

FUND OBJECTIVE

To achieve capital stability by investing in a portfolio of Shariah-compliant collective investment schemes that invests in Shariah-compliant equities and/or Sukuk.

FUND DETAILS

Launch Date	1 December 2017	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	21,290 units (30 August 2019)	Fund Size	RM21,811 (30 August 2019)
Unit NAV	RM1.0245 (30 August 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	CIMB Islamic Conservative Wholesale Fund-of-Funds
Benchmark	Quantshop GII Medium 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 low risk profile and seek for a potentially less volatile investment return ▪ Want a minimal exposure to Shariah-compliant equities investment ▪ 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 Conservative Fund. ▪ Up to 1.2% 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
68.64%	31.36%

SECTOR ALLOCATION OF THE TARGET FUND

Mutual Funds	68.64%
Cash	31.36%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

CIMB Islamic Sukuk Fund	37.21%
CIMB Islamic Enhanced Sukuk Fund	19.97%
CIMB Islamic DALI Equity Fd	11.46%
Total	68.64%

PERFORMANCE RECORD

This fund feeds into CIMB Islamic Conservative Wholesale Fund-of-Funds ("target fund") with the objective to achieve capital stability by investing in a portfolio of Shariah-compliant collective investment schemes that invest in Shariah-compliant equities and/or Sukuk.

Table below shows the investment returns of Sun Life Malaysia Islamic Strategic Conservative Fund versus its benchmark as at 30 August 2019:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	2.65	0.36	0.94	2.06	1.63	N/A	2.45
Benchmark	5.47	1.24	2.58	4.48	6.72	N/A	10.24

* 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 rose by 0.36% in August, underperforming the Benchmark by 0.88%. YTD the Fund rose by 2.65% and underperforming the Benchmark by 2.82%.

The Government Investment Issues ("GII") continued to bull flatten in August with the long end of the curve moved lower by 38bps. Local govvnies continued to track global yield movement amidst concerns on slowing global growth afflicted by the lingering US-China trade tensions. Credit spreads mostly widened from the 7 year onwards for the AAA segment and 5 year onwards for the AA segment following the lower government bond yields especially on the longer end of the curve.

Protracted trade tensions with mutual retaliations between the US and China coupled with weaker China data and a contraction in Germany's 2Q growth has sparked global growth concerns amid continued unrest in Hong Kong and Brexit uncertainty. Rising uncertainties have pushed the global government bond yields lower with the 2/10 US Treasuries yield curve inverted for the first time since 2007, flagging recession fear. Locally, the Malaysian economy increased at a faster pace of 4.9% y-o-y as compared to 1Q19 GDP of 4.5% (above market's consensus of 4.7%) led by firmer domestic demand and across all economic sectors despite lingering global trade tensions. Domestic demand continued to expand at 4.6% in 2Q (1Q: 4.4%) supported by firm household spending and slightly higher private investment. July 2019 inflation continued to experience large gain for the second consecutive month at 1.4% y-o-y as compared to June's 1.5% YoY due to the low base readings post GST zerorization in June2018. Overall, we continue to anchor the Fund with both primary and secondary sukuk for better yield pick-up. We will also look out for opportunistic trading in govvnies.

Source : Principal Asset Management Bhd

Date : 30 August 2019

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.