

# Sun Life MFS Global Total Return Fund

## FUND REVIEW Q2, 2017

All currency references are in C\$ unless otherwise indicated; opinions and data as of June 30, 2017 unless otherwise indicated.

### CATEGORY<sup>1</sup>

Global neutral balanced

### INVESTMENT OBJECTIVE

The fund's investment objective is to seek total return by investing primarily in a mix of equity securities and debt instruments of issuers located anywhere in the world.

### MANAGEMENT COMPANY

Sun Life Global Investments (Canada) Inc.

### SUB-ADVISOR

MFS Institutional Advisors, Inc.  
(MFS Investment Management)  
Boston, Massachusetts

### INCEPTION DATE

October 1, 2010

### TOTAL ASSETS

\$526,495,861.00

### BENCHMARK

60% MSCI World Index  
40% Barclays Global Aggregate Bond Index

## PERFORMANCE SUMMARY

Opinions and data for "PERFORMANCE SUMMARY" provided by MFS Institutional Advisors

Sun Life MFS Global Total Return Fund (Series A) returned 1.5% in the second quarter, underperforming its benchmark by roughly 0.4 percentage points.

The market environment during the first half of 2017 has been surprisingly strong and one that has changed meaningfully from the end of 2016. The best performing sector at the end of last year – energy – has been the worst performing one through the first half of 2017, while some of the more challenged sectors, including consumer staples and utilities, have been among the strongest.

A key factor supporting the market in 2017 has been strong company fundamentals. The reported results for the first quarter – the strongest since 2011 – showed not only earnings strength, but notably, a re-acceleration in revenue growth. This trend can be observed with a number of holdings within the fund. The complexion of regional performance has also shifted significantly. Coming into this year, North America had handily outperformed all other regions and the broader MSCI World Index in five of the last seven years and returned more than double any other region on a cumulative return basis since 2010.

### Key contributors (equity)

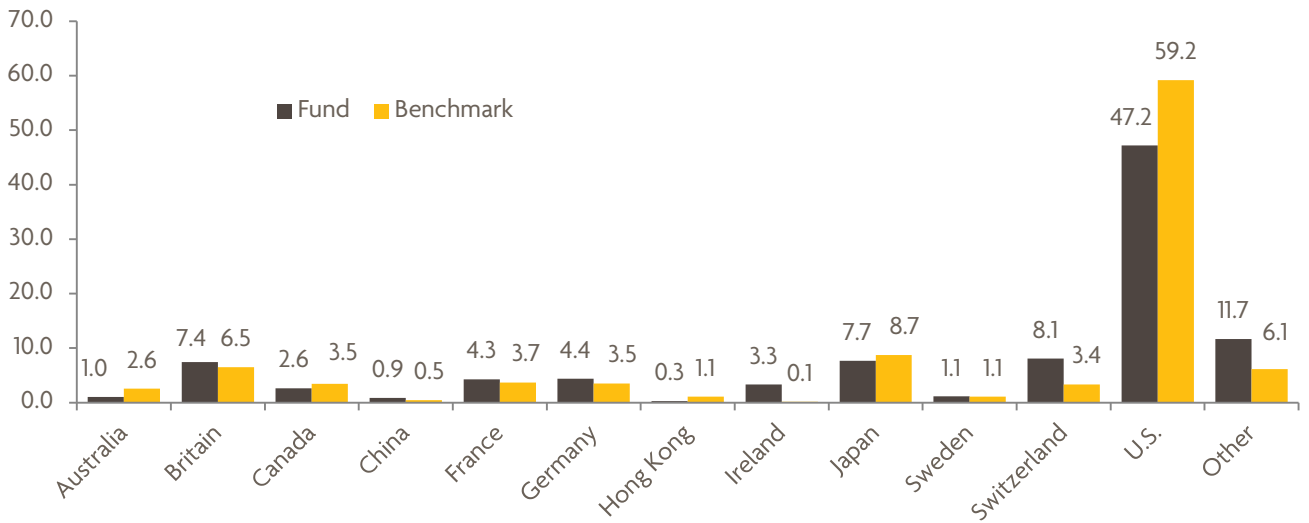
- Swiss global food company Nestlé
  - Stock rose on stronger than expected margins and improved balance sheet
- German pharmaceutical company Bayer
  - Better than anticipated sales and profitability

### Key detractors (equity)

- Alphabet
  - Not owning the internet search giant detracted from relative performance
- U.S. food company General Mills
  - Share price fell after outlook for earnings was reduced

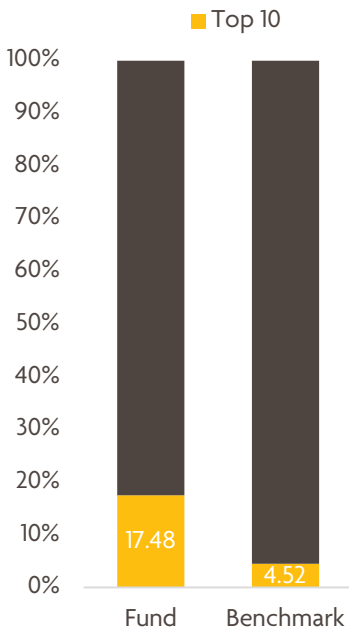
<sup>1</sup> Mutual fund categories are maintained by the Canadian Investment Funds Standards Committee (CIFSC).

## GEOGRAPHIC ALLOCATION %



Source: MFS.

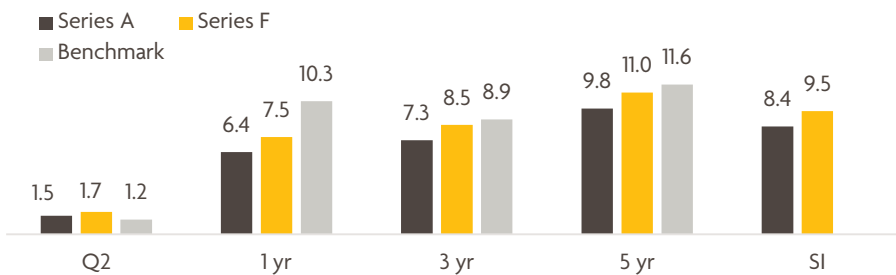
## HOLDINGS ANALYSIS



Top 10 Holdings	Fund %	Benchmark %	+ / -
PHILIP MORRIS INTERNATIONAL	2.47	0.50	1.97
NESTLE	2.21	0.74	1.47
TAIWAN SEMICONDUCTOR	2.14	0.00	2.14
JOHNSON & JOHNSON	1.77	0.98	0.79
J.P. MORGAN CHASE	1.67	0.89	0.78
3M	1.65	0.34	1.31
ACCENTURE	1.48	0.21	1.27
JAPAN TOBACCO INC	1.40	0.11	1.29
PFIZER	1.37	0.54	0.83
TEXAS INSTRUMENTS	1.33	0.21	1.12
<b>Top 10 holdings % of net assets</b>	<b>17.48</b>	<b>4.52</b>	
<b>Total # fund holdings</b>	<b>571</b>		

Holdings may change at any time without notice. Source: MFS and Morningstar.

## PERFORMANCE %



Series A and Series F have the same reference portfolio, but the management fees are different. Performance is expected to differ between series.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Commissions and trailing commissions are not payable on Series F units of the fund but management fees and expenses may be associated with these investments. Investors may pay a fee-based account fee that is negotiated and payable by them to their registered dealer. Investors should read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in security value and reinvestment of all distributions and do not take into account sales, redemption, distribution or other optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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