

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	12.95 million units (31 December 2019)	Fund Size	RM15.94 million (31 December 2019)
Unit NAV	RM1.2309 (31 December 2019)	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	<p>Suitable for investors:</p> <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

Financials	29.90%
Technology	21.00%
Consumer Services	13.10%
Consumer Goods	12.70%
Industrials	10.10%
Basic Materials	6.70%
Oil & Gas	5.00%
Cash & Cash Equivalents	1.60%
Total	100.0%

TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

Guan Chong Bhd	8.20%
Pentamaster International Ltd	5.40%
Weimob Inc	5.00%
KNM Group Berhad	5.00%
Allianz Malaysia Berhad	4.60%
Taiwan Union Technology Corp	4.40%
AEM Holdings Ltd	4.20%
A-Living Services Co Ltd	4.00%
Sichuan Languang Justbon Svcs	4.00%
Zhejiang New Century Hotel Mgt	3.80%
Total	48.60%

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 December 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	17.36	2.13	8.09	5.25	17.36	2.51	23.09
Benchmark	3.49	1.92	4.59	-0.90	3.49	-1.09	19.40

* 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

- US President Donald Trump announced a phase one trade deal with China, averting a tariff deadline when a new wave of US tariffs would be imposed on Chinese exports. Both countries hope to sign the deal in early January.
- The US Federal Reserve and European Central Bank kept key interest rates unchanged in December amidst improvements in economic data. Both central banks expressed slight optimism on economic outlook, but also highlighted caution amid lingering uncertainties on the geopolitical front.
- Asian equities rallied on the back of trade optimism in December following news that the US and China had reached a phase one trade deal. The MSCI Asia ex-Japan index climbed 6.4%, whilst the Hong Kong Hang Seng index closed 7.0% higher last month.
- Hong Kong benchmark index ends 2019 higher, despite on-going protests which continues to pressure its domestic economy. In December, the HSI traded at around 11.4 times its reported earnings, compared with 23.2 times for the S&P 500 Index and a multiple of 12.2 times for the Shanghai Composite index in December.
- **STRATEGY:** Invested levels were increased to around 98% over the month.
- Key transactions include subscribing (i) 3% weight into a China property management IPO; (ii) 1.5% weight into Taiwanese switch manufacturer; (iii) 1% into Australian software defined networking company and (iv) 2% into Hong Kong restaurant chain operator. The fund decreased its gold position to 2.5% from 4%.
- The fund remains cautious due to geopolitical fragility and macro uncertainties in the world which raises recessionary concerns.

Source : *Affin Hwang Asset Management Berhad*
Date : *31 December 2019*

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.