



SUN LIFE PROSPERITY
WORLD INCOME FUND
PRODUCT LAUNCH

ONLINE MEDIACON

12 SEP 2023 | 10am



Sun Life

Asset Management

A G E N D A

1	Welcome Remarks from SLAMCI President GB Bautista
2	Update on Global Markets by Mikko Vergara
3	Sun Life Prosperity World Income Fund Presentation by Dino Macasaet
4	Open Forum/Q&A
5	Closing

Market Update



Michael Adrian Vergara

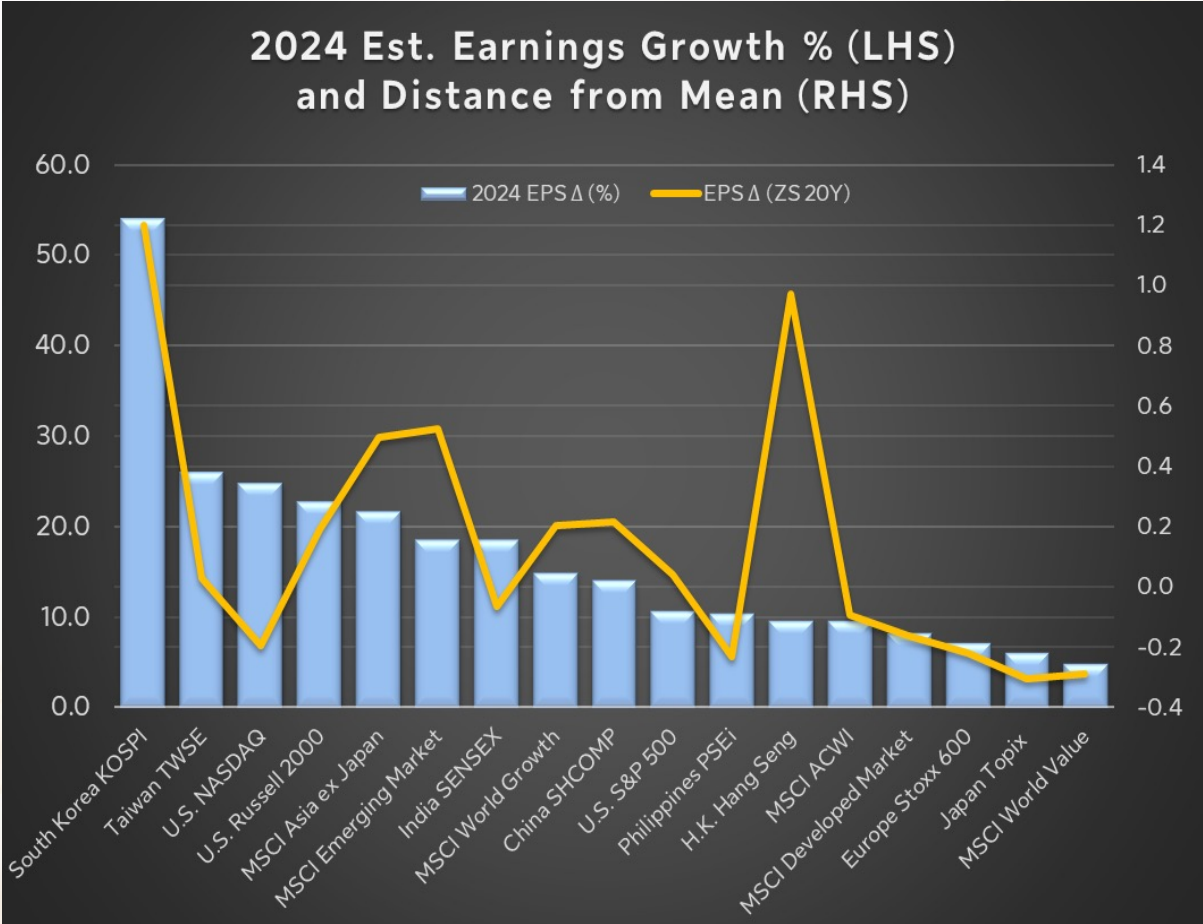
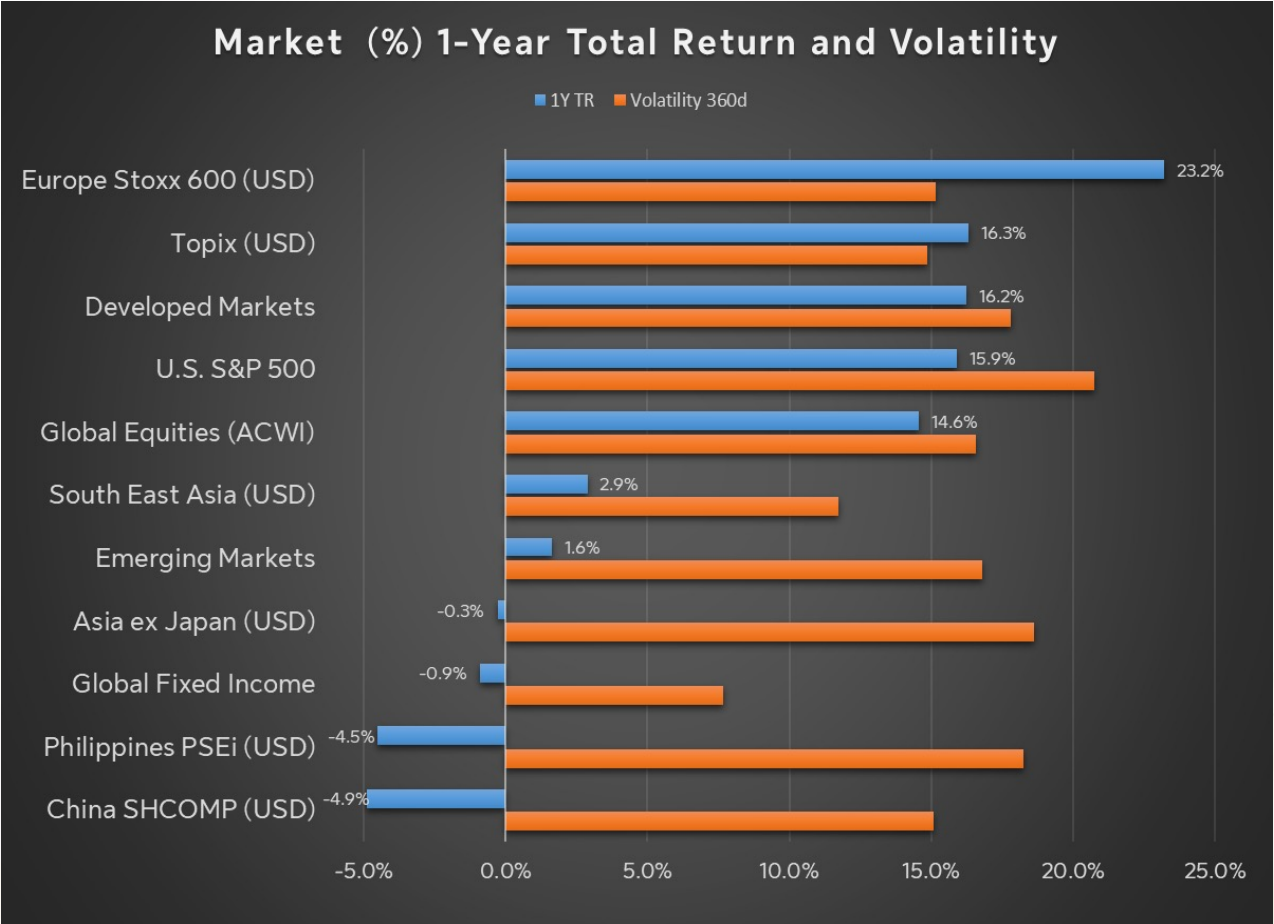
Head of Equities and
Global Funds
Sun Life Investment
Management and Trust
Corporation (SLIMTC)



