

FUND OBJECTIVE

Aims to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

FUND DETAILS

Launch Date	13 February 2015
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	3.312 million units (31 December 2017)
Fund Size	RM4.070 million (31 December 2017)
Unit NAV	RM1.2288 (31 December 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB Islamic Asia Pacific Equity Fund
Benchmark	Dow Jones Islamic Market Asia Pacific ex Japan Index
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a long-term investment horizon Want a portfolio of investments that adhere to Shariah principles Want a well-diversified portfolio of Asia Pacific ex Japan regional equities Seek capital appreciation over long-term
Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Dynamic Income Fund. 1.8% of pa fund management charge is applied on the target fund's NAV by CIMB-Principal.
Taxation	8% of annual investment income

ASSET ALLOCATION

Equity	Min 70%; Max 98%
Sukuk & Deposits	Max 30%
Liquid Assets	Min 2%

WHERE THE TARGET FUND INVESTS

Consumer	34.77%	Basic Materials	3.40%
Finance	14.71%	Trading/Services	2.47%
Oil & Gas	13.73%	Utilities	1.14%
Technology	10.27%	Mutual Fund	0.31%
Industrials	9.92%	Cash	4.52%
Telecommunications	4.76%	Total	100.0%

TOP HOLDINGS OF THE TARGET FUND

Samsung Electronics Co. Ltd (South Korea)	9.27%
Alibaba Group Holding Ltd (Cayman Islands)	9.26%
Reliance Industries Ltd (India)	4.84%
Samsung Electronics - PFD (South Korea)	4.53%
Tencent Hldg Ltd (Hong Kong)	4.12%
SK Hynix Inc (South Korea)	3.33%
CNOOC Ltd (Hong Kong)	2.97%
Taiwan Semiconductor Manuf (Taiwan)	2.83%
Keppel Corp Ltd (Singapore)	2.82%
Posco (South Korea)	2.82%

PERFORMANCE RECORD

This fund feeds into CIMB Islamic Asia Pacific Equity Fund ("target fund") with the objective to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

Table below shows the investment returns of Sun Life Malaysia Islamic Asia Pacific Equity Fund versus its benchmark as at 31 December 2017:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	22.57	0.02	1.29	8.97	22.57	N/A	22.88
Benchmark	29.61	1.24	2.12	9.12	29.61	N/A	44.95

* 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

In December, the Fund was flat while the Benchmark increased by 124 basis points. Year-to-date the Fund rose 22.57% against the Benchmark of 29.61%. Consumer services contributed positively while Industrials contributed negatively during the month while in country terms, Taiwan was a drag.

Asia ex-Japan equities rose +2.5% (US\$) in Dec 2017 capping a huge run of +39% year-to-date. Performance across sectors was mixed with consumer, materials, energy and healthcare outperforming while technology underperformed. Topical issues were: should we fear a flatter US yield curve? Why is the US\$ so weak?, how high can Asian earnings growth reach? After a pause in November and December, Asian equities look like it can trend up again. The persistence of a few key themes seems likely: 'Goldilocks' scenario where global growth continues alongside subdued inflation; gradual path of US monetary policy normalization supporting a risk-on stance which favours Asian equities; and Asian equities posting continued earnings upgrades and better growth prospects with 2018 EPS growth of 13% versus US S&P 500 at +11%.

We are fully invested with a portfolio beta of close to 1 and Overweight Singapore, India and Underweight Korea. In sector terms, we are Overweight Industrials and Energy and Underweight Utilities and Health Care. We are doing more work on stocks that have potential for earnings upgrades. These include Industrials with improving fundamentals and Materials which could see better market conditions and supply side discipline.

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.