	3.0%
KLCCP Stapled Group Stapled Security	2.8%
Axis Real Estate Invt Trust	2.7%

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 May 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	3.20	-1.10	0.50	1.30	-0.03	6.20	53.90
Benchmark	2.53	-0.35	0.54	1.40	-3.12	-1.06	40.10

* 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

- Local market trended lower in line with regional losses as sentiment took a hit following the escalation of US-China trade tension. Ending May, the FBM KLCI registered a year-to-date loss of 2.4%. In the longer term, Malaysia, along with other countries in the region, could stand to benefit from trade diversion as supply chains are redirected.
- Malaysia was placed under the US watch list for claims of currency manipulation which has since been refuted by Bank Negara. Market impact was muted though should Malaysia be labeled as a currency manipulator, it could face penalties from the US such as trade sanctions if these concerns are not addressed in the long term.
- There is ample domestic liquidity in the market that would be supportive of a recovery as large cash-piles build up within pension funds, insurance firms and GLCs who have not been deploying money into the local market this year.
- There could be room for surprise on the upside with policy changes as the government switches tone and re-engineer growth. Concentration of performance had largely resided within the construction and small-cap space which came from deeply undersold positions last year.
- STRATEGY:** The fund remains positioned with value companies and quality large-cap Shariah-compliant stocks in the domestic market.
- The fund will maintain a (i) 25% – 30% exposure in REITs and defensive cyclical and that pay 3.5% yield; (ii) 30% – 35% exposure in sectorial growth; and (iii) 5% – 10% exposure in cyclical stocks.
- A cautious stance remains as markets could experience heightened volatility in the near term amid the current US-China trade tension.

Source : Affin Hwang Asset Management Berhad

Date : 31 May 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.