

#### FUND OBJECTIVE

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

#### FUND DETAILS

Launch Date	13 February 2015
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	68.109 million units (31 January 2017)
Fund Size	RM 75.504 million (31 January 2017)
Unit NAV	RM1.1086 (31 January 2017)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB-Principal Asia Pacific Dynamic Income Fund
Benchmark	Target return of 8% p.a.
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> <li>Have a medium to long-term investment horizon</li> <li>Want a well-diversified portfolio of Asia Pacific ex Japan region</li> <li>Willing to take moderate risk for potentially moderate capital return over the long-term.</li> </ul>
Fees	<ul style="list-style-type: none"> <li>Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Dynamic Income Fund.</li> <li>1.8% of pa fund management charge is applied on the target fund's NAV by CIMB-Principal.</li> </ul>
Taxation	<ul style="list-style-type: none"> <li>8% of annual investment income</li> </ul>

#### ASSET ALLOCATION

Equities	Minimum 70% - 98%	Liquid Assets	Min 2%
Fixed Income	Max 15%		

#### WHERE THE FUND INVESTS

Finance	25.86%	Oil & Gas	4.61%
Technology	15.79%	Utilities	3.32%
Consumer	14.66%	Telecommunication	0.90%
Industrials	14.03%	Cash	4.73%
Health Care	8.54%	-	-
Basic Materials	7.56%	Total	100.0%

#### TOP HOLDINGS OF THE TARGET FUND

Taiwan Semiconductor Manuf (Taiwan)	5.81%
BHP Billiton Ltd (Australia)	5.16%
Bank Central Asia (Indonesia)	4.52%
Samsung Electronics Co. Ltd (South Korea)	4.29%
Tencent Hldg Ltd (Hong Kong)	3.68%
Netease INC (Cayman Island)	3.46%
AGL Energy (Australia)	3.32%
Housing Development Fin. Corp Ltd (India)	3.26%
Terena International ADR (Cayman Island)	3.23%
FRASERS LOGISTICS & INDUSTRI (S'pore)	3.08%

#### PERFORMANCE RECORD

This fund feeds into CIMB-Principal Asia Pacific Dynamic Income Fund ("target fund") with the objective to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Dynamic Income Fund versus its benchmark as at 31 January 2017:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
<b>Fund*</b>	3.29	3.29	4.52	6.39	19.72	N/A	10.86
<b>Benchmark</b>	0.64	0.64	1.94	3.92	8.00	N/A	16.64

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

In January 2017, the Fund increased 3.29%. Our stock selections in Oil & Gas and Financials contributed to the returns. On a country basis, India, Indonesia and Australia performed well.

Asian Pacific ex Japan Equities was up 5.8% in United States Dollar terms in Jan 2017. All sectors were up by almost the same magnitude save materials which outperformed (+11%). Country-wise, Indonesian equities and the Rupiah was the notable underperformer.

If the United States Dollar does not appreciate too much (Dollar Index is -3% ytd), fund flows to Asia could be supportive as investor positioning in Asia looks quite low at around 2009 levels based on the fund size of the i-shares MSCI Emerging Markets ETF. A United States Dollar that is too strong does not help Trump's vision of rebuilding the industrial base in the US. The big risk is uncertainty about United States trade policy with Asia (particularly China). We have added some cyclical to the portfolio & plan to continue to do so judiciously. The preference would be stocks with some developed market exposure. China is easing back on reflationary policies particularly in the real estate sector but they are implementing supply side reforms in some industries with overcapacity like coal, steel and potentially cement. Research efforts are on beneficiaries of supply-side reform and industrials/materials. The fund is Overweight in India and Underweight Taiwan & Korea. In sector terms, we are overweight in China internet/tech, financials & industrials in India, underweight telecoms and utilities. We have been trimming Korean exposure to buy industrials. New ideas implemented include industrial related stocks in India that can benefit from rising capex.

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.