

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	88,733 Units (31 July 2016)
Fund Size	RM 91,790 (31 July 2016)
Unit NAV	RM1.0345 (31 July 2016)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Affin Hwang Asset Management Berhad
Target Fund	Affin Hwang AIIAMAN Select Income Fund
Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index performance (FBMSHA)
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> Have a moderate risk appetite Expect incidental growth in capital Want an investment that complies with Shariah requirements
Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia AIIAMAN Select Income Fund. 1.2% pa fund management charge is applied on the target fund's NAV by Affin Hwang.
Taxation	<ul style="list-style-type: none"> 8% of annual investment income

ASSET ALLOCATION

Sukuk & Islamic money market instruments	Min - 60% Max - 100%
Shariah-compliant equity	Max - 40%
Cash & others	Remaining balance

WHERE THE FUND INVESTS

Sukuk	63.5%	Consumer Goods	1.8%
Industrials	10.4%	Utilities	1.1%
Financials	4.3%	Consumer Services	0.3%
Telecommunications	3.3%	Cash & CE	12.6%
Technology	2.7%	Total	100.0%

TOP HOLDINGS OF THE TARGET FUND

Sukuk Issuer	Coupon	Maturity Date	%
Al-'Aqar Capital Sdn Bhd	4.35%	06.05.20	8.2
Gamuda Bhd	4.21%	26.10.18	8.2
MEX II Sdn Bhd	5.90%	27.04.29	6.9
Plus Bhd	4.64%	10.01.25	5.1
Tanjung Bin Energy Issuer	5.30%	16.03.23	3.4
Equities			%
Axis REIT Managers Berhad			1.4%
MPI Corp			1.4%
Scientex Bhd			1.4%
Axiata Group Bhd			1.3%
Singapore Telekom Ltd			1.2%

PERFORMANCE RECORD

This fund feeds into Affin Hwang AIIAMAN 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 AIIAMAN Select Income Fund versus its benchmark as at 31 July 2016:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	3.7	1.2	3.3	5.0	4.2	n/a	3.5
Benchmark	0.3	0.5	0.7	0.9	2.6	n/a	2.6

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 domestic equity market remained challenging in the month of July given the latest twist in the 1Malaysia Development Berhad scandal which impacted market confidence significantly. Bank Negara's (BNM) unexpected announcement to cut Overnight Policy Rates (OPR) by 25 bps took markets by surprise, but was viewed positively on the overall.
- Domestic manufacturing activity continued to contract with the Manufacturing PMI staying below 50 for 15 straight months. Weakness in the Ringgit on the back of headline pressures is expected to provide some support for the export sector, while the on-going uncertainties had led to defensive stocks such as telecommunication and utilities staying resilient.
- The on-going concerns had led to a rally in domestic govies, supported by investors' demand for higher yielding assets. The local bond market had remained well supported given its comparatively higher yields against the developed economies.
- The Fund recorded a gain of 1.2%, while the benchmark index rose 0.5% in the month of July.
- STRATEGY:** The Manager will be taking a more optimistic view on the regional markets given the broader opportunities that it offers. Against the current backdrop, focus will remain on income yielding assets largely through opportunities in the infrastructure stocks.
- The Manager is mindful of the stretched fixed income valuations and considering taking profit along the way. At this moment, the Manager prefers to stick to the liquid benchmark names.

Source: Affin Hwang Asset Management Berhad

Disclaimer:

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