

FUND OBJECTIVE

An income and absolute return focused fund that aims to provide regular income stream through investment in sukuk and Shariah-compliant equities.

FUND DETAILS

Launch Date	13 February 2015
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	354,786 Units (31 December 2017)
Fund Size	RM401,312 (31 December 2017)
Unit NAV	RM1.1311 (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 AIIMAN Select Income Fund
Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index performance (FBMSHA)
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> ■ Have a moderate risk appetite ■ Expect incidental growth in capital ■ Want an investment that complies with Shariah requirements
Fees	<ul style="list-style-type: none"> ■ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia AIIMAN Select Income Fund. ■ 1.2% pa fund management charge is applied on the target fund's NAV by Affin Hwang.
Taxation	8% of annual investment income

ASSET ALLOCATION

Sukuk & Islamic money market instruments	Min - 60% Max - 99.80%
Shariah-compliant equity	Max - 40%
Cash & others	Remaining Balance

WHERE THE TARGET FUND INVESTS

Sukuk	60.3%	Basic Material	1.8%
Industrials	9.8%	Utilities	1.7%
Technology	7.4%	Others	1.1%
Oil & Gas	5.1%	Cash & C.E.	8.5%
Financials	4.3%	Total	100.0%

TOP HOLDINGS OF THE TARGET FUND

Sukuk Issuer	Coupon	Maturity Date	% NAV
Lebuhraya DUKE Fasa 3	5.95%	23.08.34	6.0%
MEX II Sdn Bhd	5.90%	27.04.29	5.9%
Plus Bhd	4.64%	10.01.25	5.6%
GULF Investment Corp	5.10%	20.06.22	5.5%
Konsortium Lebu Raya UT KL SB	4.75%	01.12.28	4.8%
Equities			
Venture Corp Ltd			2.1%
Scientex Bhd			2.0%
V.S. Industry Bhd			2.0%
SKP Resources Bhd			1.8%
Tenaga Nasional Bhd			1.7%

PERFORMANCE RECORD

This fund feeds into Affin Hwang AIIMAN Select Income Fund ("target fund") with the objective to provide investors with regular income stream through Shariah-compliant investments. The target fund will invest in a diversified portfolio of Sukuks, Shariah-compliant equities and Islamic money market instruments.

Table below shows the investment returns of Sun Life Malaysia AIIMAN Select Income Fund versus its benchmark as at 31 December 2017:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
Fund*	8.3	0.4	1.3	3.2	8.3	N/A	13.1
Benchmark	5.5	1.1	1.8	2.3	5.5	N/A	9.0

* 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.
- The domestic market enjoyed a strong month after stability in oil price and Ringgit strength saw a reversal in foreign flows back into the market.
- After suffering from the slump in oil price in 2014, Ringgit ended 2017 as the second strongest performing currency in Asia.
- Strong trade numbers led by a 14% growth in exports provided further support for the domestic market.
- US Treasury yields moved higher on expectations that the tax bill would stimulate growth and inflation.
- USD credits saw focus largely within the primary market ahead of the New Year, with slower liquidity from the secondary market.
- Domestic bonds enjoyed the support of demand and a stronger MYR. The MGS rallied despite UST yields falling.
- A total of MYR7.7 billion was seen flowing into the market by foreign investors in November.
- The Fund recorded a gain of 0.4% in the month of December, while its benchmark index rose 1.1% over the same period.
- STRATEGY: We expect the upward momentum in global markets to continue in the interim as market sentiment stays elevated.
- We will be maintaining our cautious stance on the Sukuk front on anticipation of a rate hike, by the Feds and Bank Negara as was indicated earlier.
- The portfolio's duration will be kept moderately shorter, with focus into higher grade issuances.
- On the equity front, we will look at keeping exposure levels higher to capitalise on market strength.
- We continue to favour exposure in beneficiaries of the increased infrastructure spending by regional governments.

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.