

## FUND OBJECTIVE

The objective of the Fund is to grow the value of Unit Holders' investments over the medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to the Malaysian equities market to balance any short-term volatilities.

## FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	32.11 million units (28 June 2024)	Fund Size	RM86.68 million (28 June 2024)
Unit NAV	RM2.6995 (28 June 2024)	Target Fund	Principal Global Titans Fund- Class MYR
Fund Manager	Principal Asset Management Bhd	Taxation	8% of annual investment income
Performance Benchmark	42% S&P500 + 36% MSCI Europe + 12% MSCI Japan + 10% CIMB Bank 1-Month Fixed Deposit Rate	Frequency and Basis of Unit Valuation	The unit price is determined daily based on value of the holdings in the target fund, net of expenses, divided by the total number of units in that fund
Target Market	Suitable for investors: <ul style="list-style-type: none"> <li>Have a medium to long term investment horizon</li> <li>Target capital appreciation</li> <li>Do not require regular income</li> <li>Comfortable with higher volatility</li> <li>Willing to take higher risk for potential higher gains</li> </ul>	Fund Management Charge	<ul style="list-style-type: none"> <li>Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Global Titans Fund.</li> <li>Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Bhd</li> </ul>

## ASSET ALLOCATION OF THE TARGET FUND

Collective Investment Schemes	Equities	Cash
Minimum 50% and up to 98% of Net Asset Value (NAV)	Up to 50% of NAV	The remaining balance of funds NAV

## SECTOR ALLOCATION OF THE TARGET FUND

Mutual Fund	88.68%
Information Technology	5.98%
Materials	0.73%
Cash	4.61%
Total	100.00%

## TOP HOLDINGS OF THE TARGET FUND

SPDR S&P 500 ETF (United States)	25.94%
iShares Core MSCI Europe ETF (Europe)	16.87%
NEXT FUNDS TOPIX ETF (Japan)	7.45%
JP Morgan US Growth Fund (United States)	6.97%
JP Morgan Europe REI ESG UCITS (Europe)	6.40%
JP Morgan US REI Equity ESG (United States)	5.79%
JPMorgan Europe Strategic GrowthFund (Europe)	3.85%
FTGF ClearBridge - US Large Cap (United States)	3.52%
Principal GLB - EUR EQ-INS ACC (Europe)	3.13%
NEXT FUNDS TOPIX Banks ETF (Japan)	2.70%
Total	82.62%

## PERFORMANCE RECORD

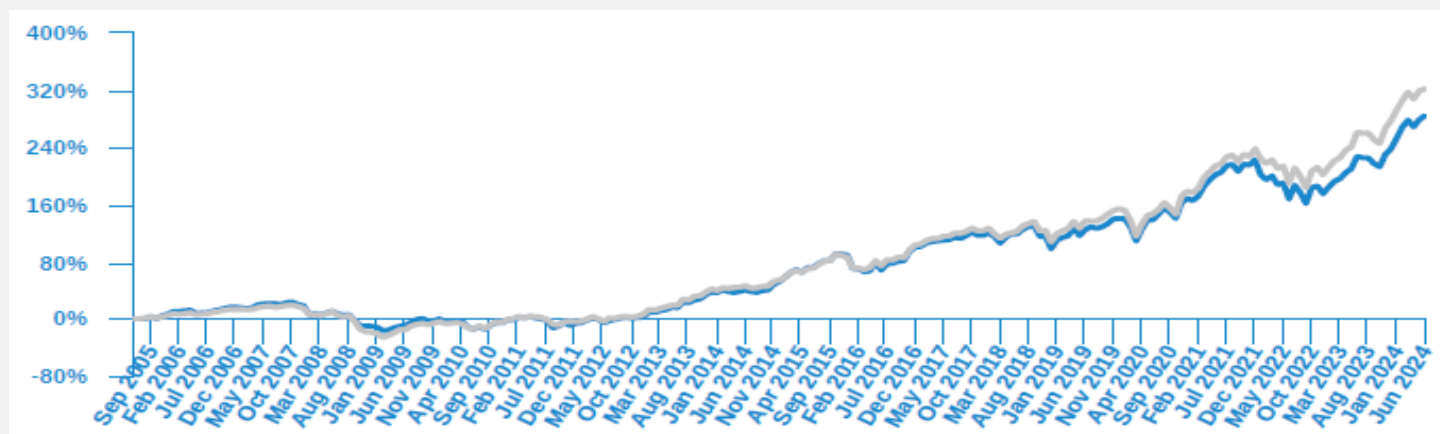
This fund feeds into Principal Global Titans Fund - Class MYR ("target fund") with the objective to achieve medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to Malaysian equities market to balance any short term volatilities.

