

FUND OBJECTIVE

Aims to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonise with Islamic philosophy and laws.

FUND DETAILS

Launch Date	01 December 2009	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	10.040 million units (28 September 2018)	Fund Size	RM16.015 million (28 September 2018)
Unit NAV	RM1.5951 (28 September 2018)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Aiiman Growth Fund
Benchmark	FBM Emas Shariah Index (FBMS)	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a medium to long term investment horizon Are risk tolerant Seek higher returns on the investment that comply with Shariah requirements 	Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Equity Fund. 1.5% p.a. fund management charge is applied on the Target Fund's NAV by Affin Hwang.

ASSET ALLOCATION OF THE TARGET FUND

Equity	Cash
Min 70%; Max 100%	Max 30%

SECTOR ALLOCATION OF THE TARGET FUND

Financials	16.6%
Industrials	12.8%
Oil & Gas	11.9%
Consumer Goods	8.1%
Technology	7.5%
Utilities	7.2%
Basic Materials	5.1%
Telecommunications	4.1%
Health Care	4.0%
Consumer Services	1.5%
Cash & Cash Equivalents	21.2%

TOP HOLDINGS OF THE TARGET FUND

Tenaga Nasional Bhd	7.2%
Dialog Group Bhd	5.9%
Petronas Chemicals Group Bhd	4.0%
Sunway Bhd	3.5%
Scientex Bhd	3.5%
Petronas Dagangan Bhd	3.4%
Fraser & Neave Hldgs Bhd	3.0%
Digi.Com Bhd	2.9%
V.S. Industry Bhd	2.8%
Inari Amerton Bhd	2.7%

PERFORMANCE RECORD

This fund feeds into Affin Hwang Aiiman Growth Fund ("target fund") with the objective to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonise with Islamic philosophy and laws.

Table below shows the investment returns of Sun Life Malaysia Islamic Equity Fund versus its benchmark as at 28 September 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-2.7	0.0	3.0	0.2	-0.1	15.4	59.5
Benchmark	-4.7	-1.0	4.8	-4.2	-0.9	6.6	50.6

* 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

- Markets were mixed in September as a somewhat positive outcome than market expectation on tariff rates were countered by political and financial uncertainties across Europe and Asia.
- The local market declined in the month with KLCI down by 1.58% and FBM Small Cap Index down by 0.60%, amid ongoing corporate restructuring.
- A slew of leadership changes were announced by the Prime Minister's Office, including the chairman position of Perbadanan PR1MA Malaysia and Social Security Organisation ("SOCSO").
- Inflation showed moderate growth of 0.2% in August from a year earlier, compared to 0.9% year-on-year growth recorded in July.
- Ringgit remained steady despite a rising in US rate cycle, cushioned by higher crude oil prices, amidst a deepening rout within the Emerging Market space and further currency pain in regional peers.
- The Fund recorded a loss of 0.0% in the month of September, while its benchmark index fell to -1.0% over the same period.

FUND MANAGER'S COMMENTS (CONTINUED)

- **STRATEGY:** We expect markets to stay volatile as binary outcomes concerning trade and diverging economic strength with a tightening rate cycle embarked by the US Federal Reserve and broad dollar strength that will continue put pressure on Emerging Markets.
- With foreign investors having largely exited the market, there could be limited downside with less selling pressure exerted on the local bourse.
- However, we see a growing disconnect between the strong broad market outperformance and individual fundamentals that has deteriorated.
- The absence of any growth policies suggests some more short-term pain for investors, although more clarity can be gleaned from Budget 2019 in November.
- On portfolio positioning, we remain cautious and prudent in our stock selection given demanding valuations and high volatility, with cash level around 20-30%.
- We are looking for opportunities in oil and gas sector with attractive valuations as crude oil prices continue to rally.

Source : *Affin Hwang Asset Management Berhad*
Date : *28 September 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.