

## 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	3.277 million units (30 September 2016)
Fund Size	RM 3.646 million (30 September 2016)
Unit NAV	RM1.1126 (30 September 2016)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB Principal Equity Income Fund
Benchmark	50% FBM100 Index + 50% MSCI AC Asia ex-Japan Index
Risk Profile	<p>Suitable for investors:</p> <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	Management fee: 1.5000% p.a.
Taxation	8% of annual investment income

## ASSET ALLOCATION

Equities	Min 70% Max 98%	Cash	Min 2%
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## WHERE THE FUND INVESTS

Trading/Services	18.93%	Oil & Gas	2.37%
Consumer	16.44%	Construction	1.88%
Financials	14.14%	Telecommunication	1.71%
Finance	12.75%	Mutual Fund	1.26%
Industrials	10.12%	REITS	1.26%
Technology	8.01%	Others	3.49%
Plantations	3.20%	Cash	4.44%

## TOP HOLDINGS OF THE TARGET FUND

Public Bank Bhd	4.35%
CIMB Group Hldgs Bhd	3.98%
Tenaga Nasional Bhd	3.97%
Tencent Hldg Ltd (Hong Kong)	3.85%
Samsung Electronics Co. Ltd (South Korea)	2.59%
China Life Insurance Co. Ltd (China)	2.43%
Amorepacific Corp (S. Korea)	1.96%
Felda Global Ventures Holdings	1.92%
AIA Group Ltd (Hong Kong)	1.89%
Taiwan Semiconductor Manuf. (Taiwan)	1.86%

## 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 30 September 2016:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
<b>Fund*</b>	3.93	1.82	6.74	8.28	4.97	N/A	11.26
<b>Benchmark</b>	2.88	1.23	6.67	6.30	6.05	N/A	7.83

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

The Fund was up 1.82% in September, outperforming its benchmark by 0.59%. The Fund's outperformance came mainly from its exposure in Malaysia, Hong Kong and Korea. In terms of sectors, the Fund's exposure in Industrials, Consumer Services and Telecommunications contributed positively. At the stock level, its overweight in China Life Insurance, CJ Korea Express, and Airtac International contributed to the outperformance. YTD, the Fund is up 3.93%, outperforming the benchmark by 1.05%.

We are neutral on Asian equities. As long as unconventional monetary policy is maintained, we expect equity prices to behave similarly as in recent past: equity cycles have become shorter, more violent over short intervals with different factors driving each move and with each move having less persistence (e.g., worries about China's capital outflows, Brexit did not last long). Like the previous month, the strategy is to buy selective cyclicals and tech on market corrections.

September was another volatile month for Malaysia as the FBM Kuala Lumpur Composite Index (FBMKLCI) rose on the back of some stability returning to regional markets and Wall Street, before reversing all gains due to concerns over the health of Deutsche Bank, Germany's largest bank. A divided US Federal Reserve left its policy interest rate unchanged at the September FOMC meeting to await more evidence of progress towards its goals. Meanwhile, the Bank of Japan shifted the focus of its monetary policy to controlling bond yields. For the month, the FBMKLCI fell 25.5pts or 1.52% to close at 1,652.55pts.

We continue to overweight China & Korea. In sector terms, we are overweight in HK, Indian and Philippine financials, Chinese internet and Korean consumer names. The portfolio is tilted towards growth stocks at the expense of high dividend yield and low growth names. For Malaysia, we continue to overweight construction and selective services companies, and underweight banks. We have been adding more into GLC companies.

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.