

### FUND OBJECTIVE

The objective of the Fund is to grow the value of Unit Holders' investments over the medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to the Malaysian equities market to balance any short-term volatilities.

### INVESTMENT STRATEGY & APPROACH

Please refer to the Master 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 for the target fund.

### FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	33.76 million units (29 November 2024)	Fund Size	RM89.91 million (29 November 2024)
Unit NAV	RM2.6629 (29 November 2024)	Target Fund	Principal Global Titans Fund- Class MYR
Fund Manager	Principal Asset Management Bhd	Taxation	8% of annual investment income
Performance Benchmark	42% S&P500 + 36% MSCI Europe + 12% MSCI Japan + 10% CIMB Bank 1-Month Fixed Deposit Rate	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"> <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>	Fund Management Charge	<ul style="list-style-type: none"> <li>Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Global Titans Fund</li> <li>Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Bhd</li> </ul>

### ASSET ALLOCATION OF THE TARGET FUND

Collective Investment Schemes	Equities	Cash
Minimum 50% and up to 98% of Net Asset Value (NAV)	Up to 50% of NAV	The remaining balance of funds NAV

# Sun Life Malaysia Global Titans Fund

November 2024



## SECTOR ALLOCATION OF THE TARGET FUND

Mutual Fund	87.02%
Information Technology	6.52%
Industrials	1.47%
Consumer Discretionary	0.93%
Materials	4.06%
Total	100.00%
Total	100.00%

## TOP HOLDINGS OF THE TARGET FUND

SPDR S&P 500 ETF (United States)	22.77%
iShares Core MSCI Europe ETF (Europe) iShares US Equity Factor RotationActive ETF (United States)	14.70%
iShares US Equity Factor RotationActive ETF (United States)	6.31%
JP Morgan Europe REI ESG UCITS (Europe)	5.46%
FTGF ClearBridge - US Large Cap (United States)	5.29%
Principal GLB - EUR EQ-INS ACC (Europe)	5.22%
JP Morgan US Growth Fund (United States)	4.41%
JP Morgan US REI Equity ESG UCITSETF (United States)	3.49%
NEXT FUNDS TOPIX Banks ETF (Japan)	3.24%
JPMorgan Europe Strategic GrowthFund (Europe)	3.24%
Total	74.13%

## PERFORMANCE RECORD

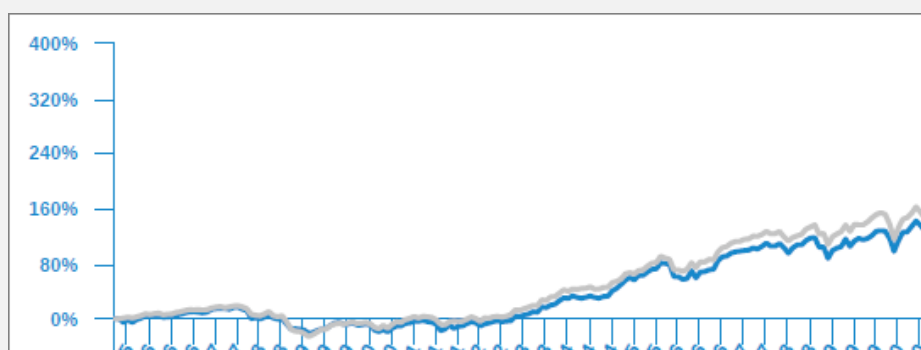
This fund feeds into Principal Global Titans Fund - Class MYR ("target fund") with the objective to achieve medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to Malaysian equities market to balance any short term volatilities.

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

%	YTD	1M	6M	1-Year	3-Years	5-Years	Since Inception
<b>Fund*</b>	11.40	2.16	0.02	13.85	20.03	56.11	166.29
<b>Benchmark</b>	10.61	3.28	-0.36	13.82	27.67	65.79	189.85

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

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



Source: Lipper

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## FUND MANAGER'S COMMENTS

The Fund increased by 2.16% in November, underperform the benchmark by 112bps. YTD, the Fund is up 11.40%, outperforming the benchmark by 79bps.

