

FUND OBJECTIVE

To provide investors with regular income stream through Shariah-compliant investment.

INVESTMENT STRATEGY & APPROACH

Please refer to the Yearly Fund Fact Sheets at <https://www.sunlifemalaysia.com/insurance-and-takaful/investment-linked-fund/yearly-fund-fact-sheet/> for more information on the Investment Strategy and Approach of the target fund.

FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	15.53 million units (29 November 2024)	Fund Size	RM19.61 million (29 November 2024)
Unit NAV	RM1.2627 (29 November 2024)	Target Fund	AHAM Aiiman Select Income Fund (FKA Affin Hwang Aiiman Select Income Fund)
Fund Manager	AHAM Asset Management Berhad	Taxation	8% of annual investment income
Performance Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index	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"> Have a moderate risk appetite Expect incidental growth in capital Want an investment that complies with Shariah requirements 	Fund Management Charges	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia AIIMAN Select Income Fund. Up to 1.2% p.a. fund management charge is applied on the target fund's NAV by AHAM Asset Management Berhad.

ASSET ALLOCATION OF THE TARGET FUND

Sukuk & Islamic Money Market Instruments	Shariah-compliant Equities	Cash & Others
Minimum 60% and up to 100%	Minimum 0% and up to 40%	Remaining Balance

SECTOR ALLOCATION OF THE TARGET FUND	
Industrials	13.00%
Financial Services	11.40%
Utilities	10.60%
Energy	10.20%
Telecommunications	8.20%
Real Estate	7.40%
Technology	7.40%
Consumer Discretionary	6.60%
Banks	6.10%
Government	5.80%
Commercial Services	5.10%
Consumer Staples	3.00%
Health Care	2.10%
Cash & Cash Equivalents	3.10%
Total	100.00%
Telecommunications	11.00%

TOP HOLDINGS OF THE TARGET FUND (SUKUK)			
Bonds Issuer	Coupon	Maturity Date	%
SMJ Energy Sdn Bhd	7.80%	26.10.2038	4.7
GII	5.80%	15.05.2052	5.4
MMC Corp Berhad	5.10%	27.04.2027	5.6
UiTM Solar Power Sdn Bhd	5.10%	26.04.2030	6.0
Celcom Networks Sdn Bhd	5.10%	28.10.2026	5.3

TOP HOLDINGS OF THE TARGET FUND (EQUITIES)	
Taiwan Semiconductor Manufac	2.30%
Axis Real Estate Invst Trust	2.00%
Singapore Telecom Ltd	2.00%
Capital A Berhad	1.60%
Alibaba Group Holding Ltd	1.60%

PERFORMANCE RECORD

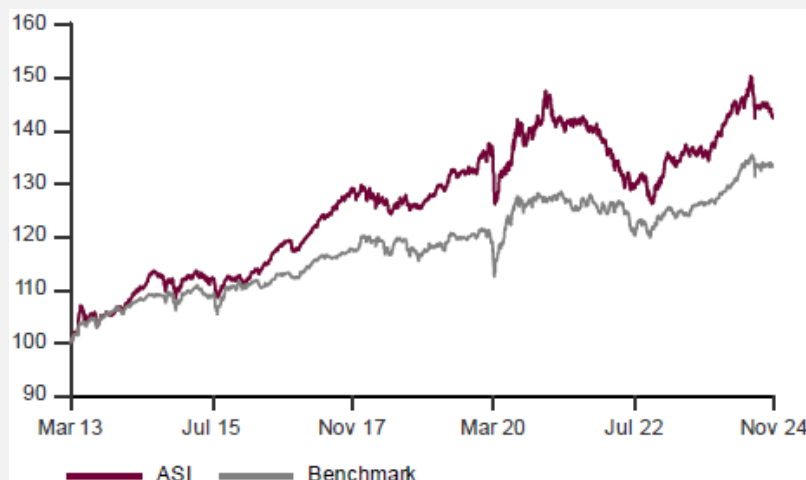
This fund feeds into AHAM AIIMAN Select Income Fund ("target fund") with the objective to provide investors with regular income stream through Shariah-compliant investments. The target fund will invest in a diversified portfolio of Sukuks, Shariah-compliant equities and Islamic money market instruments.

