

FUND OBJECTIVE

To achieve capital growth by investing in a portfolio of Shariah-compliant collective investment schemes that invests primarily in Shariah-compliant equities.

FUND DETAILS

Launch Date	1 December 2017	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	2.84 million units (29 May 2020)	Fund Size	RM2.63 million (29 May 2020)
Unit NAV	RM0.9272 (29 May 2020)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	Principal Islamic Aggressive Wholesale Fund-of Funds
Benchmark	50% MSCI AC Asia ex Japan Islamic Index + 50% FTSE Bursa Malaysia EMAS Shariah Index	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> ▪ Have a long-term investment horizon ▪ Have a high risk profile and seek for potentially higher but more volatile investment return ▪ Want a portfolio of investments that adhere to Shariah principles 	Fees	<ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Strategic Aggressive Fund. ▪ Up to 1.8% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Berhad.

ASSET ALLOCATION OF THE TARGET FUND

Mutual Funds	Cash
95.49%	4.51%

SECTOR ALLOCATION OF THE TARGET FUND

Mutual Funds	95.49%
Cash	4.51%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Principal Islamic Asia Pac Dynamic Eq Fund	37.75%
Principal Islamic Enhanced Opportunities Fund	29.01%
Principal DALI Equity Fund	28.73%
Total	95.49%

PERFORMANCE RECORD

This fund feeds into Principal Islamic Aggressive Wholesale Fund-of-Funds (“target fund”) with the objective to achieve capital growth by investing in a portfolio of Shariah-compliant collective investment schemes that invest primarily in Shariah-compliant equities.

Table below shows the investment returns of Sun Life Malaysia Islamic Strategic Aggressive Fund versus its benchmark as at 29 May 2020:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-4.21	3.18	1.01	-1.21	2.99	N/A	-7.28
Benchmark	-2.87	5.28	3.31	0.86	3.35	N/A	-8.93

* 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

In May, the Fund rose 3.18% in May, underperforming the Benchmark by 2.10%. Year-to-date the Fund declined 4.21%, underperforming the Benchmark by 1.34%.

Asian markets as measured by the MSCI AC Islamic Asia ex Japan declined 1% in US\$ terms in May but early indications of the current risk-on rally led by value stocks could be traced back towards the end of the month. From the narrow outperformance of a few sectors/ countries in the beginning of the year to April, the rally is now broadening out to more sectors and regions. Furthermore the situation in developed markets may not be as bad as initially feared as evidenced with the recent non-farm payrolls in the US being better than anticipated.

For regional equities, we had broadened our investments beyond growth stocks to selected value-oriented names, e.g. Healthcare (hospital) in India, upstream crude oil producer, airport in China and transport operator in Singapore. We had also top-sliced selected names mainly in China that have performed well to fund these purchases. As incremental data suggest that developed world demand may not be as bad as initially anticipated, we are looking to cover our Underweights in selected global tech hardware names in the near future. As for Malaysia, Despite elevated equity valuation and earnings risk, we are cognizant that equity risk premium are not excessive following the sharp decline in risk-free rates and that the capital market is flushed with liquidity now following coordinated interest rate cuts by central banks while governments try to revive their economies with massive fiscal stimulus. As such, we are taking a more neutral stance on the Malaysia equity market, given the prevalent expectation of swift earnings rebound in 2021. We are taking a tactical approach of utilizing additional cash to increase the AA to 90% by buying into the Plantation and Healthcare sector and selective value stocks as proxy for post-pandemic recovery.

Source : Principal Asset Management Bhd

Date : 29 May 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.