

FUND OBJECTIVE

Aims to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

FUND DETAILS

Launch Date	13 February 2015
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	1.695 million units (31 December 2016)
Fund Size	RM 1.766 million (31 December 2016)
Unit NAV	RM1.0420 (31 December 2016)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB Islamic Asia Pacific Equity Fund
Benchmark	Dow Jones Islamic Market Asia Pacific ex Japan Index
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a long-term investment horizon Want a portfolio of investments that adhere to Syariah principles Want a well-diversified portfolio of Asia Pacific ex Japan regional equities Seek capital appreciation over 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	<ul style="list-style-type: none"> 8% of annual investment income

ASSET ALLOCATION

Equities	Minimum 70% - 98%	Liquid Assets	Min 2%
Sukuk & Deposits	Max 30%		

WHERE THE FUND INVESTS

Consumer	28.03%	Finance	4.52%
Oil & Gas	17.97%	Mutual Fund	1.96%
Technology	13.52%	Health Care	1.93%
Telecommunication	9.41%	Utilities	0.97%
Industrials	6.44%	Cash	9.17%
Basic Material	6.08%	Total	100.0%

TOP HOLDINGS OF THE TARGET FUND

Tencent Hldg Ltd (Hong Kong)	9.06%
Alibaba Group Holding Ltd (Cayman Island)	7.24%
CNOOC Ltd (Hong Kong)	4.59%
Reliance Industries Ltd (India)	4.21%
Maruti Suzuki India Ltd (India)	3.41%
China Petroleum & Chemical (China)	3.40%
China Unicom (Hong Kong)	3.04%
Singapore Telecommunications (S'pore)	2.70%
Dabur India Ltd (India)	2.64%
China Shenhua Energy Co. Ltd China)	2.53%

PERFORMANCE RECORD

This fund feeds into CIMB Islamic Asia Pacific Equity Fund ("target fund") with the objective to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Equity Fund versus its benchmark as at 31 December 2016:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
Fund*	0.69	-0.64	-1.61	4.65	0.69	N/A	4.20
Benchmark	7.28	-1.22	-0.57	10.81	7.28	N/A	11.84

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 December 2016, the Fund decreased 0.64%, outperforming the benchmark by 58 basis points. We were overweight in India, Indonesia and Philippines and underweight in Korea and Taiwan. Sector-wise, we were overweight in Oil & Gas and Telecommunications and underweight in Technology and Utilities. Year-to-date, the Fund is up 0.69%, underperforming the benchmark by 659 basis points.

Asian Equities closed the year 2016 up 4.5% in US\$ terms. The best performing sectors were Materials (+27%), Energy (+15%) and Tech (+15%). Almost all other sectors were down (save Financials +3%) which showed how narrow markets were.

We are neutral on Asian equities. In the short term, United States equities could correct somewhat given many of Trump's policies appear to have been priced-in even though they could take time to accomplish. A United States-induced market correction in Asia should be seen as an opportunity to buy. We are not keen on adding aggressively to cyclical given that commodity prices could be capped and range-bound. China is the marginal buyer of most commodities and growth will slow in 2017 as it eases back on deflationary policies particularly in the real estate sector. Finally, the retreat of globalisation could make domestic consumer, infrastructure companies look interesting. By country, we favour China and Indonesia over Thailand and Philippines.

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..