

FUND OBJECTIVE

A total return fund that seeks to capture the high growth of developing companies within the Asia (ex-Japan) region.

FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	12.94 million units (31 January 2020)	Fund Size	RM15.33 million (31 January 2020)
Unit NAV	RM1.1848 (31 January 2020)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Select Asia (ex Japan) Quantum Fund
Benchmark	MSCI AC Asia (ex-Japan) Small Cap Index	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> ▪ Have a medium to long term investment horizon ▪ Are risk tolerance ▪ Are seeking higher returns for their investments compared to the performance benchmark 	Fees	<ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Select Asia (ex Japan) Quantum Fund ▪ Up to 1.5% p.a. fund management charge is applied on the target fund's NAV by Affin Hwang Asset Management Berhad

ASSET ALLOCATION OF THE TARGET FUND

Equities	Cash
Minimum 70%; Max 100%	Remaining Balance

SECTOR ALLOCATION OF THE TARGET FUND

Technology	28.80%
Financials	26.00%
Consumer Goods	13.30%
Consumer Services	7.20%
Basic Materials	5.00%
Industrials	4.90%
Oil & Gas	3.70%
Health Care	2.70%
Cash & Cash Equivalents	8.50%
Total	100.0%

TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

Guan Chong Bhd	8.50%
Pentamaster International Ltd	5.60%
Allianz Malaysia Berhad	4.30%
AEM Holdings Ltd	4.10%
Weimob Inc	4.10%
A-Living Services Co Ltd	4.10%
ATA IMS Bhd	3.90%
Sichuan Languang Justbon Svcs	3.80%
KNM Group Berhad	3.70%
Zhejiang New Century Hotel Mgt	3.70%
Total	45.80%

PERFORMANCE RECORD

The Fund feeds into Affin Hwang Select Asia (ex Japan) Quantum Fund (“target fund”) with the objective to achieve consistent capital appreciation over medium to long-term by investing mainly in growth companies in Asia (ex Japan) with market capitalization of not more than USD1.5 billion at the time of acquisition, subject to the flexibility of investing up to 30% of the Net Asset Value (NAV) of the Fund in companies in Asia (ex Japan) with market capitalization of not more than USD3.0 billion at the time of acquisition.

Table below shows the investment returns of Sun Life Malaysia Select Asia (ex Japan) Quantum Fund versus its benchmark as at 31 January 2020:

%	YTD	1M	6M	1-Year	3-Year	5-Year	Since Inception
Fund*	-3.75	-3.75	1.14	6.60	-5.40	15.34	18.48
Benchmark	-4.36	-4.36	-1.40	-3.88	-8.00	3.10	14.20

* 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

- Global markets started the year strong amid a de-escalation of US-China trade tensions and hopes of an economic stimulus in China. However, gains were short lived with geopolitical concerns and fears of a globally spreading coronavirus captured investor's worries.
- The International Monetary Fund trimmed its 2020 global growth forecast due to sharper than expected slowdowns in India and other emerging markets. Revised global growth projections are currently at 3.3% for 2020 and 3.4% in 2021, after revised cuts of 0.1% and 0.2% respectively.
- Asian equities saw a pullback in January amid growing concerns over the spread of the coronavirus. The Hong Kong Hang Seng Index tumbled 6.7% in January, whilst the broader MSCI Asia ex-Japan Index fell 4.5%.
- The Malaysia market mirrored regional movements with the benchmark KLCI down 3.6% in January as contagion fears from the coronavirus prompted jitters across markets. The small-cap space bore the brunt of the sell-off with the FTSE Bursa Small Cap Index falling 6.3% following a stellar performance in 2019.
- **STRATEGY:** Markets were off to a strong start in the first two weeks of the year but were then affected by US & Iran frictions and more severely by the coronavirus. As a result, the fund reduced some exposure but remain highly invested with a long-term view that markets will be higher by the end of the year as this was similar during previous outbreaks.
- In the short term, the fund has had higher volatility and has been affected negatively. While some businesses are affected by the coronavirus, the view is that the effect is temporary.
- The fund decreased its gold exposure to 1% and sold HK restaurant and mall operators due to increasing coronavirus risk. The fund also sold 3% in a Chinese software company.

Source : *Affin Hwang Asset Management Berhad*

Date : *31 January 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.