Table below shows the investment returns of Sun Life Malaysia AIIMAN Select Income Fund versus its benchmark as at 29 November 2024:

%	YTD	1M	6M	1-Year	3-Years	5-Years	Since Inception
Fund*	1.63	-1.23	-1.43	3.05	2.29	8.30	26.27
Benchmark	4.41	0.09	-0.13	4.77	5.59	11.01	21.91

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

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



Source: MorningStar

FUND MANAGER'S COMMENTS

- In November 2024, global fixed income market recovered from the October sell off as UST yields repriced lower post US Elections as much of repricing had been front-loaded. Additionally, Fed cut 25bps in November as expected bringing the target range to 4.50 - 4.75% with a slight tweak in language towards a slightly more dovish stance. Notably the Fed highlighted 'labour conditions have generally eased' however did not offer forward guidance and keeping options open for December meetings and beyond. This has led to a general repricing of rate cuts in December and FY2025.
- The highly anticipated November US Presidential Elections saw a Trump Red Sweep where US Republican party held on to their slim majority giving them unified control over three elected branches of government, while suggesting little curbs on Trump's upcoming fiscal policies. Nevertheless, the appointment of Scott Bessent for Treasury Secretary; considered to be a fiscal hawk favouring lower deficits, lower inflation and a gradual approach to tariff brought some cheer to markets as this appointment may provide some check and balance for the Trump government.
- Domestically, MGS yields rallied in tandem with USTs. The 3-year, 10-year, and 30-year MGS ended the month at 3.46% (-6 bps), 3.81% (-12 bps), and 4.18% (-6 bps) respectively. BNM in its Nov MPC meeting held OPR unchanged at 3.00% as expected by all consensus amid sustained strength in domestic economic activities and benign inflation outlook heading into 2025. BNM stated MYR's recent performance was driven by external factors and they have ample buffers to manage currency volatility.
- Malaysia's actual 3Q24 GDP reported at +5.3% which is in line with advanced GDP reported earlier (2Q24: +5.9%). Strong growth was attributed by investment upcycle with both private and public investments reporting solid growth. Meanwhile, Oct headline inflation stayed benign at +1.9% yoy (Sep: +1.8% yoy; 10M24: +1.9% yoy) while core remain steady at +1.8% yoy (Sep: +1.8%) on track to meet full year 2024 forecast of +1.9%. Easing PPI inflation creates buffer to accommodate potential cost increase next year, limited impact of cost pass through. With this in mind, we maintain our view of OPR staying at 3.00% in 2025 amid external downside risk following Trump's victory in the US Elections and upside risk to domestic inflation.

STRATEGY:

- Reduced cash portion from 3.9% to 3.1% in November;
- We made adjustments to the portfolios, reallocating from Indonesian consumer stocks to larger-cap banks, utilities and healthcare companies.
- For sukuk sleeve, we have maintained our portfolio durations at a range of 5.2 to 5.4 years, and portfolio yield is at 4.2%;
- Minor changes for the sukuk sleeve, with one issuance bought, namely Malaysia Airports Holdings Bhd sukuk.
- We are focusing on sukuk with strong fundamentals and a robust business outlook, while also remaining active in profit-taking and reallocating to issuances that offer better relative value.

RISKS (CONTINUED)

Liquidity risk

Liquidity risk arises in two scenarios. The first scenario is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. This will have the effect of causing the investment to be sold below its fair value which would adversely affect the NAV of the target fund.

Currency risk

As the investments of the target fund may be denominated in currencies other than the 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 note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

Regulatory risk

The investments of the target fund will be exposed to changes in the laws and regulations in the countries the target fund is invested in. These regulatory changes pose a risk to the target fund as it may materially impact the investments of the target fund. In an effort to manage and mitigate such risk, Affin Hwang seeks to continuously keep abreast of regulatory developments (for example, by closely monitoring announcements on regulators' website and mainstream medias) in that country. Affin Hwang may dispose its investments in that particular country should the regulatory changes adversely impact the unit holders' interest or diminish returns to the target fund.

Country risk

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 in. 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 to fall.

Reclassification of Shariah status risk

This risk refers to the risk that the currently held Shariah-compliant equities in the target fund may be reclassified to be Shariah non-compliant in the periodic review of the equities by the Shariah Advisory Council of the Securities Commission Malaysia (SACSC), the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, Affin Hwang will take the necessary steps to dispose of such equities. There may be opportunity loss to the target fund due to the target fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities. Affin Hwang will be required to dispose of these equities immediately if the prices are above the purchase price. Should the prices be below the purchase price, Affin Hwang may choose to hold on to these holdings until the prices meet the purchase price. Nevertheless, should Affin Hwang decide to dispose of these equities below the purchase price, the target fund will be faced with the risk of realising its losses, thus negatively impacting the NAV of the target fund.

Source : AHAM Asset Management Berhad

Date : 29 November 2024

Disclaimer:

This is strictly the performance of the investment fund, and not the returns earned on the actual takaful contributions 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 contributions 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.