

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	224,080 Units (31 March 2017)
Fund Size	RM 240,664 (31 March 2017)
Unit NAV	RM1.0740 (31 March 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Affin Hwang Asset Management Berhad
Target Fund	Affin Hwang AIIAMAN Select Income Fund
Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index performance (FBMSHA)
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 AIIAMAN Select Income Fund. 1.2% pa fund management charge is applied on the target fund's NAV by Affin Hwang.
Taxation	<ul style="list-style-type: none"> 8% of annual investment income

ASSET ALLOCATION

Sukuk & Islamic money market instruments	Min - 60% Max - 100%
Shariah-compliant equity	Max - 40%
Cash & others	Remaining balance

WHERE THE FUND INVESTS

Sukuk	62.5%	Consumer Goods	2.5%
Industrials	11.8%	Others	2.4%
Financials	6.0%	Basic Materials	1.8%
Technology	5.6%	Cash & C.E.	4.5%
Telecommunications	3.0%	Total	100.0%

TOP HOLDINGS OF THE TARGET FUND

Sukuk Issuer	Coupon	Maturity Date	%
MEX II Sdn Bhd	5.90%	27.04.29	11.8%
Plus Bhd	4.64%	10.01.25	6.8%
Lebuhraya DUKE Fasa 3	5.95%	23.08.34	4.8%
UEM Sunrise Bhd	4.25%	21.12.17	4.4%
GULF Investment Corp	5.10%	20.06.22	4.4%
Equities			%
Scientex Bhd			2.0%
Inari Amertron Bhd			1.9%
Telekomunikasi Indonesia			1.7%
Sime Darby Bhd			1.5%
Axis Real Estate Invt Trust			1.3%

PERFORMANCE RECORD

This fund feeds into Affin Hwang AIIAMAN 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 AIIAMAN Select Income Fund versus its benchmark as at 31 March 2017:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	2.8	1.0	2.8	2.5	7.0	n/a	7.4
Benchmark	2.6	1.2	2.6	2.5	3.5	n/a	5.9

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

- Global financial markets continued its upward trend in March as economic data boosted market sentiment.
- Regional markets bounced back strongly as fund flow trends reversed on the back of a stalling USD strength.
- The domestic market saw a total of MYR4.3 billion of foreign flows back into the market in March.
- Indonesia's stock exchange also bounced back, supported by better sentiment. After 6 consecutive months of outflows, foreigners added USD759 million back into the market.
- The broader regional market rose 3.1% in local currency terms over the month of March, outperforming its developed market peers.
- BNM maintained its OPR at 3.0%, while international reserves remained resilient at USD94.9 billion.
- Trade volumes for domestic bonds trended higher on the back of improved sentiment, and a stabilising Ringgit.
- Primary market issuances were robust in the 1st quarter - totalling MYR27.6 billion.
- The Fund recorded a gain of 1.0% in the month of March, while its benchmark index rose 1.2% over the same period.
- STRATEGY:** The improving market sentiment, and reversal of foreign flows back into the market is expected to remain supportive for the KLCI, as well as regional equity markets.
- The Manager is holding an optimistic view on the property sector, expecting sales volumes to have bottomed-out.
- Similarly, the Manager will also be looking out for opportunities to participate in the restructuring theme, well as within the infrastructure sector.
- Focus will remain tilted into the larger cap names - which is also where foreign interest lies.
- On the fixed income front, we expect markets to remain relatively stable from here on, with yields remaining relatively resilient.
- We also do not anticipate BNM to shift rates in the interim.
- We will continue to look out for attractive primary issuances to participate in.

Source: Affin Hwang Asset Management Berhad

Disclaimer:

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