

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	3.148 million units (30 September 2017)
Fund Size	RM4.164 million (30 September 2017)
Unit NAV	RM1.3226 (30 September 2017)
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	Suitable for investors: <ul style="list-style-type: none"> Have a medium to long-term investment horizon Target capital appreciation Do not require regular income Comfortable with higher volatility Willing to take higher risk for potential higher gains
Fees	Management fee: 1.500% p.a.
Taxation	8% of annual investment income

ASSET ALLOCATION

Equity	Min 70% Max 98%	Cash	Min 2%
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WHERE THE TARGET FUND INVESTS

Finance	26.35%	Properties	1.70%
Trading / Services	16.40%	Basic Materials	1.32%
Industrials	13.70%	Oil & Gas	1.09%
Consumer	12.05%	Mutual Fund	0.88%
Technology	6.91%	Telecommunications	0.58%
Construction	5.77%	Others	0.61%
Plantation	1.72%	Cash	10.92%

TOP HOLDINGS OF THE TARGET FUND

Public Bank Bhd – Local (Malaysia)	5.01%
Samsung Electronics Co. Ltd (South Korea)	3.69%
Malayan Banking Bhd (Malaysia)	3.15%
Tenaga Nasional Bhd (Malaysia)	2.89%
CIMB Group Hldgs Bhd (Malaysia)	2.76%
Tencent Hldg Bhd (Malaysia)	2.26%
V.S. Industry (Malaysia)	2.20%
Industrial and Commercial Bank (China)	2.18%
Taiwan Semiconductor Manuf (Taiwan)	2.13%
Airasia Bhd (Malaysia)	1.96%

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 2017:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	21.17	0.14	5.16	11.34	18.87	34.21	32.26
Benchmark	14.85	-1.07	1.81	4.94	14.61	21.90	23.57

* 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

The Fund was up 0.14% in September, outperforming its benchmark by 1.21%. Outperformance came from Hong Kong, China and Malaysia. In terms of sectors, favourable stock selection in Industrials, Consumer Services and Financials contributed positively. At the stock level, its overweight in V.S. Industry, Sunny Optical and Sands China contributed to outperformance. Year-to-date, the Fund has outperformed by 6.32%.

Asian Equities eased 0.3% in US Dollar terms in September 2017. Technology and consumer discretionary outperformed, while materials and telecommunications underperformed. Topical issues: can iPhone X sales exceed expectations? What if the US Dollar strengthens significantly? Can tensions in the Korean peninsula improve? We maintain BUY on Asian equities as a pause in outperformance is likely in the short term given how well markets have done (+29% year-to-date) and sensitivity to the US Dollar. Equity fund flows have become more mixed recently with outflows from Korea, Taiwan and India, while China continues to see inflows. Locally, the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI) fell 17.58 points or 1.0% in September as foreign institutions remained net sellers for the second consecutive month. The FBMKLCI continued to prove resilient in absorbing negative shocks despite the rise of external uncertainties.

We are Overweight Singapore, Malaysia, Indonesia and China, and Underweight Taiwan and Korea. In sector terms, we are overweight internet/technology in China and Singapore, financials in India, industrials in Malaysia and India, and materials in China and Korea. We are Underweight energy, health care, telecommunications and utilities. For Malaysia, we favour e-commerce/logistics, tourism, and construction. Government Linked Companies reform remains a structural theme. We also seek ideas in personal consumption plays.

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.