

### FUND OBJECTIVE

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

### FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	83.165 million units (31 July 2018)	Fund Size	RM110.466 million (31 July 2018)
Unit NAV	RM1.3283 (31 July 2018)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd	Target Fund	CIMB-Principal Asia Pacific Dynamic Income Fund
Benchmark	Target return of 8% p.a.	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> <li>▪ Have a medium to long-term investment horizon</li> <li>▪ Want a well-diversified portfolio of Asia Pacific ex Japan region</li> <li>▪ Willing to take moderate risk for potentially moderate capital return over the long-term</li> </ul>	Fees	<ul style="list-style-type: none"> <li>▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Dynamic Income Fund.</li> <li>▪ 1.8% of pa fund management charge is applied on the target fund's NAV by CIMB-Principal.</li> </ul>

### ASSET ALLOCATION OF THE TARGET FUND

Equities	Fixed Income	Liquid Assets
Min 70%; Max 98%	Max 15%	2%

### SECTOR ALLOCATION OF THE TARGET FUND

Finance	39.82%
Industrials	14.88%
Consumer	14.48%
Technology	9.58%
Basic Materials	4.06%
Health Care	3.77%
Telecommunications	3.62%
Oil & Gas	2.33%
Cash	7.46%
Total	100.0%

### TOP HOLDINGS OF THE TARGET FUND

Samsung Electronics Co. Ltd (South Korea)	4.53%
Taiwan Semiconductor Manuf (Taiwan)	4.21%
AIA Group Ltd (Hong Kong)	4.20%
BHP Billiton Ltd (Australia)	4.06%
Tecent Hldg Ltd (Hong Kong)	3.96%
Industrial and Commercial Bank (China)	3.71%
Anhui Conch Cement Co. Ltd – A (China)	3.12%
Autohome Inc – ADR (United States)	2.65%
DBS Group Hldg Ltd (Singapore)	2.54%
Housing Development Finance Corp Ltd (India)	2.49%

## PERFORMANCE RECORD

This fund feeds into CIMB-Principal Asia Pacific Dynamic Income Fund ("target fund") with the objective to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Dynamic Income Fund versus its benchmark as at 31 July 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	-1.57	1.21	0.93	-3.82	2.68	33.32	32.83
<b>Benchmark</b>	4.59	0.64	1.94	3.92	8.00	25.97	30.91

\* 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 June, the Fund increased by 121bps, outperforming the Benchmark by 57bps. Year-to-date the Fund is down 157bps.

Asia Pac ex-Japan equities gained 0.7% (US\$) month-on-month in July. ASEAN outperformed North Asia as fund outflows appear to have abated. Topical issues: will US go ahead with the 10% levy on an additional US\$200bn of imports? How will China respond to Donald Trump's aggressive trade tactics?, will Asian currencies stabilize? We are Neutral on Asian equities in the short term. There are many cross-currents that may keep Asian equities in a range-bound mode over the next few months. Markets will re-assess growth prospects given the worsening trade environment. Most Asian currencies appear to have stabilized against the US\$ since mid-June. China has room to ease monetary and fiscal policies and this will defend growth (not boost it). Coupled with light positioning and supportive valuations at 11x FY19 PE, this will help cushion the downside on Asian equities. We expect Asian equities to perform better in the longer term. Asia Pac ex-Japan corporate earnings are forecast to grow by +11% and +9% in 2018 & 2019. Domestic focused names with higher earnings visibility in 2019 may be re-rated.

We have recently added more steady growth names in the technology (foundry, memory), REITs and energy sector. Our research focus is on companies with a favourable 2019 earnings outlook, a domestic spending cyclical upturn and firms that can improve their capital return. Our country preference is Australia, Singapore and Indonesia. In sector terms, we prefer financials in general; tech in China and materials in China and Australia. Our least preferred sectors are utilities and consumer staples.

Source : CIMB-Principal Asset Management Bhd

Date : 31 July 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.