



Amanah Mutual Berhad
(195414-U)

Capital Protected* Fund

Smart Investment Choice for Constant Capital Growth

Fund Fact Sheet 31 December 2010

INVESTOR PROFILE

The fund is suitable for investors who:-

- Seek for low risk investments that are in accordance with Shariah Principles
- Seek for capital protection* with potential to yield better return than the 12-month GIA rates of commercial banks.
- Have a medium-term investment horizon of 3 years.

FUND DETAILS AS AT 31 DECEMBER 2010

Unit In Circulation	: 135,380 million
Unit NAV	: RM 0.5232
Financial Year	: April 30
Fund Category	: Fixed Income Fund(closed ended)
Fund Inception	: March 9, 2010
Maturity Date	: May 3, 2013
Tenure	: 3 Years
Initial Sales Charge	: Up to 1.80 % of initial offer price per unit
Annual Management Fee	: 1.00 % of NAV
Benchmark	: 12 month General Investment Account-rates
Asset Allocation	: Min 85% to Max 98% in Shariah fixed income securities
	: Max 10% in equities
	: Min 2% in cash or cash equivalent instrument

SHARIAH COMMITTEE MEMBERS

- Dato' Dr. Abdul Halim bin Ismail (Chairman)
- Datuk Dr. Syed Othman bin Syed Hussin Al Habshi
- Prof. Dato' Dr. Abdul Monir bin Yaacob
- Prof. Dato' Dr. Mahmood Zuhdi bin Hj Ab. Majid

FUND MANAGER'S REVIEW

Market Review

Equity

The KLCI continued its consolidation phase in December after the strong August to October rally. In fact, since early November, the KLCI has been trading sideways although prices rallied towards year end, likely on window-dressing activities. We see the consolidation in the past few weeks as a positive sign as it allows the market to rebuild its support base. This consolidation trend was also seen in most of the regional equity markets in the past few weeks.

For the month, the KLCI gained 34 points or 2.3% to close at 1,518.91 points. The broader market's performance was stronger than the KLCI with the FBM Emas up 3% to 10,375 points. Smaller caps outperformed the KLCI as seen by the FBM Small Cap which rose 5.2% to 12,625 points. The FBM ACE, however, rose at a slower pace of 3.1% to 4,347 points. Average value traded on Bursa in December declined 16% month-on-month to RM1.89 billion per day.

Fixed Income

The trading volume for the Malaysian Government Securities/Government Investment Issue (MGS/GII) market dropped significantly in 4Q2010, registering trading volume of RM96.9bn, compared to RM120.5 billion recorded in the previous quarter. The drop in volume was mainly attributed to the year end holiday season factor. For the month of December, only RM20.1 billion of trades was reported, a marked drop from RM43.8 billion and RM33.0 billion recorded in the month of October and November respectively.

Meanwhile, the announcement of a smaller budget deficit of 5.4% of GDP for 2011 during Budget 2011 as compared with the estimated deficit of 5.6% of GDP in 2010 provided some encouragement to the local bond market. However, when scrutinized further, the projected 2011 deficit amount of RM45.5 billion is larger than the estimated deficit of RM43.3 billion in 2010, although not by a big margin.

The corporate bond market in contrast saw heavier trading volume in 4Q2010. Trading volume in the corporate bond segment maintained its momentum with total trading volume of RM16.5 billion, a slight improvement from previous quarter trading volume of RM16.4 billion.

Comments

Equity

The global markets surprised most people with its resilience in the face of multiple events that could have tripped it in December, from the Irish bailout challenges, contagion to Portugal, rising Chinese interest rates and Asian bond yields, and the simmering Korean crisis. Most markets posted positive gains in December as fear abated, ending the year at a high.

Locally, the market continues its steady rise, driven by regional portfolio flows and buying of oil palm stocks which are expected to re-rate on the back of rising commodity prices. Also, foreigners are betting the Government can carry out the Economic Transformation Programme and Government Transformation Programme and give Malaysia a new boost in this new challenging environment. We continue to remain fully invested to participate in this rally, where the benchmark FBM KLCI has set a new all-time high.

Fixed Income

Year 2011 will be a challenging year for MYR bond market following a much better performances for both government and corporate bonds in 2010. For 2011 we are projecting the total issue size for MGS/GII to be in the range of RM86.0 billion to RM89.0 billion. Following the recent release of the 2011 MGS/GII auction calendar, we observed that there will be more auctions and private placements with tenures ranging from the mid to long end of the curve, ie 7 years and above. Consequently, we believe the MGS yield curve may bear steeper during the 1H2011 as a larger portion of the longer dated MGS/GII will be auctioned to the market during the 1H2011.

We do not think BNM will raise rates during the 1Q2011 as we view inflationary pressures to be thus far well contained, at least until further clarity is seen in 2H2011.

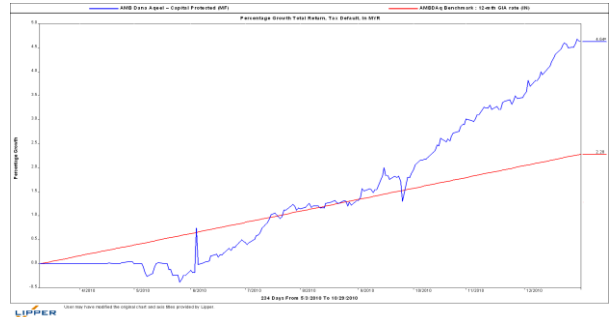
We remain near term positive on the corporate bond market. However we are taking a cautious stance on high grade bonds such as AAA-rated and government guaranteed bonds, in particular names which are closely correlated to MGS yield movement. We believe the AA-rated segment provides better yield pick-up, and provides some buffer against the prospect of a rising risk free rate.

AMB Dana Aqeel
Capital Protected

To protect the initial capital* of the fund at the Maturity Date through investments principally in fixed income securities predominantly in Sukuk that are permissible under Shariah Principles whilst seeking potential returns over the tenure of the fund.

PERFORMANCE RECORD

Total Return Since Inception



Cumulative Total Return

	Fund (%)	Rank
6 - Month (30 June 2010 - 31 December 2010)	4.18	2/6

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

High/Low NAV (RM)

	High	Low
6 - Month (1 July 2010 - 31 December 2010)	0.5234	0.5179

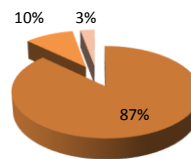
Income Distribution

There shall be no income distribution during the tenure of the fund.

Return to shareholders (if any), will be in the form of capital appreciation at the Maturity Date.

Asset Allocation as at 31 December 2010

- Bonds
- Equities
- Short Term Deposit + Cash



Equities

Construction	1.27
Trading/Services	3.86
Industrial	2.75
Plantations	1.50
Consumer	0.30
Properties	0.25
TOTAL	9.93

Top 5 Largest Holdings in Bond

- 1) KESAS SDN BHD
- 2) JIMAH ENERGY VENTURES SDN BHD
- 3) GAMUDA BERHAD
- 4) MAYBANK BERHAD
- 5) ENCORP BERHAD

* Investors are advised that unlike a guaranteed fund, this capital protected fund is protected by investments predominantly in Sukuk which is issued locally and not by a guarantee. Consequently the return of capital is SUBJECT TO the credit/default risk of the issuers of the fixed income securities.

Investors are advised to read and understand the contents of the Prospectus dated March 9, 2010 (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 fund should not be taken as indicative of its future performance. Units for redemption will only be issued on receipt of a redemption form referred to in and accompanying the Prospectus, which is obtainable at Amanah Mutual Berhad or any of its distribution branches. Unit is no longer available for subscription.

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