

FUND OBJECTIVE

A total return fund that seeks to capture the high growth of developing companies within the Asia (ex-Japan) region.

FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	13.41 million units (28 June 2019)	Fund Size	RM15.69 million (28 June 2019)
Unit NAV	RM1.1695 (28 June 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Select Asia (ex Japan) Quantum Fund
Benchmark	MSCI AC Asia (ex-Japan) Small Cap Index	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 tolerance ▪ Are seeking higher returns for their investments compared to the performance benchmark 	Fees	<ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Select Asia (ex Japan) Quantum Fund ▪ Up to 1.5% p.a. fund management charge is applied on the target fund's NAV by Affin Hwang Asset Management Berhad

ASSET ALLOCATION OF THE TARGET FUND

Equities	Cash
Minimum 70%; Max 100%	Remaining Balance

SECTOR ALLOCATION OF THE TARGET FUND

Financials	36.30%
Consumer Goods	14.00%
Basic Materials	12.50%
Consumer Services	11.90%
Industrials	7.70%
Technology	6.30%
Telecommunications	2.20%
Oil & Gas	0.60%
Cash & Cash Equivalents	8.40%
Total	100.0%

TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

Guan Chong Bhd	6.40%
Huifu Payment Ltd	5.10%
Zhejiang New Century Hotel Mgt	4.40%
ATA IMS Bhd	3.80%
SKP Resources Bhd	3.70%
CapitaLand Retail China Trust	3.70%
Allianz Malaysia Berhad	3.70%
ESR-REIT	3.30%
Astro Malaysia Holdings Bhd	3.10%
Manulife US REIT	3.00%
Total	40.20%

PERFORMANCE RECORD

The Fund feeds into Affin Hwang Select Asia (ex Japan) Quantum Fund (“target fund”) with the objective to achieve consistent capital appreciation over medium to long-term by investing mainly in growth companies in Asia (ex Japan) with market capitalization of not more than USD1.5 billion at the time of acquisition, subject to the flexibility of investing up to 30% of the Net Asset Value (NAV) of the Fund in companies in Asia (ex Japan) with market capitalization of not more than USD3.0 billion at the time of acquisition.

Table below shows the investment returns of Sun Life Malaysia Select Asia (ex Japan) Quantum Fund versus its benchmark as at 28 June 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	11.51	2.08	1.86	11.50	-2.30	5.27	16.95
Benchmark	4.42	1.87	-2.32	4.42	-7.76	10.30	20.48

* 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

- Amidst developments on the trade and monetary policy front, the MSCI AC Asia (ex Japan) Index posted a strong 6% performance during the month, with the Singapore and Thailand market as one of the best performers in the region.
- The tech sector had a temporary reprieve from the US government's decision to reverse its ban on American companies from selling products to Huawei. Shares of chipmakers surged on the back of the news.
- While valuations are still reasonable, earnings of Asian corporates are expected to see a relatively lacklustre growth of 2.3%.
- While the domestic market continues to lag regional peers on a year-to-date basis, a recovery appears to be underway – with gains of 4.0% in the month of June 2019.
- The government is now seen tilting towards more growth-oriented policies as seen from the revival of mega infrastructure projects like Bandar Malaysia and ECRL. The government's proposal to acquire the four toll highways was also read positively by the market with a fair valuation pegged to the takeover.
- **STRATEGY:** The fund was highly invested over the month at 93%. The fund increased its exposure into the HK-China market and sold its inverse ETF position.
- The fund has around 25% exposure in REITs which will do well in low interest rate environments. Markets have started to price in an 80% chance that rates will be cut in July 2019 and a 30% chance of 4 rate cuts by July 2020.
- The fund will continue to stay highly invested as expectations of US rate cuts are positive for Emerging Markets. However, if Trump decides to impose tariffs on the additional USD325billion worth of goods, markets are expected to react negatively.

Source : Affin Hwang Asset Management Berhad
Date : 28 June 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.