

FUND OBJECTIVE

A total return fund that seeks to capture the high growth of developing companies within the Asia (ex-Japan) region.

FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	13.589 million units (29 March 2019)	Fund Size	RM15.601 million (29 March 2019)
Unit NAV	RM1.1481 (29 March 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Select Asia (ex Japan) Quantum Fund
Benchmark	MSCI AC Asia (ex-Japan) Small Cap Index	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a medium to long term investment horizon Are risk tolerance Are seeking higher returns for their investments compared to the performance benchmark 	Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Select Asia (ex Japan) Quantum Fund Up to 1.5% p.a. fund management charge is applied on the target fund's NAV by Affin Hwang Asset Management Berhad

ASSET ALLOCATION OF THE TARGET FUND

Equities	Cash
Minimum 70%; Max 100%	Remaining Balance

SECTOR ALLOCATION OF THE TARGET FUND

Financials	37.5%
Consumer Goods	15.5%
Basic Materials	11.4%
Consumer Services	6.9%
Technology	6.5%
Oil & Gas	5.8%
Industrials	5.7%
Health Care	2.9%
Cash & Cash Equivalents	7.8%
Total	100.0%

TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

Guan Chong Bhd	6.4%
CapitaLand Retail China Trust	4.1%
Zhejiang New Century Hotel Mgt	3.9%
Aeon Credit Service M Bhd	3.9%
ATA IMS Bhd	3.9%
Allianz Malaysia Berhad	3.6%
SKP Resources Bhd	3.6%
YTL Hospitality REIT	3.5%
JNBY Design Ltd	3.4%
Bank Tabung Negara Tbk PT	3.4%

PERFORMANCE RECORD

The Fund feeds into Affin Hwang Select Asia (ex Japan) Quantum Fund (“target fund”) with the objective to achieve consistent capital appreciation over medium to long-term by investing mainly in growth companies in Asia (ex Japan) with market capitalization of not more than USD1.5 billion at the time of acquisition, subject to the flexibility of investing up to 25% of the Net Asset Value (NAV) of the Fund in companies in Asia (ex Japan) with market capitalization of not more than USD3.0 billion at the time of acquisition.

Table below shows the investment returns of Sun Life Malaysia Select Asia (ex Japan) Quantum Fund versus its benchmark as at 29 March 2019.

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	9.50	0.70	9.50	-0.20	-7.90	9.60	14.80
Benchmark	6.90	2.40	6.90	-2.61	-8.63	15.29	22.70

***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

- Asian equities continued its uptrend in March with gains led by the Indian stocks, buoyed by positive sentiments on its upcoming elections with incumbent government expected to remain in power.
- Investor sentiment were reignited by signs of progress in the latest round of US-China trade negotiations in Beijing –to which US Treasury Secretary Steven Mnuchin described the talks as “constructive” while Chinese state media also reported positive headlines on the meeting.
- Majority of global indices ended 1Q 2019 with high single-digit gain or more despite the quarter showing a fair share of headwinds, notably the yield curve inversion between the 3-month/10-year Treasury pair which stoked markets in March 2019.
- In the March 2019 FOMC meeting, the US Fed delivered a significantly more dovish outcome than what markets were expecting – effectively signalling an end to its rate hiking plans for 2019. The central bank kept interest rates unchanged at 2.25-2.50% – a move that was widely expected – but also scaled back on its initial guidance of 2 rate hikes for the year down to nil; which goes beyond the one-hike forecast that was expected by consensus. This recent development now sees the Fed joining other G3 central banks who won’t be raising rates this year, including ECB and BOJ.
- STRATEGY:** The portfolio will continue to be positioned with value companies, which would benefit from a potential turn in market sentiments.
- The fund continues to provide a broad-based diversification in in sector exposure to investors. Nevertheless, the fund does have a slight tilt towards consumers and basic materials.
- The fund is highly invested for now but is cognizant that valuations have become less attractive and sentiments have moved to neutral territory. The deteriorating macro environment remains the key challenge for markets, but policymakers are reacting. Consensus is increasingly expecting an economic recovery by 2H 2019.

Source : Affin Hwang Asset Management Berhad

Date : 29 March 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.