

FUND OBJECTIVE

To achieve medium to long-term capital appreciation through investments primarily in Malaysian bonds

FUND DETAILS

Launch Date	20 October 2008
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	29.96 million units (30 June 2016)
Fund Size	RM 36.76 million (30 June 2016)
Unit NAV	RM 1.2270 (30 June 2016)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Benchmark	12 month FD
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a medium to long-term investment horizon Want a diversified portfolio of fixed interest securities Are looking for a less volatile investment but can accept lower returns
Fees	Management Fee: 1.0% p.a.
Taxation	8% of annual investment income

ASSET ALLOCATION

Bonds/ Debentures	80% - 98%	Cash	Up to 20%
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WHERE THE FUND INVESTS

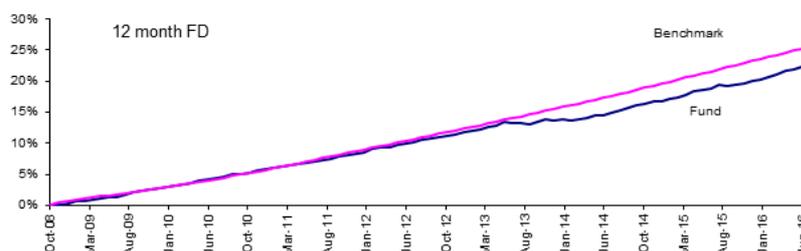
Corporate Bond	92.59%
Government Bond	-
Short Term Paper	-
Cash	7.41%
Total	100.00%

TOP 9 HOLDINGS

Pengurusan Air SPV Bhd	4.63%	5/2/2026	14.23%
AMMB Hldg Bhd	4.30%	08/08/2017	13.79%
UniTapah Sdn Bhd	4.900%	12/06/2018	13.78%
Berjaya Land Bhd	4.750%	15/12/2017	13.69%
UEM Sunrise Bhd	4.6%	13/12/2018	13.67%
Malakoff Power Bhd	4.9%	17/12/2018	6.89%
Perdana Petroleum Bhd	4.450%	27/04/2018	6.86%
Tanjung Bin Power Sdn Bhd	4.66%	14/08/2020	5.57%
Temasek Eksklusif Sdn Bhd	4.620%	20/11/2019	4.11%

Source: CIMB-Principal Asset Management Bhd

PERFORMANCE RECORD



Source: CIMB-Principal Asset Management Bhd

NAV TO NAV

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	1.95	0.36	0.85	1.95	3.19	8.25	22.70
Benchmark	1.66	0.28	0.83	1.66	3.35	10.12	25.64

Source: CIMB-Principal Asset Management Bhd

*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'S MANAGER COMMENTS

The Fund's performance for the month of June was 0.36% as compared to its benchmark of 0.28%.

The Malaysian Government Securities ("MGS") saw bond yields tightening as concerns of Brexit and its implications triggered a flight to safety for investors. U.S weak non-farm payroll data coupled with Brexit has wiped out the possibility of a U.S Fed rate hike in July resulting in the strengthening of the Ringgit. The MGS curve shifted lower by 6 – 25 bps throughout the curve in June. As a result, the MGS yield for the 1-, 3-, 5-, 10-, 15- and 20-years closed the month at 2.77%, 3.17%, 3.32%, 3.73%, 4.08% and 4.29% respectively. Trading volume for corporate bonds decreased slightly by 3.47% in June with RM14.84 billion traded, up from RM15.37 billion in the previous month. Trades were mostly centred on GGs, AAAs and AAs. Corporate bond yields widened across the curve due to strong demand for sovereign bonds.

The easing policy stance by the global central banks and potentially BNM should be supportive of sovereign yields. The corporate bond market is expected to be well supported in the near term due to the lack of supply in the primary pipeline and the ample liquidity of local institutional players. We will focus on both corporate bond primary and repriced secondary issuances especially the AA rated issuances for yield pick-up.

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.