

## FUND OBJECTIVE

To achieve higher returns than the benchmark over the medium to long term while preserving capital and providing opportunity for income.

## FUND DETAILS

|                                       |  |              |  |
|---------------------------------------|--|--------------|--|
| Launch Date                           | 01 December 2009   | Domicile     | Malaysia   |
| Currency                              | Ringgit Malaysia   | Launch Price | RM1.0000   |
| Units in Circulation                  | 6.34 million units<br>(31 October 2019)  | Fund Size    | RM9.30 million<br>(31 October 2019)  |
| Unit NAV                              | RM1.4670<br>(31 October 2019)  | Dealing      | Daily<br>(as per Bursa Malaysia trading day)   |
| Investment Manager of the Target Fund | Opus Asset Management Sdn Bhd  | Target Fund  | Opus Shariah Income Fund   |
| Benchmark                             | Maybank, 12-Month Islamic Fixed Deposit Rate   | Taxation     | 8% of annual investment income   |
| Risk Profile                          | <p>Suitable for investors:</p> <ul style="list-style-type: none"> <li>▪ Have a medium to long term investment time frame</li> <li>▪ Are seeking stability in income through investment in Malaysian Shariah-compliant bonds (sukuk)</li> <li>▪ Are looking for a less volatile investments but can accept lower returns which may fluctuate over the short term</li> </ul> | Fees         | <ul style="list-style-type: none"> <li>▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Bond Fund.</li> <li>▪ Up to 1.0% per annum fund management charge is applied on the Target Fund's NAV by Opus Asset Management Sdn Bhd</li> </ul> |

## ASSET ALLOCATION OF THE TARGET FUND

|   |                            |
|---|----------------------------|
| Sukuk, Islamic Money Market Instruments & Islamic Placement of Deposits | Other Permitted Investment |
| Minimum 70% of NAV  | Maximum 30% of NAV         |

#### SECTOR ALLOCATION OF THE TARGET FUND

|                   |         |
|-------------------|---------|
| Power             | 31.30%  |
| Infrastructure    | 18.69%  |
| Bank              | 15.84%  |
| Finance           | 11.10%  |
| Toll Road         | 11.05%  |
| Health Care       | 3.01%   |
| Property          | 1.48%   |
| Telecommunication | 0.39%   |
| Cash              | 7.16%   |
| Total             | 100.00% |

#### TOP HOLDINGS OF THE TARGET FUND

| Sukuk Issuer         | Coupon | Maturity Date | Rating | %     |
|----------------------|--------|---------------|--------|-------|
| Malakoff Power       | 5.55%  | 17.12.24      | AA-    | 12.7  |
| YTL Pwr              | 5.05%  | 03.05.27      | AA1    | 11.0  |
| AmBank Islamic B3 T2 | 4.88%  | 18.10.28      | AA3    | 8.6   |
| Prasarana (GG)       | 5.11%  | 12.09.42      | NR-GG  | 8.4   |
| Maybank B3 AT1       | 4.08%  | 25.09.24      | AA3    | 7.3   |
| Credit Profile       |        |               |        | %     |
| AA3                  |        |               |        | 46.11 |
| NR-GG                |        |               |        | 21.80 |
| AA1                  |        |               |        | 11.03 |
| AAA                  |        |               |        | 7.99  |
| AA2                  |        |               |        | 3.01  |
| A2                   |        |               |        | 2.91  |
| Cash                 |        |               |        | 7.16  |

#### PERFORMANCE RECORD

This fund feeds into Opus Shariah Income Fund ("Target Fund") with the objective to achieve higher returns than the benchmark over the medium to long term while preserving capital and providing opportunity for income.

Table below shows the investment returns of Sun Life Malaysia Islamic Bond Fund versus its benchmark as at 31 October 2019:

| %                | YTD  | 1M    | 3M   | 6M   | 1-Year | 3-Year | Since Inception |
|------------------|------|-------|------|------|--------|--------|-----------------|
| <b>Fund*</b>     | 7.91 | -0.24 | 1.66 | 5.11 | 8.92   | 16.13  | 46.70           |
| <b>Benchmark</b> | 2.66 | 0.26  | 0.77 | 1.56 | 3.23   | 10.14  | 35.32           |

\* 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

Yields continued to move upward in the month of October, averaging at 15bps higher, as tensions started to ease on both the US-China trade war and Brexit front. However, in the absence of lasting measures, we expect volatility to remain and thus keep yields low for the longer term. We are looking at BNM to cut OPR by 25 bps in the next 6 months. As for the Fed, after the recent rate cut, we still expect further rate cuts going into next year. Besides the US-China trade tension, Brexit uncertainties and increasing Iran tension continues to pose increasing downside risk to global economy. While our duration call remains at 6.0 – 7.0 years, in the short term we may bring it down closer to 6 years, as we take profit on some of our long-dated government and government guaranteed papers.

*Source : Opus Asset Management Berhad*  
*Date : 31 October 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.