

## FUND OBJECTIVE

To provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

## FUND DETAILS

Launch Date	20 May 2014
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	3.086 million units (30 November 2016)
Fund Size	RM 3.400 million (30 November 2016)
Unit NAV	RM 1.1020 (30 November 2016)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB Principal Equity Income Fund
Benchmark	50% FBM100 Index + 50% MSCI AC Asia ex-Japan Index
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> <li>Have a medium to long-term investment horizon</li> <li>Target capital appreciation</li> <li>Do not require regular income</li> <li>Comfortable with higher volatility</li> <li>Willing to take higher risk for potential higher gains</li> </ul>
Fees	<ul style="list-style-type: none"> <li>Management fee: 1.5000% p.a.</li> </ul>
Taxation	<ul style="list-style-type: none"> <li>8% of annual investment income</li> </ul>

## ASSET ALLOCATION

Equities	Min 70% Max 98%	Cash	Min 2%
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## WHERE THE FUND INVESTS

Trading/Services	18.67%	Oil & Gas	2.94%
Financials	17.49%	Basic Material	2.46%
Consumer	14.66%	Plantations	2.35%
Industrials	13.27%	Mutual Fund	1.21%
Finance	10.56%	IPC	0.98%
Technology	6.69%	Others	1.95%
Construction	3.25%	Cash	3.52%

## TOP HOLDINGS OF THE TARGET FUND

Tenaga Nasional Bhd	4.46%
CIMB Group Hldgs Bhd	3.45%
Sime Darby Bhd	3.40%
China Life Insurance Co. Ltd (China)	2.94%
Samsung Electronics Co. Ltd (South Korea)	2.87%
Malayan Banking Bhd	2.80%
Tencent Hldg Ltd (Hong Kong)	2.53%
Public Bank Bhd	2.46%
Industrial and Commercial Bank (China)	2.09%
Taiwan Semiconductor Manuf. (Taiwan)	1.97%

## PERFORMANCE RECORD

This fund feeds into CIMB Principal Equity Income Fund ("target fund") with the objective to provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

Table below shows the investment returns of Sun Life Malaysia Equity Income Fund versus its benchmark as at 30 November 2016:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
<b>Fund*</b>	2.94	-0.90	0.85	6.05	3.47	N/A	10.20
<b>Benchmark</b>	3.20	-0.09	1.54	7.46	3.93	N/A	8.16

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

The Fund was down 0.9% in November, underperforming its benchmark by 0.81%. The Fund's underperformance came mainly from its exposure in Malaysia and Korea. In terms of sectors, the Fund's exposure in Industrials and Consumer Goods contributed negatively. At the stock level, its overweight in EA Technique, Destini and CIMB Group contributed to the underperformance. Year-to-date, the Fund is up 2.94%, underperforming the benchmark by 0.26%.

MSCI Asia Pacific ex Japan declined 2% in November, weighed down by fears over a stronger US Dollar and expectations of higher interest rates. Philippines, Indonesia and India bore the brunt of the sell-off, while Taiwan and China outperformed. In Malaysia, the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMVKLCI) fell 3.2% in November due to global uncertainties arising from the outcomes of the recent US presidential election. The Ringgit weakened 6% m-o-m and 10-year Malaysian Government Securities yield spiked up to 4.35% (+75bps m-o-m), on rising fears of an eventual US rate hike.

For country exposure, we like Indonesia for the success of its Amnesty Program which would provide excess liquidity for both its financial sector and its fiscal programs. The recent sell-off in Indian equities due to concerns over de-monetization is a buying opportunity as the government would have increased financial flexibility to announce fiscal stimulus in the upcoming FY18 budget in February 2017. China remains a stock-picking market as we see spotted success in the country's industrial transformation to the new economy. We remain cautious on Philippines due to its rising inflation, weak currency and uncertain political direction. For Malaysia, we continue to overweight construction and government-linked companies in the services, plantations and utilities sectors that fit into our Malaysian GLC restructuring theme. From a research perspective, we seek alpha in small companies.

Source: CIMB Principal Asset Management Bhd

**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.