

#### 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	3.634 million units (28 February 2018)
Fund Size	RM5.108 million (28 February 2018)
Unit NAV	RM1.4058 (28 February 2018)
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	Suitable for investors: <ul style="list-style-type: none"> <li>Have a medium to long-term investment horizon</li> <li>Target capital appreciation</li> <li>Do not require regular income</li> <li>Comfortable with higher volatility</li> <li>Willing to take higher risk for potential higher gains</li> </ul>
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	29.90%	Basic Materials	2.40%
Trading / Services	18.20%	Plantation	2.17%
Consumer	14.66%	Oil & Gas	1.91%
Industrials	12.58%	Mutual Fund	1.83%
Technology	7.69%	REITS	0.21%
Construction	2.97%	IPC	0.12%
Properties	2.44%	Cash	2.92%

#### TOP HOLDINGS OF THE TARGET FUND

Malayan Banking Bhd (Malaysia)	5.40%
Public Bank Bhd – Local (Malaysia)	5.05%
Tenaga Nasional Bhd (Malaysia)	4.04%
CIMB Group Hldgs Bhd (Malaysia)	3.82%
Tencent Hldg Bhd (Malaysia)	3.26%
Alibaba Group Holding Ltd (Cayman Islands)	2.52%
Industrial and Commercial Bank (China)	2.27%
Taiwan Semiconductor Manuf (Taiwan)	2.24%
DBS Group Hldg Ltd (Singapore)	2.15%
Venture Corp Ltd (Singapore)	2.04%

#### 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 28 February 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
<b>Fund*</b>	1.72	-1.28	4.33	6.43	22.21	31.60	40.58
<b>Benchmark</b>	0.63	-2.83	3.63	3.06	12.56	19.85	28.73

\* 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 downed 1.28% in February, outperforming its benchmark by 1.55%. The Fund's outperformance came mainly from its exposure in Singapore. At the stock level, key contributors were Venture Corporation, DBS Group and Hangzhou Hikvision. Year-to-date, the Fund was up 1.72%, outperforming the benchmark by 1.09%.

Asia ex-Japan equities went into risk-off mode and corrected -3.9% (US\$) in February, triggered by a surge in US 10-year yields and concerns of higher inflation. The sell-off was broad-based with underperformance in energy, telecommunications, industrials, real estate and financials, while healthcare was the only gainer. In Malaysia, the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI) corrected 12.38 pts or 0.66% to 1,856.20 pts. The FBMKLCI had fallen sharply from a high of 1,870 pts (February 2) to a low of 1812 (February 6), before recouping most its losses by month end. In February, foreign investors net sold c. RM1.1bn bringing year-to-date net inflows to RM2.2bn.

We prefer cyclical to defensives as Asia is just in its second year of sales and earnings growth and China is still implementing supply side reform. We also prefer companies that have above average growth to enable higher re-investment into the business. In sector terms, we are overweight financials in Singapore, Malaysia, HK; energy in India; industrials in Malaysia; materials in China and Korea; and consumer in China, Malaysia, Thailand. We are underweight health care, telecommunications and utilities. In Malaysia, we will stay invested, but continue to trim portfolio risk by reducing exposure to stocks which have risen exponentially, as we approach GE14. These include selective Construction stocks, as well as some politically-linked names. We will rotate into more liquid large cap names to raise portfolio liquidity. We continue to like Financials, Tourism and Industrials. We have also lowered our exposure to selective e-commerce/logistics names.

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.