

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	76.643 million units (31 January 2018)
Fund Size	RM105.842 million (31 January 2018)
Unit NAV	RM1.3810 (31 January 2018)
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"> Have a medium to long-term investment horizon Want a well-diversified portfolio of Asia Pacific ex Japan region Willing to take moderate risk for potentially moderate capital return over the long-term.
Fees	<ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Dynamic Income Fund. 1.8% of pa fund management charge is applied on the target fund's NAV by CIMB-Principal.
Taxation	8% of annual investment income

ASSET ALLOCATION

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

WHERE THE FUND INVESTS

Finance	30.78%	Telecommunications	2.29%
Consumer	20.55%	Trading/Services	0.96%
Industrials	13.42%	Cash	6.25%
Technology	11.57%	Oil & Gas	
Basic Materials	5.50%	Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Tecent Hldg Ltd (Hong Kong)	5.78%
Industrial and Commercial Bank (China)	4.01%
BHP Billiton Ltd (Australia)	3.88%
Midea Group Co Ltd –A (China)	3.61%
Hangzhou Hikv (China)	3.54%
Samsung Electronics Co. Ltd (S. Korea)	3.48%
Autohome Inc – ADR (United States)	3.24%
Xinyi Glass Hldg Co. Ltd (Hong Kong)	2.74%
CIMB Group Holdings Bhd	2.62%
Ping An Insurance Group Co. –H (China)	2.58%

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 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	2.33	2.33	2.03	6.76	24.57	38.10	38.10
Benchmark	0.64	0.64	1.94	3.92	8.00	25.97	25.97

* 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

In January, the Fund rose by 2.33% mainly contributed by China.

Asia Pac ex-Japan equities got off to a roaring start in January gaining +6.7% (US\$). The rally was broad based with energy, financials and healthcare leading the charge while telecom and utilities underperformed. BUY Asian equities: Equity market corrections caused by bond market tantrums judged against strong economic growth and a low unemployment rate should be buying opportunities. While there will be variability in markets caused by investor positioning and flows, we think equity markets should be able to stomach a rise in volatility, yields and inflation provided these do not shoot up too quickly and the US dollar remains at current levels. A 2.8-3.0% US 10 year Treasury yield may look alarming as it is the highest level since 2014 but this is in the context of the strongest global GDP growth in 7 years and the lowest US unemployment rate in 17 years. Back to Asia, the key metric remains EPS growth. At a 13x FY18 PER and 13% EPS growth, Asian equities look reasonably priced and has upside especially if the cyclical sectors can see earnings upgrades. We like companies that are deploying technology to gain a competitive advantage and differentiate, e.g., selective names in the banking and mining sector.

The APDI is fully invested with cash level 10%, we have taken some profit for companies that likely to face slow down in industry growth and valuation seems full, as well as on the expectation of correction after a strong run up. We continue to like China, we also like Thailand. On sectors, we like industries that will benefit.

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.