

FUND OBJECTIVE

To maximize capital growth over the medium to long-term through the stock market.

FUND DETAILS

Launch Date	20 October 2008	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	22.09 million units (31 January 2019)	Fund Size	RM53.98 million (31 January 2019)
Unit NAV	RM2.4433 (31 January 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd	Benchmark	FBM100
Taxation	8% of annual investment income	Fees	Management Fee: 1.5% p.a.
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> ▪ With a medium to long-term investment horizon ▪ Seek maximum capital appreciation ▪ Do not require regular income ▪ Comfortable with higher volatility ▪ Willing to take higher risk for potential higher gains 		

ASSET ALLOCATION OF THE FUND

Equities	Cash
Minimum 80% - 98%	Up to 20%

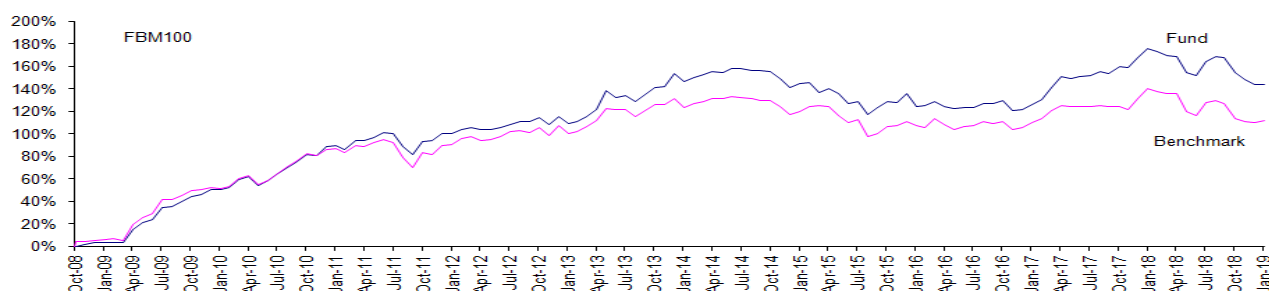
SECTOR ALLOCATION OF THE FUND

Financial Services	23.14%
Cash	13.10%
Consumer Products & Services	11.65%
Utilities	7.10%
Transportation & Logistics	7.03%
Industrial Products & Services	6.47%
Plantation	5.75%
Telecommunications & Media	5.73%
Health Care	4.67%
Technology	4.40%
REIT	4.39%
Energy	4.22%
Construction	1.79%
Property	0.55%
Total	100.00%

TOP HOLDINGS OF THE FUND (EQUITIES)

Public Bank Bhd - Local	7.29%
Tenaga Nasional Berhad	7.10%
Malayan Banking Bhd	7.03%
Petronas Chemicals Group Bhd	4.71%
Malaysia Airports Hldg Bhd	3.95%
Axiata Group Bhd	3.64%
Dialog Group Bhd	3.21%
Genting Malaysia Bhd	3.04%
Genting Bhd	3.02%
Hong Leong Bank Bhd	2.78%

PERFORMANCE RECORD



%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	0.01	0.01	-3.93	-7.53	-11.32	8.71	144.33
Benchmark	0.89	0.89	-0.68	-7.04	-11.62	2.35	112.07

* 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

Market Review

The KLCI closed flat in January, bucking the regional uplift supported by a dramatic dovish shift from the Fed and policy rhetoric from China amidst ongoing US-China trade talks and weak fundamental data. MSCI MY was flat, underperforming Asia Pac ex-Japan by 6.8%. The MYR closed 0.9% m-o-m higher, in line with dollar weakness, and higher oil (Brent crude oil rose 15% m-o-m). Foreign investors turned net buyers of close to RM1 billion in January, after three consecutive months of net selling; partly reversing net outflows of RM11.7 billion in 2018. In what we deem as a rotational trade, last year's losers outperformed particularly the Genting Group, and telecommunications. Meanwhile, plantations outperformed on the 5% m-o-m rise in CPO price. Exporters underperformed on strong MYR, leading to underperformance in healthcare and materials. Defensive utilities underperformed.

Portfolio Strategy

Valuation of KLCI remains unattractive. It is currently trading at 2019 PE of 16.2x vs historical mean of 15.2x. Given weak earnings growth, our cautious stance is maintained and we look for buying opportunity at more attractive levels.

We continue to reiterate our cautious stance on the domestic market for 2019 given moderating GDP growth, tepid corporate earnings growth and regulatory uncertainty. On the back of all these uncertainties, we reiterate our capital preservation investment strategy with preference on big cap GLCs and companies with strong fundamentals and solid cash flow and dividends in sectors such as Utilities & Renewable Energy, REITs, Consumer Staples and Industrials.

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