The primary drivers of market performance in November were the results of the US election. Donald Trump's victory in the presidential race, coupled with the Republican Party's control of Congress, fueled expectations that the new administration's policies would support US exceptionalism in both economic growth and financial market performance. Expectation of additional rate cuts, expansionary fiscal policies, and a more nationalist approach to trade invigorated US equity market. US stocks outperformed their European and Japanese counterparts during the month, with the S&P 500 Index rising by 5.8%, MSCI Europe gaining 1.1%, and MSCI Japan declining by 0.8%, all in local currency terms. Within US, small-cap stocks outperformed large-caps on the expectation of potential new policies benefiting domestic economy and companies. Europe was facing a few political uncertainties including the collapse of the German government and French budget crisis. The US Dollar rose 1.7%, driven by expectations that Trump's fiscal policies could create inflationary pressures, potentially limiting future Fed rate cuts. In contrast, the Euro fell 2.8% on a weaker economic outlook and expectation of further ECB rate cuts. The Japanese Yen gained 1.5%, bolstered by expectations of additional rate hike by BOJ. Following the latest FOMC meeting in December, which projected only two rate cuts in 2025, the US 10-year Treasury yields surged to 4.6% at the time of writing.

US headline inflation in November rose to 2.7% YoY, in line with expectations, while core inflation, excluding food and energy, held steady at 3.3% YoY. Retail sales increased by 0.7% MoM, surpassing forecasts and indicating strong consumer spending during the holiday season. Non-Farm Payrolls added 227k jobs in November, recovering from the negative effects of the Boeing strikes and Hurricane disruptions in the prior month. The unemployment rate edged up slightly to 4.2%, but the labor market remains resilient with robust wage growth. The ISM Manufacturing PMI showed a slight rebound, while the Services PMI remained strong, signaling a resilient US economy overall. The Euro Area economic growth expanded by 0.4% QoQ in Q3 (initial estimate), indicating a recovery from the previous quarter. Euro Area inflation continued to increase to 2.3% in November (2% YoY in October), in line with consensus estimate. Europe's manufacturing PMI remains in contraction, while the services PMI is at the borderline of expansion. Japan's Manufacturing PMI held steady in contraction, but the Tankan survey showed a more positive outlook in the manufacturing sector. The services PMI is the borderline of expansion. Inflation continued to be strong, increasing to 2.9% in November, with core inflation (excluding food and energy) accelerating to 2.4%. Wage growth remained robust, with the Japanese Trade Union Confederation (RENGO) targeting at least 5% wage hikes for the 2025 spring wage negotiation. The resilient economic situation and strong wage growth support BOJ's plan to continue increase interest rates. Forward 12-month corporate earnings have been revised up for US and Japan, while Europe is seeing earnings downgrades. US valuation is expensive while Japan and Europe valuations are favorable.

We remain Overweight US & Japan, Underweight Europe. Despite incremental positive economic surprises in Europe, both economic and earnings growth expectations fall short of those in the US. The US economic dominance remains intact, as Europe's recovery faces limited upside due to weak credit demand and fading economic momentum. Europe is vulnerable to risks from increased trade tariffs and political/geopolitical tensions. In Japan, the fundamental themes of deflation and ongoing corporate governance reforms remain intact. We maintain the view that policy normalization in Japan will be gradual, with monetary policy remaining accommodative as real interest rates stay negative, to support economic growth.

## RISKS

All investment carries some form of risks. The potential key risks include but are not limited to the following:

<b>Market risk</b>	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the target fund's NAV.
<b>Stock specific risk</b>	Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the target fund's NAV.
<b>Country risk</b>	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. 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 or prices of units to fall.
<b>Currency risk</b>	As the investments of the target fund may be denominated in currencies other than 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 be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the target fund and vice versa. 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.
<b>Fund manager's risk</b>	Since the target fund invests into collective investment scheme managed by another manager, the fund manager has absolute discretion over the fund's investment technique and knowledge, operational controls and management. In the event of mismanagement of the fund and/or the management company, the NAV of the target fund, which invests into the fund would be affected negatively. Although the probability of such occurrence is minute, should the situation arise, Principal (S) will seek for an alternative collective investment scheme that is consistent with the objective of the target fund.

### RISKS (CONTINUED)

All investment carries some form of risks. The potential key risks include but are not limited to the following:

#### **Credit and default risk**

Investments of the target fund may involve a certain degree of credit and default risk. Generally, credit and default risk is the risk of loss due to the counterparty's and/or issuer's non-payment or untimely payment of the investment amount as well as the returns on investment. Principal (S) aims to mitigate this risk by performing fundamental credit research and analysis to determine the creditworthiness of its counterparty and/or issuer.

**Source :** *Principal Asset Management Bhd*

**Date :** 29 November 2024

#### **Disclaimer:**

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