

May 2009

**FUND OBJECTIVE**

To provide a stable income stream and an opportunity for capital appreciation over the medium to long-term horizon.

**INVESTOR PROFILE**

This fund is suitable for investors who:-

- Prefer a conservative investment approach but are willing to exploit opportunities presented in the capital markets.
- Possess an investment horizon in excess of 5 years.

**FUND DETAILS AS AT MAY 29, 2009**

- Unit In Circulation : 70.39 million
- Unit NAV : RM 0.3648
- Financial Year : March 31
- Fund Category : Bond Fund
- Fund inception : May 27, 2003
- Initial Sales Charge : Up to 2.00% of NAV
- Annual Management Fee : 1.00% of NAV (Bond)  
1.75% of NAV (Equity)
- Investment Manager : CIMB Principal Asset Management  
(Effective from April 1, 2009)
- Benchmark : 85% on the 5 years Malaysian Government Securities  
15% of the 3-month Kuala Lumpur Interbank Offered Rates

**FUND MANAGER'S REVIEW**

**Market Review**

The weakness in the Malaysian Government Securities "MGS" market continued, market sentiment was also affected by poor performance of US Treasuries and announcement of the new 10-year MGS tender of RM4.0 billion. Immediately after the tender announcement, existing 10-year benchmark yields spiked up more than 25 basis points. By month end, 3-, 5- and 10-year MGS benchmark performance was mixed, closing +5 bps at 2.69%, -2 bps at 3.60% and +32 bps at 4.30% respectively. On corporate bonds, activity was largely focused on high grade segments. Short end of AAA yield curve performed better than the medium to long end yield curve. Meanwhile, new corporate bond issuances in May include the RM600.0 million Plus Sukuk Musyarakah MTN and RM1.0 billion Public Bank Bhd Non Innovative Tier 1.

**Manager's Comments**

We think the MGS market will be soft if not weaker from here, primarily due to lingering supply concerns and lack of catalyst in terms of further OPR cuts. We are however optimistic on the AA rated segment of corporate credits as at current market levels, the corporate bond spreads remain attractive. Our strategy is to be fully invested and target below benchmark duration. In terms of asset allocation, we are underweight in terms of MGS and government guaranteed papers but overweight in terms of medium term corporate bonds.

**Third Supplementary Master Prospectus**

Effective July 30, 2009, the changes made for AMB's fund are detailed on page 2 of the fund factsheet. Kindly refer to next page and you can also download our 3rd Supplementary Master Prospectus from our website [www.ambmutual.com.my](http://www.ambmutual.com.my)

**PERFORMANCE RECORD**

**Cumulative Total Return**

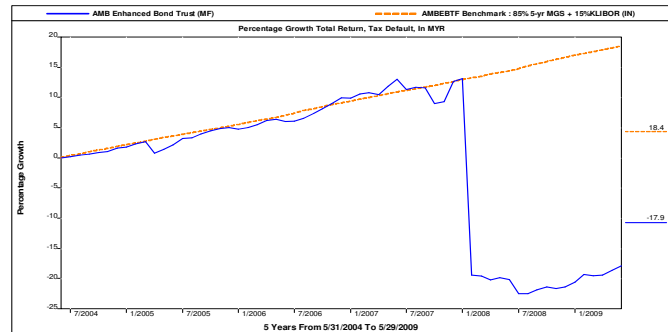
	%	Rank
• 6 - Month	4.44	7 / 35
• 1 - Year	2.85	19 / 34
• 3 - Year	-22.56	30 / 30
• 5 - Year	-17.90	23 / 23

\* Source: Lipper (G) - Category of Bond-Non Islamic

**High/Low NAV (RM)**

	High	Low
• 6 - Month	0.3650	0.3490
• 1 - Year	0.3650	0.3421
• 3 - Year	0.5075	0.3421
• 5 - Year	0.5075	0.3421

**5 Years Growth Total Return**

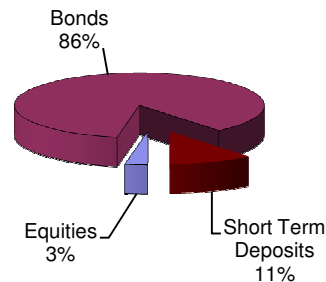


Users may have modified the original chart and axis titles provided by Lipper.

**TOP 5 LARGEST HOLDINGS**

- 1) KERISMA BERHAD
- 2) PUBLIC BANK BERHAD
- 3) SPRINT EXPRESSWAY
- 4) NUCLEUS AVENUE (M) BERHAD
- 5) RANHILL POWERTRON SDN BERHAD

**ASSET ALLOCATION AS AT MAY 29, 2009**



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Based on the fund's portfolio returns as at 15 May 2009, the Volatility Factor (VF) for this fund is 17.08 and is classified as "High" (source: Lipper). "High" includes funds with VF that are above 15.335 but not more than 17.715. The VF means there is a possibility for the fund in generating an upside return or downside around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC

Investors are advised to read and understand the contents of the Master Prospectus dated September 17, 2008, the First Supplementary Master Prospectus dated November 28, 2008, the Second Supplementary Master Prospectus dated April 1, 2009 and the Third Supplementary Master Prospectus dated June 30, 2009, before investing. These prospectuses 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 Prospectuses, which are obtainable at Amanah Mutual Berhad or any Maybank distribution branches.