

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	8.93 million units (30 April 2020)	Fund Size	RM10.49 million (30 April 2020)
Unit NAV	RM1.1742 (30 April 2020)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang Aiiaman Select Income Fund
Benchmark	70% 12-month Maybank General Investment Account (GIA) + 30% FTSE Bursa Malaysia EMAS Shariah Index (FBMSHA)	Taxation	8% of annual investment income
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 AIIAMAN Select Income Fund. 1.2% pa fund management charge is applied on the target fund's NAV by Affin Hwang Asset Management Berhad.

ASSET ALLOCATION OF THE TARGET FUND

Sukuk & Islamic Money Market Instruments	Shariah-compliant Equities	Cash & Others
Min 60%; Max 100%	Min 0%; Max 40%	Remaining Balance

SECTOR ALLOCATION OF THE TARGET FUND

Sukuk	67.10%
Financials	9.30%
Technology	6.40%
Consumer Services	4.80%
Industrials	3.30%
Telecommunications	3.20%
Consumer Goods	1.40%
Cash & Cash Equivalent	4.50%
Total	100.0%

TOP HOLDINGS OF THE TARGET FUND (SUKUK)

Bonds Issuer	Coupon	Maturity Date	%
Lebuhraya DUKE Fasa 3 Sdn Bhd	5.95%	23.08.34	5.4
WCT Holdings Bhd	5.80%	27.09.49	4.9
MEX II Sdn Bhd	5.90%	27.04.29	4.7
YTL Power International Bhd	5.05%	03.05.27	3.9
Westports Malaysia Sdn Bhd	4.53%	01.04.27	3.9

TOP HOLDINGS OF THE TARGET FUND (EQUITIES)

Alibaba Group Holding Ltd	2.4
Taiwan Semiconductor Manufac	2.1
Tencent Holdings Ltd	2.1
Singapore Telecom Ltd	2.0
China Resources Land Ltd	1.5

PERFORMANCE RECORD

This fund feeds into Affin Hwang AII MAN 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 AII MAN Select Income Fund versus its benchmark as at 30 April 2020:

%	YTD	1M	6M	1-Year	3-Year	5-Year	Since Inception
Fund*	-1.62	3.64	0.53	2.60	8.24	17.42	17.42
Benchmark	-1.83	2.47	-1.14	0.05	2.31	7.80	8.98

* 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

- Asian markets rebounded in April, with the Hong Kong Hang Seng and the broader MSCI Asia ex-Japan index rising by 4.4% and 8.9% respectively. The local market mirrored regional gains with the benchmark KLCI closing 4.2% higher.
- On the stimulus front, the Prime Minister announced an additional RM10billion package to help SMEs cope during the pandemic. Almost all economic sectors and business activities in Malaysia will be allowed to resume operations starting 4 May 2020, subject to standard operating procedures set by the authorities.
- Local bond market turned bullish, supported by a better risk environment globally following the Fed's "circuit breaker" through massive easing. At the same time, the rally was also driven by investors' positioning, with their eyes on BNM MPC meeting in early May.
- BNM in its recent investor engagement, iterating the use of unconventional monetary policy, e.g. direct purchases of government bonds cannot be ruled out. In the 1st half of April, it was reported BNM has bought more than MYR6.3bil of government bonds bringing to it its highest ever holdings around RM9.0billion.
- Malaysia's inflation data for March fell to -0.2% due to a decline in the transport index amid lower oil prices. BNM estimates inflation to range between -1.5% to 0.5% in 2020.
- **STRATEGY:** During the month, the fund's portfolio duration increased slightly to 7.1 years. The fund's strategy going forward would be to maintain slightly long duration in anticipation of market recovery. It also increased its government bond holdings.
- The fund tactically increased its equity exposure to 25% on improving easing measures from China, and Asia as a whole.
- The fund is cautious of the markets/credits impact arising from the Covid-19 epidemic.

Source : Affin Hwang Asset Management Berhad
Date : 30 April 2020

Disclaimer:

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