



May 2009

**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 AS AT MAY 29, 2009**

- Unit In Circulation : 21.36 million
- Unit NAV : RM 0.5123
- Financial Year : September 30
- Fund Category : Fixed Income Fund
- Fund inception : November 25, 2004
- Initial Sales Charge : 2.00% of NAV per unit
- Annual Management Fee : 1.00% of NAV (Bond)  
1.50% of NAV (Equity)
- 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**

Global equities rallied after recent US economic data suggested the bottoming of the US recession. Although Malaysia's benchmark KLCI rose by 5.4% to close at 1,044 pts, it lagged most regional markets. Within the region, the top performing markets were Taiwan, India, Vietnam and the Philippines. The broader market performed better than the KLCI as FBM Emas gained 6.8% to close at 6,984 pts. The weaker than expected GDP contraction did little to hamper market sentiment. Malaysia's 1Q09 GDP contracted by 6.2% YoY (vs market expectation of a 4% decline) as gross exports and fixed investments collapsed. Bank Negara Malaysia hinted that the weakness is expected to continue into 2Q09 but foresees sequential improvement in 2H09. On the other front, inflation moderated to 3.0% yoy in April from 3.5% in March, the lowest reading since April 2008. Meanwhile, as widely expected, Supply concern and optimism on the economy recovery drove long term MGS yields sharply higher. The MGS yield curve steepened from previous month with 3, 5, 10 and 20-year MGS ending at 2.85% (+4bps), 3.57% (-4bps), 4.27% (+29bps) and 4.85% (+38bps) respectively.

**Manager's Comments**

For the month of May, the Fund underperformed its benchmark. The underperformance was due to the Fund's relatively low equity weighting. While we believe that 2Q09 could mark the bottom of the market, we believe that the recent market upturn has been too sharp and there is a possibility of a correction. We would look to increase our equity exposure on pullbacks. 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.

**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	2.75	8 / 10
• 1 - Year	2.38	1 / 10
• 3 - Year	19.52	7 / 7

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

**High/Low NAV (RM)**

	High	Low
• 6 - Month	0.5123	0.4984
• 1 - Year	0.5363	0.4960
• 3 - Year	0.5493	0.4902
• 5 - Year	0.5493	0.4902

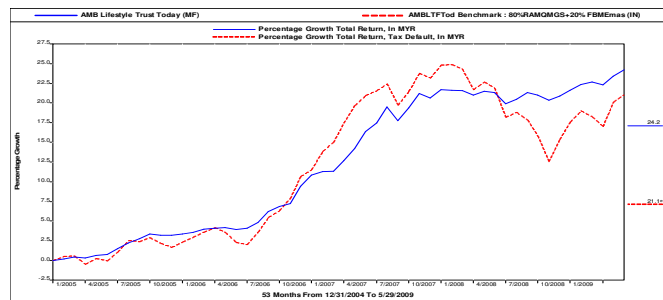
**TOP 5 LARGEST HOLDINGS**

- 1) IJM CORPORATION BERHAD
- 2) KONSORTIUM LEBUHRAYA UTARA-TIMUR (KL) SDN BERHAD
- 3) PUBLIC BANK BERHAD
- 4) YTL POWER INTERNATIONAL BERHAD
- 5) SUPERMAX CORPORATION BERHAD

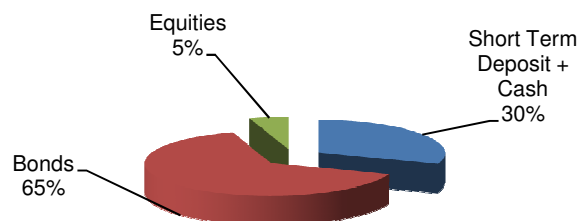
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**Total Return Since Inception**



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



Based on the fund's portfolio returns as at 15 May 2009, the Volatility Factor (VF) for this fund is 2.84 and is classified as "Very Low" (source: Lipper). "Very Low" includes funds with VF that are above 0.000 but not more than 5.035. 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.