

### FUND OBJECTIVE

An income and absolute return focused fund that aims to provide regular income stream through investment in sukuk and Shariah-compliant equities.

### FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	4.146 million Units (29 March 2019)	Fund Size	RM4.705 million (29 March 2019)
Unit NAV	RM1.1348 (29 March 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang AIIMAN Select Income Fund
Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index performance (FBMSHA)	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> <li>▪ Have a moderate risk appetite</li> <li>▪ Expect incidental growth in capital</li> <li>▪ Want an investment that complies with Shariah requirements</li> </ul>	Fees	<ul style="list-style-type: none"> <li>▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia AIIMAN Select Income Fund.</li> <li>▪ 1.2% pa fund management charge is applied on the target fund's NAV by Affin Hwang.</li> </ul>

### ASSET ALLOCATION OF THE TARGET FUND

Sukuk & Islamic Money Market Instruments	Shariah-compliant Equities	Cash & Others
Min 60%; Max 100%	Min 0%; Max 40%	Remaining Balance

#### SECTOR ALLOCATION OF THE TARGET FUND

Sukuk	63.7%
Financials	7.4%
Industrials	5.8%
Oil & Gas	2.9%
Telecommunications	2.0%
Technology	1.7%
Utilities	1.0%
Consumer Goods	1.0%
Others	0.7%
Cash & Cash Equivalent	13.7%
<b>Total</b>	<b>100%</b>

#### TOP HOLDINGS OF THE TARGET FUND (SUKUK)

Bonds Issuer	Coupon	Maturity Date	%
Lebuhraya DUKE Fasa 3 Sdn Bhd	5.95%	23.08.34	5.9
MEX II Sdn Bhd	5.90%	27.04.29	5.9
Tanjung Bin Energy Issuer Bhd	5.30%	16.03.23	4.2
Westports Malaysia Sdn Bhd	4.53%	01.04.27	4.1
Besraya Malaysia Sdn Bhd	5.28%	28.07.27	2.8

#### TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

Telekomunikasi Indonesia	1.5%
KLCCP Stapled Group	1.4%
Singapore Airport Terminal	1.3%
Venture Corp Ltd	1.3%
Sunway Berhad	1.2%

#### PERFORMANCE RECORD

This fund feeds into Affin Hwang AII MAN Select Income Fund ("target fund") with the objective to provide investors with regular income stream through Shariah-compliant investments. The target fund will invest in a diversified portfolio of Sukuks, Shariah-compliant equities and Islamic money market instruments.

Table below shows the investment returns of Sun Life Malaysia AII MAN Select Income Fund versus its benchmark as at 29 March 2019.

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	1.80	0.50	1.80	0.80	1.20	13.10	13.50
<b>Benchmark</b>	1.10	0.09	1.10	-1.14	-1.10	5.82	8.10

**\*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

- Global sovereign bond yields saw a rally in March. Growth fears, a lack of meaningful progress from US-China trade negotiations and dovish rhetoric from major central banks led the rally. Together with the global bond market, MGS also saw a decent rally in March.
- In BNM's annual report released in March 2019, Malaysia's GDP forecast was lowered to 4.3%-4.8% from the 4.9% previously projected – in which the central bank attributed the revision to softer global demand, volatile commodity prices, as well as waning construction activities for the revision. Despite a challenging macro outlook, they expect inflation to remain healthy at above 1%.
- BNM kept its OPR unchanged at 3.25% at its MPC meeting in March 2019 although a different outcome could arise in BNM's next meeting as early as May 2019.
- In the March 2019 FOMC meeting, the US Fed delivered a significantly more dovish outcome than what markets were expecting – effectively signalling an end to its rate hiking plans for 2019. The central bank kept interest rates unchanged at 2.25-2.50% – a move that was widely expected – but also scaled back on its initial guidance of 2 rate hikes for the year down to nil; which goes beyond the one-hike forecast that was expected by consensus. This recent development now sees the Fed joining other G3 central banks who won't be raising rates this year, including ECB and BOJ.
- **STRATEGY:** The fund continues to be highly invested with a moderate portfolio duration, with an emphasis on primary issuances and government sukuk for the fixed income portion.
- Portfolio duration may be extended if there are attractive opportunities in the primary market as well as if economic data points toward a slower growth (potential OPR cut).
- Equity exposure of the fund is poised to remain between 20% and 25% with a tilt towards high-yield and stable stocks.

Source : Affin Hwang Asset Management Berhad

Date : 29 March 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.