

FUND OBJECTIVE

To provide a mixed exposure into equities and bonds, with higher allocation in bonds

FUND DETAILS

Launch Date	20 October 2008
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	2.30 million units (28 February 2014)
Fund Size	RM 3.05 million (28 February 2014)
Unit NAV	RM 1.3238 (28 February 2014)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Benchmark	25% FBM100 + 75% 12 month FD
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Want a diversified portfolio in equities but higher exposure in bonds Prefer less volatile performance and want slightly higher gains than bond return
Fees	<ul style="list-style-type: none"> Management Fee: 1.125% p.a. Switching Fee: 3 free fund switches per policy year

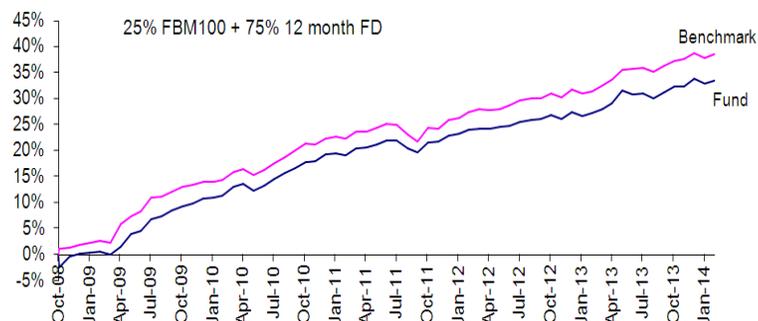
ASSET ALLOCATION

Sun Life Malaysia Conservative Fund	75%
Sun Life Malaysia Growth Fund	25%

WHERE THE FUND INVESTS

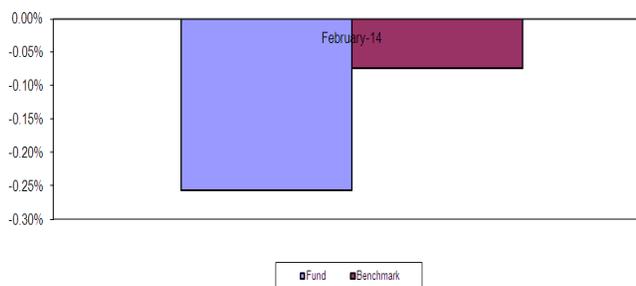
Sun Life Malaysia Conservative Fund	75.16%
Sun Life Malaysia Growth Fund	24.95%
Cash	-0.11%
Total	100.00%

PERFORMANCE RECORD



NAV TO NAV

Performance YTD



FUND MANAGER'S COMMENTS

The Fund gained 0.49% in February 2014, but underperformed the benchmark by 0.07%. On a YTD basis, the Fund has underperformed the benchmark by 0.19%.

As we await the normalization of US economic indicators in spring, China's official PMI fell to an eighth month low of 50.2 from 50.5 in January. The 2014 Q4 results season has not been encouraging. With more downgrades to earnings, IBES 2014 EPS growth is now at 3.8% (7.4% last month) and 2015 is at 9.8% (9.7% last month). PER for both 2014 and 2015 has risen to 15.8x and 14.3x respectively. The market continues to look stretched on 2014 valuations. We maintain our view of a synchronized global economic recovery in 2014 with the possibility of earnings upgrades in the 2H

For equities, the portfolios remain relatively highly invested. We are overweighted in the Utility, Telecommunications and Oil & Gas sectors. We have reduced portfolio risk by reducing the PER of our portfolios and in particular, shaved weightings in small cap stocks with overvalued PERs. For fixed income, our strategy remains unchanged and we continue a trading stance on the sovereign bonds. For corporate bonds, we concentrate mainly on primary issues that have already priced in the risks going forward such as potential OPR hike and the alignment of sovereign yields. We also prefer higher coupon bonds to cushion the impact of increasing yields.

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 on the underlying investment.