

FUND OBJECTIVE

To provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

FUND DETAILS

Launch Date	20 May 2014
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	3.302 million units (31 October 2017)
Fund Size	RM4.518 million (31 October 2017)
Unit NAV	RM1.3682 (31 October 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB Principal Equity Income Fund
Benchmark	50% FBM100 Index + 50% MSCI AC Asia ex-Japan Index
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> Have a medium to long-term investment horizon Target capital appreciation Do not require regular income Comfortable with higher volatility Willing to take higher risk for potential higher gains
Fees	Management fee: 1.500% p.a.
Taxation	8% of annual investment income

ASSET ALLOCATION

Equity	Min 70% Max 98%	Cash	Min 2%
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WHERE THE TARGET FUND INVESTS

Finance	27.72%	Oil & Gas	1.89%
Trading / Services	17.32%	Plantation	1.75%
Industrials	14.06%	Properties	1.71%
Consumer	13.13%	Basic Materials	1.42%
Technology	7.54%	Telecommunications	0.67%
Construction	4.98%	Others	0.63%
Mutual Fund	1.95%	Cash	5.23%

TOP HOLDINGS OF THE TARGET FUND

Public Bank Bhd – Local (Malaysia)	5.12%
Samsung Electronics Co. Ltd (South Korea)	4.15%
Malayan Banking Bhd (Malaysia)	3.12%
Tenaga Nasional Bhd (Malaysia)	3.09%
CIMB Group Hldgs Bhd (Malaysia)	2.98%
Taiwan Semiconductor Manuf (Taiwan)	2.46%
Tencent Hldg Bhd (Malaysia)	2.42%
Industrial and Commercial Bank (China)	2.39%
Airasia Bhd (Malaysia)	1.94%
Sime Darby Bhd (Malaysia)	1.86%

PERFORMANCE RECORD

This fund feeds into CIMB Principal Equity Income Fund (“target fund”) with the objective to provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

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

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	25.35	3.45	5.10	12.78	23.04	36.98	36.82
Benchmark	17.89	2.65	2.29	6.51	17.18	23.72	26.85

* 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 was up 3.45% in October, outperforming its benchmark by 0.8%. The Fund's outperformance came mainly from its exposure in Malaysia, China and Singapore. In terms of sectors, favourable stock selection in Industrials, Financials and Oil and Gas contributed positively. At the stock level, its overweight in V.S. Industry, Hangzhou Hikvision and Airtac International contributed to the outperformance. Year-to-date, the Fund is up 25.35 outperforming the benchmark by 7.46%.

Asian Equities rose 3% in US\$ terms in October. The rally was more broad-based with health care, staples, technology, energy and financials outperforming. In Malaysia, the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI) fell 7.66 points or 0.44% to 1,747.92. We saw net foreign outflows of RM0.3bn, the third consecutive month of outflows. Year-to-date, net foreign inflows amounted to RM9.8bn, compared with RM3.2bn outflows in 2016. Brent touched a high of USD61.37/barrel on 31 October, while the Ringgit closed at 4.23. As expected, Budget 2018, tabled on 27 October, was both expansionary and people-centric. Fiscal discipline was maintained as shown by a smaller deficit target of 2.8% for 2018 from 3.0% this year.

With global growth accelerating, commodity prices should firm and China's Producer Price Index ought to be in positive territory. This is generally positive for Asian equities. We are overweight internet/technology in China and Singapore, financials and energy in India, industrials in India, materials in China and Korea, and staples in Thailand. In Malaysia, we keep to our key broad themes, with specific focus within each theme, i.e. construction, e-commerce/logistics, Chinese tourism, consumer sector and technology. Our base case is that there is no political upheaval arising from the 14th General Election expected in the first quarter of 2018.

Source: CIMB-Principal Asset Management 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.