

FUND OBJECTIVE

To provide a mixed exposure into equities and bonds, with higher allocation into equities.

FUND DETAILS

Launch Date	20 October 2008
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	3.53 million units (30 September 2017)
Fund Size	RM7.03 million (30 September 2017)
Unit NAV	RM1.9939 (30 September 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Benchmark	75% FBM100 + 25% 12 month FD
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Want a portfolio with higher exposure in equities Preference to higher equity exposure for potentially higher capital appreciation Need to reduce risk by investing in diversified bond portfolio Prefer investing in bonds to cushion fund volatility
Fees	<p>The fund will feed into Sun Life Malaysia Growth Fund and Sun Life Malaysia Conservative Fund which applies the following fund management charges:</p> <ul style="list-style-type: none"> Sun Life Malaysia Growth Fund: 1.5% p.a. Sun Life Malaysia Conservative Fund: 1.0% p.a. There are no other fund management charges on this fund
Taxation	8% of annual investment income

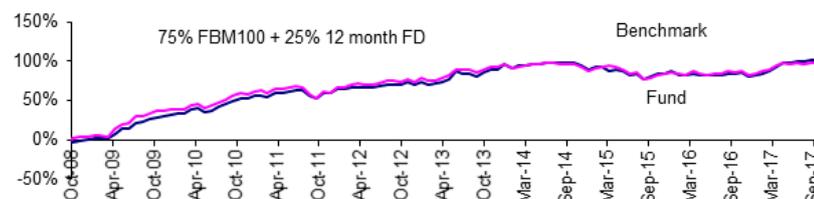
ASSET ALLOCATION

Sun Life Malaysia Growth Fund	74.87%
Sun Life Malaysia Conservative Fund	25.07%

WHERE THE FUND INVESTS

Sun Life Malaysia Growth Fund	74.87%
Sun Life Malaysia Conservative Fund	25.07%
Cash	0.06%
Total	100.00%

PERFORMANCE RECORD



NAV TO NAV

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	10.74	-0.43	1.01	3.95	8.70	1.61	101.04
Benchmark	7.25	-0.50	-0.09	1.52	6.06	0.64	97.29

* 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

For the month of September 2017, the Fund declined by 0.43%, outperforming the benchmark by 0.07%.

The FTSE Bursa Malaysia Kuala Lumpur Composite Index ("FBMKLCI") fell 17.58 points or 1.0% in September as foreign institutions remained net sellers for the second consecutive month, selling RM0.7 billion. The FBMKLCI continued to prove resilient in absorbing negative shocks despite the rise of external uncertainties. August inflation jumped to 3.7% from 3.2% in July, pushed by the run-up in oil prices which saw the West Texas Intermediate closing up 9.4% at USD51.67 per barrel from USD47.23 per barrel a month earlier. As the higher inflation is cost-pushed, Bank Negara Malaysia ("BNM") kept the Overnight Policy Rate ("OPR") unchanged at 3.00%. Ringgit traded to a low of 4.1875 during the month before closing the month at 4.2205. On the ground, the 14th General Election ("GE14") newsflow is gaining traction.

Market continued in consolidation mode in September as investors watched for more evidence of a sustained global economic recovery. We are positioned for stronger forthcoming quarters leading into GE14, which we expect to occur in the first quarter of 2018. The upcoming pre-election budget is expected to be expansionary and people-centric. While the rebound in crude oil prices will provide some fiscal relief for the government, we believe fiscal discipline to be maintained. The risk to the market is if the US Federal Reserve tightens more aggressively or Trump's tax plan attracts repatriation of US overseas earnings, thus sparking portfolio outflows from Emerging Markets. However, we think that the risk of that is low at this point. We will stay invested, with our favoured sectors being e-commerce/logistics, tourism, and construction, with Government Linked Companies (GLC) reform remaining a structural market theme. We also seek ideas in personal consumption plays.

During the month, there were some outflows with the MGS yield curve seen moving generally higher across the curve. On 7 September, BNM kept the OPR unchanged at 3.00% at its seventh straight meeting. BNM expects domestic demand will remain the key driver of growth and overall growth in 2017 will be stronger than earlier expected. They also expect headline inflation to moderate on expectation of a smaller effect from global cost factors and underlying inflation to be sustained by more robust domestic demand in a contained manner. Economic data releases during the month were headline inflation data higher at 3.7% y-o-y in August, from 3.2% in July. This was mainly due to a faster increase in transportation costs amid higher fuel prices while prices of food and beverages also inched higher. Meanwhile, core inflation rose 2.4% in August 2017, compared with the same month of the previous year.

We continue to remain fully invested with focus on selective primary corporate bond issuance and exposure into the government securities when the opportunity arises.

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.