



FUND OBJECTIVE

To provide investors with regular income stream through Shariah-compliant investment.

INVESTMENT STRATEGY & APPROACH

Please refer to the Yearly 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 of the target fund.

FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	15.63 million units (31 January 2025)	Fund Size	RM19.82 million (31 January 2025)
Unit NAV	RM1.2676 (31 January 2025)	Target Fund	AHAM Aiiman Select Income Fund (FKA Affin Hwang Aiiman Select Income Fund)
Fund Manager	AHAM Asset Management Berhad	Taxation	8% of annual investment income
Performance Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index	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
Target Market	Suitable for investors: <ul style="list-style-type: none"><li>▪ Have a moderate risk appetite</li><li>▪ Expect incidental growth in capital</li><li>▪ Want an investment that complies with Shariah requirements</li></ul>	Fund Management Charges	<ul style="list-style-type: none"><li>▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia AIIMAN Select Income Fund.</li><li>▪ Up to 1.2% p.a. fund management charge is applied on the target fund's NAV by AHAM Asset Management Berhad.</li></ul>

ASSET ALLOCATION OF THE TARGET FUND

Sukuk & Islamic Money Market Instruments	Shariah-compliant Equities	Cash & Others
Minimum 60% and up to 100%	Minimum 0% and up to 40%	Remaining Balance

# Sun Life Malaysia

## AIIMAN Select Income Fund

January 2025



### SECTOR ALLOCATION OF THE TARGET FUND

Industrials	14.10%
Financial Services	11.60%
Energy	11.40%
Utilities	11.30%
Technology	6.90%
Telecommunications	6.30%
Government	5.90%
Consumer Discretionary	5.50%
Commercial Services	5.20%
Banks	5.10%
Financials	5.00%
Real Estate	3.90%
Consumer Staples	2.50%
Health Care	2.20%
Cash & Cash Equivalents	3.10%
Total	100.00%

### TOP HOLDINGS OF THE TARGET FUND (SUKUK)

Bonds Issuer	Coupon	Maturity Date	%
SMJ Energy Sdn Bhd	4.67%	26.10.2038	8.00
GII	5.36%	15.05.2052	5.90
UiTM Solar Power Sdn Bhd	6.00%	26.04.2030	5.20
MMC Corp Berhad	5.64%	27.04.2027	5.20
Celcom Networks Sdn Bhd	5.27%	28.10.2026	5.10

### TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

Taiwan Semiconductor Manufac	2.70%
Axis Real Estate Invst Trust	2.10%
Tenaga Nasional Bhd	2.10%
Capital A Berhad	1.90%
Bank Syariah Indonesia Tbk PT	1.40%

### PERFORMANCE RECORD

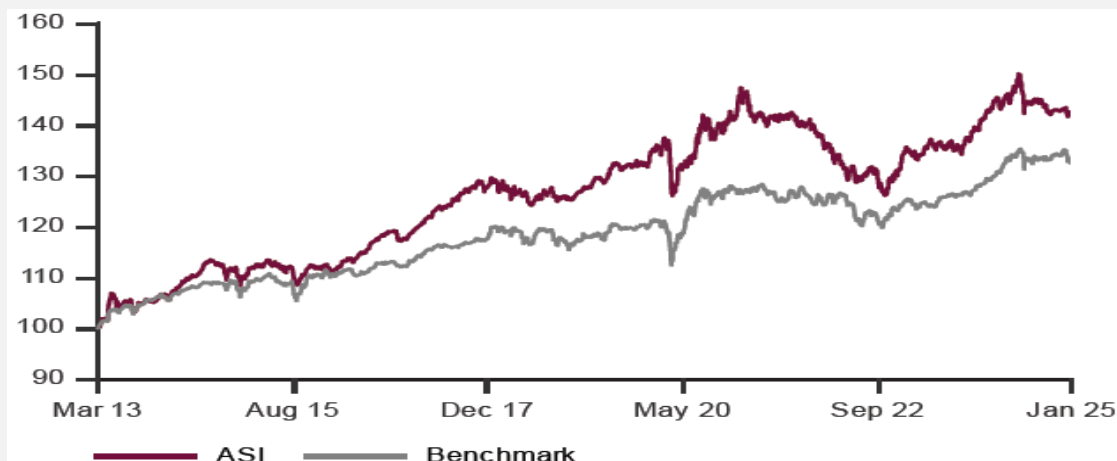
This fund feeds into AHAM AIIMAN Select Income Fund ("target fund") with the objective to provide investors with regular income stream through Shariah-compliant investments. The target fund will invest in a diversified portfolio of Sukuks, Shariah-compliant equities and Islamic money market instruments.

