

### 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	3.493 million Units (28 February 2019)	Fund Size	RM3.944 million (28 February 2019)
Unit NAV	RM1.1291 (28 February 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	63.1%
Financials	7.3%
Industrials	4.6%
Technology	2.9%
Utilities	2.8%
Oil & Gas	2.5%
Consumer Goods	1.6%
Telecommunications	1.5%
Others	1.1%
Cash and Cash Equivalent	12.6%
<b>Total</b>	<b>100%</b>

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

Bonds Issuer	Coupon	Maturity Date	%
MEX II Sdn Bhd	5.90%	27.04.29	5.9
Lebuhraya DUKE Fasa 3 Sdn Bhd	5.95%	23.08.34	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	1.5%
Singapore Airport Terminal	1.3%
CK Infrastructure Holdings Ltd	1.3%
Scientex Bhd	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 28 February 2019.

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	1.30	0.40	1.40	0.50	-0.50	13.60	12.90
<b>Benchmark</b>	1.01	0.66	0.90	-1.32	-1.41	6.62	8.00

**\*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

- Underpinned by the rebound in mining and agriculture, Malaysia's 4Q 2018 GDP growth picked up to 4.7% year-on-year from 4.4% in the previous quarter to beat estimates of between 4.2% and 4.5%.
- Malaysia's January CPI indicated the country's first deflation of 0.7% since 2009 which was largely attributed to lower energy prices and low base effect from tax holiday. Going forward, inflation is expected to return in view of healthy GDP growth supported by strong private consumption.
- All eyes will be on the upcoming US FOMC meeting in March, where market is hoping for some guidance on the interest rate movement for the year. As of end February 2019, market is expecting the federal funds rate to remain unchanged at 2.50% in the upcoming meeting.
- On the local front, while domestic demand remains strong, it is unlikely to push yields much lower. Further decline in yield curve would require strong foreign inflows. March will be an action-packed month with four government bonds scheduled auctions. The market is forecasting a total supply of RM14billion including private placements. At the same time, the issuances of government bonds have picked up in pace in February although the overall government bonds supply remains moderate.
- **STRATEGY:** The fund continues to be highly invested with 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 slight tilt towards the yield-side.

Source : Affin Hwang Asset Management Berhad

Date : 28 February 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.