

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	2.984 million units (31 July 2017)
Fund Size	RM3.885 million (31 July 2017)
Unit NAV	RM1.3018 (31 July 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	Suitable for investors: <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	Management fee: 1.500% p.a.
Taxation	8% of annual investment income

ASSET ALLOCATION

Equity	Min 70% Max 98%	Cash	Min 2%
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WHERE THE TARGET FUND INVESTS

Finance	30.95%	Plantations	1.30%
Trading / Services	15.80%	Properties	1.22%
Industrials	12.60%	Oil & Gas	1.10%
Consumer	9.31%	Mutual Fund	0.98%
Construction	5.87%	Telecommunication	0.65%
Technology	5.76%	Others	0.84%
Basic Materials	1.55%	Cash	12.07%

TOP HOLDINGS OF THE TARGET FUND

Public Bank Bhd – Local (Malaysia)	5.36%
Samsung Electronics Co. Ltd (South Korea)	3.89%
Malayan Banking Bhd (Malaysia)	3.34%
Tenaga Nasional Bhd (Malaysia)	3.07%
Gamuda Bhd (Malaysia)	2.44%
Taiwan Semiconductor Manuf (Taiwan)	2.32%
Tencent Hldg Ltd (Hong Kong)	2.31%
Industrial and Commercial Bank (China)	2.26%
Sime Darby Bhd (Malaysia)	2.17%
CIMB Group Hldgs Bhd (Malaysia)	2.00%

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 31 July 2017:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	19.27	3.51	7.30	15.59	21.20	30.62	30.18
Benchmark	15.25	2.16	4.12	11.31	19.09	19.67	23.99

* 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

The Fund was up 3.51% in July, outperforming its benchmark by 1.35%. The Fund's outperformance came mainly from its exposure in Malaysia, Hong Kong and Korea. In terms of sectors, favourable stock selection in Industrials contributed positively. At the stock level, its overweight in Sunny Optical, POSCO and Pentamaster contributed to the outperformance. Year-to-date, the Fund is up 19.27%, outperforming the benchmark by 4.02%.

Asian Equities gained 5% in US\$ terms in July 2017. Market leadership rotated to materials and real estate in July, while technology continued to be strong. Topical issues: what could drive technology in 2018? What would be the impact of Central Banks phasing out their stimulus? Locally, the FTSE Bursa Malaysia Kuala Lumpur Composite Index was lackluster in July, falling 0.21% to close at 1,760 points. The key highlight during the month was the listing of Lotte Chemical Titan (Lotte), the largest initial public offering since 2012. The stock fell at debut due to weak investor demand and suffered another sharp drop after it announced a 72% decline in its second quarter net profit. Meanwhile, the key measures announced by the government at this year's Invest Malaysia were: 1) launch of the Leading Entrepreneur Accelerator Platform (LEAP) market; 2) plans to establish an integrity and governance unit at Government-linked Companies (GLCs); and 3) greater gender diversity and corporate governance in Corporate Malaysia.

We are Overweight Malaysia, Singapore, Indonesia and China and Underweight Taiwan and Korea. In sector terms, we are Overweight internet/technology in China and Singapore, financials in India, Malaysia, industrials in Singapore, Malaysia and India and materials in China and Korea. We are Underweight energy, health care, telecoms and utilities. For Malaysia, we continue to like construction, tourism and e-commerce/logistics names. Government-linked Companies restructuring and banks 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.