

### FUND OBJECTIVE

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

### FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	93.159 million units (28 February 2019)	Fund Size	RM119.677 million (28 February 2019)
Unit NAV	RM1.2847 (28 February 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd	Target Fund	CIMB-Principal Asia Pacific Dynamic Income Fund
Benchmark	Target return of 8% p.a.	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> <li>▪ Have a medium to long-term investment horizon</li> <li>▪ Want a well-diversified portfolio of Asia Pacific ex Japan region</li> <li>▪ Willing to take moderate risk for potentially moderate capital return over the long-term</li> </ul>	Fees	<ul style="list-style-type: none"> <li>▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Dynamic Income Fund.</li> <li>▪ 1.8% of pa fund management charge is applied on the target fund's NAV by CIMB-Principal.</li> </ul>

### ASSET ALLOCATION OF THE TARGET FUND

Equities (Foreign)	Cash
93.36%	6.64%

### SECTOR ALLOCATION OF THE TARGET FUND

Financials Services	47.18%
Consumer Products & Svc	17.12%
Industrials Products & Svc	11.75%
Telecommunications/Media	5.69%
Technology	5.17%
Oil & Gas	2.29%
Health Care	2.23%
Basic Materials	1.93%
Cash	6.64%
Total	100.00%

### TOP HOLDINGS OF THE TARGET FUND

AIA Group Ltd (Hong Kong)	4.88%
Samsung Electronics Co. Ltd (South Korea)	4.28%
Ping An Insurance Group Co. -H (China)	3.34%
Link REIT (Hong Kong)	3.15%
HDFC Bank Ltd (India)	3.07%
Taiwan Semiconductor Manuf (Taiwan)	2.99%
CapitaLand Mall Trust (Singapore)	2.98%
TRANSURBAN GROUP (Australia)	2.85%
Ascendas Real Estate Inv Trust (Singapore)	2.67%
Bank Central Asia (Indonesia)	2.64%

## PERFORMANCE RECORD

This fund feeds into CIMB-Principal Asia Pacific Dynamic Income Fund ("target fund") with the objective to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Dynamic Income Fund versus its benchmark as at 28 February 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	5.82%	1.28%	2.94%	-3.75%	-6.19%	35.57%	28.47%
<b>Benchmark</b>	1.29%	0.64%	1.94%	3.92%	8.00%	25.97%	36.93%

**\*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

In February, the Fund increased by 1.28% in MYR terms. Year-to-date the Fund is up 5.82%.

Asia Pacific ex-Japan equities rose another 2.1% (US\$ terms) in February as investors are more upbeat about the outcome of the trade talks. The best performing markets were Hong Kong (+5.9%), Taiwan (+4.8%), while Indonesia (-5.5%) and Philippines (-2.95%) posted negative returns. Asian Equity performance in 2H19 will be underpinned by a bottoming out of earnings revision, and the end of further economic growth erosion. Consensus earnings cuts in Asia should bottom out in 1H2019. We expect EPS growth for 2019 in Asia Pac ex-Japan to be about +6% yoy. We maintain a buy call on Asian equities. The reflationary efforts of the Chinese government, pro-growth policies in ASEAN, the end of trade war rhetoric and the US government shut-down, receding risks from Brexit and Italian stress, all point to a re-acceleration of global growth in the quarters ahead. Downside risks to global economic deterioration would be arrested. The low inflation environment is giving global central banks more leeway to adopt dovish central bank policies, with several countries in Asia possibly cutting interest rates this year. This more accommodative liquidity backdrop would support asset prices. Moreover, valuation is still undemanding at 12x PER FY2019. The portfolio is fully invested in high dividend yielding stocks as well as growth stocks to capture the cyclical upturn. We have incrementally increased the exposure to China. We prefer rate sensitive like REITs and we also like banks as credit growth should gradually improve once consumer and corporate confidence improve. Our other preferences included industrials (toll roads, defence, waste management and domestic infrastructure names). On the other hand, our least preferred countries are Korea and Taiwan.

Source : CIMB-Principal Asset Management Bhd

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.