

FUND OBJECTIVE

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

FUND DETAILS

Launch Date	13 February 2015
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	76.643 million units (30 March 2018)
Fund Size	RM101.888 million (30 March 2018)
Unit NAV	RM1.3294 (30 March 2018)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB-Principal Asia Pacific Dynamic Income Fund
Benchmark	Target return of 8% p.a.
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a medium to long-term investment horizon Want a well-diversified portfolio of Asia Pacific ex Japan region Willing to take moderate risk for potentially moderate capital return over the long-term.
Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Dynamic Income Fund. 1.8% of pa fund management charge is applied on the target fund's NAV by CIMB-Principal.
Taxation	8% of annual investment income

ASSET ALLOCATION

Equities	Min 70%; Max 98%
Fixed Income	Max 15%
Liquid Assets	2%

WHERE THE FUND INVESTS

Finance	36.29%	Health Care	1.45%
Industrials	18.57%	Oil & Gas	3.29%
Consumer	18.47%	Cash	4.89%
Technology	10.13%		
Basic Materials	6.91%	Total	100.0%

TOP HOLDINGS OF THE TARGET FUND

Tecent Hldg Ltd (Hong Kong)	5.47%
Industrial and Commercial Bank (China)	4.24%
AIA Group Ltd (Hong Kong)	3.92%
BHP Billiton Ltd (Australia)	3.59%
Autohome Inc –ADR (United States)	3.51%
Ping An Insurance Group. –H (China)	3.49%
Samsung Electronics Co. Ltd (S. Korea)	3.19%
Hangzhou Hikv (China)	3.05%
Anhui Conch Cement Co. Ltd –A (China)	2.98%
Taiwan Semiconductor Manuf (Taiwan)	2.83%

PERFORMANCE RECORD

This fund feeds into CIMB-Principal Asia Pacific Dynamic Income Fund ("target fund") with the objective to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Dynamic Income Fund versus its benchmark as at 30 March 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-1.49	-2.92	-1.49	4.54	14.21	31.49	32.94
Benchmark	1.94	0.64	1.94	3.92	8.00	25.97	27.60

* 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

In March, the Fund declined by 292bps.

Asian Pacific ex-Japan equities eased -3.57% (US\$) in March with trade tensions and tech weakness pushing global equity markets down. The sell-off was broad-based with underperformance in materials, consumer discretionary and financials while utilities was the only gainer. Asian equities are a BUY: Asian equities are in a consolidation phase after last year's stellar performance and the investment positives are earnings growth of 14% in 2018, reasonable PE of 13x and rising ROE. A weak dollar (DXY is down 2% year-to-date) is also helpful for Asian equities. On trade, our view is that the US is using tariffs as a means of negotiating for intellectual property protection and more market opening measures in China. We are monitoring earnings revisions because the 4Q17 results season was the first where Asia ex-Japan companies posted a small downward revision. Cautious on countries with rising inflation and a weakening current account and fiscal deficit like India and the Philippines.

The Dynamic Income fund is ~96% invested with a portfolio Beta of ~1. We have reduced marginally some exposures that sentiment could be affected in the potential trade war between US and China; however, we remain confident that China remains the cost leader globally and even quality leaders for certain industries, the fundamental of the companies remains intact. We continue to like China basic materials due to environmental control and supply reform; we also like technology leaders e.g. TSMC, Samsung, Hikvision, which are close to monopoly or duopoly in their respective industries, and hard to compete with. We are topping up a bit more in China during sell down.

Source: CIMB-Principal Asset Management Bhd

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.