Broad Price and Earnings Recovery

Market Update

Sentiment Least Bearish since February 2022



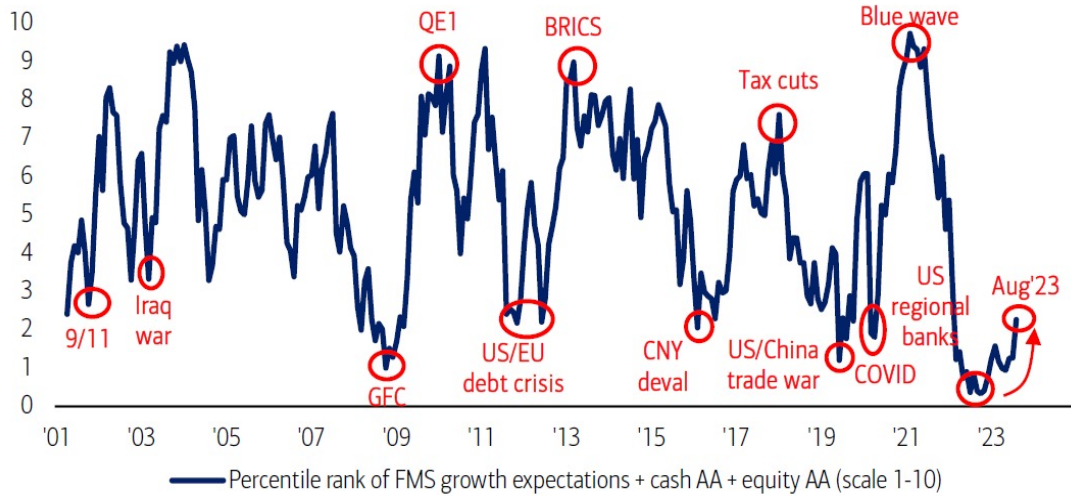
Bloomberg Data



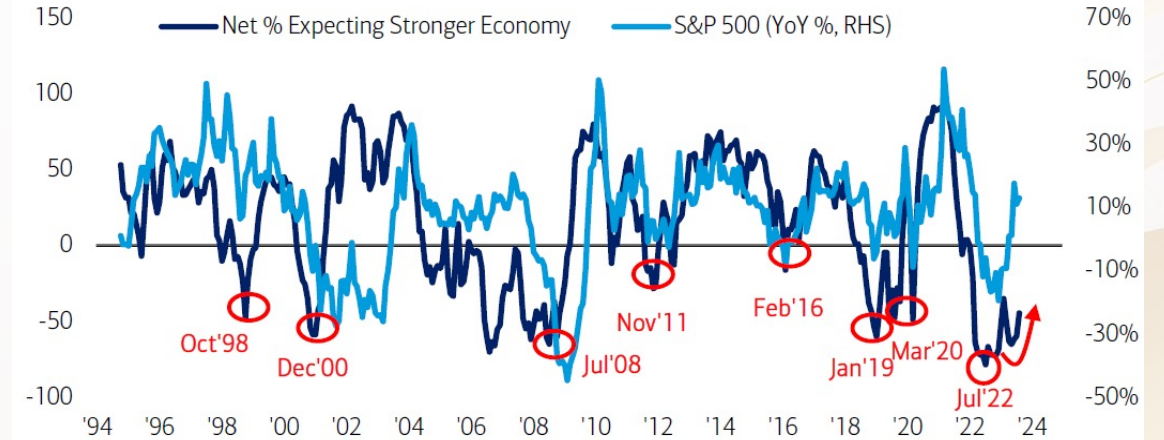
Turning Points to Watch

Market Update

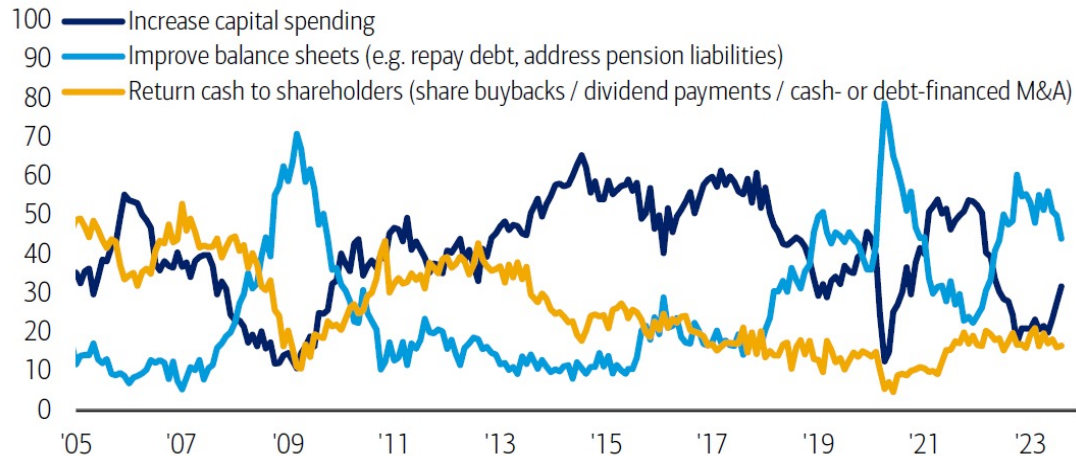
Percentile rank of FMS growth expectations + cash level + equity allocation (scaled 1-10)



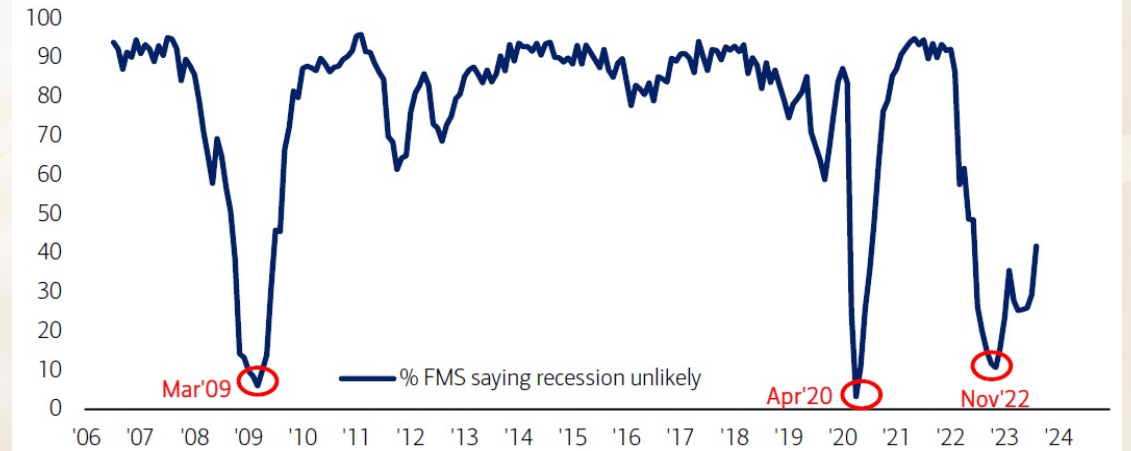
Net % expecting stronger economy vs S&P500 price change YoY (%)



