

### FUND OBJECTIVE

To achieve moderate capital growth by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

### FUND DETAILS

Launch Date	1 December 2017	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	142,334 units (28 June 2019)	Fund Size	139,620 units (28 June 2019)
Unit NAV	RM0.9809 (28 June 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	CIMB Islamic Balanced Wholesale Fund-of Funds
Benchmark	50% Quantshop GII Medium Index + 50% MSCI AC Asia ex Japan Islamic Index	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> <li>Have a long-term investment horizon</li> <li>Want a balanced portfolio that includes Shariah-compliant equities and Sukuk</li> <li>Want a portfolio of investments that adhere to Shariah principles</li> </ul>	Fees	<ul style="list-style-type: none"> <li>Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Strategic Balanced Fund.</li> <li>Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Berhad.</li> </ul>

### ASSET ALLOCATION OF THE TARGET FUND

Mutual Funds	Cash
79.21%	20.79%

### SECTOR ALLOCATION OF THE TARGET FUND

Mutual Funds	79.21%
Cash	20.79%
Total	100.00%

### TOP HOLDINGS OF THE TARGET FUND

CIMB Islamic DALI Equity Fund	40.32%
CIMB Islamic Sukuk Fund	19.67%
CIMB Islamic Enhanced Sukuk Fund	19.22%
Total	79.21%

## PERFORMANCE RECORD

This fund feeds into CIMB Islamic Balanced Wholesale Fund-of-Funds (“target fund”) with the objective to achieve moderate capital growth by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

Table below shows the investment returns of Sun Life Malaysia Islamic Strategic Balanced Fund versus its benchmark as at 28 June 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	4.46	1.78	2.01	4.46	1.52	N/A	-1.91
<b>Benchmark</b>	7.23	3.11	0.21	7.23	1.89	N/A	0.96

\* 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 rose by 1.78% in June 2019, underperforming the benchmark by 1.33%. Year-to-date (YTD), the fund has underperformed the Benchmark by 2.77%.

Domestic factors which also helped to boost the market include dissipating concern over regulatory risk particularly for airport operator MAHB following the release of the latest consultation paper on the implementation of Regulatory Asset Base (RAB) framework. We also observed improving investors’ risk appetite for small and mid-cap stocks judging by FBM Small Cap Index’s gain of 3.6% in Jun (YTD 15%). While Malaysia is expected to be a medium term beneficiary of trade diversion arising from trade war between US and China, adverse impact from supply chain disruption and weaker end demand will hurt Malaysia’s near term export. As such, we expect downside risk to Malaysian GDP (median forecast of 4.5% in 2019 and 4.3% in 2020) going forward. To counter the growth slowdown, BNM has pre-emptively slashed OPR by 25 bps in May to 3%. With benign inflation (median forecast 1.1% in 2019), BNM has further room to cut its OPR should the need arise. On that score, earnings of banks (make up 1/3 of KLCI weight) will be at risk going forward. On the other hand, we expect government fiscal spending to pick up going forward following the recent revival of mega projects such as ECRL and LRT3, which is a positive for the construction sector.

We maintain our NEUTRAL stance on Malaysia. We will continue with our stock picking and rotational strategy where we will add growth companies with yield support. Preference remains on construction, utilities and telecommunication sectors. We remain cautious on the technology sector (which is vulnerable to re-escalation of US-China trade war) and plantation (as muted CPO prices could potentially lead to downward earnings revision).

Source : Principal Asset Management Bhd

Date : 28 June 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.