

FUND OBJECTIVE

To provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

FUND DETAILS

Launch Date	20 May 2014
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	2.703 million units (31 May 2017)
Fund Size	RM3.329 million (31 May 2017)
Unit NAV	RM1.2315 (31 May 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB Principal Equity Income Fund
Benchmark	50% FBM100 Index + 50% MSCI AC Asia ex-Japan Index
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> ▪ Have a medium to long-term investment horizon ▪ Target capital appreciation ▪ Do not require regular income ▪ Comfortable with higher volatility ▪ Willing to take higher risk for potential higher gains
Fees	Management fee: 1.5000% p.a.
Taxation	8% of annual investment income

ASSET ALLOCATION

Equities	Min 70% Max 98%	Cash	Min 2%
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WHERE THE FUND INVESTS

Finance	32.73%	Plantations	1.87%
Trading / Services	17.55%	Properties	1.54%
Industrials	13.15%	Mutual Fund	1.17%
Consumer	11.38%	Oil & Gas	1.09%
Technology	6.24%	Telecommunication	0.72%
Construction	5.11%	IPC	0.53%
Basic Materials	3.07%	Cash	3.85%

TOP HOLDINGS OF THE TARGET FUND

Samsung Electronics Co. Ltd (South Korea)	4.35%
Tenaga Nasional Bhd (Malaysia)	4.05%
Malayan Banking Bhd (Malaysia)	3.99%
Taiwan Semiconductor Manuf (Taiwan)	3.05%
Sime Darby Bhd (Malaysia)	2.74%
CIMB Group Hldgs (Malaysia)	2.60%
Industrial and Commercial Bank (China)	2.60%
Tencent Hldg Ltd (Hong Kong)	2.39%
ICICI Bank Ltd (India)	2.13%
Posco (South Korea)	2.09%

PERFORMANCE RECORD

This fund feeds into CIMB Principal Equity Income Fund ("target fund") with the objective to provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

Table below shows the investment returns of Sun Life Malaysia Equity Income Fund versus its benchmark as at 31 May 2017:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
Fund*	12.82	1.51	7.06	11.75	18.51	23.15	23.15
Benchmark	11.93	1.12	5.30	11.35	19.65	19.21	20.43

*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

The Fund was up 1.51% in May, outperforming its benchmark by 0.39%. The Fund's outperformance came mainly from its exposure in Malaysia, India and China. In terms of sectors, favorable stock selection in Financials and Basic Materials contributed positively. At the stock level, its overweight in ICICI Bank, Malaysia Airports and Ping An Insurance contributed to the outperformance. Year-to-date, the Fund is up 12.82%, outperforming the benchmark by 0.89%.

Asian Equities gained 4% in US\$ terms in May 2017. It has been a narrow market year-to-date (+21%) with outperformance confined to tech and consumer discretionary. In Malaysia, the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI) traded sideways in May despite a strong 1Q17 Gross Domestic Product growth of 5.6% year-on-year. The Ringgit (MYR) strengthened 1.3% from 4.341 to 4.281 during the month, led by portfolio inflows in both the equity and fixed income markets. The local market undertones continue to be bullish despite a more cautious note heading into May.

We are overweight China, Malaysia, Singapore and Indonesia and underweight Taiwan and Korea. In sector terms, we are overweight China internet/technology, financials in Hong Kong, India, Malaysia and industrials in Singapore, Malaysia, China and India. We are also underweight energy, telecoms and utilities. For Malaysia, we continue to prefer cyclical over defensives by overweighting banks, construction and tourism related-companies. Government-linked Companies restructuring and e-commerce companies remain core holdings in our portfolios. We continue to seek bottom up ideas in the small cap space.

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.