

FUND OBJECTIVE

To achieve capital growth by investing in a portfolio of Shariah-compliant collective investment schemes that invests primarily in Shariah-compliant equities.

FUND DETAILS

Launch Date	1 December 2017	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	1.43 million units (31 October 2019)	Fund Size	RM1.35 million (31 October 2019)
Unit NAV	RM0.9395 (31 October 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	Principal Islamic Aggressive Wholesale Fund-of Funds
Benchmark	MSCI AC Asia ex Japan Islamic Index	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> ▪ Have a long-term investment horizon ▪ Have a high risk profile and seek for potentially higher but more volatile investment return ▪ Want a portfolio of investments that adhere to Shariah principles 	Fees	<ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Strategic Aggressive Fund. ▪ Up to 1.8% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Berhad.

ASSET ALLOCATION OF THE TARGET FUND

Mutual Funds	Cash
94.39%	5.61%

SECTOR ALLOCATION OF THE TARGET FUND

Mutual Funds	94.39%
Cash	5.61%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

CIMB Islamic Asia Pac Equity Fund	38.42%
CIMB Islamic Equity Aggressive Fund	28.49%
CIMB Islamic DALI Equity Fund	27.48%
Total	94.39%

PERFORMANCE RECORD

This fund feeds into Principal Islamic Aggressive Wholesale Fund-of-Funds (“target fund”) with the objective to achieve capital growth by investing in a portfolio of Shariah-compliant collective investment schemes that invest primarily in Shariah-compliant equities.

Table below shows the investment returns of Sun Life Malaysia Islamic Strategic Aggressive Fund versus its benchmark as at 31 October 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	9.05	2.12	1.34	1.03	5.48	N/A	-6.05
Benchmark	11.76	4.23	4.70	-1.70	10.16	N/A	-6.09

* 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

During the month, the Fund rose by 2.12%, underperforming the Benchmark by 2.11%. Year-to-date, the Fund rose by 9.05%, underperforming the Benchmark by 2.71%.

The MSCI AC Islamic Asia ex Japan Index rose in October with US and China verbally agreeing to a Phase 1 deal, which is expected to be drafted and signed in November-December. Taiwan and China were the best performing markets followed by India after its recently announced fiscal stimulus. Global economic growth including Asia appears to have stabilized with Global Services Purchasing Managers' Index (PMI) still on expansion despite the contraction in the Global Manufacturing PMI. Based on our latest estimates, KLCI earnings growth will rebound by 3.7% in 2020 vs a 6.7% contraction in 2019. Despite an unexciting growth prospect, we believe much of the earnings downside risk has been factored in. In fact, we believe there may even be potential earnings upside risk from the financial and plantation sectors.

With our increasingly positive view on Asian equities, we favour stocks in the areas of Technology and economic sensitives in selected countries including China and India where we see the chances for an economic recovery to be higher. While we are maintaining a NEUTRAL stance on Malaysia, we are turning constructively more positive going into 2020. In view of that, we will be taking a tactical 5% more exposure into high growth mid-small caps companies going into 1Q2020, whilst at the same time maintaining the core long term strategy in investing into high dividend yields particularly in REITS, Islamic Bank, consumer and utilities. We also like to accumulate selective growth stocks on weakness within the construction, oil and gas, and technology sectors. We will remain cautious on highly regulated sectors such as aviation and pharmaceutical but are more positive of the utilities (energy and water) sector given the clearly articulated reform agenda which are generally beneficial to the incumbents.

Source : Principal Asset Management Bhd

Date : 31 October 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.