What FMS investors would most like to see companies do with cash flow

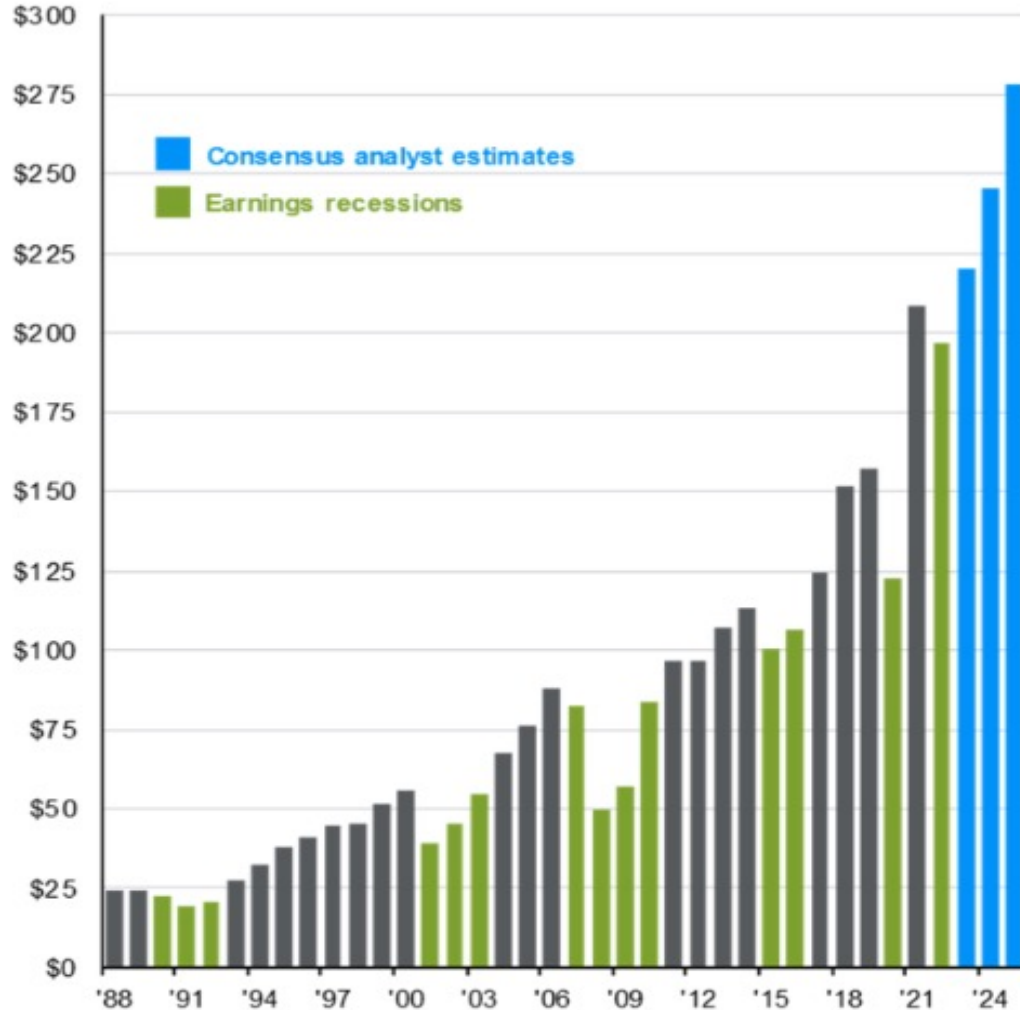


% FMS investors saying a global recession is unlikely in next 12 months



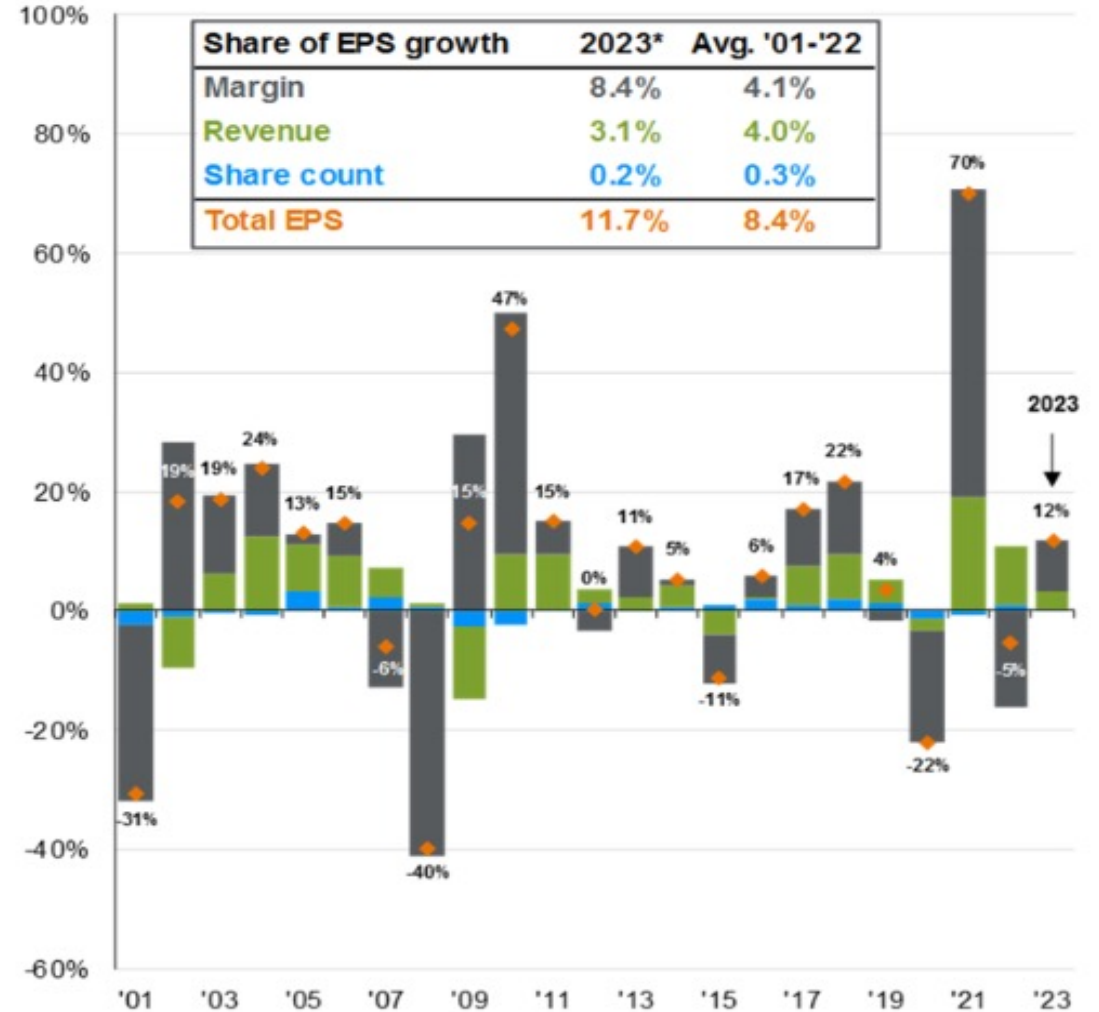
Resilient Data Supporting Soft Landing Scenario

