

### FUND OBJECTIVE

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

### FUND DETAILS

Launch Date	20 October 2008	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	3.04 million units (30 November 2020)	Fund Size	RM6.19 million (30 November 2020)
Unit NAV	RM2.0397 (30 November 2020)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Benchmark	75% FBM100 + 25% 12 month FD
Taxation	8% of annual investment income	Other Charges	Inclusive of auditor fee
Risk Profile	Suitable for investors: <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>	Fees	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>

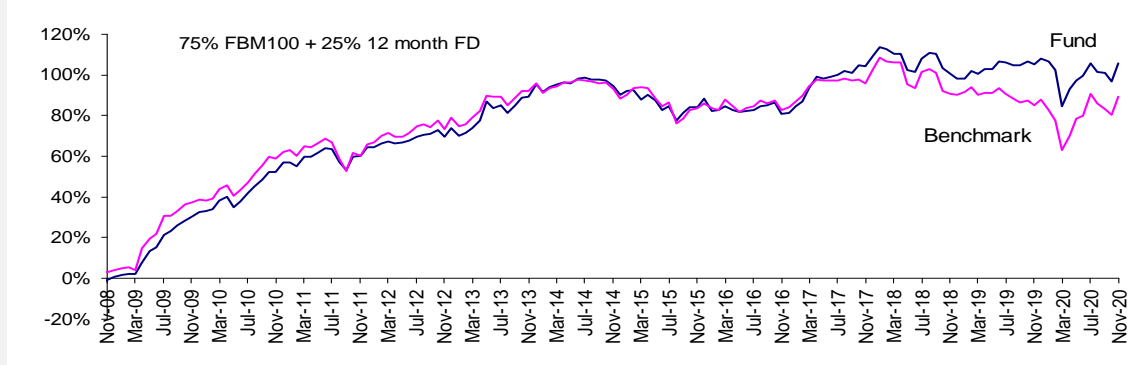
### ASSET ALLOCATION

Sun Life Malaysia Growth Fund	Sun Life Malaysia Conservative Fund
75.00%	25.00%

### WHERE THE FUND INVESTS

Sun Life Malaysia Growth Fund	Sun Life Malaysia Conservative Fund	Cash	Total
75.02%	24.97%	0.01%	100.00%

### PERFORMANCE RECORD



%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
<b>Fund*</b>	-1.24	4.52	0.29	0.58	11.76	35.20	105.66
<b>Benchmark</b>	0.73	4.84	2.21	-3.57	2.88	19.22	89.10

\* 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 MANAGER'S COMMENTS

In November 2020, the Fund's performance increased by 4.52%, underperforming the benchmark by 0.32%.

The FTSE Bursa Malaysia Composite Index ("KLCI") rebounded to close higher MoM but failed to stay above 1,600 level due to month end MSCI Quarterly index rebalancing trade. The FBM KLCI ended the month higher by 96 points or 6.5% MoM. Positive catalysts for the market were the successful test trials of several covid19 vaccines and passing of the 2020 Budget by parliament which kept the PN government in power. Sector wise, Energy +24.0%, Transport +15.7%, Finance +15.0% were the top performers for the month, while PBK +23.9%; MAY +18.0% and CIMB +15.8% were the top performing stocks. The govt has proposed a 2021 Budget of RM322.5bn (+2.5% YoY) or 20.4% of GDP, Of the total, Operating Expenses amounted to RM236.5bn (+4.3%), development expenditure of RM69bn (+38% YoY) and COVID-19 fund of RM17bn. GDP projected to rebound sharply in 2021 by 6.5-7.5% in 2021 (vs -4.5% in 2020). After a challenging year, all signs are signaling a buoyant 2021 for the energy sector as Covid-19 vaccine progress continues and policy remains extremely supportive. Construction was one of the beneficiaries seen out of the budget.

In Nov-20 MPC meeting, BNM has decided to maintain its OPR at 1.75% as BNM sounded upbeat and optimistic in the recovery of the global and domestic economies. BNM expects Malaysia's growth for 2020 to be within the earlier forecasted range of -3.5 to -5.5% and considers the current stance of the monetary policy to be "appropriate and accommodative". Malaysia's Budget 2021 was passed at its policy stage via a majority voice vote on 27th November 2020 with additional measures/amendments including a further loan moratorium for the B40 and micro SMEs and the expansion of i-Sinar facility to include all EPF members whose income has been affected persons from by the pandemic. 3Q GDP rebounded to +2.7% YoY as against the 2Q GDP's contraction of 17.1% and market consensus of -4.0% YoY. The improvement was aided by positive contribution from the manufacturing sector driven mainly by strong E&E production activity, pick up in government consumption and the turnaround in net exports.

## RISKS

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

<p><b>Market risk</b></p>	<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 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>
<p><b>Interest rate risk</b></p>	<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>
<p><b>Liquidity risk</b></p>	<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>
<p><b>Company or security specific risk</b></p>	<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>
<p><b>Credit risk</b></p>	<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 : 30 November 2020

### 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. 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.