

FUND OBJECTIVE

To maximize capital growth over the medium to long-term through the stock market.

FUND DETAILS

Launch Date	20 October 2008	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	23.80 million units (31 October 2019)	Fund Size	RM60.48 million (31 October 2019)
Unit NAV	RM2.5418 (31 October 2019)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Benchmark	FBM100
Taxation	8% of annual investment income	Fees	Management Fee: 1.5% p.a.
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> ▪ With a medium to long-term investment horizon ▪ Seek maximum capital appreciation ▪ Do not require regular income ▪ Comfortable with higher volatility ▪ Willing to take higher risk for potential higher gains 	Other Charges	Inclusive of auditor fee & transaction charge

ASSET ALLOCATION OF THE FUND

Equities	Cash
Minimum 80% - 98%	Up to 20%

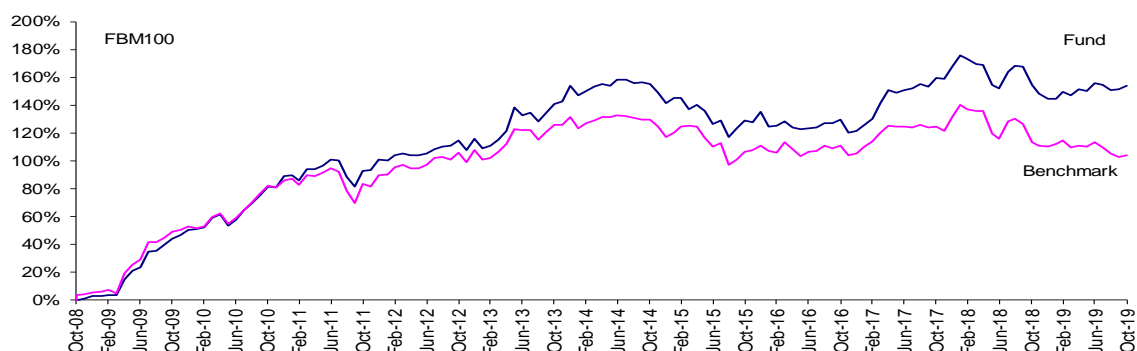
SECTOR ALLOCATION OF THE FUND

Financial Services	22.15%
Utilities	9.51%
Consumer Products & Services	9.44%
Industrial Products & Services	9.07%
Telecommunications & Media	8.79%
Plantation	7.30%
Transportation & Logistics	6.06%
Energy	5.62%
Health Care	5.29%
Technology	4.99%
Construction	3.94%
REIT	2.70%
Property	0.46%
Cash	4.67%
Total	100.00%

TOP HOLDINGS OF THE FUND (EQUITIES)

Malayan Banking Bhd	7.88%
Tenaga Nasional Bhd	7.65%
CIMB Group Holdings Bhd	5.48%
Digi.com Bhd	3.99%
Public Bank Bhd- Local	3.81%
IHH Healthcare Bhd Dialog Group Bhd	3.50%
Sime Darby Bhd	3.14%
Dialog Group Bhd	3.01%
Press Metal Aluminium Hdg Bhd	3.00%
Axiata Group Bhd	2.92%
Total	44.38%

PERFORMANCE RECORD



%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	4.04	1.12	-0.04	1.16	-0.06	10.74	154.18
Benchmark	-2.86	0.71	-2.61	-3.08	-4.37	-3.26	104.18

* 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

Market review

In October, the fund rose 1.12%, outperforming its benchmark by 0.41%. Outperformance came mainly from the overweight in Oil and Gas and increased weight in Financials. At the stock level, the overweight in MPI, Dayang and underweight in Maxis and AMMB were key contributors. Year-to-date, the fund is up 4.04%, outperforming its benchmark by 6.90%.

The FTSE Bursa Malaysia Kuala Lumpur Composite Index ("KLCI") gained 0.9% in Oct (YTD: -5.5%) to 1,598, in line with regional markets' performance. We view Budget 2020, which was announced on 11 Oct, positively as the government focuses on reinventing Malaysia in the digital space over the medium term by attracting foreign and domestic investments. Various tax incentives have been proposed to attract these investments which are expected to create high-paying jobs, especially those in the manufacturing and technology sectors. In view of the need to spur the domestic economy amid external challenges, the federal government has also lowered its fiscal deficit target to 3.2% vs 3.0% earlier. This raises the prospect for resumption of infrastructure spending by the government with the resumption of mega projects under review such as East Coast Rail Link (ECRL) and Pan Borneo Highway. Another positive is the absence of another special dividend from Petronas which is a boost to its capex plan in 2020, a clear re-rating catalyst for the domestic oil & gas service providers.

Portfolio Strategy

While we are maintaining a NEUTRAL stance on Malaysia, we are turning constructively more positive going into 2020. In view of that, we will be taking a tactical 5% more exposure into high growth mid-small caps companies going into 1Q2020, whilst at the same time maintaining the core long term strategy in investing into high dividend yields particularly in REITS, banks, consumer and utilities. We also like to accumulate selective growth stocks on weakness within the construction, oil and gas, and technology sectors.

Source : *Principal Asset Management Bhd*

Date : *31 October 2019*

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.