

FUND OBJECTIVE

Aims to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	13.389 million units (31 December 2018)	Fund Size	RM14.012 million (31 December 2018)
Unit NAV	RM1.0465 (31 December 2018)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd	Target Fund	CIMB Islamic Asia Pacific Equity Fund
Benchmark	Dow Jones Islamic Market Asia Pacific ex Japan Index	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> ▪ Have a long-term investment horizon ▪ Want a portfolio of investments that adhere to Shariah principles ▪ Want a well-diversified portfolio of Asia Pacific ex Japan regional equities ▪ Seek capital appreciation over long-term 	Fees	<ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Dynamic Income Fund. ▪ 1.8% of pa fund management charge is applied on the target fund's NAV by CIMB-Principal.

ASSET ALLOCATION OF THE TARGET FUND

Shariah-compliant Equities (Foreign)	Shariah-compliant Equities (Local)	Cash
93.05%	0.67%	6.28%

SECTOR ALLOCATION OF THE TARGET FUND

Consumer	29.61%
Finance	21.63%
Oil & Gas	14.29%
Technology	9.86%
Industrials	5.92%
Telecommunications	4.49%
Basic Materials	4.08%
Utilities	2.01%
Health Care	1.55%
Mutual Fund	0.28%
Cash	6.28%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Samsung Electronics Co. Ltd (South Korea)	8.82%
Alibaba Group Holding Ltd (Cayman Islands)	8.54%
Link REIT (Hong Kong)	6.01%
Reliance Industries Ltd (India)	5.67%
CNOOC Ltd (Hong Kong)	5.35%
Samsung Electronics-PFD (South Korea)	4.09%
CapitaLand Commercial Trust (Singapore)	3.73%
CapitaLand Mall Trust (Singapore)	3.56%
Taiwan Semiconductor Manuf (Taiwan)	2.65%
China Mobile Ltd (Hong Kong)	2.55%
Total	50.97%

PERFORMANCE RECORD

This fund feeds into CIMB Islamic Asia Pacific Equity Fund ("target fund") with the objective to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

Table below shows the investment returns of Sun Life Malaysia Islamic Asia Pacific Equity Fund versus its benchmark as at 31 December 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-14.84%	-4.33%	-10.99%	-10.72%	-14.84%	4.93%	4.65%
Benchmark	-17.00%	-5.85%	-11.99%	-12.16%	-17.00%	15.42%	20.32%

***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 December, the Fund declined 4.33% in MYR terms, outperforming the Benchmark by 152 basis points ("bps"). China and Singapore contributed positively while Korea and Malaysia were detractors. Sector wise, Real Estate and Consumer Services contributed positively while Industrials was a detractor. For the full year, the Fund declined 14.84%, outperforming the Benchmark by 216 bps.

Islamic Asian ex-Japan equities declined 4.8% (US\$) in December 2018 but outperformed MSCI World Islamic (-7%). China was the worst performing major market with more signs of economic slowdown and scepticism of deal-making progress between US and China. Part of the US yield curve (5 year) inverted for the first time in more than a decade and Brent oil fell 8.3% amidst concerns on global economic growth. Following on last months FED testimony that US interest rates were closing in on 'neutral levels', Chairman Powell further indicated less tighter monetary policy by announcing that they will be 'patient' in deciding on any more interest rate increases, and 'wouldn't hesitate' in pausing its balance sheet shrinkage if it was necessary.

The Fund has a Beta of ~0.94x and 94% invested. We are Overweight in Real Estate (Reits) and Information Technology, Underweight Materials, Consumer Discretionary and Utilities. We turned more positive on India with the recent improvement in macro outlook – lower oil price, stable bond yield and currency and more fiscal stimulus expected ahead of the National elections in mid-2019.

Source : CIMB-Principal Asset Management Bhd
Date : 31 December 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.