S&P 500 earnings per share
Index annual operating earnings, USD



S&P 500 year-over-year operating EPS growth

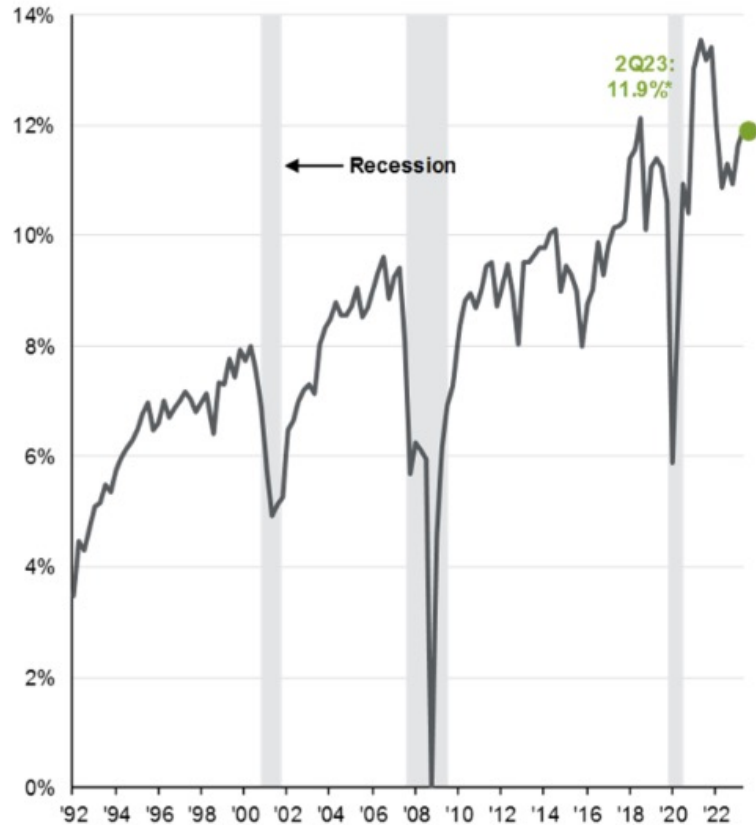
Annual growth broken into revenue, changes in profit margin & changes in share count



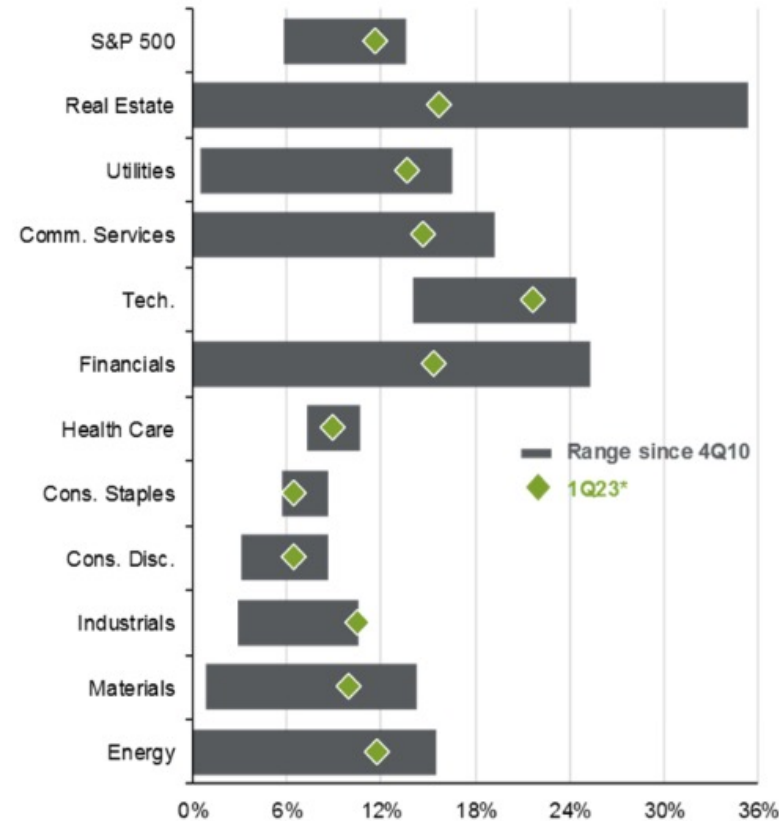
Market Update

Resilient Data Supporting Soft Landing Scenario

S&P 500 profit margins
Quarterly operating earnings/sales



S&P 500 operating margins by sector
Current operating margins versus historical range**



