

FUND OBJECTIVE

A total return fund that seeks to capture the high growth of developing companies within the Asia (ex-Japan) region.

FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	13.07 million units (29 May 2020)	Fund Size	RM16.67 million (29 May 2020)
Unit NAV	RM1.2758 (29 May 2020)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Select Asia (ex Japan) Quantum Fund
Benchmark	MSCI AC Asia (ex-Japan) Small Cap Index	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 tolerance Are seeking higher returns for their investments compared to the performance benchmark 	Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Select Asia (ex Japan) Quantum Fund Up to 1.5% p.a. fund management charge is applied on the target fund's NAV by Affin Hwang Asset Management Berhad

ASSET ALLOCATION OF THE TARGET FUND

Equities	Cash
Minimum 70%; Max 100%	Remaining Balance

SECTOR ALLOCATION OF THE TARGET FUND

Financials	25.00%
Consumer Goods	20.00%
Technology	18.00%
Health Care	11.80%
Consumer Services	4.70%
Basic Materials	4.10%
Industrials	4.10%
Oil & Gas	0.80%
Cash & Cash Equivalents	11.40%
Total	100.0%

TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

Guan Chong Bhd	8.6%
Universal Vision Biotechnology	6.6%
Pentamaster International Ltd	5.4%
Weimob Inc	5.2%
CMGE Technology Group Ltd	5.1%
A-Living Services Co Ltd	4.6%
Allianz Malaysia Berhad	4.3%
AEM Holdings Ltd	4.0%
Sichuan Languang Justbon Svcs	3.6%
Zhejiang New Century Hotel Mgt	3.1%
Total	51%

PERFORMANCE RECORD

The Fund feeds into Affin Hwang Select Asia (ex Japan) Quantum Fund (“target fund”) with the objective to achieve consistent capital appreciation over medium to long-term by investing mainly in growth companies in Asia (ex Japan) with market capitalization of not more than USD1.5 billion at the time of acquisition, subject to the flexibility of investing up to 30% of the Net Asset Value (NAV) of the Fund in companies in Asia (ex Japan) with market capitalization of not more than USD3.0 billion at the time of acquisition.

Table below shows the investment returns of Sun Life Malaysia Select Asia (ex Japan) Quantum Fund versus its benchmark as at 29 May 2020:

%	YTD	1M	6M	1-Year	3-Year	5-Year	Since Inception
Fund*	3.65	10.96	5.86	11.36	-9.07	17.48	27.58
Benchmark	-9.07	2.89	-7.32	-8.20	-18.11	-14.54	8.52

* 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

- Global equity performance was mixed, with some markets buoyed by economic re-opening and stimulus programs, while investors continue to monitor developments on the resurfaced trade tensions and protests in parts of the world.
- 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).
- **STRATEGY:** The fund gradually deployed some of its cash holdings in May, bringing invested levels to 95%.
- The fund added positions in healthcare manufacturing as global demand for gloves and PPE are still resilient. Meanwhile, the fund has also added positions into consumer related names which will benefit from an opening of the economy. The markets are indicating a V shaped recovery, while economies are only just starting to open up. Risks remain for a second wave and we will be closely monitoring the progress of economies opening up.
- Key transactions in the month included adding some Malaysian automation and testing equipment manufacturer, Chinese shoe manufacturer, HK mall operator, Chinese drug pharma, Singaporean PPE manufacturer, Singaporean glove manufacturer and Chinese payments processor.

Source : *Affin Hwang Asset Management Berhad*
Date : 29 May 2020

Disclaimer:

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