Table below shows the investment returns of Sun Life Malaysia Global Titans Fund versus its benchmark as at 28 June 2024:

%	YTD	1M	6M	1-Year	3-Years	5-Years	Since Inception
<b>Fund*</b>	12.93	1.40	12.93	16.63	25.92	68.77	169.95
<b>Benchmark</b>	11.89	0.80	11.89	16.95	33.16	78.01	193.21

\* Calculation of past performance is based on NAV-to-NAV

Graph Below shows the historical performance of the underlying collective investment schemes (CIS) for calendar year returns:



Source: Lipper

## FUND MANAGER'S COMMENTS

The Fund increased by 1.40% in June, outperforming the benchmark by 60bps. YTD, the Fund is up 12.93%, outperforming the benchmark by 1.04%.

Developed markets equities continued to advance in June with S&P 500 and MSCI Japan increasing by 3.6% and 1.6% respectively, in local current terms. Continued optimism towards tech contributed to the rally. However, MSCI Europe was lagging with -1% return in EUR after the French snap election announcement triggered concerns on France fiscal deficit and broader implications on the European equity market. The Bank of Japan kept interest rates unchanged in the June monetary policy meeting and kept the same monthly purchase amount of Japanese Government Bonds (JGBs). However, Governor Ueda kept the July meeting a live one mentioning the reduction in JGB purchase will be "sizable" and a possibility of interest rate increase. Nevertheless, the Japanese Yen weakened 2% against the U.S. Dollar as carry trade remains profitable with large interest rate differentials between Japan and US. Euro gained back the loss after the first round of French election result showing the far-right party Rassemblement National falling short of winning an outright majority in French parliament.

Strategy: Maintain a Slight Overweight in US and an Underweight in Europe. Despite incremental positive economic surprises in Europe, both economic and earnings growth expectations fall short of those in the US. Interest rate differentials support a stronger dollar until there are clearer signs that inflation is consistently moderating towards the Fed's 2% target. Maintain Overweight Japan. Despite currency market volatility, the fundamental themes of reflation and ongoing corporate governance reforms remain intact. Corporate earnings growth continues to be revised higher. Despite the rally since 2023, Japan's equity valuation remains reasonable. The BOJ's removal of the reference amount for JGB purchases in the latest monetary policy meeting opens the possibility of future reductions of JGB purchases. However, any policy normalization is likely to be gradual to avoid sudden increases in JGB yields. The FX interventions by the Ministry of Finance will slow down any further depreciation of Japanese Yen. If the interventions fail to prevent further Yen weakening, the BOJ may need to increase interest rates or reduce JGB purchases to support the Yen, especially if US interest rates remain high. However, monetary policy would stay accommodative given that real interest rate will likely stay negative for Japan.

## RISKS

All investment carries some form of risks. The potential key risks include but are not limited to the following:

<b>Market risk</b>	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the target fund's NAV.
<b>Stock specific risk</b>	Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the target fund's NAV.
<b>Country risk</b>	Investments of the target fund in any country may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the target fund invests. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the target fund in those affected countries. This in turn may cause the NAV of the target fund or prices of units to fall.
<b>Currency risk</b>	As the investments of the target fund may be denominated in currencies other than base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the target fund and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.
<b>Fund manager's risk</b>	Since the target fund invests into collective investment scheme managed by another manager, the fund manager has absolute discretion over the fund's investment technique and knowledge, operational controls and management. In the event of mismanagement of the fund and/or the management company, the NAV of the target fund, which invests into the fund would be affected negatively. Although the probability of such occurrence is minute, should the situation arise, Principal (S) will seek for an alternative collective investment scheme that is consistent with the objective of the target fund.

### RISKS (CONTINUED)

All investment carries some form of risks. The potential key risks include but are not limited to the following:

#### **Credit and default risk**

Investments of the target fund may involve a certain degree of credit and default risk. Generally, credit and default risk is the risk of loss due to the counterparty's and/or issuer's non-payment or untimely payment of the investment amount as well as the returns on investment. Principal (S) aims to mitigate this risk by performing fundamental credit research and analysis to determine the creditworthiness of its counterparty and/or issuer.

**Source :** *Principal Asset Management Bhd*  
**Date :** *28 June 2024*

#### **Disclaimer:**

This is strictly the performance of the investment fund, and not the returns earned on the actual premiums paid of the investment-linked product. Past performance of the fund is not an indication of its future performance. 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. Sun Life Malaysia may suspend the unit pricing and defer the payment of benefits, other than death and total and permanent disability benefits, subscription or redemption of units, switching of funds, under this contract for a reasonable period in exceptional circumstances, such as and including intervening events resulting in temporary closure of any stock exchange.