

FUND OBJECTIVE

To provide a mixed exposure into equities and bonds, with higher allocation in bonds

FUND DETAILS

| | |
|----------------------|---|
| Launch Date | 20 October 2008 |
| Domicile | Malaysia |
| Currency | Ringgit Malaysia |
| Launch Price | RM1.0000 |
| Units in Circulation | 2.02 million units (31 March 2016) |
| Fund Size | RM 2.74 million (31 March 2016) |
| Unit NAV | RM 1.3554 (31 March 2016) |
| Dealing | Daily (as per Bursa Malaysia trading day) |
| Fund Manager | CIMB-Principal Asset Management Bhd |
| Benchmark | 25% FBM100 + 75% 12 month FD |
| Risk Profile | <p>Suitable for investors:</p> <ul style="list-style-type: none"> Want a diversified portfolio in equities but higher exposure in bonds Prefer less volatile performance and want slightly higher gains than bond return |
| Fees | <p>The fund will feed into Sun Life Malaysia Growth Fund and Sun Life Malaysia Conservative Fund which applies the following fund management charges:</p> <ul style="list-style-type: none"> Sun Life Malaysia Growth Fund: 1.5% p.a. Sun Life Malaysia Conservative Fund: 1.0% p.a. There are no other fund management charges on this fund |
| Taxation | 8% of annual investment income |

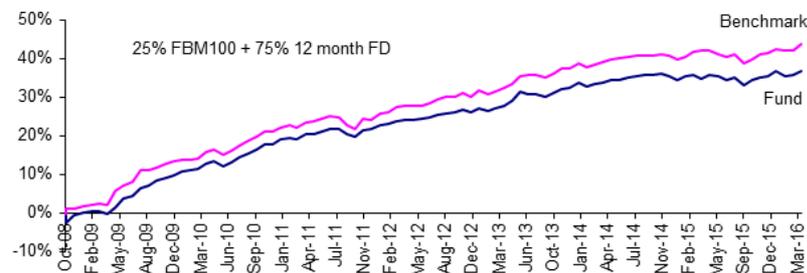
ASSET ALLOCATION

| | |
|-------------------------------------|--------|
| Sun Life Malaysia Conservative Fund | 74.98% |
| Sun Life Malaysia Growth Fund | 25.02% |

WHERE THE FUND INVESTS

| | |
|-------------------------------------|---------|
| Sun Life Malaysia Conservative Fund | 74.98% |
| Sun Life Malaysia Growth Fund | 25.02% |
| Cash | 0.00% |
| Total | 100.00% |

PERFORMANCE RECORD



NAV TO NAV

| % | YTD | 1M | 3M | 6M | 1-Year | 3-Year | Since Inception |
|------------------|------|------|------|------|--------|--------|-----------------|
| Fund* | 0.04 | 0.64 | 0.04 | 1.74 | 1.35 | 6.87 | 36.66 |
| Benchmark | 0.96 | 1.12 | 0.96 | 2.85 | 1.24 | 8.51 | 43.71 |

*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

The fund gained by 0.64% in March 2016, underperforming the benchmark by 0.48%.

In March 2016, FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI) rallied 3.8% to close at 1,717.58 points on the back of higher oil prices, stronger Ringgit and increasing investor optimism that the Federal Reserve (Fed) may delay its future Fed Funds rate hike. The confluence of these positive macro factors led to RM6.1bn net foreign equity inflow into the Malaysian market. While earnings momentum remains negative, the downgrade momentum at -0.4% remains less than our regional peers. In the short term, we believe the FBMKLCI should have a positive bias based on the following; 1) Capital flows will continue to seek refuge in defensive higher yielding countries like Malaysia, especially in an environment where negative yields persist in the EU and Japan, 2) Earnings momentum, although negative, is bottoming and expectations are more realistic than a year ago, and 3) Malaysia is cheap from a USD perspective based on price to book (1.7 times currently vs. 2.1 times 5 year average).

In terms of strategy, we believe large caps currently offer more value than small caps. As large cap Banks now offer relative value vs. other sectors, we have upgraded banks from underweight to neutral. We also maintain our overweight in Construction. For fixed income, with players shoring up expectations on extended period of loose monetary policies by advanced economies as well as dimmer Fed rate hike outlook, we target to lengthen the portfolio duration. We will focus on both corporate bond primary and repriced secondary issuances.

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 is given in summary form and does not purport to be complete and should not be considered as advice or recommendation in relation to your holding, purchasing or selling securities or other financial products or instruments and does not take into account your 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 consider the appropriateness of the information having regard to these matters, any relevant documentation and in particular, you should seek independent financial advice from your Sun Life Malaysia Financial Advisor.