

## 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	30.02 million units (31 May 2016)
Fund Size	RM 36.69 million (31 May 2016)
Unit NAV	RM 1.2226 (31 May 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	Management Fee: 1.0% p.a.
Taxation	8% of annual investment income

## ASSET ALLOCATION

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

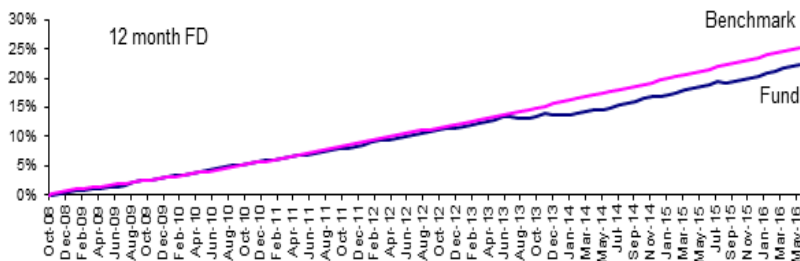
Corporate Bond	84.83%
Government Bond	-
Short Term Paper	-
Cash	15.17%
Total	100.00%

## TOP 9 HOLDINGS

UniTapah Sdn Bhd	4.900% 12/06/2018	14.08%
Berjaya Land Bhd	4.750% 15/12/2017	13.98%
UEM Sunrise Bhd	4.6% 13/12/2018	13.93%
AMMB Hldg Bhd	4.30% 08/08/2017	13.76%
Malakoff Power Bhd	4.9% 17/12/2018	7.02%
Perdana Petroleum Bhd	4.450% 27/04/2018	6.84%
Teknologi Tenaga Perlis	4.51% 31/01/2020	5.56%
Tanjung Bin Power Sdn Bhd	4.66% 14/08/2020	5.56%
Temasek Eksklusif Sdn Bhd	4.620% 20/11/2019	4.10%

Source: CIMB-Principal Asset Management Bhd

## PERFORMANCE RECORD



Source: CIMB-Principal Asset Management Bhd

## NAV TO NAV

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	1.59	0.24	0.92	1.92	3.00	7.84	22.96
Benchmark	1.38	0.28	0.83	1.66	3.35	10.09	25.29

Source: CIMB-Principal Asset Management Bhd

\*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 May 2016 was 0.24% as compared to its benchmark of 0.28%.

The Malaysian Government Securities ("MGS") continued to see upward movement in bond yields amid lingering concerns of a possible U.S Fed rate hike in June 2016 coupled with/resulting in a weakening of the Ringgit. As a result, the MGS curve bear flattened in May 2016 with the 1- and 2-years sold off by 10 basis points ("bps") and 20bps respectively, while the 5-, 7-, 15-, and 20-years sold off by 2-5bps, closing the month at 3.56%, 3.84%, 4.21%, and 4.35% respectively. The 3-year MGS remained unchanged at 3.30% while the 10-years MGS closed lower by 1bps at 3.92%. Trading volume for corporate bonds increased slightly by 8.78% in May 2016 with RM15.37 billion traded, up from RM14.13 billion in the previous month. Trades were mostly centred around GGs, AAAs and AAs space.

Bank Negara Malaysia ("BNM") maintained its monetary policy stance at the latest Monetary Policy Committee (MPC) meeting ended May 19, 2016. The Overnight Policy Rate ("OPR") was left unchanged at 3.25% for the eleventh straight MPC meeting or since July 2014 while the Statutory Reserve Requirement ("SRR") was also left unchanged at 3.50% for the second straight meeting after a 50bps cut in January 2016. In its monetary policy statement, BNM reiterated that the current monetary policy stance continues to be accommodative and supportive of economic activity.

Currently, investors are taking a risk off approach. The FOMC meeting on the 14-15th of June 2016 and the upcoming Brexit referendum on the 23rd of June 2016 will be closely watched. 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.