

FUND OBJECTIVE

To achieve higher returns than the benchmark over the medium to long term while preserving capital and providing opportunity for income.

FUND DETAILS

Launch Date	01 December 2009
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	4.258 million units (28 February 2017)
Fund Size	RM 5.367 million (28 February 2017)
Unit NAV	RM 1.2603 (28 February 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Opus Asset Management Sdn Bhd
Target Fund	Opus Shariah Income Fund
Benchmark	Maybank, 12-Month Islamic Fixed Deposit Rate
Risk Profile	<p>Suitable for investors who:</p> <ul style="list-style-type: none"> have a medium to long term investment time frame are seeking stability in income through investment in Malaysian Shariah-compliant bonds (sukuk) are looking for a less volatile investments but can accept lower returns which may fluctuate over the short term
Fees	<p>Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Bond Fund.</p> <p>Up to 1.0% per annum fund management charge is applied on the Target Fund's NAV by Fund Manager.</p>
Taxation	<ul style="list-style-type: none"> 8% of annual investment income

SECTOR ALLOCATION

Toll Road	44.03%	Plantation	4.47%
Finance	18.26%	Cash	3.87%
Power	11.23%	Telecommunication	0.20%
Government	9.08%	-	-
Infrastructure	8.86%	Total	100%

TOP 5 HOLDINGS OF THE TARGET FUND

Sukuk Issuer	Coupon	Maturity Date	Rating	%
Anih	5.70%	27.11.26	AA	19.5
Al-Dzahab	5.00%	21.06.19	AAA	15.5
Malakoff power	5.45%	15.12.23	AA-	11.2
MEX II	5.20%	29.04.22	AA-	9.2
GII	4.07%	30.09.26	NR-GG	9.1

CREDIT PROFILE

	%
NR-GG	17.95%
AAA	18.26%
AA2	23.93%
AA3	35.99%
Cash	3.87%

PERFORMANCE RECORD

This fund feeds into Opus Shariah Income Fund ("Target Fund") with the objective to achieve higher returns than the benchmark over the medium to long term while preserving capital and providing opportunity for income.

Table below shows the investment returns of Sun Life Malaysia Islamic Bond Fund versus its benchmark as at 28 February 2017:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	1.18	0.46	2.19	0.32	2.16	8.47	26.03
Benchmark	0.51	0.26	0.80	1.63	3.32	10.01	24.18

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

We have been lengthening duration to around 6 years and have benefitted from the flattening of the yield curve (short end yields went up while long end yields came down). Despite market expectation of imminent rate hike in US, the local bond market continued to be supported by strong demand from local institutions while foreign selling is now minimal, indicating that the remaining foreign investors are mainly long term investors. We maintain our view of a slower economy and probability of OPR cut, should there be a period of stability for the Ringgit, to boost domestic consumption. Therefore, we maintain our strategy of duration of around 6 years, while keeping the portfolio invested in higher grade and more liquid papers. We also note that credit conditions could deteriorate in a prolonged slow growth environment, which is why we prefer higher grade rated bonds/sukuk that have stronger financial standing.

Source: Opus Asset Management Sdn 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.