

**FUND OBJECTIVE**

To provide capital appreciation through investments in collective investment scheme, which invests primarily in a diversified portfolio of technology related companies.

**INVESTMENT STRATEGY & APPROACH**

Please refer to the Master Fund Fact Sheets at <https://www.sunlifemalaysia.com/insurance-and-takaful/investment-linked-fund/yearly-fund-fact-sheet/> for more information on the Investment Strategy and Approach for the target fund.

**FUND DETAILS**

<b>Launch Date</b>	01 June 2022	<b>Domicile</b>	Malaysia
<b>Currency</b>	Ringgit Malaysia	<b>Launch Price</b>	RM1.0000
<b>Units in Circulation</b>	57.10 million units (30 September 2024)	<b>Fund Size</b>	RM87.17 million (30 September 2024)
<b>Unit NAV</b>	RM1.5267 (30 September 2024)	<b>Target Fund</b>	Principal Global Technology Fund - Class MYR - Hedged
<b>Fund Manager</b>	Principal Asset Management Bhd	<b>Taxation</b>	8% of annual investment income
<b>Performance Benchmark</b>	MSCI World Information Technology Index	<b>Frequency and Basis of Unit Valuation</b>	The unit price is determined daily based on value of the holdings in the target fund, net of expenses, divided by the total number of units in that fund
<b>Target Market</b>	Suitable for investors: <ul style="list-style-type: none"> <li>Are sophisticated investors</li> <li>Have a long term investment horizon</li> <li>Seek capital appreciation from investment in predominantly equity securities</li> <li>Want exposure to the technology sector</li> </ul>	<b>Fund Management Charge</b>	<ul style="list-style-type: none"> <li>Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Global Technology Fund</li> <li>Up to 1.8% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Bhd</li> </ul>

**ASSET ALLOCATION OF THE TARGET FUND**

<b>Master fund</b>	<b>Liquid assets</b>
Minimum of 95% of Net Asset Value (NAV)	Maximum of 5% of NAV

# Sun Life Malaysia Global Technology Fund

September 2024



SECTOR ALLOCATION OF THE TARGET FUND	
Semiconductors	27.73%
Systems Software	17.17%
Application Software	15.50%
Others	10.70%
Technology Hardware, Storage & Peripherals	7.05%
Semiconductor Materials & Equipment	6.45%
Broadline Retail	5.45%
Internet Services & Infrastructure	5.21%
Interactive Media & Services	3.22%
Cash	1.52%
<b>Total</b>	<b>100.00%</b>

TOP HOLDINGS OF THE TARGET FUND	
NVIDIA Corporation (United States)	9.16%
Microsoft Corporation (United States)	8.00%
Amazon.Com Inc (United States)	5.45%
Apple Inc (United States)	4.97%
Broadcom Inc (United States)	4.79%
ServiceNow Inc (United States)	2.97%
Taiwan Semiconductor Manufacturing (Taiwan)	2.86%
Oracle Corp (United States)	2.81%
Synopsys Inc (United States)	2.79%
Advanced Micro Devices Inc (United States)	2.75%
<b>Total</b>	<b>46.55%</b>

