

FUND OBJECTIVE

Aims to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonise with Islamic philosophy and laws.

FUND DETAILS

Launch Date	01 December 2009	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	9.336 million units (29 June 2018)	Fund Size	RM14.465 million (29 June 2018)
Unit NAV	RM1.5494 (29 June 2018)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Aiman Growth Fund
Benchmark	FBM Emas Shariah Index (FBMS)	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> Have a medium to long term investment horizon Are risk tolerant Seek higher returns on the investment that comply with Shariah requirements 	Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Equity Fund. 1.5% per annum fund management charge is applied on the Target Fund's NAV by Affin Hwang.

ASSET ALLOCATION OF THE TARGET FUND

Equity	Cash
Min 70%; Max 100%	Max 30%

SECTOR ALLOCATION OF THE TARGET FUND

Financials	19.7%
Industrials	12.4%
Oil & Gas	12.3%
Consumer Goods	11.6%
Technology	6.6%
Utilities	5.7%
Basic Materials	4.7%
Health Care	3.5%
Consumer Services	3.0%
Telecommunications	1.4%
Cash & Cash Equivalents	19.2%

TOP HOLDINGS OF THE TARGET FUND

Dialog Group Bhd	5.8%
Tenaga Nasional Bhd	5.7%
Petronas Chemicals Group Bhd	4.0%
Fraser & Neave Hldgs Bhd	3.7%
Sunway Bhd	3.6%
Petronas Dagangan Bhd	3.0%
Scientex Bhd	2.9%
V.S. Industry Bhd	2.5%
Petronas Gas Bhd	2.5%
SP Setia Bhd Group	2.5%

PERFORMANCE RECORD

This fund feeds into Affin Hwang Aiiiman Growth Fund ("target fund") with the objective to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonise with Islamic philosophy and laws.

Table below shows the investment returns of Sun Life Malaysia Islamic Equity Fund versus its benchmark as at 29 June 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-5.5	0.7	-2.7	-5.5	-2.8	11.9	54.9
Benchmark	-9.1	-0.7	-8.6	-9.1	-5.7	-1.0	43.6

* 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

- Markets continued to be affected by trade tensions as the US announced a wide range of tariffs on major economies, with retaliatory actions also seen.
- The EM sell-off continued in June with EM currencies weakening and stock markets falling further. The MSCI Asia ex-Japan index closed down 5.20%, with Chinese stocks leading the fall.
- Malaysian assets fell in tandem with regional markets, as the KLCI declining 2.8% in June.
- The MYR once again breached the 4.00 levels at the end of June as foreign fund outflows continue.
- Amidst continued efforts in restructuring GLCs and government agencies, the appointment of Datuk Nor Shamsiah as the new central bank governor signaled policy continuity.
- The high oil prices have given Malaysia room to manoeuvre amidst GST removal and policy changes.

FUND MANAGER'S COMMENTS (CONTINUED)

- The Fund rose 0.7% higher in the month of June, while its benchmark index slid 0.7% lower over the same period.
- **STRATEGY:** We expect the volatility in the market to continue amidst trade tension, outflows from Emerging Markets and the restructuring of GLCs and government agencies.
- Some softness can be expected from the current deleveraging to pare down the country's debts.
- We remain defensive in our allocation with protection of capital taking precedence. Cash levels would be raised to around 20%-30%.
- While we remain risk off, we are selectively nibbling in the tech sector, now at more attractive valuations, and the consumer sector on prospects of rising consumption.
- We still believe that economic fundamentals remain strong and will look to pick up good bottom up opportunities at more attractive levels.

Source : *Affin Hwang Asset Management Berhad*
Date : *29 June 2018*

Disclaimer:

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