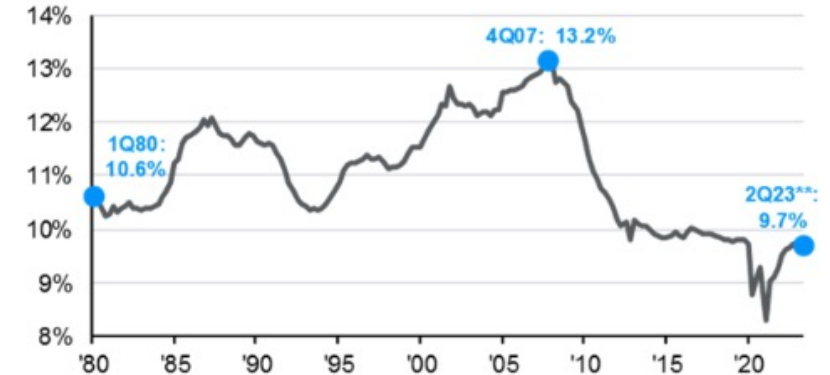
Interest rate coverage ratio

EBIT/interest expense on debt, monthly, LTM, 1998-present



Household debt service ratio

Debt payments as % of disposable personal income, SA



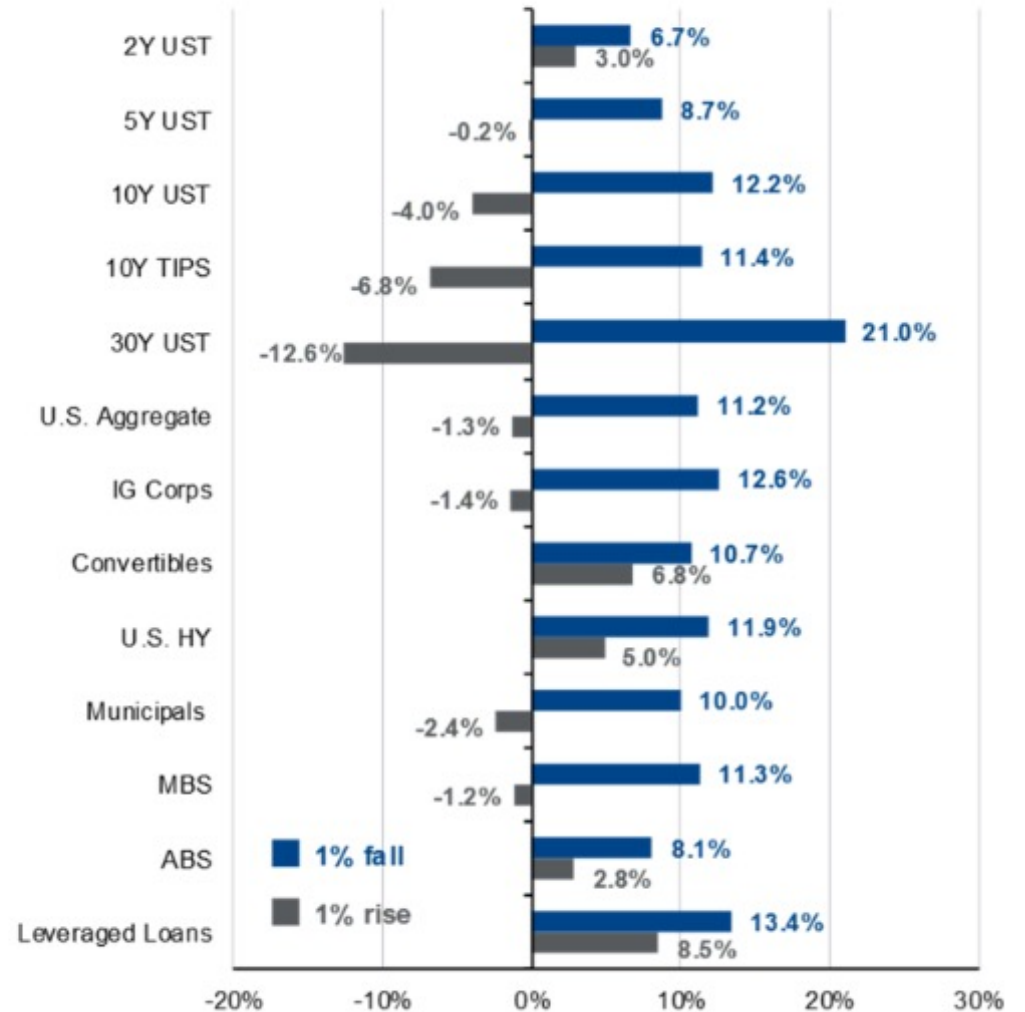
Market Update

Peak Rates and Bond Prices

U.S. Treasuries	Yield		Return			
	8/31/2023	12/31/2022	2023 YTD	Avg. Maturity	Correlation to 10-year	Correlation to S&P 500
2-Year	4.85%	4.41%	1.21%	2 years	0.73	-0.15
5-Year	4.23%	3.99%	0.69%	5	0.93	-0.13
10-Year	4.09%	3.88%	0.03%	10	1.00	-0.13
10-Year TIPS*	1.84%	1.53%	0.08%	10	0.78	0.31
30-Year	4.20%	3.97%	-2.25%	30	0.93	-0.17
Sector						
U.S. Aggregate	4.97%	4.68%	1.37%	8.5	0.86	0.22
IG Corps	5.61%	5.42%	2.76%	10.8	0.54	0.47
Convertibles	8.37%	7.58%	9.04%	-	-0.13	0.87
U.S. HY	8.41%	8.96%	7.13%	5.0	-0.09	0.74
Municipals	3.79%	3.55%	1.59%	13.1	0.54	0.22
MBS	5.02%	4.71%	0.95%	8.0	0.78	0.15
ABS	6.10%	5.89%	3.67%	3.3	0.20	0.02
Leveraged Loans	10.94%	11.41%	9.16%	2.4	-0.34	0.60