## PERFORMANCE RECORD

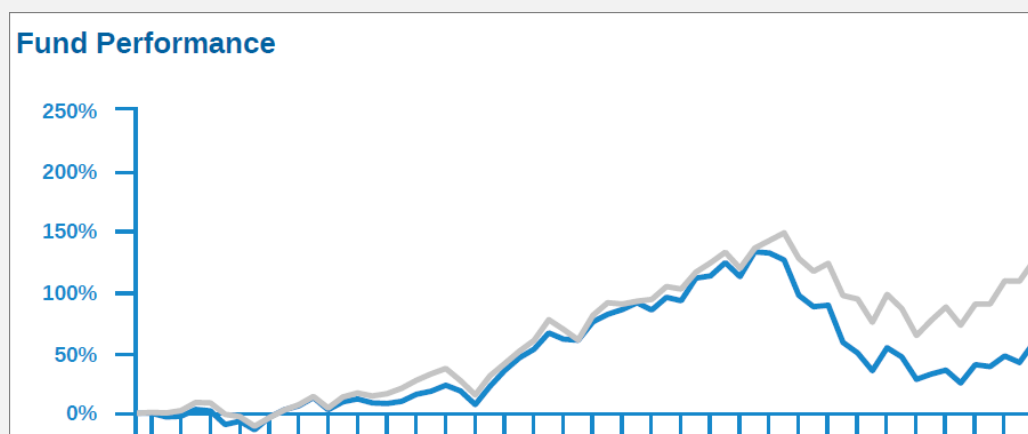
The fund feeds into Principal Global Technology Fund - Class MYR - Hedged ("target fund") with the aim of providing capital appreciation through investments in one collective investment scheme, which invests primarily in a diversified portfolio of technology related companies.

Table below shows the investment returns of Sun Life Malaysia Global Technology Fund versus its benchmark as at 30 September 2024:

%	YTD	1M	3M	6M	1-Year	3-Years	Since Inception
<b>Fund*</b>	14.80	1.96	-0.65	3.51	31.28	N/A	52.67
<b>Benchmark</b>	27.19	2.20	1.57	13.20	49.56	N/A	92.76

\* Calculation of past performance is based on NAV-to-NAV

Graph below shows the historical performance of the underlying collective investment schemes (CIS) for calendar year returns:



Source: Lipper

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## FUND MANAGER'S COMMENTS

The Fund rose 1.96% during the month, underperformed the benchmark by 0.24%

Global equities ended the third quarter of 2024 (3Q24) collectively higher as they recovered from bouts of heightened volatility, including a market selloff in early August following an interest-rate hike by the Bank of Japan, as well as the release of a weaker-than-expected employment report in the United States, which led to recession fears. However, stock markets rebounded as resilient economic reports and a continued disinflation trend in the United States reignited hopes for an economic soft landing. Interest-rate cuts by the US Federal Reserve (Fed), the European Central Bank, the People's Bank of China and other central banks further bolstered equities worldwide. Information technology (IT) ended the quarter ranked tenth out of 11 global equity sectors, yet it was still the top year-to-date performer given the magnitude of the IT rally that dominated the first half of 2024. Generally strong 2Q24 earnings reports bolstered investor confidence in IT and tech-adjacent companies at times, as did continued artificial intelligence (AI) innovation and product rollouts. IT companies were generally signalling resilient growth potential at a time when US interest rates began to descend from multiyear peak levels.

Despite a volatile third quarter, IT sector fundamentals remain fairly stable relative to recent quarters. We continue to believe the sector can outpace the broader market on earnings growth this year and next, driven by strong secular tailwinds including GenAI. We also remain optimistic about the potential for an economic soft landing, which, alongside the Fed's interest-rate-cutting cycle, has the potential to support increased corporate investment in technology. Additionally, we believe more certainty around the macro path should encourage greater breadth in the IT sector, allowing the valuation disparity between mega-cap stocks and the rest of the sector to begin to normalise.

We recommend that you read and understand the contents of the Principal Global Technology Fund Information Memorandum No.2 dated 31 December 2019, which have been deposited with Securities Commission Malaysia before investing and that you keep the said Information Memorandum for your record. Any issue of units to which the Information Memorandum relates will only be made upon receipt of the completed application form referred to in and accompanying the Information Memorandum, subject to the terms and conditions therein. The principal risks are returns not guaranteed, market risk, inflation risk, and loan financing risk. The specific risks of the Fund are Fund manager risk, country risk and currency risk. You can obtain a copy of the Information Memorandum from the head office of Principal Asset Management Berhad or from any of our approved distributors. We suggest that you consider these fees and charges carefully prior to making an investment. Unit prices and income distributions, if any, may fall or rise. Past performance is not reflective of future performance and income distributions are not guaranteed. Product Highlight Sheet ("PHS") is available and that investors have the right to request for a PHS; and the PHS and any other product disclosure document should be read and understood before making any investment decision. There are fees and charges involved in investing in the funds. We suggest that you consider these fees and charges carefully prior to making an investment. Unit prices and income distributions, if any, may fall or rise. Past performance is not reflective of future performance and income distributions are not guaranteed. You are also advised to read and understand the contents of the Financing for Investment in Unit Trust Risk Disclosure Statement/Unit Trust Loan Financing Risk Disclosure Statement before deciding to borrow to purchase units. All

