

### FUND OBJECTIVE

A total return fund that seeks to capture the high growth of developing companies within the Asia (ex-Japan) region.

### FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	13.49 million units (31 May 2019)	Fund Size	RM15.45 million (31 May 2019)
Unit NAV	RM1.1457 (31 May 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Select Asia (ex Japan) Quantum Fund
Benchmark	MSCI AC Asia (ex-Japan) Small Cap Index	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> <li>Have a medium to long term investment horizon</li> <li>Are risk tolerance</li> <li>Are seeking higher returns for their investments compared to the performance benchmark</li> </ul>	Fees	<ul style="list-style-type: none"> <li>Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Select Asia (ex Japan) Quantum Fund</li> <li>Up to 1.5% p.a. 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

Equities	Cash
Minimum 70%; Max 100%	Remaining Balance

### SECTOR ALLOCATION OF THE TARGET FUND

Financials	36.80%
Basic Materials	12.80%
Consumer Goods	12.80%
Industrials	10.20%
Consumer Services	8.60%
Technology	4.60%
Telecommunications	2.10%
Cash & Cash Equivalents	12.10%
Total	100.0%

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

Guan Chong Bhd	7.30%
CSOP Hang Seng Index ETP	5.40%
Huifu Payment Ltd	4.40%
Zhejiang New Century Hotel Mgt	4.20%
ATA IMS Bhd	4.10%
SKP Resources Bhd	3.70%
Allianz Malaysia Berhad	3.70%
CapitaLand Retail China Trust	3.60%
Aeon Credit Service M Bhd	3.30%
Astro Malaysia Holdings Bhd	3.00%

## PERFORMANCE RECORD

The Fund feeds into Affin Hwang Select Asia (ex Japan) Quantum Fund (“target fund”) with the objective to achieve consistent capital appreciation over medium to long-term by investing mainly in growth companies in Asia (ex Japan) with market capitalization of not more than USD1.5 billion at the time of acquisition, subject to the flexibility of investing up to 30% of the Net Asset Value (NAV) of the Fund in companies in Asia (ex Japan) with market capitalization of not more than USD3.0 billion at the time of acquisition.

Table below shows the investment returns of Sun Life Malaysia Select Asia (ex Japan) Quantum Fund versus its benchmark as at 31 May 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	9.20	-4.10	0.50	5.90	-7.30	4.10	14.46
<b>Benchmark</b>	2.50	-5.10	-1.81	-0.71	-14.70	6.31	17.70

\* 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

- Regional markets have held up ending the month of May, though the HK-China market in particular were rocked by ongoing trade tensions amidst a deluge of tepid Chinese data which dampened sentiment.
- Geopolitical risks stemming from the latest development in the Brexit saga as well as results from the European parliamentary elections also kept investors on edge and dampened sentiment.
- As Beijing introduced new measures to loosen its automotive market, there may be a case for China to ramp up stimulus measures to be on a stronger economic footing when it faces off the US at the negotiating table.
- Local market trended lower in line with regional losses as sentiment took a hit following the escalation of US-China trade tension. Ending May, the FBM KLCI registered a year-to-date loss of 2.4%. In the longer term, Malaysia, along with other countries in the region, could stand to benefit from trade diversion as supply chains are redirected.
- US Fed vice chairman Richard Clarida hinted in a press conference that the central bank could slash rates if a further deterioration in economic outlook is seen. Based on the current pricing of Fed fund futures, markets are now expecting two rate cuts in 2019.

#### FUND MANAGER'S COMMENTS (CONTINUED)

- **STRATEGY:** The fund was positioned more defensively as trade tensions rose during the month. Invested levels were about 85% of which 5% was an inverse ETF, which is equivalent to net invested levels of 75%.
- The fund will look to add some exposure on selected stocks at certain levels and reduce its ETF levels once there is more clarity in the market.
- A cautious stance remains as markets could experience heightened volatility in the near term amid the current US-China trade tension.

*Source : Affin Hwang Asset Management Berhad  
Date : 31 May 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.