

FUND OBJECTIVE

A total return fund that seeks to capture the high growth of developing companies within the Asia (ex-Japan) region.

FUND DETAILS

Launch Date	20 May 2014
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	15.392 million units (31 December 2017)
Fund Size	RM20.408 million (31 December 2017)
Unit NAV	RM1.3259 (31 December 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad
Target Fund	Affin Hwang Select Asia (ex Japan) Quantum Fund
Benchmark	MSCI AC Asia (ex-Japan) Small Cap Index
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> Have a medium to long term investment horizon Are risk tolerance Are seeking higher returns for their investments compared to the performance benchmark
Fees	Management Fee: 1.500% p.a.
Taxation	8% of annual investment income

ASSET ALLOCATION

Equity	Min – 75%; Max – 99.80%
Cash	Remaining Balance

WHERE THE TARGET FUND INVESTS

Financials	39.0%	Consumer Goods	3.5%
Technology	17.4%	Consumer Services	3.5%
Industrials	12.0%	Oil & Gas	3.2%
Utilities	5.1%	Cash & C.E.	8.0%
Health Care	4.2%		
Basic Materials	4.2%	Total	100.0%

TOP HOLDINGS OF THE TARGET FUND

CapitaLand Retail China Trust	5.4%
CITIC Envirotech Ltd	5.1%
HRnetgroup Ltd	4.8%
ELP Corp	4.3%
MNRB Hldgs Bhd	4.2%
Accton Technology Corp	3.9%
Allianz Malaysia Bhd	3.7%
Integrated Micro-Electronics	3.7%
Fraser's Logistic & Indus Trust	3.6%
Value Partners Group Ltd	3.6%

PERFORMANCE RECORD

The Fund feeds into Affin Hwang Select Asia (ex Japan) Quantum Fund (“target fund”) with the objective to achieve consistent capital appreciation over medium to long-term by investing mainly in growth companies in Asia (ex Japan) with market capitalization of not more than USD1.5 billion at the time of acquisition, subject to the flexibility of investing up to 25% of the Net Asset Value (NAV) of the Fund in companies in Asia (ex Japan) with market capitalization of not more than USD3.0 billion at the time of acquisition.

Table below shows the investment returns of Sun Life Malaysia Select Asia (ex Japan) Quantum Fund versus its benchmark as at 31 December 2017:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
Fund*	10.4	-0.5	-2.1	-6.7	10.4	33.7	32.6
Benchmark	18.4	1.5	5.4	6.7	18.4	37.0	42.2

* 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

- Global financial markets had broadly inched higher with the support of an improved sentiment.
- Optimism on the US tax reforms pushed markets ahead, whilst profit taking and rising political risks pulled down the European market.
- China's domestic equity market saw little support as investors took caution as regulators continue to put in place tighter measures.
- The Hong Kong market did however benefit as liquidity flowed southbound, pushing the Hang Seng Index to close the year as the strongest performing market within the region.
- The domestic KLCI ended the month strongly with the support of a stabilized oil price and a stronger currency.
- After suffering from a slump in oil price in 2014, 2017 saw the Ringgit recovering strongly to end 2017 as the second strongest performing currency.
- Encouraging economic fundamentals also led to a reversal in foreign fund flows, leaving year-to-date flows for 2017 at MYR10.16 billion.
- The Fund slid 0.5% lower in the month of December, while its benchmark index rose 1.5% over the same period.
- STRATEGY:** We anticipate the upward momentum in global financial markets to continue in the interim as market sentiment remains elevated.
- We continue to maintain a tactically cautious stance in our market participation, but will look at holding a higher market exposure to capitalise on the equity rally.
- The Fund will be maintaining a healthy exposure into the financial sector with preference on names that are able to display strong asset quality, and stable growth outlook.

Source: Affin Hwang Asset Management Berhad

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.