



The Latest Developments on the
**SUN LIFE PROSPERITY
STARTER FUNDS**

Dear **Valued Investors**,

We welcome the new year with optimism, as positive developments highlight the potential of a fruitful investment journey ahead.

For instance, the US Federal Reserve is considering interest rate cuts due to the gradual slowdown in inflation. Political tensions are likewise easing, albeit some risks persist. Economic growth continues and the normalization of interest rates may pave the way for better investment opportunities in 2024.

To support your financial goals, Sun Life Asset Management Company, Inc. (SLAMCI) is refining its approach for the **Sun Life Prosperity Peso and Dollar Starter Funds by transitioning the Funds' valuation from Hold-to-Collect to Marked-to-Market**. This adjustment reflects our dedication in managing your investments effectively.

For a better understanding of this change, you may refer to the *Frequently Asked Questions* for your reference.

Our bright thanks for making us a part of your journey towards your financial goals!

Your Partner for Prosperity,
Sun Life Asset Management Company, Inc.

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Frequently Asked Questions

1. How are the Sun Life Prosperity Peso and Dollar Starter Funds (“Starter Funds”) being valued?

To ensure accuracy and fair value of your investments based on the prevailing market conditions, we will be increasing the usage of marked-to-market valuation for the Starter Funds. Through this approach, the underlying investments of the funds are valued based on their fair market value or the current price at which these assets can be traded.

2. What impact does the marked-to-market approach have on the potential returns of the Starter Funds?

Given the increasing prevalence of marked-to-market, the Starter Funds may experience fluctuations in its Net Asset Value per Share (NAVPS), but the funds will remain to have low volatility even if fluctuations occur. We kindly remind all investors that mutual funds are not deposit products, hence, changes in the value of the underlying assets held by the Starter Funds and returns from investments are not guaranteed.

3. Why should I invest or stay invested in the Sun Life Prosperity Starter Funds?



Liquidity. You can easily access your funds any time after the seven-day holding period. This is shorter than the holding period for bank time deposit products, which is usually 30 days. You can also invest in the Starter Funds as parking facilities, while awaiting other investment opportunities.



Low Volatility. The Starter Funds are still the suitable options for investors whose objective is to preserve capital. Despite potential fluctuations and nonguaranteed returns, these starter funds will maintain a low level of volatility.



Accessibility. The Starter Funds have low investment requirements, making it accessible to both seasoned investors and those who are starting their investment journey.



Better Potential Returns. These Starter Funds provide a relatively better returns compared to traditional checking and saving account bank deposits.

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4. How is the performance of the Sun Life Prosperity Starter Funds?

The Peso and Dollar Starter Funds consistently deliver a positive performance in their respective categories, both on a year-to-date and year-on-year basis, and despite market volatility. We are also pleased to share that the Peso Starter Fund was recently recognized at the 2023 Philippine Investment Funds Association, Inc. (PIFA) Awards, securing 1st place in the 1-Year, 3-Year, and 5-Year performance categories.

As we look at 2024 with our positive outlook and with expectations that the Bangko Sentral ng Pilipinas (BSP) will cut rates due to ease in inflation, hence, possibly lowering of short-term rates are anticipated, the Peso Starter Fund is forecasted to yield approximately 3.00% and 3.50% while the Dollar Starter Fund return is projected to range from 4.00% to 4.25%. It is important to note that these projections are not guaranteed.

Returns as of December 29, 2023	Year-to-Date
Sun Life Prosperity Peso Starter Fund, Inc.	2.787%
Sun Life Prosperity Dollar Starter Fund, Inc.	2.561%

