

FUND OBJECTIVE

An income and absolute return focused fund that aims to provide regular income stream through investment in sukuk and Shariah-compliant equities.

FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	468,430 Units (30 April 2018)	Fund Size	RM523,813 (30 April 2018)
Unit NAV	RM1.1182 (30 April 2018)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang AIIMAN Select Income Fund
Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index performance (FBMSHA)	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> ▪ Have a moderate risk appetite ▪ Expect incidental growth in capital ▪ Want an investment that complies with Shariah requirements 	Fees	<ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia AIIMAN Select Income Fund. ▪ 1.2% pa fund management charge is applied on the target fund's NAV by Affin Hwang.

ASSET ALLOCATION OF THE TARGET FUND

Sukuk & Islamic Money Market Instruments	Shariah-compliant Equities	Cash & Others
Min 60%; Max 99.80%	Min 0%; Max 40%	Remaining Balance

SECTOR ALLOCATION OF THE TARGET FUND

Sukuk	63.5%
Industrials	7.8%
Oil & Gas	7.4%
Technology	4.8%
Consumer Goods	3.5%
Basic Material	2.4%
Financials	1.4%
Utilities	1.0%
Others	0.8%
Cash and Cash Equivalent	7.4%
Total	100.0%

TOP HOLDINGS OF THE TARGET FUND (SUKUK)

Bonds Issuer	Coupon	Maturity Date	%
GULF Investment Corp	5.10%	20.06.22	5.9
Lebuhraya DUKE Fasa 3 Sdn Bhd	5.95%	23.08.34	5.1
MEX II Sdn Bhd	5.90%	27.04.29	5.0
Plus Bhd	4.64%	10.01.25	4.8
Konsortium Lebu Raya UT KL SB	4.75%	01.12.28	4.1

TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

Petronas Chemicals Group Bhd	1.5
Thai Vegetable Oil PCL	1.5
Cnooc Ltd	1.4
China Mengniu Dairy Co Ltd	1.2
Keppel Corporation Ltd	1.2

PERFORMANCE RECORD

This fund feeds into Affin Hwang AIIAN 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 AIIAN Select Income Fund versus its benchmark as at 30 April 2018.

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-1.1	-0.3	-1.4	-0.9	3.1	11.8	11.8
Benchmark	0.5	0.1	-0.5	1.4	2.9	8.4	9.6

* 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

- Geopolitical risks look to have calmed following a softening of protectionist rhetoric, ongoing trade discussions, and recent peace efforts with North Korea.
- US 10 year treasury rate hit a key 3% yield level for the first time since 2014.
- The GII took the cue from US treasuries with yields moving 15bps higher over the month at 4.30%.
- Asia ex Japan stock performance was mixed, with the broader MSCI Asia ex Japan index down 1.2% YTD.
- The KLCI meanwhile, ended a volatile month relatively flat, despite hitting an all-time high mid-month, as investors stayed cautious ahead of Malaysia's 14th general elections.
- The MYR weakened against the USD to end the month at 3.92, amidst USD strength and the rise in treasury yields. However, the MYR was stronger against other major currencies.
- The Fund recorded a slid of 0.3% lower in the month of April, while its benchmark index rose 0.1% over the same period.
- **STRATEGY:** We expect financial markets to remain volatile in the near term as uncertainties prevail, despite encouraging fundamentals.
- Our preference is to be active in the primary market which may provide better entry points.
- With heavy supply in the primary market expected, we will be selective in our participation and will look for opportunities with attractive valuation, particularly in the IG space.
- We will hold around 5% to 10% cash levels as we expect the market and the MYR could see some volatility around the election polling date.
- We will look for opportunities to redeploy at attractive valuation amidst any volatility as we expect longer term market performance to still remain positive, regardless of election outcomes.

Source : Affin Hwang Asset Management Berhad

Date : 16 May 2018

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.