

### 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	7.58 million units (31 December 2019)	Fund Size	RM9.05 million (31 December 2019)
Unit NAV	RM1.1935 (31 December 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Aiiaman Select Income Fund
Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index (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 AIIAMAN Select Income Fund.</li> <li>1.2% pa fund management charge is applied on the target fund's NAV by Affin Hwang Asset Management Berhad.</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	60.20%
Technology	14.80%
Financials	5.40%
Industrial	3.80%
Telecommunications	3.70%
Consumer Services	3.10%
Consumer Goods	1.10%
Oil & Gas	1.00%
Cash & Cash Equivalent	7.10%
<b>Total</b>	<b>100.00%</b>

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

Bonds Issuer	Coupon	Maturity Date	%
Lebuhraya DUKE Fasa 3 Sdn Bhd	5.95%	23.08.34	5.5
WCT Holdings Bhd	5.80%	27.09.49	4.9
MEX II Sdn Bhd	5.90%	27.04.29	4.7
YTL Power International Bhd	5.05%	03.05.27	3.9
Tanjung Bin Energy Issuer Bhd	5.30%	16.03.23	3.9

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

Tencent Holdings Ltd	3.2
Taiwan Semiconductor Manufac	2.8
Samsung Electronics Co Ltd	2.5
Alibaba Group Holding Ltd	2.1
Telekomunikasi Indonesia	2.1

### 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 31 December 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	7.06	2.37	2.37	2.50	7.06	14.25	19.35
<b>Benchmark</b>	3.65	1.12	1.06	0.74	3.65	7.50	10.81

\* 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

- Malaysia CPI continued to see modest gain at 0.9% year-on-year in November (October: +1.1%). This was the lowest inflation rate since May, as food prices rose the least in six months while cost of transports fell further. Nonetheless, it is still within BNM guidance of 0.7% - 1.7% for full year 2019.
- Local bonds saw strong demand in the second half of the month on the back of trade deal optimism and as investors build up inventory for 1Q2020. As a result, the MGS yield curve were lower by year end, with the MGS 3yr and 10yr closed at 3.0% and 3.3% (December 2018: 3.6% and 4.1%). Similarly, GII yields moved lower across all tenors.
- Data released last month showed that domestic debt securities posted a surprisingly sizeable inflow of RM 8 billion in November. This is the largest single-month inflow since September 2017, bringing cumulative flows up to November to +RM 11.8 billion.
- Unlike its regional counterpart, Malaysia has been left behind throughout 2019 with the KLCI at its 4-year low compared to other Asian peers which are in positive territory. The local benchmark index ended the year in the red at -6%, amidst a depreciation in the Ringgit, weakening oil price, and decline in earnings.
- **STRATEGY:** During the month, the fund's fixed income portion remains to be invested in primary issuances and government sukuk. Portfolio duration is maintained below 6 years.
- Equity levels increased slightly to 32% in favour of positive sentiment in regional equity markets particularly in Korea, Taiwan and China.
- The fund remains cautious due to geopolitical fragility and macro uncertainties in the world which raises recessionary concerns.

Source : Affin Hwang Asset Management Berhad  
Date : 31 December 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.