

FUND OBJECTIVE

To provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

FUND DETAILS

Launch Date	20 May 2014
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	3.254 million units (31 January 2017)
Fund Size	RM 3.665 million (31 January 2017)
Unit NAV	RM1.1262 (31 January 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB Principal Equity Income Fund
Benchmark	50% FBM100 Index + 50% MSCI AC Asia ex-Japan Index
Risk Profile	<p>Suitable for investors:</p> <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	<ul style="list-style-type: none"> Management fee: 1.5000% p.a.
Taxation	<ul style="list-style-type: none"> 8% of annual investment income

ASSET ALLOCATION

Equities	Min 70% Max 98%	Cash	Min 2%
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WHERE THE FUND INVESTS

Finance	28.48%	Oil & Gas	2.98%
Trading/Services	16.27%	Plantations	2.46%
Industrials	12.56%	Telco	1.48%
Consumers	11.79%	Mutual Fund	1.21%
Technology	6.74%	IPC	0.97%
Construction	3.29%	Others	2.47%
Basic Material	3.18%	Cash	6.12%

TOP HOLDINGS OF THE TARGET FUND

CIMB Group Hldgs Bhd	3.64%
Tenaga Nasional Bhd	3.41%
Samsung Electronics Co. Ltd (South Korea)	3.14%
Taiwan Semiconductor Manuf. (Taiwan)	2.93%
China Life Insurance Co. Ltd (China)	2.70%
Malayan Banking Bhd	2.61%
Tencent Hldg Ltd (Hong Kong)	2.57%
Public Bank Bhd - Local	2.45%
DBS Group Hldg Ltd (Singapore)	2.07%
Sime Darby Bhd	2.06%

PERFORMANCE RECORD

This fund feeds into CIMB Principal Equity Income Fund ("target fund") with the objective to provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

Table below shows the investment returns of Sun Life Malaysia Equity Income Fund versus its benchmark as at 31 January 2017:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
Fund*	3.18	3.18	1.28	4.85	11.81	N/A	12.62
Benchmark	3.54	3.54	2.91	6.99	13.28	N/A	11.41

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 was up 3.18% in January, underperforming its benchmark by 0.36%. The Fund's underperformance came mainly from its exposure in Korea and Hong Kong. In terms of sectors, the Fund's exposure in Consumer Goods contributed negatively. At the stock level, its overweight in Hanon Systems, CJ Korea Express and Semiconductor Manufacturing International contributed to the underperformance.

Asian Equities was up 6% in US\$ terms in January. All sectors were up by almost the same magnitude, except for materials which outperformed (+11%). Country-wise, Indonesian equities and the Rupiah were the notable underperformers. The FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI) rebounded by 1.8% in January as local funds deployed their excess cash to reposition for the new year. Corporate news on GLC reforms particularly PNB related companies have increased optimism that the GLC restructuring is gathering momentum.

We are overweight in India and Singapore and underweight in Taiwan and Korea. In sector terms, we are overweight in China internet/technology, financials in Hong Kong and India, and Indian and Singapore industrials. Underweight telecommunications and utilities. We have been trimming our China and Korean exposure to buy industrials. New ideas implemented include defence-related stocks that could benefit from geopolitical uncertainty. For Malaysia, we have recently upgraded plantations to an overweight and continue to be constructive on companies that will benefit from the GLC restructuring theme in sectors such as Telecommunications, Plantations and Services. We continue to seek growth ideas in the aviation tourism related sectors.

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 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.