

FUND OBJECTIVE

To seek regular income stream and moderate capital growth through investment into Fixed Income securities and dividend yielding equities.

INVESTOR PROFILE

The Fund is suitable for investors who:-

- Seek a defensive investment solution that comprises Fixed Income Instruments and a minor portion of Equity.
- Seek returns from a professionally managed Fund.

FUND DETAILS

- Fund Size (December 31, 2008) : 23.10 mill
- Unit NAV (December 31, 2008) : 0.5015
- Financial Year : September 30
- Fund Category : Fixed Income Fund
- Fund Type : Income Fund
- Fund inception : 25 November 2004
- Initial Sales Charge : 2.00% of NAV per unit
- Management Fee : 1.00% per annum of the NAV (Bond)
1.50% per annum of the NAV (Equity)
- Trustee Fee : 0.07% per annum of the NAV
- Investment Manager : UOB-OSK Asset Management Sdn Bhd
- Benchmark : 80% of the RAM quantshop MGS 3-7 (medium)
20% of the performance of FTSE BM Emas Index

FUND MANAGER'S REVIEW

Market Review

It was a relatively quiet month in Dec 2008 with the KLCI up by 1.2% on relatively muted window dressing activities. Most regional markets were also positive in Dec 2008. For the year, the KLCI fell by 39.3%, its worst YoY fall since the Asian Financial Crisis.

In terms of corporate development, YTL Power announced its acquisition of a 100% equity interest in PowerSeraya for S\$3.6bn from Singapore's Temasek Holdings. Towards the year end, news of fraud for Madoff investors rocked the financial world with the cost estimated at US\$50bn. Besides financial institutions, the financial crisis has affected the survival of large auto makers in the US.

Malaysian government bonds (MGS) continued to be well bid with prices rising during first 3 weeks of the month. Prices were supported by slowing growth concerns and easing inflationary pressure. Economic data released during the month revealed that Malaysia's industrial production fell by larger quantum of 3.1% in October from a year ago, receding further from the 1.7% recorded in September.

Meanwhile, headline inflation rate continued to trend lower to 5.7% in November compared to 7.6% in October due to rapidly declining fuel price. On primary front, the RM2.5billion auction of MGS 7/19 attracted impressive bids-to-cover ratio of 2.19 times with an average yield of 3.481%. At the end of the period, the MGS yield curve parallel shifted downwards where the 3, 5, 10 and 20-year MGS eased by 33 to 48 bps to end at 2.92%, 3.00%, 3.22% and 3.73% respectively.

Manager's comment

The Fund has managed to outperform its benchmark. The Fund's equity weighting is generally low as we continue to be cautious due to the risk in the macro environment. Going forward, we will continue to adopt a defensive strategy until there is greater clarity on the macro front. In terms of stock selection, we would look for bottom fishing opportunities, special situations, and strong franchises.

In terms of fixed income, we prefer short to medium term high quality private debt securities for better yield pick-up as spreads for these securities have widened to multi year highs.

PERFORMANCE RECORD

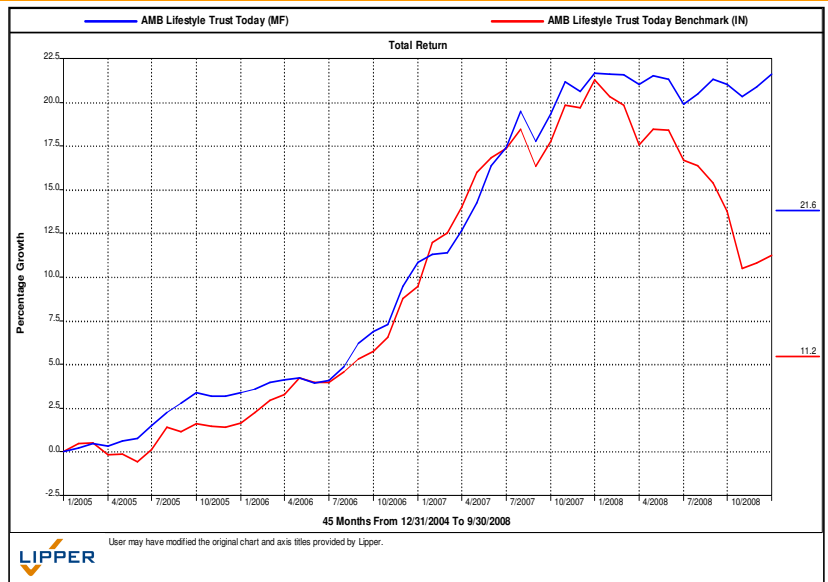
Cumulative Total Return

	%	Rank
● 6 - Month	1.44	1 / 13
● 1 - Year	-0.05	1 / 13
● 3 - Year	17.61	8 / 10

* Source : Lipper (G) - Category of Target Maturity-Conventional

High/Low NAV

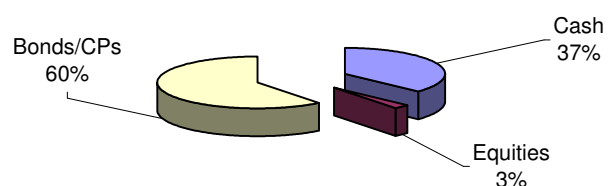
	High	Low
● 6 - Month	0.5363	0.4960
● 1 - Year	0.5411	0.4960
● 3 - Year	0.5493	0.4902
● 5 - Year	0.5493	0.4902



TOP 5 LARGEST HOLDINGS

- 1) IJM CORPORATION BERHAD
- 2) KESTURI EQUITIES SDN BERHAD
- 3) PUBLIC BANK (BOND)
- 4) YTL POWER INTERNATIONAL BERHAD
- 5) SUPERMAX CORPORATION BERHAD

ASSET ALLOCATION AS AT DECEMBER 31, 2008



Investors are advised to read and understand the contents of the Master Prospectus dated September 17, 2008, and First Supplementary Master Prospectus dated November 28, 2008 before investing. This prospectus have been registered and lodged with the Securities Commission. Among others, investor should consider the fees and charges involved. The price of units and distributions payable, if any, may go down as well as up. Past performances of the fund should not be taken as indicative of its future performance. Units will only be issued on receipt of an application form referred to in and accompanying the Prospectus, which are obtainable at Amanah Mutual Berhad or any Maybank distribution branches.