

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	32.51 million units (29 February 2024)	Fund Size	RM84.24 million (29 February 2024)
Unit NAV	RM2.5911 (29 February 2024)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	Principal Global Titans Fund- Class MYR
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	Equities (Foreign)	Cash
85.80%	10.95%	3.25%

SECTOR ALLOCATION OF THE TARGET FUND

Mutual Fund	85.80%
Information Technology	4.78%
Industrials	1.86%
Consumer Discretionary	1.74%
Consumer Staples	1.33%
Materials	1.24%
Cash	3.25%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

SPDR S&P 500 ETF (United States)	32.51%
iShares Core MSCI Europe ETF (United Kingdom)	19.66%
NEXT FUNDS TOPIX ETF (Japan)	11.19%
FTGF ClearBridge US Large Cap Growth (Ireland)	6.16%
JPMorgan Funds - US Growth Fund (Luxembourg)	5.41%
JP Morgan Europe REI ESG UCITS (United Kingdom)	3.54%
JP Morgan Europe Strategic Growth C(acc) - EUR (Luxembourg)	3.52%
NEXT FUNDS TOPIX Banks ETF (Japan)	2.21%
Fast Retailing Co Ltd (Japan)	1.74%
Synopsys Inc (United States)	1.52%
Total	87.46%

PERFORMANCE RECORD

This fund feeds into Principal Global Titans Fund - Class MYR ("target fund") with the objective to achieve 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 Malaysian equities market to balance any short term volatilities.

Table below shows the investment returns of Sun Life Malaysia Global Titans Fund versus its benchmark as at 29 February 2024:

%	YTD	1M	6M	1-Year	3-Years	5-Years	Since Inception
Fund*	8.40	4.11	12.46	24.50	34.69	69.77	159.11
Benchmark	7.44	3.41	12.58	26.26	43.26	81.64	181.56

* 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

The Fund increased by 4.11% in February, outperforming the benchmark by 70 bps. YTD, the Fund is up 8.40%, outperforming the benchmark by 96%.

Developed market equities continued to perform well with S&P 500, MSCI Europe and MSCI Japan increased by 5.3%, 2.0% and 5.5% respectively, in local currency terms. Resilient economic data and stronger than expected inflation numbers reduced market's expectations to 3-4 interest cuts by the Fed in 2024. The 10-year Treasury yield increased to 4.3% before moderating to 4.14% at the time of writing. The U.S. Dollar appreciated slightly by 0.4%, the Euro appreciated slightly by 0.4% and Japanese Yen depreciated by 1.7%.

The January US inflation came in higher than expected, with core inflation increasing 0.4% MoM and 3.9% YoY. However, there are some cooling signs of US labor market with slightly higher initial jobless claims and continuing jobless claims. The ISM Manufacturing Employment Index declined to 45.9 whereas the Services Employment Index also indicated a cooling print. The S&P Manufacturing PMI points to expansion in US whereas Europe and Japan is in the contraction zone. Services PMIs remain resilient across developed markets. Japan's core inflation came in higher than expected. Japan's labor market remains robust with low unemployment rate. Forward 12-month corporate earnings have been revised up for US and Japan but revised down for Europe.

Position: Overweight US, funded by Underweight in Europe. With inflation gradually rolling over, central banks including the Fed have hinted at peak interest rates and potential cuts in 2024. Meanwhile, economic activity remained robust with strong consumption and resilient jobs market. Our overweight position in US is mainly driven by the higher exposure to semiconductor related tech names. Strong earnings and secular tailwinds of increasing AI adoption may continue to support mega tech names and their valuations could remain high if interest rates don't surge sharply. Maintain Overweight Japan. Despite Japan experiencing some economic slowdown, there are increasing signs that inflation and wage increases maybe sustainable in 2024. Sustainable nominal wage growth is expected to lift household real income and support a virtuous cycle between wage and price increases. This may lead to the BOJ exiting its Negative Interest Rate Policy, although the shift is anticipated to be gradual to prevent market disruption. Despite short-term volatility in currency markets, Japan remains attractive with corporate governance reforms and a virtuous cycle between wage and price increases as the key drivers.

RISKS

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

Market risk	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the target fund's NAV.
Stock specific risk	Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the target fund's NAV.
Country risk	Investments of the target fund in any country may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the target fund invests. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the target fund in those affected countries. This in turn may cause the NAV of the target fund or prices of units to fall.
Currency risk	As the investments of the target fund may be denominated in currencies other than base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the target fund and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.
Fund manager's risk	Since the target fund invests into collective investment scheme managed by another manager, the fund manager has absolute discretion over the fund's investment technique and knowledge, operational controls and management. In the event of mismanagement of the fund and/or the management company, the NAV of the target fund, which invests into the fund would be affected negatively. Although the probability of such occurrence is minute, should the situation arise, Principal (S) will seek for an alternative collective investment scheme that is consistent with the objective of the target fund.

RISKS (CONTINUED)

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

Credit and default risk

Investments of the target fund may involve a certain degree of credit and default risk. Generally, credit and default risk is the risk of loss due to the counterparty's and/or issuer's non-payment or untimely payment of the investment amount as well as the returns on investment. Principal (S) aims to mitigate this risk by performing fundamental credit research and analysis to determine the creditworthiness of its counterparty and/or issuer.

Source : *Principal Asset Management Bhd*
Date : *29 February 2024*

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. 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.