

FUND OBJECTIVE

An income and absolute return focused fund that aims to provide regular income stream through investment in sukuk and Shariah-compliant equities.

FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	3.384 million units (31 January 2019)	Fund Size	RM3.806 million (31 January 2019)
Unit NAV	RM1.1248 (31 January 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang AIIMAN Select Income Fund
Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index performance (FBMSHA)	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> ▪ Have a moderate risk appetite ▪ Expect incidental growth in capital ▪ Want an investment that complies with Shariah requirements 	Fees	<ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia AIIMAN Select Income Fund. ▪ 1.2% pa fund management charge is applied on the target fund's NAV by Affin Hwang.

ASSET ALLOCATION OF THE TARGET FUND

Sukuk & Islamic Money Market Instruments	Shariah-compliant Equities	Cash & Others
Min 60%; Max 100%	Min 0%; Max 40%	Remaining Balance

SECTOR ALLOCATION OF THE TARGET FUND

Sukuk	67.8%
Financials	7.9%
Industrials	4.4%
Utilities	3.1%
Technology	2.4%
Consumer Goods	2.1%
Telecommunications	1.5%
Basic Materials	1.0%
Others	1.0%
Cash and Cash Equivalent	8.8%
Total	100%

TOP HOLDINGS OF THE TARGET FUND (SUKUK)

Bonds Issuer	Coupon	Maturity Date	%
MEX II Sdn Bhd	5.90%	27.04.29	5.9
Lebuhraya DUKE Fasa 3 Sdn Bhd	5.95%	23.08.34	5.8
Konsortium Lebu Raya UT KL SB	4.75%	01.12.28	4.8
Tanjung Bin Energy Issuer Bhd	5.30%	16.03.23	4.2
Westports Malaysia Sdn Bhd	4.53%	01.04.27	4.1

TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

CK Infrastructure Holdings Ltd	1.6%
Telekomunikasi Indonesia	1.5%
KLCCP Stapled Group	1.5%
Scientex Bhd	1.2%
UOA Development Bhd	1.2%

PERFORMANCE RECORD

This fund feeds into Affin Hwang AiMAN Select Income Fund ("target fund") with the objective to provide investors with regular income stream through Shariah-compliant investments. The target fund will invest in a diversified portfolio of Sukuks, Shariah-compliant equities and Islamic money market instruments.

Table below shows the investment returns of Sun Life Malaysia AiMAN Select Income Fund versus its benchmark as at 31 January 2019.

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	0.90	0.90	1.40	1.00	-0.80	14.20	12.5%
Benchmark	0.35	0.35	0.10	-1.77	-2.37	5.71	7.30%

***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

- US Federal Reserve maintained its dovish stance after holding interest rate steady at 2.25% - 2.50% at the FOMC meeting held in January and said that it would be patient in lifting borrowing costs amid rising uncertainty about the US economic outlook.
- The 10-year GII, supported by better buying interests, rallied by 15 bps to end the month at a yield of 4.09%.
- As at 31 January 2019, domestic stock markets saw a divergence in performance across market capitalization with the FBM EMAS Shariah Index and FBM Small Cap Shariah Index closing at 0.5% and 7.4% higher on a year-to-date basis respectively.
- Ringgit continued to strengthen against US Dollar in January and ended the month at RM4.09 per US Dollar, though lagging behind some of its regional peers.
- **STRATEGY:** With growth still holding up and with inflation still benign, we expect BNM to keep rates unchanged, with a probability of a 25bps cut towards the early parts of 2H2019 particularly if external headwinds persist or worsen.
- Shortage in sukuk issuances to fund large infrastructure projects combined with generally low corporate sukuk issuance may continue to provide support to local bonds.
- Valuations in the credit market has been less attractive compared to government sukus as credit spreads remain relatively tight.
- The fund continues to be highly invested with a moderate portfolio duration, with an emphasis on primary issuances and government sukus for the fixed income portion.
- Equity exposure of the fund is poised to remain between 20% and 25% and may gradually increase on a selective basis while keeping a moderate level of cash.

Source : Affin Hwang Asset Management Berhad

Date : 31 January 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.