

# Sun Life Malaysia Balanced Aggressive Fund

March 2026



## FUND OBJECTIVE

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

## INVESTMENT STRATEGY & APPROACH

The fund will feed into Sun Life Malaysia a Growth Fund and Sun Life Malaysia Conservative Fund according to a predefined asset allocation.

The Sun Life Malaysia Growth Fund combines a top down asset and sector allocation process with a bottom-up stock selection process. The asset allocation process is made after a review of macroeconomic trends in Malaysia and for the major economies. In particular, we consider the direction of GDP growth, interest rates, inflation, currencies and government policies. We next assess their impact on the various sectors, together with sector specific parameters to predict any discernible trends or themes. These trends or themes form the basis of our sector selection. Stock selection is based upon improving fundamentals and attractive relative valuations. Rising investor sentiment is an additional criteria. While we use a number of valuation methodologies, the price-earnings ratio is still preferred.

For the Sun Life Malaysia Conservative Fund, the strategy will be reviewed periodically based on the country's economic and bond outlook. We will adopt an active trading strategy and will be especially selective in buying and selling of securities for the Fund. We formulate an interest rate outlook through examining factors such as the Malaysian inflation rate, monetary policies and economic growth. With an interest rate outlook and yield curve analysis, we identify the weighting of the investment tenure and credit rating for the Fund. As part of the risk management strategy, the Fund is constructed and managed within the predetermined guidelines. Essentially, we monitor the bond portfolio according to duration, credit ratings and sector.

## FUND DETAILS

Launch Date	20 October 2008	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	2.20 million units	Fund Size	RM5.83 million
Unit NAV	RM2.6506	Performance Benchmark	75% FBM100 + 25% 12 month FD
Fund Manager	Principal Asset Management Bhd	Frequency and Basis of Unit Valuation	The unit price is determined daily based on value of the holdings in the target fund, net of expenses, divided by the total number of units in that fund
Taxation	8% of annual investment income	Other Charges	Inclusive of auditor fee
Target Market	<p>Suitable for investors:</p> <ul style="list-style-type: none"> <li>▪ Want a portfolio with higher exposure in equities</li> <li>▪ Preference to higher equity exposure for potentially higher capital appreciation</li> <li>▪ Need to reduce risk by investing in diversified bond portfolio</li> <li>▪ Prefer investing in bonds to cushion fund volatility</li> </ul>	Fund Management Charge	<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"> <li>▪ Sun Life Malaysia Growth Fund: 1.5% p.a</li> <li>▪ Sun Life Malaysia Conservative Fund: 1.0% p.a</li> <li>▪ There are no other fund management charges on this fund.</li> </ul>

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## ASSET ALLOCATION

Sun Life Malaysia Growth Fund

75.00%

Sun Life Malaysia Conservative Fund

25.00%

## WHERE THE FUND INVESTS

Sun Life Malaysia  
Growth Fund

74.49%

Sun Life Malaysia  
Conservative Fund

25.35%

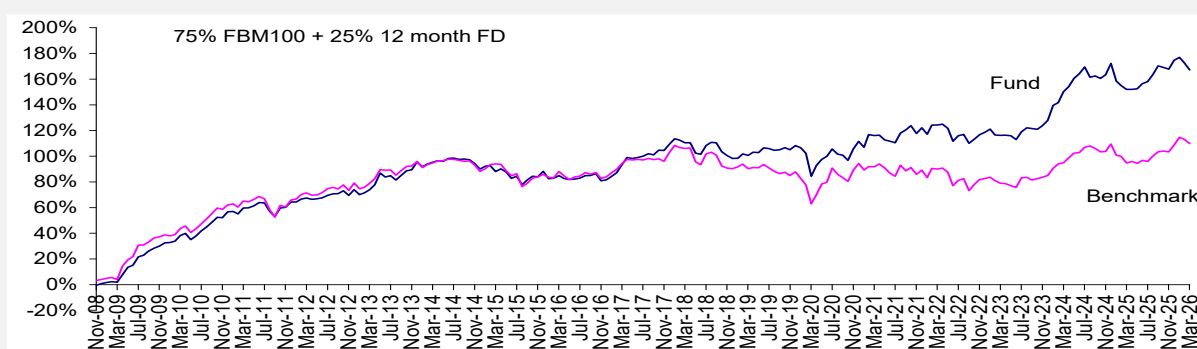
Cash

0.16%

Total

100.00%

## PERFORMANCE RECORD



%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
<b>Fund*</b>	-2.71	-2.00	6.02	23.59	23.72	44.57	167.25
<b>Benchmark</b>	0.56	-1.52	7.75	17.27	9.47	11.60	109.89

\* Calculation of past performance is based on NAV-to-NAV

Source: Lipper

## FUND MANAGER'S COMMENTS

In March 2026, the Fund's performance decreased by 2.00%, underperforming the benchmark by 0.48%.

