

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	5.96 million Units (31 July 2019)	Fund Size	RM6.96 million (31 July 2019)
Unit NAV	RM1.1665 (31 July 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 (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 Management Berhad.

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	64.5%
Financials	5.9%
Technology	4.6%
Oil & Gas	3.7%
Telecommunications	3.7%
Utilities	3.6%
Industrials	2.6%
Cash & Cash Equivalent	11.4%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND (SUKUK)

Bonds Issuer	Coupon	Maturity Date	%
Lebuhraya DUKE Fasa 3 Sdn Bhd	5.95%	23.08.34	5.9
MEX II Sdn Bhd	5.90%	27.04.29	5.8
Tanjung Bin Energy Issuer Bhd	5.30%	16.03.23	4.1
Westports Malaysia Sdn Bhd	4.53%	01.04.27	4.0
YTL Power International Bhd	5.05%	03.05.27	2.8

TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

Telekomunikasi Indonesia	2.2
Tencent Holdings Ltd	2.0
Tenaga Nasional Bhd	2.0
My EG Services Bhd	1.6
Taiwan Semiconductor Manufac	1.5

PERFORMANCE RECORD

This fund feeds into Affin Hwang AIIAN 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 AIIAN Select Income Fund versus its benchmark as at 31 July 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	4.64	0.18	1.92	3.71	4.69	12.76	16.65
Benchmark	2.77	-0.12	1.04	2.41	0.60	7.24	10.05

* 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 domestic market tracked regional losses with the benchmark KLCI closing 2.2% lower for the month as the US-China trade dispute re-escalates following Trump's abrupt tweet.
- Malaysia's exports in June 2019 saw a year-on-year decline of 3.1% to RM76.2billion, due to lower exports of electrical & electronic ("E&E") products, according to the Department of Statistics.
- Imports contracted at a faster pace of 9.2% to RM65.9billion, resulting in a larger trade surplus of RM10.3billion. Despite a larger trade surplus, the shrinkage in the import figure does reflect underlying weakness in the economy and falling domestic demand.
- On news flow, the East Coast Rail Link ("ECRL") developer is set to issue tenders for civil works projects for the mega railway construction by 4Q2019.
- There may be room for Bank Negara Malaysia ("BNM") to cut rates if macro conditions deteriorate and if the trade war stays protracted becoming a drag on global growth.
- Ending the month, the US Federal Reserve ("Fed") reduced interest rates by 25bps; effectively lowering the benchmark rate to a new range of 2.00-2.25%.
- **STRATEGY:** During the month, the fund's fixed income portion continues to be highly invested with an emphasis on primary issuances and government sukuk. Portfolio duration is now at 6 years.
- Equity exposure was slightly reduced to 20% yet the fund remains invested in dividend-yielding stocks.
- A cautious stance remains as volatility is expected to surface amid the uncertainty arising from the escalating US-China trade talks.

Source : Affin Hwang Asset Management Berhad

Date : 31 July 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.