

Income Fund

Long term investment for long term strategy

Fund Fact Sheet October 30, 2009

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 that is well diversified across various asset classes.

FUND DETAILS AS AT OCTOBER 30, 2009

Unit In Circulation	: 19.74 mil
Unit NAV	: RM 0.5106
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 Index : 20% of the performance of FBM Emas Index

FUND MANAGER'S REVIEW

Market Review

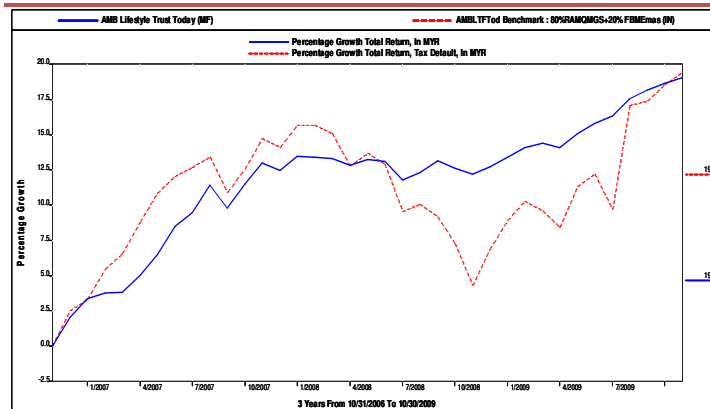
The performance of regional markets was mixed in Oct 2009 with China, Philippines, and Hong Kong leading the gainers while India and Korea were laggards. The FBM KLCI improved 3.4% for the month with banks featuring strongly among the index's top movers. The gain on the FBM KLCI was ahead of the FBM100 and FBM Emas which were up 3.0% and 2.9% respectively for the month. The announcement of the Budget 2010 was within market expectations with the Government taking steps to deal with the budget deficit by cutting operating expenditure. The budget deficit is forecast to narrow to 5.6% of GDP in 2010 from 7.4% of GDP in 2009. The government expects real GDP to shrink 3% in 2009 and to rebound by 2-3% in 2010. Among the surprises in the Budget was the imposition of Real Property Gains Tax (RPGT) of 5%. Property stocks saw weakness as a result of the government's proposal. Ringgit sovereign bonds weakened across all maturities as improving economic data dampened demand for government securities. In addition, supply concerns and increased risk appetite toward corporate debts further dampened the sentiment in MGS market. As expected, BNM left its policy rate unchanged at 2.0% for the fifth consecutively time citing that the current monetary policy stance is appropriate in providing support to economic activity. At the end of the period, MGS yield curve bear steepened with the 3, 5, 10 and 20-year MGS trading 7 to 17 bps higher to end at 2.95%, 3.91%, 4.27% and 4.73% respectively. In the recent Budget announcement, the government is instilling a much needed fiscal discipline in its annual budget for 2010. It plans to cut operating expenditure by 13.7% to bring the 2010 deficit down to 5.6% of GDP from a revised 7.4% in 2009. The Ministry of Finance (MOF) expects real GDP growth of 2-3% in 2010, supported by improving private consumption and recovering in private investment. The MOF also revised its GDP forecast for 2009 to -3.0%, better than the previous estimate of -4.0% to -5.0%.

Comments

For the month of Oct, the Fund underperformed its benchmark due to its low equity exposure. We would look to increase our equity exposure on pullbacks.

PERFORMANCE RECORD

3 Years Growth Total Return



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

Cumulative Total Return

	Fund (%)	Rank
6 - Month (30 April 2009 - 30 Oct 2009)	3.47	10 / 10
1 - Year (31 Oct 2008 - 30 Oct 2009)	6.12	10 / 10
3 - Year (31 Oct 2006 - 30 Oct 2009)	19.08	7 / 7

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

High/Low NAV (RM)

	High	Low
6 - Month (30 April 2009 - 30 Oct 2009)	0.5247	0.5089
1 - Year (31 Oct 2008 - 30 Oct 2009)	0.5247	0.4967
3 - Year (31 Oct 2006 - 30 Oct 2009)	0.5493	0.4912
5 - Year (29 April 2004 - 30 Oct 2009)	0.5493	0.4902

Income Distribution

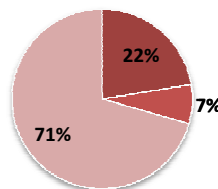
	Net (sen per unit)
2009	1.59

Asset Allocation as at October 30, 2009

- Short Term Deposit + Cash
- Equities
- Bonds

Equities

Trading/Services	41.24
Finance	58.76



TOTAL	100.00
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Top 5 Largest Holdings

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

Based on the fund's portfolio returns as at 15 October 2009, the Volatility Factor (VF) for this fund is 2.8 and its Volatility Class (VC) is classified as "Very Low" (source: Lipper). The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The VC is assigned by Lipper based on quintile ranks of VF for qualified funds. The fund's portfolio may have changed 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, 2009, and the First Supplementary Master prospectus dated October 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 of its distribution branch.