The FBM KLCI fell 1.5% in March but a larger 5.3% in USD terms, due to the Ringgit weakness. Malaysia still outperformed MSCI ASEAN's 8.5% decline during the month. Sentiment continues to be affected by the war in the Middle East, and to some extent waning hopes of Fed cuts.

The KLCI is now trading at a forward PE of c.14.5x, which is below the 10-year historical mean straddling Covid-19, but still over -2SD below the mean of 16x for the 5-year period preceding 2020 – the period which coincided with the last direct investment boom. Consensus now projects earnings growth for FBM30 of c.7% for 2026 and 2027. Sustained strength in domestic investments (both DDI and FDI), fiscal consolidation gathering pace and the strengthening of the Ringgit are factors we see supportive of the further narrowing of risk premiums, and consequently higher valuation multiples.

The MGS curve bear flattened in March, with yields rising more at the front and belly (+14–15bps) than the long end (+7–15bps), driven by Middle East tensions lifting inflation concerns and expectations of more hawkish central bank actions.

The increase in sovereign yields has driven a tightening in credit spreads, with MGS yields rising more notably at the front to mid-tenor segment in line with higher UST yields amid ongoing geopolitical tensions. Spreads may widen once sovereign yields stabilize at elevated levels as markets adjust to the new rate environment. In this regard, we remain watchful for potential curve re-pricing.

BNM maintained the OPR at 2.75% in March, with a neutral tone despite rising external risks. Geopolitical tensions in the Middle East have led to risk-off sentiment, driven by concerns over higher oil prices, inflation, and slower global growth. While subsidy pressures may increase, the government is committed to maintaining RON95 prices.

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## RISKS

All investment carries some form of risks. The potential key risks include but are not limited to the following:

<b>Market risk</b>	<p>Market risk is the risk of negative movement that affects the price of all assets in a particular capital market. The factors influencing the performance of the markets include:</p> <ul style="list-style-type: none"><li>• Economic and financial market conditions</li><li>• Political change</li><li>• Broad investor sentiment</li><li>• Movements in interest rate and inflation</li><li>• Currency risks</li></ul> <p>Stock and/or securities values fluctuate in response to the activities and performance of individual companies and general market or economic conditions. Such movements in the underlying values of the share of the investment portfolio will cause the NAV or prices of units to fall as well as rise. Market risk is mitigated through careful selection of securities and diversification through spreading of risk across a basket of assets and/or sectors.</p>
<b>Interest rate risk</b>	<p>Interest rates are inclined to fluctuate over time. A rise in the general level of interest rates will result in a decline of the value of all bonds and fixed interest securities. Hence a bond fund's NAV will most probably decrease with the rise of interest rates. Maintaining an appropriate diverse mix of assets with different yield and maturity profiles will lessen the impact of interest rate risk.</p>
<b>Liquidity risk</b>	<p>Liquidity risk is defined as the ease with which a security can be sold at or near its fair value depending on the volumes traded on the market. Liquidity risk is mitigated through the selection of stocks with an active trading volume in the open market. This ensures that exit strategies can be executed with little/minimal impacts to price fluctuations.</p>
<b>Company or security specific risk</b>	<p>There are many specific risks, which apply to individual companies or securities. Examples include the possible effect on a company of losing a key executive or the unforeseen entry of a new competitor into the market. The risk is mitigated by conducting in-house periodic reviews and analysis. In-house analysis is then supplemented by periodic reviews from rating agencies and market analysts.</p>
<b>Credit risk</b>	<p>Credit risk refers to an issuer's ability to make timely payments of profit and principal. In the event that the issuer of the instrument is faced with financial difficulties, leading to a decrease in their credit worthiness (i.e Bond prices will change/drop in the event of rating downgrade) and default in the payment of profit and principal, the value of the fund may be adversely affected. Credit risk is mitigated by conducting in-house periodic reviews and analysis. In-house analysis is then supplemented by periodic reviews from rating agencies and market analysts.</p>

Source : *Principal Asset Management Bhd*

### Disclaimer:

This is strictly the performance of the investment fund, and not the returns earned on the actual premiums paid of the investment-linked product. Past performance of the fund is not an indication of its future performance. 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. Sun Life Malaysia may suspend the unit pricing and defer the payment of benefits, other than death and total and permanent disability benefits, subscription or redemption of units, switching of funds, under this contract for a reasonable period in exceptional circumstances, such as and including intervening events resulting in temporary closure of any stock exchange.