

### FUND OBJECTIVE

To achieve moderate capital growth by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

### FUND DETAILS

Launch Date	1 December 2017	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	170,152 units (31 July 2019)	Fund Size	166,894 units (31 July 2019)
Unit NAV	RM0.9809 (31 July 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	CIMB Islamic Balanced Wholesale Fund-of Funds
Benchmark	50% Quantshop GII Medium Index + 50% MSCI AC Asia ex Japan Islamic Index	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> <li>Have a long-term investment horizon</li> <li>Want a balanced portfolio that includes Shariah-compliant equities and Sukuk</li> <li>Want a portfolio of investments that adhere to Shariah principles</li> </ul>	Fees	<ul style="list-style-type: none"> <li>Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Strategic Balanced Fund.</li> <li>Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Berhad.</li> </ul>

### ASSET ALLOCATION OF THE TARGET FUND

Mutual Funds	Cash
87.27%	12.73%

### SECTOR ALLOCATION OF THE TARGET FUND

Mutual Funds	87.27%
Cash	12.73%
Total	100.00%

### TOP HOLDINGS OF THE TARGET FUND

CIMB Islamic DALI Equity Fund	44.12%
CIMB Islamic Enhanced Sukuk Fund	22.02%
CIMB Islamic Sukuk Fund	21.13%
Total	87.27%

## PERFORMANCE RECORD

This fund feeds into CIMB Islamic Balanced Wholesale Fund-of-Funds (“target fund”) with the objective to achieve moderate capital growth by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

Table below shows the investment returns of Sun Life Malaysia Islamic Strategic Balanced Fund versus its benchmark as at 31 July 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	4.46	0.00	1.05	3.59	0.28	N/A	-1.91
<b>Benchmark</b>	5.46	-1.58	-2.16	0.64	-0.76	N/A	-0.71

\* 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 July, the Fund performance remained at 0.00%, underperforming the Benchmark by 1.58%. Fixed Income contributed to the outperformance. Year-to-date, the Fund rose by 4.46%, underperforming the Benchmark by 1.00%.

The FTSE Bursa Malaysia Kuala Lumpur Shariah Index (“FBMS”) shed 1.07% in July. This was mainly due to the sell down in Petronas Chemical Group (-10.83%), SP Setia (-9.26%), IOI Properties (-8.70%) and Sime Plantation (-6.3%). Weak petrochemical and CPO prices, and slow loans growth have been a drag on Bursa Malaysia performance. We expect another mixed set of corporate results in 2Q19 as weak commodity prices dampens the earnings outlook for the petrochemical and plantation sectors.

During the month, the MGII yield curve flattened the most in the 15- and 30-year tenors as new auctions set the tone for further extension of duration to capture yield. The MGII curve exhibited a clear bull flattening trend with long-end yields moved lower compared to short-end yields. The 3-, 5- 10-, 15-, 20- and 30-year closed at 3.34 (-3bps), 3.42% (flat), 3.59% (-4bps), 3.62% (-4bps), 3.81% (-9bps), 4.02% (-5bps) and 4.23%(-11bps) respectively as at the end of July 2019.

We make no changes to our core strategy as we maintain our NEUTRAL stance on Malaysia. We will continue with our stock picking and rotational strategy where we will add growth companies with yield support. On Sukuk strategy, we continue to expect 3.00% OPR will remain for the rest of 2019. With further flattening of yield curves in July-19, we think the long-end yields are too rich and the risk/reward of staying long duration is no longer attractive. For government bond, we aim to take profit on the rich tenors and keep some exposure on the shorter tenors, just to hedge against a potential rate cut. For credit, we will continue on a bottom-up approach to look for value.

Source : Principal Asset Management Bhd

Date : 31 July 2019

### 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.