

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	4.060 million units (30 April 2018)	Fund Size	RM5.564 million (30 April 2018)
Unit NAV	RM1.3706 (30 April 2018)	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	Taxation	8% of annual investment income
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.

ASSET ALLOCATION OF THE TARGET FUND

Equities	Cash
Min 70%; Max 98%	Min 2%

SECTOR ALLOCATION OF THE TARGET FUND

Finance	28.66%
Trading/Services	17.38%
Consumer	14.15%
Industrials	12.28%
Technology	8.57%
Construction	2.79%
Plantation	2.34%
Oil & Gas	1.92%
Basic Materials	1.84%
Mutual Fund	1.64%
IPC	1.07%
Properties	1.00%
Cash	6.36%

TOP HOLDINGS OF THE TARGET FUND

Public Bank Bhd – Local (Malaysia)	5.27%
Malayan Banking Bhd (Malaysia)	4.77%
Tenaga Nasional Bhd (Malaysia)	4.10%
Tencent Hldg Bhd (Malaysia)	2.96%
Alibaba Group Holding Ltd (Cayman Islands)	2.44%
Industrial and Commercial Bank (China)	2.36%
DBS Group Hldg Ltd (Singapore)	2.33%
Samsung Electronics Co. Ltd (South Korea)	2.30%
Taiwan Semiconductor Manuf. (Taiwan)	2.06%
YINSON Hldg Bhd (Malaysia)	1.99%

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 30 April 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-0.82	-0.26	-3.75	0.18	12.97	23.62	37.06
Benchmark	-0.08	1.03	-3.52	0.77	7.33	15.56	27.82

* 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 down 0.26% in April, underperforming its benchmark by 1.29%. The Fund's underperformance came mainly from its exposure in Singapore, Hong Kong and China. At the stock level, the key detractors were Venture Corporation, Hangzhou Hikvision and Beijing Oriental. Year-to-date, the Fund is down 0.82%, underperforming the benchmark by 0.74%.

Asian ex-Japan equities was flat +0.6% (US\$) month-on-month in April with a stronger US\$, US 10-year bond yields briefly rising above 3% and a sell-off in technology stocks dominating headlines. Taiwan and Indonesia underperformed while Singapore, India and H-shares outperformed. In Malaysia, the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI) touched a new high of 1,895 pts on April 19, before closing up only 0.4% at 1,870 pts. Foreigners turned net buyers of RM1.5bn in April after being net sellers of RM0.1bn in March, bringing year-to-date net foreign inflows to RM3.5bn. Construction and finance outperformed, while technology, consumer staples and telecommunications underperformed.

Asian equities are a Buy. Asian equities require more patience as we grind through earnings downgrades in selected sectors and trade tensions between US and China. A slightly stronger US dollar is also a headwind. The investment case for Asian equities remains a growing middle-class, industrial upgrading, growing financial inclusion, and earnings growth of 14% at a reasonable PE of 13x. In Malaysia, following Pakatan Harapan's victory in the 14th General Elections (GE14), we expect market to be volatile in the immediate term. However, market should rebound as similar government changes in other countries were brief. We continue to invest in big cap companies with strong fundamentals and to focus on medium to long-term investment themes, such as Financials, Consumer, Technology and Industrials.

Source : CIMB-Principal Asset Management Bhd

Date : 25 May 2018

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.