

FUND OBJECTIVE

To achieve medium to long-term capital appreciation through investments primarily in Malaysian bonds

FUND DETAILS

Launch Date	20 October 2008
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	30.50 million units (30 April 2017)
Fund Size	RM38.44 million (30 April 2017)
Unit NAV	RM 1.2602 (30 April 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Benchmark	12 month FD
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> Have a medium to long-term investment horizon Want a diversified portfolio of fixed interest securities Are looking for a less volatile investment but can accept lower returns
Fees	<ul style="list-style-type: none"> Management Fee: 1.0% p.a.
Taxation	8% of annual investment income

ASSET ALLOCATION

Bonds/ Debentures	80% - 98%	Cash	Up to 20%
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WHERE THE FUND INVESTS

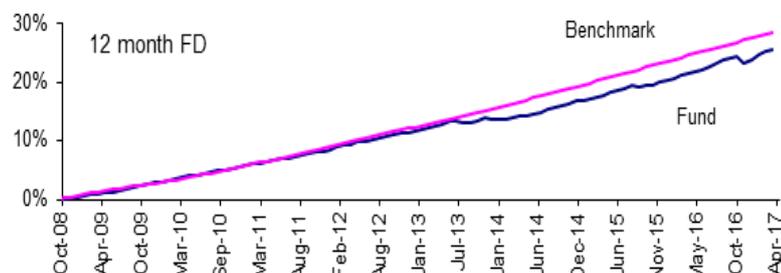
Corporate Bond	83.89%
Government Bond	10.51%
Short Term Paper	-
Cash	5.60%
Total	100.00%

TOP 10 HOLDINGS

MMC Corporation Berhad	5.950%	12/11/2027	13.80%
UniTapah Sdn Bhd	4.900%	12/06/2018	13.34%
Berjaya Land Bhd	4.750%	15/12/2017	13.26%
UEM Sunrise Bhd	4.6%	13/12/2018	13.25%
UMW Hldg Bhd	4.820%	4/10/2019	13.08%
Malakoff Power Bhd	4.9%	17/12/2018	6.68%
Malaysia Government Securities	4.059%	30/09/2024	6.60%
Tanjung Bin Power Sdn Bhd	4.66%	14/08/2020	5.29%
GII Murabahah	4.070%	30/09/2026	4.00%
UEM Edgenta Bhd	4.85%	26/4/2022	3.90%

Source: CIMB-Principal Asset Management Bhd

PERFORMANCE RECORD



Source: CIMB-Principal Asset Management Bhd

NAV TO NAV

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	1.63	0.38	1.11	1.26	3.32	10.16	26.02
Benchmark	1.00	0.25	0.75	1.51	3.11	10.09	28.84

Source: CIMB-Principal Asset Management Bhd

*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'S MANAGER COMMENTS

For the month of April 2017, the Fund gained 0.38% outperforming the benchmark marginally by 0.13%.

For fixed income, the Malaysia Government Securities (MGS) yield curve bull steepened in April with short to medium dated bonds traded between 9 – 31 bps lower. The rally in the short end of the curve were driven by strong buying interest from local and some foreign investors following the recent announcement by BNM to allow flexibility on currency trading on the onshore market. The longer dated bonds were relatively unchanged. Trading volume for corporate bonds decreased to RM6.3 billion from RM11.8 billion the previous month. Trading interest was seen in the Quasi-government issuers, GG and AAA segments. Short end credit spreads saw the most widening due to the rally in sovereign bonds.

Malaysia's inflation surged to 5.1% in March 2017 which has increased the expectation for an OPR hike by BNM. However, we expect BNM to maintain the OPR at current levels this year to support economic growth. Foreign sentiment has improved as a result of new regulations announced by BNM which has resulted in the strengthening of the MYR. Any large inflows due to improvement in sentiment could lead to a significant rally in MGS. We expect a large supply of corporate bonds in the pipeline and target to raise cash by taking profit on existing holdings. We are overweight on corporate bonds and aim to switch into primary issuances that offer attractive spreads. We aim to have a tactical positioning on MGS and will participate in new benchmark government auctions opportunistically where we see value.

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.