

FUND OBJECTIVE

The objective of the Fund is to grow the value of Unit Holders' investments over the medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to the Malaysian equities market to balance any short-term volatilities.

FUND DETAILS

| | | | |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Launch Date | 20 May 2014 | Domicile | Malaysia |
| Currency | Ringgit Malaysia | Launch Price | RM1.0000 |
| Units in Circulation | 21.73 million units (30 April 2020) | Fund Size | RM35.00 million (30 April 2020) |
| Unit NAV | RM1.6106 (30 April 2020) | Dealing | Daily (as per Bursa Malaysia trading day) |
| Fund Manager | Principal Asset Management Bhd | Target Fund | Principal Global Titans Fund |
| Benchmark | 42% S&P500 + 36% MSCI Europe + 12% MSCI Japan + 10% CIMB Bank 1-month Fixed Deposit Rate | 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 Target capital appreciation Do not require regular income Comfortable with higher volatility Willing to take higher risk for potential higher gains | Fees | <ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Global Titans Fund. Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Bhd. |

ASSET ALLOCATION OF THE TARGET FUND

| Mutual Fund | Cash |
|-------------|--------|
| 88.35% | 11.65% |

SECTOR ALLOCATION OF THE TARGET FUND

| | |
|-------------------------------------|----------------|
| SPDRS&P 500 ETF | 27.59% |
| IShares Core MSCI Euro ETF EUR Dist | 17.76% |
| Legg Mason GLB Funds-US Large Cap | 15.21% |
| Principal GLB – EUR EQ-INS ACC | 9.50% |
| TOPIX ETF | 8.76% |
| ISF Euro Equity USD - A | 4.95% |
| ISF Japanese Opps USD A Acc | 2.80% |
| IShares Core MSCI Europe ETF | 1.78% |
| Cash | 11.65% |
| Total | 100.00% |

TOP HOLDINGS OF THE TARGET FUND

| | |
|------------------|---------------|
| Amazon.com Inc | 8.61% |
| Microsoft Corp | 6.38% |
| Facebook Inc | 5.08% |
| Alphabet Inc. | 4.87% |
| Visa Inc | 4.32% |
| C Uyemura | 4.19% |
| Nestle S.A. | 3.80% |
| ITOCHU Corp | 3.69% |
| TDK Corp | 3.19% |
| Roche Holding AG | 3.15% |
| Total | 47.28% |

PERFORMANCE RECORD

This fund feeds into Principal Global Titans Fund (“target fund”) with the objective to achieve medium to long-term capital gains by investing into the US, Europe and Japan equities while having some Malaysia equities exposure to counter the short-term volatility in the global equities markets.

Table below shows the investment returns of Sun Life Malaysia Global Titans Fund versus its benchmark as at 30 April 2020:

| % | YTD | 1M | 6M | 1-Year | 3-Year | 5-Year | Since Inception |
|------------------|-------|------|-------|--------|--------|--------|-----------------|
| Fund* | -5.87 | 7.32 | -3.13 | -0.51 | 8.37 | 37.71 | 61.06 |
| Benchmark | -8.58 | 7.69 | -5.82 | -1.73 | 9.30 | 40.66 | 61.42 |

* 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 (Class MYR) increased by 7.32% during the month of April 2020, underperforming the benchmark by 37 basis points (bps). Year-to-date, the Fund declined by 5.87%, outperforming the benchmark by 271 bps.

In April, COVID-19's daily new infections appeared to peak in many regions as governments' shutdown measures started taking effect. Developed markets rebounded on the expectations that various European countries and states in US would ease lockdown and reopen economy soon. Market sentiment also improved on the economic support provided by governments and central banks' significant stimulus measures.

Economies have been brought into a halt by the unprecedented shutdown measures. US and Europe Manufacturing PMI is 36.1 and 33.2. With less restrictive measures compared to Europe and US, Japan's Manufacturing PMI is 41.9. US continuing jobless claims are more than 20 million in April. The first quarter US GDP is down by 4.8% for US and 3.8% for Eurozone. Companies' earnings estimates have been further revised down. Europe earnings are expected to decline by 16%, following by 14% for US and 9% for Japan.

However, with major European countries and most states in US setting up plans to reopen stage by stage in the coming weeks, we expect economic activities, proxied by global manufacturing PMI to begin recovery from depressed levels beginning in 3Q 2020. We expect governments, businesses and consumers to be tentative and cautious, hence the recovery will be gradual. Furthermore, the pace of re-opening would not be uniform but vary widely between sectors and between countries. Countries which have deeper domestic economies would likely lead in recovery compared to countries that depend on global trade or international travel.

Worries over a potential 2nd wave of infection is likely to dampen business hiring plans, thus keeping unemployment rates elevated for some time. Hence, the Fed and major central banks can be expected to keep rates very low for an extended period of time.

Because businesses and consumers will remain cautious when countries reopen, and there is a potential risk of a second wave of infections, we remain overweight cash and underweight equities. We favor US over Europe and Japan because of a deeper domestic economy, the large fiscal stimulus and the Fed's commitment to keeping markets functioning. We remain underweight Europe and Japan because economies depend more on international travel and global trade.

Source : *Principal Asset Management Bhd*

Date : *30 April 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.