

FUND OBJECTIVE

To achieve capital stability by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

FUND DETAILS

| | | | |
|----------------------|---|--------------|---|
| Launch Date | 1 December 2017 | Domicile | Malaysia |
| Currency | Ringgit Malaysia | Launch Price | RM1.0000 |
| Units in Circulation | 8,670 units (30 November 2018) | Fund Size | RM8,678 (30 November 2018) |
| Unit NAV | RM1.0010 (30 November 2018) | Dealing | Daily (as per Bursa Malaysia trading day) |
| Fund Manager | CIMB-Principal Asset Management Bhd | Target Fund | CIMB Islamic Conservative Wholesale Fund-of-Funds |
| Benchmark | Quantshop GII Medium Index | Taxation | 8% of annual investment income |
| Risk Profile | <p>Suitable for investors:</p> <ul style="list-style-type: none"> ▪ Have a long-term investment horizon ▪ Have a low risk profile and seek for a potentially less volatile investment return ▪ Want a minimal exposure to Shariah-compliant equities investment ▪ Want a portfolio of investments that adhere to Shariah principles | Fees | <ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Strategic Conservative Fund. ▪ Up to 1.2% of per annum fund management charge is applied on the target fund's NAV by CIMB-Principal Asset Management Berhad. |

ASSET ALLOCATION OF THE TARGET FUND

| | |
|--------------|-------|
| Common Stock | Cash |
| 94.01% | 5.99% |

SECTOR ALLOCATION OF THE TARGET FUND

| | |
|--------------|---------|
| Mutual Funds | 81.75% |
| Equities | 12.26% |
| Cash | 5.99% |
| Total | 100.00% |

TOP HOLDINGS OF THE TARGET FUND

| | |
|----------------------------------|--------|
| CIMB Islamic Sukuk Fund | 51.64% |
| CIMB Islamic Enhanced Sukuk Fund | 30.11% |
| CIMB Islamic DALI Equity | 12.26% |
| Total | 94.01% |

PERFORMANCE RECORD

This fund feeds into CIMB Islamic Conservative Wholesale Fund-of-Funds (“target fund”) with the objective to achieve capital stability by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

Table below shows the investment returns of Sun Life Malaysia Islamic Strategic Conservative Fund versus its benchmark as at 30 November 2018:

| % | YTD | 1M | 3M | 6M | 1-Year | 3-Year | Since Inception |
|------------------|-------|-------|--------|--------|--------|--------|-----------------|
| Fund* | 0.10% | 0.13% | -0.70% | -0.16% | N/A | N/A | 0.10% |
| Benchmark | 3.38% | 0.25% | 0.51% | 2.36% | N/A | N/A | 3.82% |

***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

For the month of November, the Fund rose by 0.13% and underperforming the Benchmark by 0.12%. YTD basis, the Fund is up by 0.10% and underperforming the Benchmark by 3.28%.

On Sukuk, the higher fiscal deficit in 2018 may increase the risk of yield curve steepening. On policy rate, we think BNM will likely to maintain OPR unchanged at 3.25% given that there is a structural shift in lower GDP growth potential for the remaining of 11th Malaysia Plan. On credit risk, some cyclical corporate are showing signs of earnings and cash flow weaknesses as a result of challenging business landscape. Coupled with the tight credit spreads and low secondary liquidity, we are very selective in adding credit risks now.

We continue to reiterate our cautious stance on the domestic market for rest of 2018 and 2019. We deemed the trade war truce between US and China following the G20 meeting as a short-term reprieve for the market while additional time is sought to resolve the trade dispute between the two nations over 90 days from 1 Jan. Risk of further escalation cannot be ruled out which will exacerbate the risk to moderating global economic growth amid tightening monetary conditions. Domestically, poor 3Q18 earnings led to more downward revision by the Street for 2018 and 2019 estimates and this will add pressure to the KLCI. On the back of all these uncertainties, we reiterated our capital preservation investment strategy with preference on big cap GLCs and companies with strong fundamentals and solid cash flow and dividends in sectors such as Utilities & Renewable Energy, Consumer Staples and Industrials. We are also positive over the medium term on Exporters as US-China trade conflicts may benefit technology-related and Electronics Manufacturing Services (“EMS”) players in Malaysia.

Source : CIMB-Principal Asset Management Bhd
Date : 30 November 2018

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.