

### FUND OBJECTIVE

To provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

### FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	7.28 million units (31 January 2020)	Fund Size	RM9.78 million (31 January 2020)
Unit NAV	RM1.3435 (31 January 2020)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	CIMB Principal Equity Income Fund
Benchmark	50% FBM100 Index + 50% MSCI AC Asia ex-Japan Index	Taxation	8% of annual investment income
Risk Profile	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>	Fees	<ul style="list-style-type: none"> <li>▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Equity Income 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 Berhad.</li> </ul>

### ASSET ALLOCATION OF THE TARGET FUND

Equities (Local)	Equities (Foreign)	Mutual Fund	Cash
48.77%	45.57%	1.54%	4.12%

#### SECTOR ALLOCATION OF THE TARGET FUND

Financials	17.34%
Information Technology	17.31%
Industrials	11.06%
Consumer Discretionary	10.11%
Real Estate	8.60%
Communication Services	7.40%
Utilities	5.20%
Materials	5.06%
Energy	4.33%
Consumer Staples	4.14%
Health Care	3.79%
Mutual Fund	1.54%
Cash	4.12%
Total	100.00%

#### TOP HOLDINGS OF THE TARGET FUND

Tenaga Nasional Bhd (Malaysia)	4.49%
Malayan Banking Bhd (Malaysia)	3.59%
Alibaba Group Holding Ltd (Cayman Island)	3.43%
Samsung Electronics Co. Ltd (South Korea)	3.29%
Tencent Hldg Ltd (Hong Kong)	2.85%
Taiwan Semiconductor Manuf (Taiwan)	2.61%
CIMB Group Hldgs Bhd (Malaysia)	2.45%
Hartalega Hldg Bhd (Malaysia)	2.35%
Lendlease Global Commercial (Singapore)	2.24%
HDFC Bank Ltd (India)	2.01%
Total	29.31%

#### PERFORMANCE RECORD

This fund feeds into CIMB Principal Equity Income Fund (“target fund”) with the objective to provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

Table below shows the investment returns of Sun Life Malaysia Equity Income Fund versus its benchmark as at 31 January 2020:

%	YTD	1M	6M	1-Year	3-Year	5-Year	Since Inception
<b>Fund*</b>	-3.14	-3.14	0.49	5.13	19.29	27.29	34.35
<b>Benchmark</b>	-4.00	-4.00	-2.00	-2.23	2.56	8.11	14.25

\* 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

Asia: Despite the prevailing uncertainties, we believe investors should adopt a positive stance towards Asian equities. While it is currently unclear how prolonged this epidemic would be and how wide its eventual reach, our research indicates that currently, the outbreak is not showing exponential growth typical of an epidemic gone out of control. The evidence so far point to (1) effectiveness of early and proactive human intervention, (2) low fatality rate amongst the young and fit, and amongst sufferers outside of Hubei, as well as lack of occurrence outside of China. Hence, we are inclined to view this outbreak as transitory and not likely to impair the structural recovery of Asia that was underway prior. In short, we expect the economic response to this systemic shock to be one of a sharp near-term slowdown with an equally sharp recovery in 2H2020. With inflation subdued, policy makers have monetary and fiscal tools to combat weakness to the economies. We expect resumption of economic recovery on the back of inventory re-stocking and technology-led spending in 5G, electric vehicles and smartphones. While near-term economic growth would be poor investors should take advantage of this temporary setback to BUY Asian equities with a longer term horizon. We expect stocks in China to benefit from credit and fiscal stimulus. In Asean we favor Singapore and Indonesia.

*Source : Principal Asset Management Bhd*

*Date : 31 January 2020*

### **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.