Impact of a 1% rise or fall in interest rates

Total return, assumes a parallel shift in the yield curve



Return Quilt – Consistency versus Potential

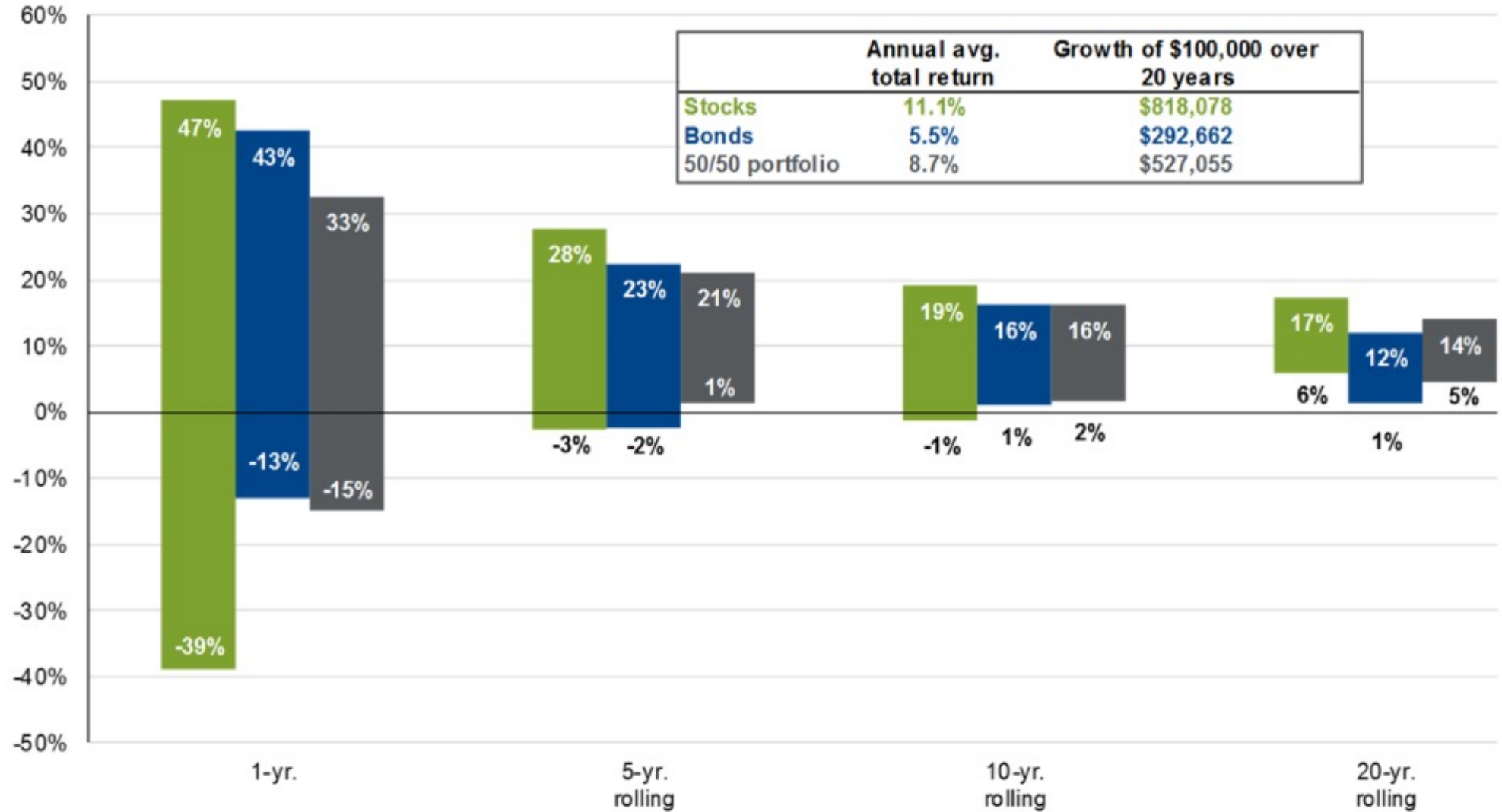
2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD	2008 - 2022	
																Ann.	Vol.
Fixed Income 5.2%	EM Equity 79.0%	RBTs 27.9%	RBTs 8.3%	RBTs 19.7%	Sm all Cap 38.8%	RBTs 28.0%	RBTs 2.8%	Sm all Cap 21.3%	EM Equity 37.8%	Cash 1.8%	Large Cap 31.5%	Sm all Cap 20.0%	RBTs 41.3%	Com dty. 16.1%	Large Cap 18.7%	Large Cap 8.8%	RBTs 23.4%
Cash 1.8%	High Yield 59.4%	Sm all Cap 26.9%	Fixed Income 7.8%	High Yield 19.6%	Large Cap 32.4%	Large Cap 13.7%	Large Cap 1.4%	High Yield 14.3%	DM Equity 25.6%	Fixed Income 0.0%	RBTs 28.7%	EM Equity 18.7%	Large Cap 28.7%	Cash 1.5%	DM Equity 11.3%	Sm all Cap 7.2%	Sm all Cap 23.2%
Asset Alloc. -25.4%	DM Equity 32.5%	EM Equity 19.2%	High Yield 3.1%	EM Equity 18.6%	DM Equity 23.3%	Fixed Income 6.0%	Fixed Income 0.5%	Large Cap 12.0%	Large Cap 21.8%	RBTs -4.0%	Sm all Cap 25.5%	Large Cap 18.4%	Com dty. 27.1%	High Yield -12.7%	Sm all Cap 9.0%	RBTs 6.6%	EM Equity 23.0%
High Yield -26.9%	RBTs 28.0%	Com dty. 16.8%	Large Cap 2.1%	DM Equity 17.9%	Asset Alloc. 14.9%	Asset Alloc. 5.2%	Cash 0.0%	Com dty. 11.8%	Sm all Cap 14.6%	High Yield -4.1%	DM Equity 22.7%	Asset Alloc. 10.6%	Sm all Cap 14.8%	Fixed Income -13.0%	Asset Alloc. 8.3%	Asset Alloc. 6.1%	Com dty. 20.2%
Sm all Cap -33.8%	Sm all Cap 27.2%	Large Cap 15.1%	Cash 0.1%	Sm all Cap 16.3%	High Yield 7.3%	Sm all Cap 4.9%	DM Equity -0.4%	EM Equity 11.6%	Asset Alloc. 14.6%	Large Cap -4.4%	Asset Alloc. 19.5%	DM Equity 8.3%	Asset Alloc. 13.5%	Asset Alloc. -13.9%	High Yield 6.7%	High Yield 5.4%	DM Equity 20.0%
Com dty. -35.6%	Large Cap 26.5%	High Yield 14.8%	Asset Alloc. -0.7%	Large Cap 16.0%	RBTs 2.9%	Cash 0.0%	Asset Alloc. -2.0%	RBTs 8.6%	High Yield 10.4%	Asset Alloc. -5.8%	EM Equity 18.9%	Fixed Income 7.5%	DM Equity 11.8%	DM Equity -14.0%	EM Equity 4.9%	Fixed Income 2.7%	Large Cap 17.7%
Large Cap -37.0%	Asset Alloc. 25.0%	Asset Alloc. 13.3%	Sm all Cap -4.2%	Asset Alloc. 12.2%	Cash 0.0%	High Yield 0.0%	High Yield -2.7%	Asset Alloc. 8.3%	RBTs 8.7%	Sm all Cap -11.0%	High Yield 12.6%	High Yield 7.0%	High Yield 1.0%	Large Cap -18.1%	Cash 3.2%	DM Equity 2.3%	High Yield 13.0%
RBTs -37.7%	Com dty. 18.9%	DM Equity 8.2%	DM Equity -11.7%	Fixed Income 4.2%	Fixed Income -2.0%	EM Equity -1.8%	Sm all Cap -4.4%	Fixed Income 2.6%	Fixed Income 3.5%	Com dty. -11.2%	Fixed Income 8.7%	Cash 0.5%	Cash 0.0%	EM Equity -19.7%	RBTs 1.5%	EM Equity 1.0%	Asset Alloc. 12.4%
DM Equity -43.1%	Fixed Income 5.9%	Fixed Income 6.5%	Com dty. -13.3%	Cash 0.1%	EM Equity -2.3%	DM Equity -4.5%	EM Equity -14.6%	DM Equity 1.5%	Com dty. 1.7%	DM Equity -13.4%	Com dty. 7.7%	Com dty. -3.1%	Fixed Income -1.5%	Sm all Cap -20.4%	Fixed Income 1.4%	Cash 0.6%	Fixed Income 4.2%
EM Equity -53.2%	Cash 0.1%	Cash 0.1%	EM Equity -18.2%	Com dty. -1.1%	Com dty. -9.5%	Com dty. -17.0%	Com dty. -24.7%	Cash 0.3%	Cash 0.8%	EM Equity -14.2%	Cash 2.2%	RBTs -5.1%	EM Equity -2.2%	RBTs -24.9%	Com dty. -2.8%	Com dty. -2.6%	Cash 0.4%

