

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	9.404 million units (30 August 2018)	Fund Size	RM15.001 million (30 August 2018)
Unit NAV	RM1.5952 (30 August 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	17.7%
Industrials	12.1%
Oil & Gas	11.6%
Consumer Goods	9.6%
Technology	7.3%
Utilities	7.3%
Basic Materials	5.4%
Health Care	4.1%
Telecommunications	3.7%
Consumer Services	2.1%
Cash & Cash Equivalents	19.0%

TOP HOLDINGS OF THE TARGET FUND

Tenaga Nasional Bhd	7.3%
Dialog Group Bhd	5.8%
Petronas Chemicals Group Bhd	4.4%
Sunway Bhd	3.6%
Scientex Bhd	3.3%
Petronas Dagangan Bhd	3.2%
Fraser & Neave Hldgs Bhd	3.0%
UOA Development	2.6%
Digi.com Bhd	2.5%
V.S. Industry 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 30 August 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-2.7	0.0	3.7	-2.3	0.1	17.2	59.5
Benchmark	-3.7	-0.0	5.2	-4.6	0.5	11.9	52.1

* 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 August as economic turmoil in Turkey and Argentina unfold, on top of headwinds from trades and potential strain in relationship between US and China.
- Economic growth for Malaysia in the 2Q'18 came in at 4.5%, which was below consensus estimates of 5.0% due to supply disruptions according to BNM.
- The current account surplus also narrowed sharply to RM3.9 billion in 2Q'18 from RM15 billion in the prior quarter.
- The local markets were mixed with the KLCI up by 1.98% in August, while the small cap index was down by 2.17% after a strong rebound in July.
- A tepid reporting season did little to provide an uplift for markets, with less than 10.0% of firms reporting earnings that surprised on the upside for 2Q'18.
- The Fund recorded a gain of 0.0% higher in the month of August, while its benchmark index fell to 0.0% over the same period.

FUND MANAGER'S COMMENTS (CONTINUED)

- **STRATEGY:** We expect volatility in the market to continue amidst the continued trade tensions and developments and renewed uncertainties from Emerging Markets.
- The absence of any growth policies suggests some more short-term pain for investors, although more clarity can be gleaned from Budget 2019 in November.
- Ripple effects from the economic crisis in Turkey may impact IHH Healthcare Berhad and Malaysia Airports Holding Berhad who have business operations in the region.
- We see a growing disconnect between the strong broad market outperformance and individual fundamentals that has deteriorated. On portfolio positioning, we remain cautious and prudent in our stock selection given demanding valuations and high volatility, with cash level around 20-30%.

Source : *Affin Hwang Asset Management Berhad*
Date : *30 August 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.