

## FUND OBJECTIVE

To achieve medium to long-term capital appreciation through investments primarily in Malaysian bonds

## FUND DETAILS

Launch Date	20 October 2008
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	29.95 million units (30 April 2016)
Fund Size	RM 36.53 million (30 April 2016)
Unit NAV	RM 1.2197 (30 April 2016)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Benchmark	12 month FD
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> <li>Have a medium to long-term investment horizon</li> <li>Want a diversified portfolio of fixed interest securities</li> <li>Are looking for a less volatile investment but can accept lower returns</li> </ul>
Fees	<ul style="list-style-type: none"> <li>Management Fee: 1.0% p.a.</li> </ul>
Taxation	8% of annual investment income

## ASSET ALLOCATION

Bonds/ Debentures	80% - 98%	Cash	Up to 20%
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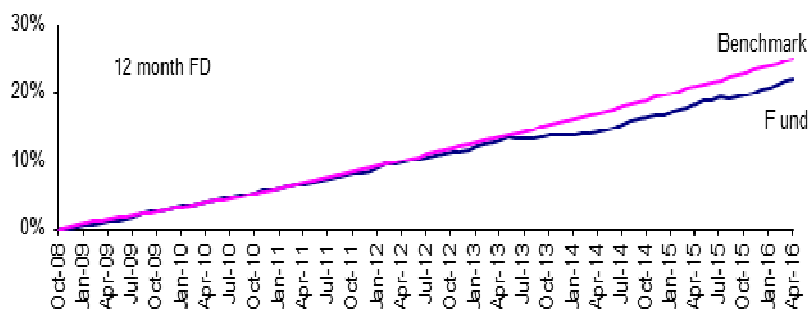
## WHERE THE FUND INVESTS

Corporate Bond	83.83%
Government Bond	-
Short Term Paper	-
Cash	16.17%
Total	100.00%

## TOP 9 HOLDINGS

UniTapah Sdn Bhd	4.900%	12/06/2018	14.07%
Berjaya Land Bhd	4.750%	15/12/2017	14.01%
UEM Sunrise Bhd	4.6%	13/12/2018	13.93%
AMMB Hldg Bhd	4.30%	08/08/2017	13.79%
Telekom Malaysia Bhd	4.55%	20/12/2024	7.04%
Pengurusan Air SPV Bhd	4.63%	5/2/2026	5.65%
Teknologi Tenaga Perlis	4.51%	31/01/2020	5.57%
Tanjung Bin Power Sdn Bhd	4.66%	14/08/2020	5.56%
Temasek Eksklusif Sdn Bhd	4.620%	20/11/2019	4.20%

## PERFORMANCE RECORD



## NAV TO NAV

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	1.35	0.25	0.99	1.98	3.08	7.99	21.97
<b>Benchmark</b>	1.10	0.28	0.83	1.66	3.35	10.07	24.95

\*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'S MANAGER COMMENTS

The Fund's performance for the month of April 2016 was 0.25% as compared to its benchmark of 0.28%.

The Malaysia Government Securities (MGS) curve closed mixed in April with the 15-years and below closed higher by 2-8 basis points (bps) while the 20-years and above closed lower by 3-5 bps. Investors were seen taking profits in April in tandem with the re-pricing of the MGS given yields have rallied so much in the first three months of 2016. Furthermore, MGS yields movement reflected risk off sentiment coupled with negative 1MDB headline news. Trading volume for corporate bonds was lower in April compared to previous month. Most of the trades were focused at GGs and AAs rated bonds.

The appointment of Datuk Muhammad Bin Ibrahim as the new Bank Negara Malaysia (BNM) governor has put a close on the uncertainty surrounding the potential replacement. Meanwhile, the US Federal Reserve (Fed) decided to maintain the Fed Funds rate during the recent FOMC meeting in April. The latest round of US economic data has been rather mixed which has led many to believe that the Fed is unlikely to hike in the near term.

The Market will be watching closely the upcoming MPC meeting in May 2016, the first to be chaired by the new governor, for signs whether BNM will cut the Overnight Policy Rate (OPR). However, BNM may first opt to cut the Statutory Reserve Requirement (SRR) further to provide liquidity in the financial markets. This should provide support to the local sukuk market.

We expect 1MDB concerns to continue impact investors' sentiment along with the movement in oil prices and MYR. We believe the market will continue to reposition and shift focus to credit market in lieu of the better yield pick-up. We will focus on both corporate bond primary and repriced secondary issuances.

**Source: CIMB-Principal Asset Management Bhd**

### 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.