

**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	6.41 million units (30 August 2019)	Fund Size	RM7.48 million (30 August 2019)
Unit NAV	RM1.1674 (30 August 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Aiiman Select Income Fund
Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index (FBMSHA)	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> <li>▪ Have a moderate risk appetite</li> <li>▪ Expect incidental growth in capital</li> <li>▪ Want an investment that complies with Shariah requirements</li> </ul>	Fees	<ul style="list-style-type: none"> <li>▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia AIIMAN Select Income Fund.</li> <li>▪ 1.2% pa fund management charge is applied on the target fund's NAV by Affin Hwang Asset Management Berhad.</li> </ul>

**ASSET ALLOCATION OF THE TARGET FUND**

Sukuk & Islamic Money Market Instruments	Shariah-compliant Equities	Cash & Others
Min 60%; Max 100%	Min 0%; Max 40%	Remaining Balance

### SECTOR ALLOCATION OF THE TARGET FUND

Sukuk	64.40%
Financials	4.60%
Technology	3.80%
Utilities	3.60%
Telecommunication	3.40%
Oil & Gas	2.70%
Industrials	2.70%
Consumer Services	2.10%
Cash & Cash Equivalent	12.70%
<b>Total</b>	<b>100.00%</b>

### TOP HOLDINGS OF THE TARGET FUND (SUKUK)

Bonds Issuer	Coupon	Maturity Date	%
Lebuhraya DUKE Fasa 3 Sdn Bhd	5.95%	23.08.34	5.8
MEX II Sdn Bhd	5.90%	27.04.29	5.7
YTL Power International Bhd	5.05%	03.05.27	4.1
Tanjung Bin Energy Issuer Bhd	5.30%	16.03.23	4.0
Westports Malaysia Sdn Bhd	4.53%	01.04.27	4.0

### TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

Tenaga Nasional Bhd	2.4
Singapore Telecom Ltd	1.9
Telekomunikasi Indonesia	1.5
Taiwan Semiconductor Manufac	1.5
My EG Services Bhd	1.4

### PERFORMANCE RECORD

This fund feeds into Affin Hwang AII MAN 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 AII MAN Select Income Fund versus its benchmark as at 30 August 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	4.72	0.08	2.04	3.39	3.86	11.96	16.74
<b>Benchmark</b>	2.74	-0.03	0.89	1.71	0.36	6.35	9.83

\* 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

- During the month, it was reported (by *New Straits Times*) that a special purpose vehicle (SPV) under Khazanah Nasional known as the highway trust will issue two perpetual debt papers once the enterprise values of the highways are finalized, with Paper A valued at RM30.1billion and Paper B valued at RM12.7billion. The coupon rate for both will be 6% with Paper A's coming with RM10billion in cash and Paper B's coming with a government guarantee.
- Earnings season for the 2Q2019 also just concluded for the local market. On a net-basis, there were more earnings disappointment across sectors with a 4.0% downgrade in profit growth. Similar to 2016, valuations haven't come down despite the fall in the stock market since earnings have deteriorated.
- The local bond market tracked global movements as yields declined across the yield curve, much due to heavy foreign inflows. The local yield curve bull flattened with the 10-year MGS yield down 25 bps to end the month at 3.32% while the 3-year MGS yield were lower by 14 bps.
- The Ringgit ended the month at RM4.2055:USD1; 2% weaker against US Dollar and in line with the USD strength against most regional currencies.
- **STRATEGY:** During the month, the fund's fixed income portion continues to be highly invested with an emphasis on primary issuances and government sukuk to ride on current market strength. Portfolio duration was increased slightly to 6.2 years.
- Equity exposure was increased to 22% from 20% as the fund remains invested in dividend-yielding stocks.
- A cautious stance remains as volatility is expected to surface amid the uncertainty arising from the US-China trade talks.

Source : *Affin Hwang Asset Management Berhad*  
Date : 30 August 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.