

FUND OBJECTIVE

To achieve capital stability by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

FUND DETAILS

Launch Date	1 December 2017	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	9,002 units (31 October 2018)	Fund Size	RM8,999 (31 October 2018)
Unit NAV	RM0.9997 (31 October 2018)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd	Target Fund	CIMB Islamic Conservative Wholesale Fund-of-Funds
Benchmark	Quantshop GII Medium Index	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a long-term investment horizon Have a low risk profile and seek for a potentially less volatile investment return Want a minimal exposure to Shariah-compliant equities investment 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 Conservative Fund. Up to 1.2% of per annum fund management charge is applied on the target fund's NAV by CIMB-Principal Asset Management Berhad.

ASSET ALLOCATION OF THE TARGET FUND

Common Stock	Cash
93.99%	6.01%

SECTOR ALLOCATION OF THE TARGET FUND

Mutual Funds	81.75%
Equities (Foreign)	12.24%
Cash	6.01%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

CIMB Islamic Sukuk Fund	51.58%
CIMB Islamic Enhanced Sukuk Fund	30.18%
CIMB Islamic DALI Equity	12.24%
Total	94.00%

PERFORMANCE RECORD

This fund feeds into CIMB Islamic Conservative Wholesale Fund-of-Funds (“target fund”) with the objective to achieve capital stability by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

Table below shows the investment returns of Sun Life Malaysia Islamic Strategic Conservative Fund versus its benchmark as at 31 October 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-0.03	-0.95	-0.42	-0.29	N/A	N/A	-0.03
Benchmark	3.12	0.15	0.84	2.15	N/A	N/A	3.56

* 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

For the month of Oct, the Fund is down by 0.95% and underperforming the Benchmark by 1.10%. YTD basis, the Fund is down by 0.03% and underperforming the Benchmark by 3.15%.

October saw foreign investors sold RM1.5bil versus net buy of RM0.1bil in the previous month. Total outflow for 10M2018 amounted to RM10.0bil vs. net inflow of RM10.8b in 2017. At 1,709 pts, KLCI is trading at 16.5x Price to Earnings Ratio, which is fair as compared to its historical average. Consensus is looking at 3% earnings growth for 2018 and 6% for 2019 and we are off the view that with the lower GDP projection of below 5% by the Government for 2018 and 2019, consensus’s corporate earnings growth outlook for 2018 and 2019 will be put to the test.

During the month, the Government Investment Issues (“GII”) yield curve steepened where a larger than expected 10-year GII re-opening drove up the belly of the curve by 11bps. Credit spreads continued to tighten in October by 1-12 bps across the entire credit curve, brushing off the impact of steeper sovereign yield curve.

Overall, we remain focus on corporate segment for a more stable and higher yield pick up to anchor the Fund. For equities, We continue to reiterate our short-term cautious stance on the domestic market for rest of 2018 and 1Q2019. We deemed the recent Budget as progressive for the future but having Neutral impact to the market in the short-term. Targeted spending on B40 Group and tax refunds will be positive for consumer sectors while higher fiscal deficits will put the government with limited safety net in the event of global meltdown.

Source : CIMB-Principal Asset Management Bhd

Date : 31 October 2018

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.