

FUND OBJECTIVE

An income and absolute return focused fund that aims to provide regular income stream through investment in sukuk and Shariah-compliant equities.

FUND DETAILS

Launch Date	13 February 2015
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	371,999 Units (31 January 2018)
Fund Size	RM421,881 (31 January 2018)
Unit NAV	RM1.1341 (31 January 2018)
Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad
Target Fund	Affin Hwang AIIAMAN Select Income Fund
Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index performance (FBMSHA)
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> ■ Have a moderate risk appetite ■ Expect incidental growth in capital ■ Want an investment that complies with Shariah requirements
Fees	<ul style="list-style-type: none"> ■ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia AIIAMAN Select Income Fund. ■ 1.2% pa fund management charge is applied on the target fund's NAV by Affin Hwang.
Taxation	8% of annual investment income

ASSET ALLOCATION

Sukuk & Islamic money market instruments	Min - 60% Max - 99.80%
Shariah-compliant equity	Max - 40%
Cash & others	Remaining Balance

WHERE THE TARGET FUND INVESTS

Sukuk	62.4%	Basic Material	2.5%
Industrials	8.7%	Utilities	1.4%
Financials	5.5%	Others	1.0%
Technology	5.4%	Cash	7.7%
Oil & Gas	5.4%	Total	100.0%

TOP HOLDINGS OF THE TARGET FUND

Sukuk Issuer	Coupon	Maturity Date	% NAV
GULF Investment Corp	5.10%	20.06.22	6.2%
Lebuhraya DUKE Fasa 3	5.95%	23.08.34	5.4%
MEX II Sdn Bhd	5.90%	27.04.29	5.3%
Plus Bhd	4.64%	10.01.25	5.0%
Konsortium Lebu Raya UT KL SB	4.75%	01.12.28	4.3%
Equities			
Venture Corp Ltd			2.1%
Scientex Bhd			1.5%
Kelington Group Bhd			1.5%
Keppel Corporation Ltd			1.4%
Tenaga Nasional Bhd			1.4%

PERFORMANCE RECORD

This fund feeds into Affin Hwang AIIAMAN Select Income Fund ("target fund") with the objective to provide investors with regular income stream through Shariah-compliant investments. The target fund will invest in a diversified portfolio of Sukuks, Shariah-compliant equities and Islamic money market instruments.

Table below shows the investment returns of Sun Life Malaysia AIIAMAN Select Income Fund versus its benchmark as at 31 January 2018:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
Fund*	0.3	0.3	0.6	2.7	7.4	13.4	13.4
Benchmark	1.0	1.0	1.9	3.4	5.8	10.1	10.1

* 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

- Global financial markets trended higher as positive economic data kept the momentum going.
- Emerging markets continued to trend higher as US Dollar weakness persisted amidst an optimistically stronger growth outlook.
- The domestic equity market ended the month higher with the added support of a strong Ringgit, and oil price stability.
- Crude oil prices clawed its way back to the USD65 per barrel range as the OPEC and non-OPEC alliance to curb production supported prices.
- The China equity market ended the month ahead of its regional peers with double digit gains after receiving a boost from encouraging economic data.
- After a 4th quarter indication, BNM raised its OPR rates by 25 basis points to 3.25% citing a pre-emptive move to prevent a build-up of risk from a prolonged low interest rate environment.
- The US-10year treasury yields climbed more than 30bps higher to close the month at 2.72%, with the 10-year German Bunds following close. The German govies closed at 0.70% from the 0.43% level the previous month.
- Yields for the 10-year MGS dipped 4bps lower to 3.95%, while the 5-year MGS saw a 10bps dip to close at 3.63%. The 3-year MGS whereas climbed 5bps higher to 3.38% as at the end of January.
- The Fund recorded a gain of 0.3% in the month of January, while its benchmark index rose 1.0% over the same period.
- STRATEGY: The equity market is expected to remain robust in the interim as investors' sentiment remains alleviated.
- We anticipate the domestic market to continue on its uptrend as sentiment remain alleviated, boosted further by the up-coming general election.
- We will continue to keep a look out for opportunities within the China market, optimistic that the economy is back on steady footing.
- We are also maintaining our reservation on the sustainability of the current oil price level given that production may restart at these more attractive levels.
- Similarly, we will be staying cautious for the Fund's Sukuk exposure as we wait out for more stability in the market.
- Duration will also be kept shorter to mitigate interest rate risk.

Source: Affin Hwang Asset Management Berhad

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.