Market Update

Asset Classes as Building Blocks for Portfolios

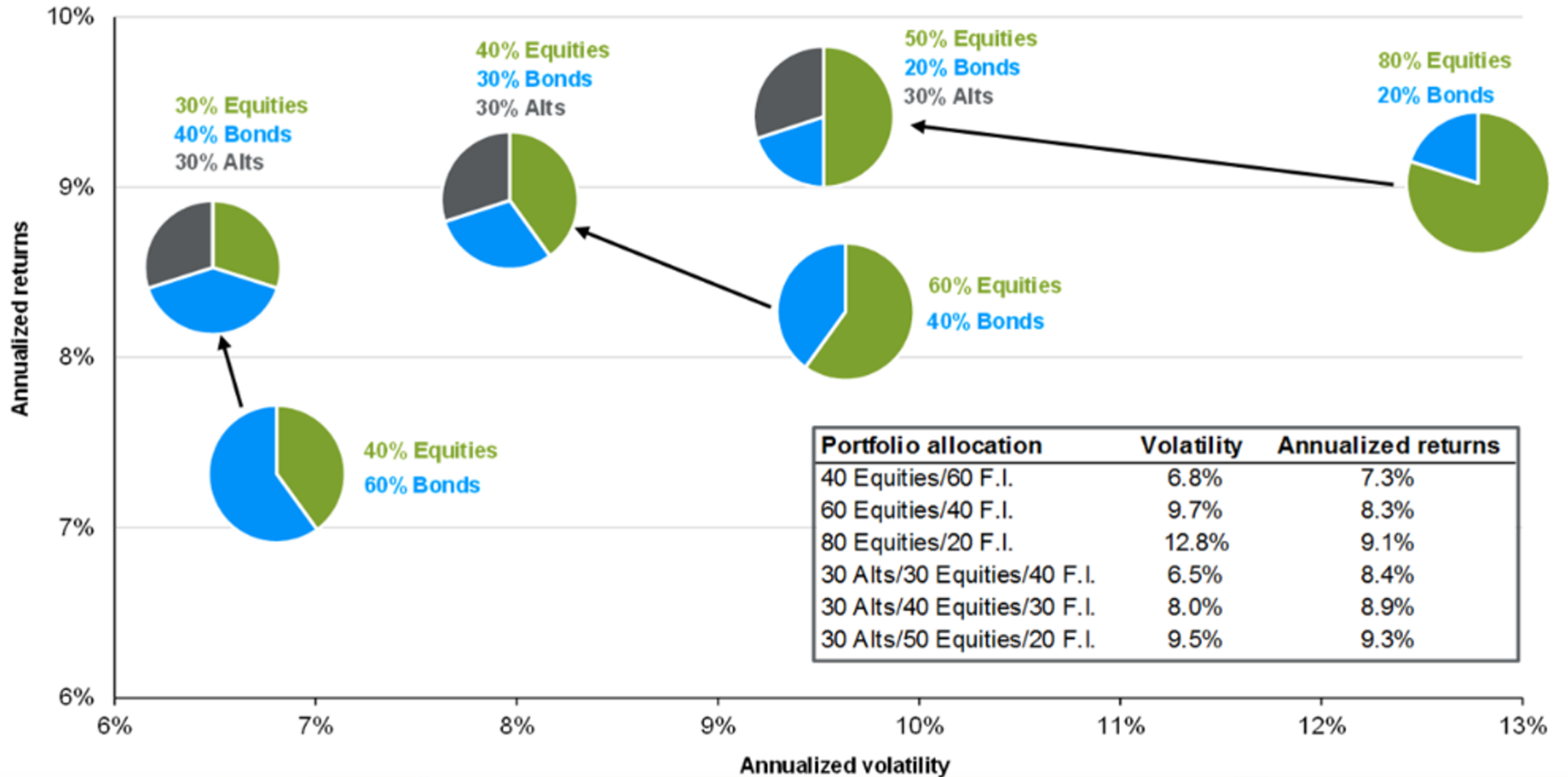
Range of stock, bond and blended total returns

Annual total returns, 1950-2022



The Benefits of Diversification

Alternatives and portfolio risk/return
Annualized volatility and returns, 1989 – 2022



Market Update

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Marketing & Training Head
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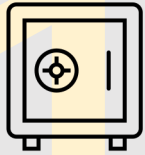
Sun Life Prosperity World Income Fund

*Global Investing,
Regular Payouts*



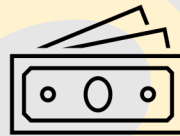
Sun Life
Asset Management

SLAMCI THREE (3) OBJECTIVES OF EVERY INVESTOR



SAFETY

To keep your money safe and secure, these are low-risk, low return investments that are either capital secured or short term and may offer liquidity



INCOME

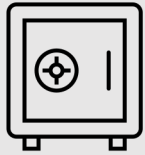
Investments to generate a steady source of passive/ fixed income via products with potential regular payouts in the form of interest coupons, dividends.



GROWTH

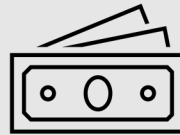
Investments to grow wealth via capital gain or capital appreciation, long-term, higher risk higher return instruments

SLAMCI THREE (3) OBJECTIVES OF EVERY INVESTOR



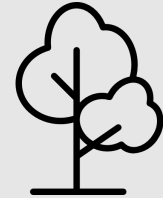
SAFETY

- Money Market Funds
- Time Deposit
- Savings Account
- T-bills, Gov't bonds, Treasuries
- Digital banks high yield savings



INCOME

- Direct Bonds
- Preferred/ common shares with dividend payout
- Income payout funds
- Rental income from property



GROWTH

- Equity Funds, Balanced Funds
- ETFs
- Direct Stocks
- Land Value appreciation from real estate

SUN LIFE PROSPERITY FUNDS TIMELINE

2000-2020





SUN LIFE PROSPERITY **WORLD INCOME FUND**

Global Investing, Regular Payouts

WHAT is The Sun Life Prosperity World Income Fund?

Feeder Fund



The Fund will be investing 90% of its net assets in One Target Fund

Global Multi-Asset



BlackRock® DHI Fund, a tactical fund of global bonds / equities

Income-Paying Fund



Aims to pay-out regular income (cash) on a monthly basis

Scheduled to start on December 2023



Primary Objective
Non-guaranteed monthly income



Secondary Objective
Capital Growth for the Long-Term

WHY Invest in The Sun Life Prosperity World Income Fund?

Payout of Monthly Cash Income



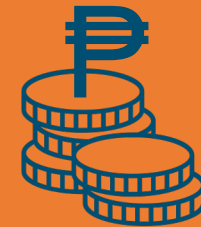
- ✓ Credited to your bank account
- ✓ Target Annual Dividend Yield: **4.5-5.5% net**
- ✓ First payout will be in December 2023 (accumulated/accrued)

Potential Capital Growth via the Global Markets



- ✓ The Fund also aims to generate capital growth on your principal by investing globally in the full range of assets, including equities, bonds, etc.

