

# Sun Life Malaysia

## Balanced Moderate Fund

March 2025



### FUND OBJECTIVE

To provide a balanced exposure into equities and bonds.

### INVESTMENT STRATEGY & APPROACH

Please refer to the Master Fund Fact Sheets at <https://www.sunlifemalaysia.com/insurance-and-takaful/investment-linked-fund/yearly-fund-fact-sheet/> for more information on the Investment Strategy and Approach for the target fund.

### FUND DETAILS

Launch Date	20 October 2008	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	12.60 million units (28 March 2025)	Fund Size	RM27.15 million (28 March 2025)
Unit NAV	RM2.1547 (28 March 2025)	Performance Benchmark	50% FBM100 + 50% 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	Suitable for investors: <ul style="list-style-type: none"><li>Want a balanced portfolio between equities and bonds</li><li>Are risk neutral between bonds and equities</li></ul>	Fund Management Charge	The fund will feed into Sun Life Malaysia Growth Fund and Sun Life Malaysia Conservative Fund which applies the following fund management charges: <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>

### ASSET ALLOCATION

Sun Life Malaysia Conservative Fund	Sun Life Malaysia Growth Fund
50.00%	50.00%

### WHERE THE FUND INVESTS

Sun Life Malaysia Conservative Fund	Sun Life Malaysia Growth Fund	Cash	Total
49.63%	50.65%	-0.28%	100.00%

Sun Life Malaysia Assurance Berhad 199001005930 (197499-U)

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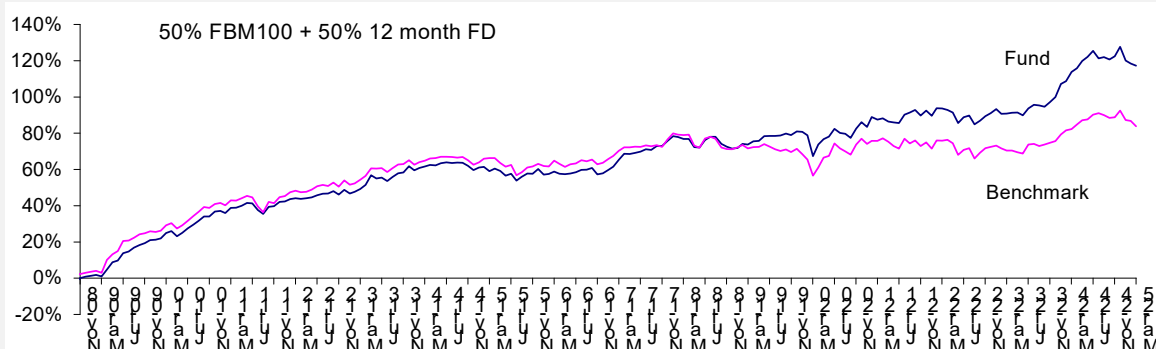
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### PERFORMANCE RECORD



%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
<b>Fund*</b>	-4.58	-0.54	1.59	12.19	29.77	36.54	117.24
<b>Benchmark</b>	-4.51	-1.61	0.86	4.55	17.46	10.54	83.87

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

Source: Lipper

### FUND MANAGER'S COMMENTS

In March 2025, the Fund's performance decreased by 0.54%, outperforming the benchmark by 1.07%.

The KLCI was down 3.9% (-3.3% in USD terms) and underperformed MSCI ASEAN's +1% in March 2025. Aside from the risk aversion surrounding impending Trump tariff measures and recession fears re-emerging in the US, the index was also weighed down by many heavyweights going ex-dividend during the month and ROI harvesting activities by domestic institutions. Almost all sectors were in the red with top laggards being Telcos, Financials and Healthcare.

Malaysia's manufacturing sector moderated in March after a notable improvement in February, with a PMI reading of 48.8pts vs 49.7pts. S&P Global stated that firms remained under pressure at the end of the 1Q, with broad-based weakness seen. New export orders, output, employment and inventory levels eased, with some evidence suggesting that global trade uncertainty had affected international demand. Business confidence, after hitting the highest since October 2024 in February, also waned. That said, the latest PMI data still suggests modest growth in GDP for 1Q25, sustaining the trend seen in 2H24. To recap, Malaysia's GDP grew by 5% in 4Q24 and 5.1% for 2024. BNM maintained its GDP growth forecast of 4.5-5.5% in 2025 during the recent briefing but highlighted potential risk to growth due to the trade restrictions.

The local government bonds market rallied in March, following a steepening trend in the US Treasuries as the market began pricing in the potential impacts from the retaliatory tariffs which could result in slower global growth. The MGS yield curve steepened mildly with the 3y moving lower by -5 bps, while the 10y and 30y adjusted lower by only -2bps. The 3-, 5-, 7-, 10-, 15-, 20- and 30-year benchmarks closed at 3.45% (-5bps), 3.60% (-3bps), 3.71% (-3bps), 3.80% (-2bps), 3.93% (-5bps), 4.01% (-6bps) and 4.18% (-2bps), respectively in March.

In March, local government bonds remained supported with yields drifting lower in a bull-steepening fashion. However, credit spread movements were mixed. Government guaranteed spreads widened on the short end but tightened in the medium term and remained flat for the longer term. Meanwhile, short-to-medium term AAA tightened by 1 to 4bps, while widening slightly on the longer term. AA2 spreads were flattish in the short-to-medium term but widened in the longer term. A2 spreads widened across the curve by 2 to 6bps.

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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**  
**Date : 28 March 2025**

### 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.