Table below shows the investment returns of Sun Life Malaysia AIIMAN Select Income Fund versus its benchmark as at 31 January 2025:

%	YTD	1M	6M	1-Year	3-Years	5-Years	Since Inception
<b>Fund*</b>	-0.53	-0.53	-2.14	1.04	5.08	6.76	26.76
<b>Benchmark</b>	-1.92	-1.92	-1.46	3.30	6.68	10.53	21.42

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

Graph below shows the historical performance of the underlying collective investment schemes (CIS) for the calendar year returns:



Source: MorningStar

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#### FUND MANAGER'S COMMENTS

- The markets gone thru a volatile month with market sentiment shaped by two key developments: the emergence of Deep Seek's AI model and newly imposed tariffs by the U.S. On 20 January 2025, Chinese AI firm DeepSeek launched its first free chatbot app, which is reportedly more powerful than ChatGPT while requiring less Nvidia AI GPUs to operate. This has triggered concerns that AI model training may shift towards software-based efficiency improvements, reducing the need for high-end AI hardware. Following this, tech hardware stocks saw significant selling pressure, with the Nasdaq falling 1.7% week-on-week and Nvidia plunging 16% as investors weighed the potential impact on semiconductor demand.
- In addition to that, President Donald Trump announced new tariffs, imposing 25% duties on imports from Mexico and Canada and 10% tariffs on Chinese goods. The move, aimed at addressing illegal immigration and drug smuggling concerns, has already sparked retaliatory measures from Canada and Mexico, while China weighs its response. The immediate market reaction has been a stronger U.S. dollar, driven by concerns that tariffs could be inflationary in the short term. Emerging markets and risk assets remain vulnerable to these shifts, given the potential for prolonged trade disputes.
- However, the broader economic implications remain uncertain. In past tariff cycles by Trump, markets initially reacted negatively, only to see strategic trade negotiations follow. This time, global economies appear better prepared, with China having diversified its supply chains and U.S. trade groups lobbying for industry-specific exemptions, particularly in sectors such as aluminium and energy. If the tariffs lead to higher inflation and slower growth, it could set the stage for future rate cuts and a weaker U.S. dollar, balancing some of the near-term headwinds.
- Domestically, MGS yield remain resilient on m-o-m basis despite the movement in UST yields. The yields for 3-year MGS ended the month at 3.46% (-2bps), while the 10-year and 30-year MGS were unchanged at 3.81% and 4.18%, respectively. Based on Oct-Nov data, advance GDP eased to 4.8% y/y in 4Q (vs 5.3% in 3Q). Full year GDP at 5.1% (official estimate: 4.8% - 5.3%; FY2023 GDP: 3.6%). Private and public investment projects are progressing well, contributes towards the robust construction sector expansion. Continued employment and wage growth, as well as domestic policy measures supporting household spending. Headline & core inflation moderated to 1.7% and 1.6% y/y respectively in Dec (Nov: CPI +1.8% y/y, core CPI +1.8%). Annual inflation rate for 2024 averaged 1.8% (FY2023: +2.6%).
- In terms of issuance, the highlight of the month was the issuance of the 15-year Malaysian Government Investment Issue (MGII). The total issuance size RM4 Nil, with RM3 billion available for public auction and RM 1 billion privately placed. The auction was met with exceptionally strong demand, achieving a record bid-to-cover ratio of 4.3 times, the highest ever recorded for an ultra-long tenor auction. In the corporate bond space, LBS Bina Group Bhd opened a book for a 7-year paper with an issuance size of RM400 million. The initial price guidance was set 5.01%, but strong demand tightened the final price to 4.81%, reflecting a 20bps reduction.

#### STRATEGY:

- Cash reduced from 4% to 3% in January 2025;
- We adjusted the portfolios, reduced some position in Malaysia (Property & Utility Sector) & Singapore Telco stock, and redeployed in Samsung Electronics and Mediatek.
- For sukuk sleeve, we have maintained our portfolio durations at a range of 5.0 to 5.5 years (currently at 5.25 years), and portfolio yield is at 4.3%;
- No changes in Sukuk Sleeve this month.
- We are focusing on sukuk with strong fundamentals and a robust business outlook, while also remaining active in profit-taking and reallocating to issuances that offer better relative value.

## RISKS (CONTINUED)

<b>Liquidity risk</b>	Liquidity risk arises in two scenarios. The first scenario is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. This will have the effect of causing the investment to be sold below its fair value which would adversely affect the NAV of the target fund.
<b>Currency risk</b>	As the investments of the target fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.
<b>Regulatory risk</b>	The investments of the target fund will be exposed to changes in the laws and regulations in the countries the target fund is invested in. These regulatory changes pose a risk to the target fund as it may materially impact the investments of the target fund. In an effort to manage and mitigate such risk, Affin Hwang seeks to continuously keep abreast of regulatory developments (for example, by closely monitoring announcements on regulators' website and mainstream medias) in that country. Affin Hwang may dispose its investments in that particular country should the regulatory changes adversely impact the unit holders' interest or diminish returns to the target fund.
<b>Country risk</b>	Investments of the target fund in any country may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the target fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the target fund in those affected countries. This in turn may cause the NAV of the target fund to fall.
<b>Reclassification of Shariah status risk</b>	This risk refers to the risk that the currently held Shariah-compliant equities in the target fund may be reclassified to be Shariah non-compliant in the periodic review of the equities by the Shariah Advisory Council of the Securities Commission Malaysia (SACSC), the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, Affin Hwang will take the necessary steps to dispose of such equities. There may be opportunity loss to the target fund due to the target fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities. Affin Hwang will be required to dispose of these equities immediately if the prices are above the purchase price. Should the prices be below the purchase price, Affin Hwang may choose to hold on to these holdings until the prices meet the purchase price. Nevertheless, should Affin Hwang decide to dispose of these equities below the purchase price, the target fund will be faced with the risk of realising its losses, thus negatively impacting the NAV of the target fund.

Source : AHAM Asset Management Berhad

Date : 31 January 2025

### Disclaimer:

This is strictly the performance of the investment fund, and not the returns earned on the actual takaful contributions 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 contributions 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.