

Morning Star Rating N/A
Lipper Total Return N/A
Lipper Consistent Return N/A
Lipper Preservation Leader

February 2009

FUND OBJECTIVE

To protect the initial capital of the Fund at the maturity date and the same time provide an opportunity to yield returns better than the prevailing/profit rates of the 12 months General Investment Account of major banks.

INVESTOR PROFILE

The fund suitable for Investor who:-

- Are seeking low risk investments that are in accordance with Shariah Principles
- Are seeking a fund which protects the initial capital but with a potential to yield returns better than the prevailing profit rates of the 12 months Mudharabah Deposits
- Possess an investment horizon of 5 years.

FUND DETAILS

- Unit NAV (February 28, 2009) : 80.42 million
- Unit NAV (January 31, 2009) : 0.5852
- Financial Year : September 30
- Fund Category : Fixed Income (Islamic)
- Fund Type : Capital Protected Fund
- Fund Inception : 27 July 2004
- Initial Sales charge : 5.50% of NAV per unit sales
- Management Fee : 0.60% on NAV
- Trustee Fee : 0.07 per annum of the NAV
- Investment Manager : Maybank Investment Management Sdn. Bhd.
- Benchmark : 12-month General Investment Account-rates of commercial banks
- Maturity Date : September 29, 2009

FUND MANAGER'S REVIEW

Market Review

The bubble in the MGS market broke after the central bank governor communicated to the market that the central bank had front-loaded the January rate cuts and that low policy rates were not "constructive". Most market participants took the remarks as a hint that there would not be any more rate cuts in the near term, causing a sharp sell-off and the yield curve to steepen.

In a surprise move, Bank Negara slashed policy rates further in the February MPC meeting, despite the earlier remarks by the governor. The OPR was cut by another 50 bps, taking the OPR down to 2.00% in lieu of the heightened downside risks to the global economic outlook. Additionally, the SRR was also adjusted downwards from 2% to 1% to reduce further the cost of intermediation.

Bank Negara auctioned a new 10.5-year GII and also a new on-the-run 3.5 year MGS in February. The 10.5 year Islamic GII attracted a bid-to-cover ratio of 1.73x and was sold at an average of 3.91%. Yields climbed sharply after the governor's remarks. Meanwhile, the 3.5 year MGS was sold at 2.509% and generated an oversubscription ratio of 2.35x. Players were quick to lap up short dated government bonds given continued expectations of further rate cuts.

In secondary market trading, government bond yields were rocked by the governor's statement, with benchmark yields rising 40 – 50 bps as players scaled back on expectations of another near term rate cut. Moreover, talks of a massive second stimulus package stirred concerns of a sharp rise in government borrowings given the likely balloon in fiscal deficit. The credit spreads between the 3- and 10-year MGS climbed to 151 bps towards the end of February from just 52 bps at the end of January. In the PDS market, there was some buying interest along the shorter-dated high grades.

Manager's Comments

The unexpected timing of the February rate cut shows the severity of the global economic slowdown. Thus, we expect a continued easing stance by Bank Negara given the grim 4Q08 GDP data of 0.1% against market consensus of 1.5%, unless the proposed fiscal measures fail to make an impact. All eyes are currently on the March 10 mini-budget announcement, which has given rise to expectations of higher fiscal deficits this year. This could result in higher government borrowings this year.

As we believe that Bank Negara is not done easing rates, we expect government bond yields to head south. Nonetheless, persistent worries of higher government debt supply may diminish the allure of longer-dated government bonds.

PERFORMANCE RECORD

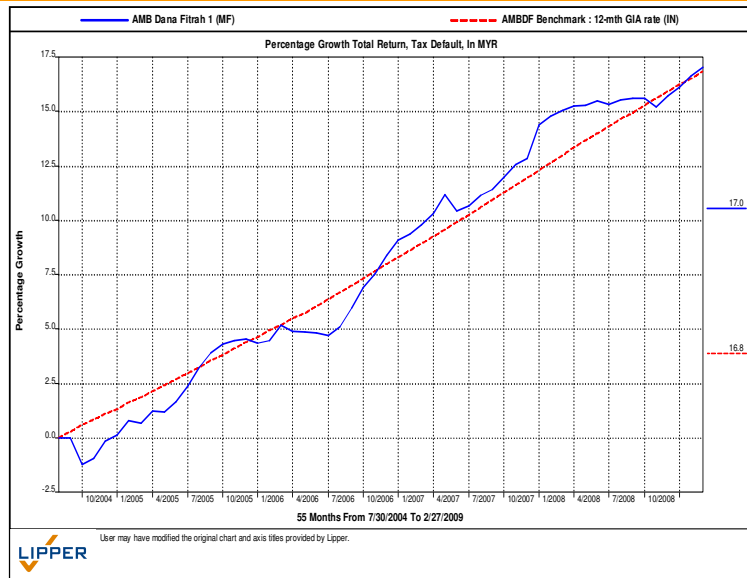
Cumulative Total Return

	%	Rank
• 6 - Month	1.23	6 / 10
• 1 - Year	1.72	5 / 7
• 3 - Year	11.28	1 / 1

* Source : Lipper (G) - Category of Protected-Islamic

High/Low NAV

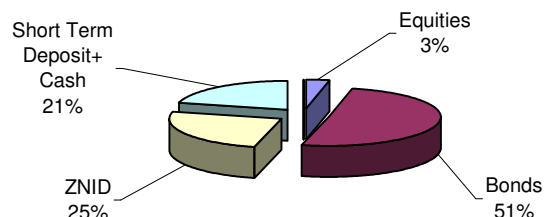
	High	Low
• 6 - Month	0.5852	0.5745
• 1 - Year	0.5852	0.5739
• 3 - Year	0.5852	0.5212
• 5 - Year	0.5852	0.4915



TOP 5 LARGEST HOLDINGS

- 1) RHB BANK BERHAD
- 2) RANTAU ABANG CAPITAL BERHAD
- 3) MALAYAN BANKING BERHAD
- 4) BBN DEVELOPMENT SDN BERHAD
- 5) TRADEWINDS PLANTATION CAPITAL SDN BERHAD

ASSET ALLOCATION AS AT FEBRUARY 28, 2009



Investors are advised to read and understand the contents of the Master Prospectus dated 27 July 2004 (close ended fund) before investing. This prospectus has 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 funds should not be taken as indicative of its future performance. Units for redemption will only be issued on receipt of a redemption application form, which are obtainable at Amanah Mutual Berhad or any Maybank distribution branches.

The fund is not guaranteed and subject to investment risks. Redemption of units before the maturity date would be based on the NAV of the Fund on that day and would be charged an exit fee. Therefore, protection in this case does not apply. There may be a dilution of performance due to the capital protection structure being put in place compared to a conventional Fund without capital protection.