

INVESTOR PROFILE

The fund is suitable for Investors who:-

- Seek capital protection
- Wish to participate in the potential upside of global equities, interest rates or any other indices.
- Have low risk tolerance.
- Have a medium-term investment horizon.

FUND DETAILS AS AT JANUARY 31, 2010

Currency	: Malaysian Ringgit MYR
Unit In Circulation	: 2,442.895mil
Unit NAV	: RM 1.0491
Financial Year	: July 31
Fund Category	: Mixed Assets
Fund Inception	: May 12, 2008
Maturity Date	: July 5, 2013
Tenure	: 5 Years
Initial Sales Charge	: 1.50% on the NAV per unit.
Annual Management Fee	: 1.00% per annum of NAV
Investment Manager	: Permodalan Nasional Berhad
Benchmark	: 12-month Maybank fixed deposit rate

ASSET ALLOCATION

- **Structured Products**
Up to 80% of the Fund's NAV may be invested in Structured Products.
- **PNB REIT**
Up to 50% of the Fund's NAV may be invested in PNB REIT.
- **Cash & Money market instruments**
A minimum of 2% of the Fund's NAV will be invested in cash & any market instruments to provide for liquidity purposes.
- **Other Permitted Investment**
Up to 80% of the Fund's NAV may be invested in any other Other Permitted Investment which include a diversified portfolio of listed securities, primarily on the Bursa Malaysia, unlisted securities & fixed income securities.

FUND MANAGER'S REVIEW

Market Review

The NAV of PNB SIF increased by 0.78% to RM1.0493 per unit on January 31,2010,as compared to RM1.0411 on December 31,2009.The improvement was due largely to end improvement in the market value of structured products as well as slight upwards revaluation in the properties of PNB REIT.

The structured products portfolio saw its market value increased by 0.88% month - on - month due to increased in value of the capital protection component as swap rate decreased slightly.

The year 2010 would likely see a continued recovery in the global economy with developing countries taking the lead. Interest rates in malaysia would likes see an increase in 2010,as Bank Negara Malaysia in its latest Monetary Policy had cautioned that borrowing costs cannot be kept too low for too long as the economy strengthens. In Malaysia,the festive seasons in February will likely dampen activities in the stock market as most investors would have unwind their position before going for holidays.

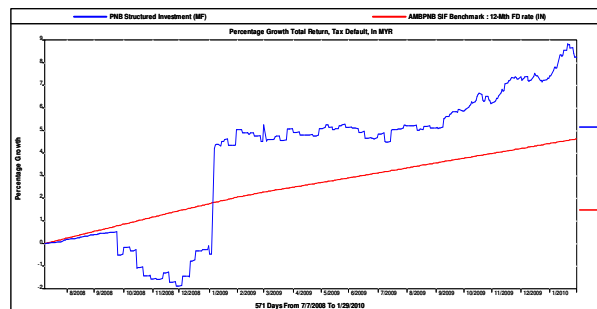
Comments

On expectations that interest rates would increased,the fund would continue to look for opportunities to reduce its holdings in the structured products portfolio. As equity market is expected to take

The fund seeks to provide investment opportunities that generate reasonable returns and growth over the tenure of the fund while endeavouring to provide capital protection to unit holders.

PERFORMANCE RECORD

Total Return Since Inception



Cumulative Total Return

	Fund (%)	Rank
6 - Month (31 July 2009- 29 Jan 2010)	2.88	6/26
1 - Year (31 Jan 2009 - 29 Jan 2010)	3.04	15/22

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

High/Low NAV (RM)

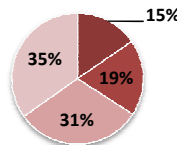
	High	Low
6 - Month (1 August 2009- 31 Jan 2010)	1.0549	1.0180
1 - Year (1 Feb 2009 - 31 Jan 2010)	1.0549	1.0180

Income Distribution

	Net (sen per unit)
2009	3.25

Asset Allocation as at January 31, 2009

- Short Term Deposit + Cash
- Equities
- PNB REITs
- Structured Product



Equities

Consumer	6.14
Construction	9.93
Trading/Services	28.06
Properties	3.34
Industrial	2.68
Plantations	3.59
Finance	32.68
REITs	1.02
IPC	12.57
TOTAL	100.00

General Info

- FD Rate (12 Months) : 2.50%

Top Largest Holdings

- 1) MAYBANK BERHAD
- 2) TENAGA NASIONAL BERHAD
- 3) PUBLIC BANK BERHAD
- 4) DIGI BERHAD
- 5) UMW BERHAD

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