Invest Affordably using Philippine Pesos



- ✓ The Fund will accept subscriptions in Philippine pesos (PHP) for as low as **P10,000 (initial)** and **P1,000 subsequent.**

(Target Fund Minimum: \$100,000)

In essence, this new Fund allows you to invest in
the BlackRock® Dynamic High-Income Fund

PHP Unhedged

US Dollar



**SLP World
Income Fund**

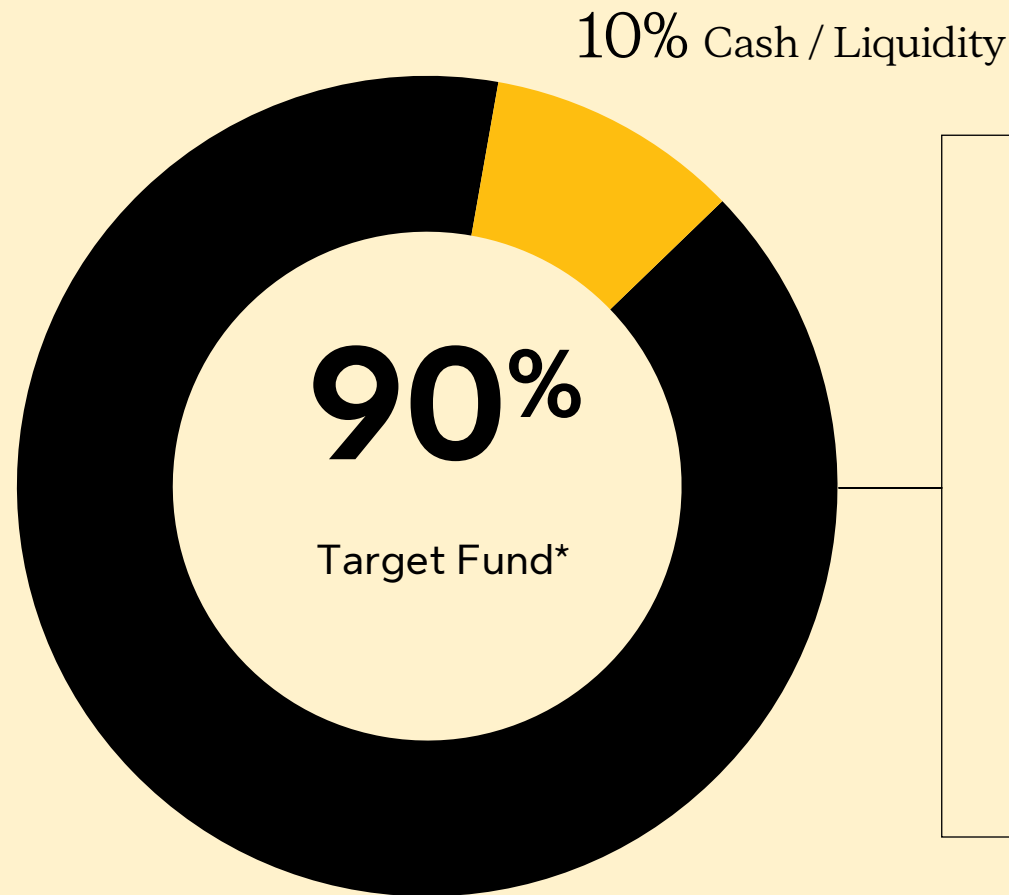
Feeder Fund

**BlackRock® Dynamic
High-Income Fund**

Target Fund

World Income Fund is a **feeder fund**, and it will invest **at least 90% of its net assets** in its target fund, the **BlackRock® Dynamic High-Income Fund**. While target fund is dollar-denominated, World Income Fund accepts investments in Philippine Pesos.

The Target Fund shall invest in *income-producing instruments*



*BlackRock® Dynamic High-Income Fund



Cash & derivatives



Equities & Preferred Shares,
Dividend-Paying Stocks, REITs,
Covered Calls



High Yield Bonds

SUN LIFE PROSPERITY WORLD INCOME FUND

Global Investing, Regular Payouts

	Conservative	Moderate	Balanced	Growth	Aggressive
PHP	Peso Starter Fund <small>(formerly Money Market Fund)</small>	GS Fund Bond Fund	Balanced Fund Achiever Fund 2028 Achiever Fund 2038 Achiever Fund 2048	World Income Fund	Index Fund Equity Fund WEIF Fund
USD	Dollar Starter Fund	Dollar Abundance Fund	Dollar Wellspring Fund	Dollar Advantage Fund	World Voyager Fund

SHORT-TERM
 MODEST POTENTIAL RETURNS
 LOW RISK

LONG-TERM
 HIGHER POTENTIAL RETURNS
 HIGH RISK

FUND PROPOSITION

SUN LIFE PROSPERITY WORLD INCOME FUND

<u>Fund Features</u>	<u>Description</u>
Investment Objective	Potentially provide regular income streams and generate long-term capital growth by investing at least 90% of its net assets in a Target Fund which seeks to provide a high level of income by investing in a variety of assets including equities, fixed income, funds, cash, deposits, and money market instruments
Type of Fund	Global Multi-Asset Feeder Fund (Income-Paying)
Fund Structure	Unitized Mutual Fund
Currency	Philippine Peso (Unhedged*)
Income Distribution Frequency	Monthly; Commencing December 2023 <small>[Actual Date May Vary]</small> Income Target: 4.5-5.5% in PHP Terms
Target Fund	BlackRock® DynamicHigh Income Fund Invests in global equities, fixed income, and other assets with focus on income

FUND PROPOSITION

SUN LIFE PROSPERITY **WORLD INCOME FUND**

Growth-Oriented; Long - Term

Investor Profile Horizon

CONSERVATIVE

MODERATE

BALANCED

GROWTH

AGGRESSIVE

Fees

1.00% Total Management and Distribution
0.15% Transfer Agency

Sales Loads Options

Front End or Back-End

**Net Asset Value Per Unit
Applicability**

Transaction Date +2 Business Days (Same as World Equity Index Feeder Fund)

Redemption Settlement

Transaction Date + 6 Business Days

Dividend Settlement Mode

Credit to Account (Cash-Settled)

Holding Period

[Front End Sales Load Only]

30 Calendar Days
1% Early Redemption Fee

Inter Fund Privilege/Fund Switch

Allowed



Sun Life

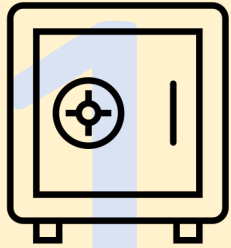
Asset Management

WHO is this Fund for?

- Growth-oriented to aggressive investors who want to generate high income on their investment
- Investors who want to receive regular monthly cash payouts for their short-term needs (utility bills, shopping etc.)
- Investors who want to grow their capital for the long-term via the global markets, using their pesos

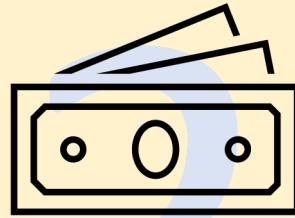


SLAMCI THREE (3) OBJECTIVES OF EVERY INVESTOR



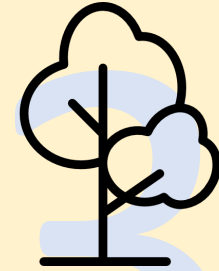
SAFETY

Peso Starter Fund
Dollar Starter Fund



INCOME

World Income Fund



GROWTH

Balanced, Index, Equity, Bond
Achiever Funds
WEIFF, Voyager, Advantage
World Income Fund

Investing Strategies

Investing in funds that give out payouts is like having a basket collecting the fruits, at the same time waiting for the tree to grow



Go for a fund that offers both

Investing for
regular income

Investing for
capital growth

Income

Monthly Cash Payouts
credited to your bank account

4.5 to 5.5%

Target Annual Dividend Payout Range

Payouts are not guaranteed. Actual results may vary.

Growth

Potential for long-term
capital growth via the
Global Markets

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For consumer assistance and financial consumer complaints, you may contact the Securities and Exchange Commission (SEC)

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