

FUND OBJECTIVE

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

FUND DETAILS

Launch Date	13 February 2015
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	61.683 million units (31 August 2017)
Fund Size	RM79.692 million (31 August 2017)
Unit NAV	RM1.2920 (31 August 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB-Principal Asia Pacific Dynamic Income Fund
Benchmark	Target return of 8% p.a.
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a medium to long-term investment horizon Want a well-diversified portfolio of Asia Pacific ex Japan region Willing to take moderate risk for potentially moderate capital return over the 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
Equities	Min 70%; Max 98%
Fixed Income	Max 15%
Liquid Assets	2%

WHERE THE FUND INVESTS

Finance	23.83%	Health Care	3.43%
Industrials	22.50%	Utilities	2.02%
Technology	11.14%	Trading / Services	1.13%
Basic Materials	10.66%	Oil & Gas	0.71%
Consumer	9.10%	Cash	9.04%
Telecommunications	6.44%	Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Samsung Electronics Co. Ltd (S. Korea)	5.58%
Industrial and Commercial Bank (China)	4.89%
China Mobile LTD (Hong Kong)	4.51%
Tecent Hldg Ltd (Hong Kong)	4.33%
BHP Billiton Ltd (Australia)	4.24%
Midea Group Co Ltd -A (China)	3.52%
Hangzhou Hikv (China)	3.35%
AIA Group Ltd (Hong Kong)	2.90%
Shinhan Financial Grp Co. Ltd (South Korea)	2.84%
Hon Hai Precision Industry Co. (Taiwan)	2.81%

PERFORMANCE RECORD

This fund feeds into CIMB-Principal Asia Pacific Dynamic Income Fund ("target fund") with the objective to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Dynamic Income Fund versus its benchmark as at 31 August 2017:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	20.37	-0.13	9.18	13.86	23.50	N/A	29.20
Benchmark	5.26	0.64	1.94	3.92	8.00	N/A	22.00

* 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 August, the Fund decreased by 0.13%, bringing year-to-date returns to 20.37%.

Asia Pacific ex Japan Equities gained 0.6% in US\$ terms in August 2017. Materials, Energy and Tech outperformed the market. Asian equities remain a BUY: Given Asian equities are up 29% year-to-date, we expect to see a pause in the short term. Continued earnings growth and the prospects of higher ROE will drive performance in 2018. Corporate results in the first half were good and overall earnings estimates for FY2017 were upgraded ~2%. In general, North Asian companies performed better than India or ASEAN. Asian earnings and valuations (FY2018 growth +11%, 13x PE) are supportive even though some key market indicators appear to be at the higher/lower end of their recent range, e.g., US 10 year Treasuries at 2.17% (2017 range of 2.08%-2.63%), Dollar Index at 92 (2017 range 92-104), MSCI Asia ex-Japan historic volatility at ~9% (2014-2017 range of 8%-21%). We would be concerned if the US\$ strengthens significantly, US bond yields go above 3%, credit spreads widen or China's loan growth slows sharply. Earnings upgrades in Asia are showing signs of broadening beyond the tech sector. Within tech, we are watchful of sentiment, regulations and product cycles. The latter may present both risk (how big can iPhone model cycle be in 2018?) and opportunities (AR / VR, proliferation of e-commerce/e-payment). The CIMB Dynamic Income fund portfolio is ~90% invested. We have interest in China and India, in terms of sectors, we have interest in internet/tech, financials, materials. We have reduced exposure in health care and initiated some position in telecom. We have no position or minimal position in energy and consumer staples.

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.