

FUND OBJECTIVE

The objective of the Fund is to grow the value of Unit Holders' investments over the medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to the Malaysian equities market to balance any short-term volatilities.

FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	17.944 million units (31 December 2018)	Fund Size	RM25.488 million (31 December 2018)
Unit NAV	RM1.4205 (31 December 2018)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd	Target Fund	CIMB Principal Global Titans Fund
Benchmark	42% S&P500 + 36% MSCI Europe + 12% MSCI Japan+ 10% CIMB Bank 1-month Fixed Deposit Rate	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> ▪ Have a medium to long term investment horizon ▪ Target capital appreciation ▪ Do not require regular income ▪ Comfortable with higher volatility ▪ Willing to take higher risk for potential higher gains 	Fees	Management fee: 1.500% p.a.

ASSET ALLOCATION OF THE TARGET FUND

Mutual Fund	Cash
91.79%	8.21%

SECTOR ALLOCATION OF THE TARGET FUND

Legg Mason Global Funds –US Large Cap	28.83%
Schroder – ISF Euro Equity USD-A	23.93%
Schroder -ISF US Large Cap A Acc	14.18%
Schroder -ISF Japanese Opps USD A Acc	13.40%
Principal GLB - EUR EQ-INS ACC	11.39%
Principal GLB - JAP EQ-INS ACC	0.06%
Cash	8.21%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Orix	4.59%
JPMorgan Chase	4.53%
Sanofi	3.94%
Amazon.com Inc	3.91%
Itochu	3.89%
Sumitomo Mitsui Financial Group	3.89%
Visa Inc	3.73%
Danone	3.13%
Microsoft Corp	2.92%
Central Japan Railway	2.69%
Brother Industries	2.59%
Nokia	2.58%
Porsche Automobil Holding	2.45%
Facebook Inc	2.28%
AXA	2.18%

PERFORMANCE RECORD

This fund feeds into CIMB Principal Global Titans Fund (“target fund”) with the objective to achieve medium to long-term capital gains by investing into the US, Europe and Japan equities while having some Malaysia equities exposure to counter the short-term volatility in the global equities markets.

Table below shows the investment returns of Sun Life Malaysia Global Titans Fund versus its benchmark as at 31 December 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-7.74%	-7.52%	-12.85%	-8.69%	-7.74%	6.00%	42.05%
Benchmark	-7.21%	-7.32 %	-12.19%	-6.78%	-7.21%	11.39%	44.23%

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

The Fund (Class MYR) decreased by 7.52% during the month of December 2018, underperformed the benchmark by 0.20%. Year-to-date, the Fund is down 7.74%, underperformed benchmark by 0.53%.

Developed Markets ("DM") had volatile performance in December. U.S., Europe and Japan markets went down in local currency terms by 9.18%, 5.61% and 9.97% respectively. The U.S. Dollar Index declined by 1.13% MTD over concerns about slowing U.S. economy and the progress of U.S.-China trade talk. Euro gained by 1.33% and Japanese Yen gained by 3.53% against the dollar as investors seek out safety amid market uncertainties.

We are neutral in U.S. because of over-valuation while growth momentum is slowing down. Its premium valuation is 23.6% vs. the long-term average at 12.2% (PB-ROE). The December manufacturing PMI dropped from 55.3 to 53.9 signalling weaker economic growth. Forward 12m EPS was also revised down by 1%.

We are overweight Japan because of its attractive valuation. P/B-ROE valuation is at 25.8% discount vs. long-term average premium of 11.6%. Japan's manufacturing PMI rose from 52.2 to 52.4 in December as employment and business activity continued to grow. Forward 12m EPS was revised up by 0.85% in local currency term.

We are underweight Europe because of the Brexit risk and economy slowdown gathering pace amid EU central bank decelerates the balance sheet growth to zero. The EU manufacturing PMI declined slightly from 52.3 to 52.2, its forward 12m EPS continued to be revised down by 0.12% in December, the largest 3-month downward revision among all DM markets.

Source : CIMB-Principal Asset Management Bhd

Date : 31 December 2018

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.