

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	3.223 million units (28 February 2017)
Fund Size	RM 3.708 million (28 February 2017)
Unit NAV	RM1.1503 (28 February 2017)
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"> Have a medium to long-term investment horizon Target capital appreciation Do not require regular income Comfortable with higher volatility Willing to take higher risk for potential higher gains
Fees	<ul style="list-style-type: none"> Management fee: 1.5000% p.a.
Taxation	<ul style="list-style-type: none"> 8% of annual investment income

ASSET ALLOCATION

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

Finance	28.40%	Plantations	2.16%
Industrials	17.24%	Telecommunication	1.50%
Trading / Services	16.70%	Mutual Fund	1.24%
Consumer	10.96%	IPC	1.03%
Technology	7.09%	Oil & Gas	0.97%
Basic Materials	3.35%	Other	2.08%
Construction	3.19%	Cash	4.09%

TOP HOLDINGS OF THE TARGET FUND

Malayan Banking Bhd	3.78%
CIMB Group Hldgs Bhd	3.67%
Tenaga Nasional Bhd	3.48%
Samsung Electronics Co. Ltd (South Korea)	3.18%
Taiwan Semiconductor Manuf (Taiwan)	3.09%
China Life Insurance Co. Ltd (China)	3.00%
Singapore Technologies Enginee (S'pore)	2.27%
Sime Darby Bhd (Malaysia)	2.19%
Industrial and Commercial Bank (China)	2.18%
Tencent Hldd l td Hong Kong	2.06%

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 28 February 2017:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
Fund*	5.39	2.14	4.38	5.27	14.61	N/A	15.03
Benchmark	6.30	2.66	5.74	7.37	16.55	N/A	14.37

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 up 2.14% in February, underperforming its benchmark by 0.52%. The Fund's underperformance came mainly from its exposure in Indonesia and Hong Kong. In terms of sectors, the Fund's exposure in Oil & Gas, Technology and Consumer Services contributed negatively. At the stock level, its overweight in DBS Group, Sands China and PT AKR Corporindo contributed to the underperformance. Year-to-date, the Fund was up 5.39%, underperforming the benchmark by 0.91%.

Asian Equities was up 4% in US\$ terms in Feb 2017. Value stocks outperformed quality. Country-wise, India outperformed while Philippines underperformed in February but all markets are up year-to-date.

The FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI) rallied further by 1.33% in February led by inflows from foreign funds. Government-linked companies (GLC) restructuring remains a key theme as UMW and Sime Darby led gainers for the consumer discretionary and industrial sectors.

We are Overweight in China, India, Singapore and Indonesia, and Underweight Taiwan & Korea. In sector terms, we are overweight in China internet/tech, financials in HK & India and Indian & Singapore industrials. Underweight telecoms and utilities. New ideas recently include companies in gaming, steel, tires, cement and heavy machinery. For Malaysia, sector rotation remains a key strategy and we have started to rotate towards more cyclical sectors like oil and gas, banks, consumer discretionary and aviation in anticipation of a cyclical economic recovery. GLC restructuring and e-commerce plays remain core holdings in our portfolios.

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.