AMB Balanced Trust Fund

AMB Balanced Trust Fund - Growth & Income Fund

Long term investment for long term strategy

AMB Amanah Mutual Berhad (160414-U)

Morning Star Rating	★★
Lipper Total Return	1
Lipper Consistent Return	1
Lipper Preservation	2

October 2008

FUND OBJECTIVE

To provide a balance between income and long-term (over 5 years) capital appreciation.

INVESTOR PROFILE

The Fund is suitable for all investors who are seeking a fully managed and balanced portfolio of investment and who have an investment horizon of 5 years or more.

FUND DETAILS

- Fund Size (October 31, 2008) : 230.75 mill
- Unit NAV (October 31, 2008) : 0.5079
- Financial Year : September 30
- Fund Category : Balanced Fund
- Fund Type : Growth & Income Fund
- Fund Inception : 19 September 1994
- Initial Sales Charge : 6.50 % of NAV per unit
- Management Fee : 0.75 % to 1.50 % per annum of the NAV
- Investment Manager : Mayban Investment Management Sdn. Bhd.
- Benchmark : 60% (performance KLCI) + 40% (12- months FD rate)

FUND MANAGER'S REVIEW

The bond market rally intensified throughout October buoyed by safe haven flows. Trading volume for MGS jumped to RM42.6bn in October, a 75.9% increase from September. Nevertheless, the bullish momentum reversed towards the last week of October with short to medium term yield reverting back close to the levels at the beginning of the month. The exception was the 10-year MGS yield which ended 23bps lower by 31 October as inflation risk subsided. Key events which drove the market are:

· Lower inflation expectations. CPI for September 2008 of 8.2% was marginally lower than the previous two consecutive months' 8.5% and is anticipated to ease further following reductions in pump prices.

· Expectations of interest rate cut. Bank Negara Malaysia Monetary Policy Committee (MPC) maintained the Overnight Policy Rate (OPR) at 3.5% during October 2008 while at the same time, issued a dovish statement implying its readiness to take action to support economy growth.

The KLCI closed on 30 Sept at 1,019 points, a 7.43 contraction from end August and 37.6% below the December 2007 closing. Over the last three weeks, we witnessed stocks retreating, led by banks, as credit crisis widens further. Stock markets tumbled around the world, the euro fell the most against the yen since its debut and oil dropped below USD 80/bbl as the year long credit market seizure threatened to deepen the global slowdown. Dow plummeted over 900 pts at one time during the session. The MSCI Emerging Markets Index headed for the biggest loss in its 21-year history and exchanges in Russia and Brazil halted trading.

Outlook/Strategy

We believe that yield should moderate further on the back of easing oil and other commodity prices. Concern on local political uncertainties has subsided whereas weakening of the Ringgit against US Dollar will continue to persist amidst global economic risk. The bond market direction would therefore be rather event driven as current market condition, mainly on the global side, remains volatile. Trading in PDS would remain selective in higher credit and liquid papers.

PERFORMANCE RECORD

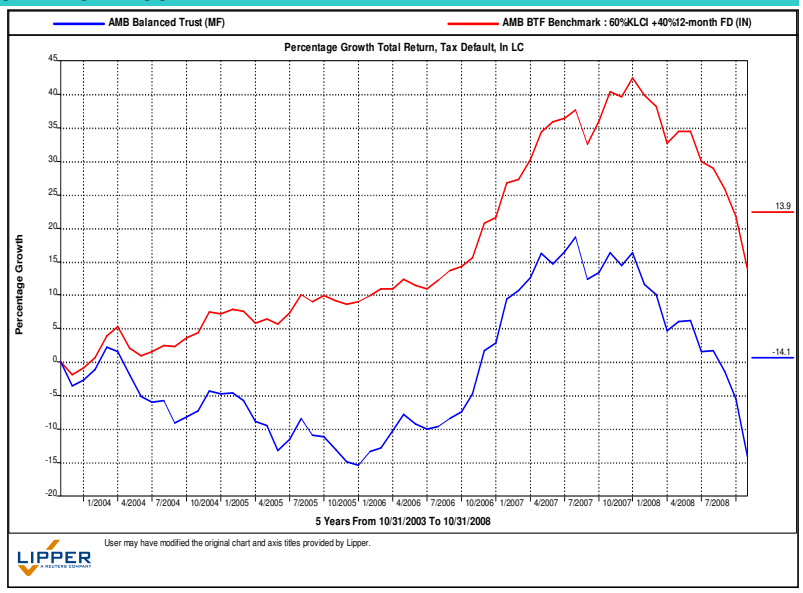
Cumulative Total Return

	%	Rank
6 - Month	-19.03	19/41
1 - Year	-26.19	25/39
3 - Year	-1.15	24/28
5 - Year	-14.09	22/23

** Source : Lipper (G) - Category of Mixed Asset-Non Islamic*

High/Low NAV

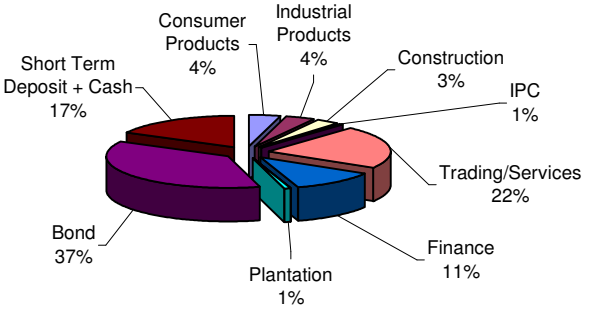
	High	Low
6 - Month	0.6384	0.5511
1 - Year	0.6942	0.5511
3 - Year	0.7027	0.5212
5 - Year	0.7027	0.5212



TOP 5 LARGEST HOLDINGS

1) KERISMA BHD
2) TENAGA NASIONAL BHD
3) HARUM INTISARI SDN BHD
4) AMMB HOLDINGS BHD
5) CIMB BANK

ASSET ALLOCATION AS AT OCTOBER 31, 2008



Investors are advised to read and understand the contents of the Master Prospectus dated September 17, 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.