

FUND OBJECTIVE

Aims to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonise with Islamic philosophy and laws.

FUND DETAILS

Launch Date	01 December 2009	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	13.46 million units (29 May 2020)	Fund Size	RM21.26 million (29 May 2020)
Unit NAV	RM1.5789 (29 May 2020)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Aiman Growth Fund
Benchmark	FBM Emas Shariah Index (FBMS)	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a medium to long term investment horizon Are risk tolerant Seek higher returns on the investment that comply with Shariah requirements 	Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Equity Fund. Up to 1.5% per annum fund management charge is applied on the Target Fund's NAV by Affin Hwang Asset Management Berhad.

ASSET ALLOCATION OF THE TARGET FUND

Equity	Cash
Min 70%; Max 100%	Max 30%

SECTOR ALLOCATION OF THE TARGET FUND

Financials	25.10%
Industrials	16.20%
Health Care	13.80%
Oil & Gas	5.20%
Telecommunications	5.20%
Basic Materials	4.80%
Utilities	4.50%
Consumer Goods	3.60%
Technology	1.40%
Consumer Services	0.80%
Cash & Cash Equivalents	19.40%
Total	100.0%

TOP HOLDINGS OF THE TARGET FUND

Supermax Corp Bhd	7.20%
Top Glove Corp Bhd	6.50%
Axis Real Estate Invst Trust	5.10%
Tenaga Nasional Bhd	4.50%
TIME dotCom Berhad	3.10%
Scientex Bhd	3.00%
KLCCP Stapled Group Stapled Security	2.90%
TradePlus Shariah Gold Tracker	2.80%
Dialog Group Bhd	2.70%
UOA Development Bhd	2.40%
Total	40.20%

PERFORMANCE RECORD

This fund feeds into Affin Hwang Aiiman Growth Fund ("target fund") with the objective to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonize with Islamic philosophy and laws.

Table below shows the investment returns of Sun Life Malaysia Islamic Equity Fund versus its benchmark as at 29 May 2020:

%	YTD	1M	1-Year	3-Year	5-Year	10-Year	Since Inception
Fund*	1.73	11.61	2.63	0.34	10.92	58.88	57.89
Benchmark	0.65	10.42	1.95	-6.08	-4.38	40.79	42.77

* 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

- In Asia, the broader MSCI Asia ex-Japan index closed 1.4% lower, whilst the Hong Kong Hang Seng index fell 6.8% in May amidst protests in Hong Kong and increased tensions between the US and China.
- The KLCI rose 4.7% in May buoyed by positive sentiment and surge in momentum. Retail investors have piled into the local stock market as trading volumes reach new highs.
- Malaysia's economic growth slowed to 0.7% in the 1Q2020, its slowest pace of growth since 2009. Most sectors of the economy contracted except for private consumption, likely supported by additional spending during the Chinese New Year festivities.
- The government announced further stimulus; an extra MYR 6.12bil to original package of MYR 260bil. This comprised MYR 5bil for BNM's Special Relief Facility for SMEs, one off cash handouts to lower income groups, and an Employee Retention programme - No major budget deficit impact as only MYR 1.12bil is direct fiscal injection (0.075% of GDP).
- Moving into the 2Q2020, economic growth will likely come off more sharply as the quarter captures the full impact of the movement control order ("MCO") period where most businesses were temporarily shuttered.
- **STRATEGY:** Throughout the month, the fund increased its invested levels to 80%. The fund remains positioned with value companies and quality large-cap Shariah-compliant stocks in the domestic market.
- Over the month, the fund increased exposure in Construction and Building Material sectors whereas exposure of selective Oil & Gas and Tech names were reduced. Defensive holdings such as REITs and Financials were down to 30%, as the fund increased Healthcare's exposure due to price appreciation.
- The fund continues to adopt a barbell investment approach, with cash weightings between 20%-30%. The fund remains cautious as we expect the risks of a market correction to increase particularly after the strong rebound after March 2020 lows.

Source : Affin Hwang Asset Management Berhad

Date : 29 May 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.