**RISKS**

All investment carries some form of risks. The potential key risks include but are not limited to the following:

<b>Returns not guaranteed</b>	The investment of the target fund is subject to market fluctuations and its inherent risk. There is NO GUARANTEE on the investment returns, nor any assurance that the target fund's investment objective will be achieved.
<b>Market risk</b>	The value of an investment will decrease or increase due to changes in market factors i.e. economic, political or other events that impact large portions of the market. Market risk cannot be eliminated, hence the target fund's investment portfolio may be prone to changing market conditions that may result in uncertainties and fluctuations in the value of the underlying of the target fund's investment portfolio, causing the NAV or prices of units to fluctuate.
<b>Inflation risk</b>	This is the risk of your investment in the target fund not growing or generating income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the nominal value of the investment in monetary terms has increased.
<b>Currency risk</b>	Currency risk is applicable to class(es) (e.g. Class MYR) which is in a different currency than the base currency of the Fund (i.e. USD). The impact of the exchange rate movement between the base currency of the fund and the currency denomination of the respective classes may result in a depreciation of the value of your holdings as expressed in the base currency. As for the hedged class, the class itself provides mitigation to the currency risk arising from the difference between the currency denomination of the class and the base currency. While Principal aims to fully hedge the currency risk for a hedged class, you should note that it may not entirely eliminate currency risk. In addition, as a result of hedging, a hedged class will not be able to enjoy the full benefits of the currency movement in the event of a favourable movement of the currency denomination of the hedged class against the base currency of the fund. You should also note that hedging incurs costs which will impact the NAV of a hedged Class.
<b>Manager's risk</b>	Since the target fund invests into a collective investment scheme (CIS) managed by another manager, the master fund's manager has absolute discretion over the target fund's investment technique and knowledge, operational controls and management. In the event of mismanagement of the master fund, the NAV of the target fund, which invests into the master fund would be affected negatively.
<b>Country risk</b>	As the target fund invests in the master fund which is domiciled in Luxembourg, the target fund's investments in the master fund may be affected by risks specific to Luxembourg. Changes to laws and regulations of Luxembourg may have an adverse impact on the master fund, and consequently the target fund.

## RISKS (CONTINUED)

All investment carries some form of risks. The potential key risks include but are not limited to the following:

### **Biotechnology, Communication and Technology Sectors risk**

Investment in the biotechnology, communication and technology sectors may present a greater risk and a higher volatility than investment in a broader range of securities covering different economic sectors. In addition, these sectors may be subject to greater government regulation than other sectors and, as a result, changes to such government regulation may have a material adverse effect on these sectors. Such investments may therefore drop sharply in value in response to market, regulatory or research setbacks in addition to possible adverse effects from the competition of new market entrants, patent considerations and product obsolescence. Particularly within technology, short product cycles and diminishing profit margins are additional factors to consider when investing.

**Source :** *Principal Asset Management Bhd*

**Date :** *30 September 2024*

### **Disclaimer:**

This is strictly the performance of the investment fund, and not the returns earned on the actual premiums paid of the investment-linked product. Past performance of the fund is not an indication of its future performance. 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. Sun Life Malaysia may suspend the unit pricing and defer the payment of benefits, other than death and total and permanent disability benefits, subscription or redemption of units, switching of funds, under this contract for a reasonable period in exceptional circumstances, such as and including intervening events resulting in temporary closure of any stock exchange.