

The fund's objective is to seek regular income stream and moderate capital growth through investments into fixed income securities and dividend yielding equities.

Income Fund

Smart Investment Choice for Constant Capital Growth

Fund Fact Sheet 31 October 2010

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 31 OCTOBER 2010

Unit In Circulation	: 14.220 mil
Unit NAV	: RM 0.5270
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)
Benchmark	: 80% of the Quantshop MGS Bond Index (Medium 3-7) 20% of FBM Emas Index
Asset Allocation	: Max 20% in equities : Min 80% - Max 100% in bonds and money market/cash

FUND MANAGER'S REVIEW

Market Review

Equity

Buying interest from institutional funds continued to drive the Malaysian market higher this month with the FBM KLCI registering its fifth consecutive month of gains. The FBM KLCI increased by 42 points or 2.9% to breach the 1,500 psychological level to close at 1,506 points. Meanwhile the broader index FBM EMAS rose 3.7% to 10,172 points. Smaller caps outperformed as the FBM Small Cap gained 5.1% to 12,183 points. Among regional bourses, China and Hong Kong posted the highest gains whilst India and Japan declined marginally during the month.

On the local corporate front, Khazanah Nasional Bhd and the Employees Provident Fund (EPF) announced a cash offer for the assets and liabilities of the highway concessionaire, PLUS Expressways, for RM23 billion or the equivalent of RM4.60 per share. This followed an earlier announcement during the Budget 2011 that the toll rates on the four highways owned by PLUS Expressways will not be raised for the next five years. Meanwhile the Budget that was tabled was in general people friendly with an emphasis on large infrastructure projects like the RM40 billion MRT project and the 100 storey Warisan Tower by PNB.

Fixed Income

Most local government bonds ended the month lower, with the 10-year MGS benchmark declining the most. The sell-off in the bond market was partly triggered by China's unexpected interest rate hike and the substantially higher MGS/GII supply in 2011 as projects under the 10th Malaysia Plan and the Economic Transformation Program begin to roll out. On the economic front, Malaysia's industrial production grew moderately at 4% yoy in August 2010. Exports slipped further in August, slowing to its weakest rate in nine months of 10.6% yoy in August 2010. Inflation softened to 1.8% in September 2010, due to the waning impact of the fuel prices hike as well as lower food prices. During the month, the re-opening tender for the 7-year benchmark MGS attracted solid demand of 2.690x, drawing an average yield of 3.5%. However, the 3-year benchmark MGS was reissued at an average of 3.3% with bid-to-cover of only 1.62x.

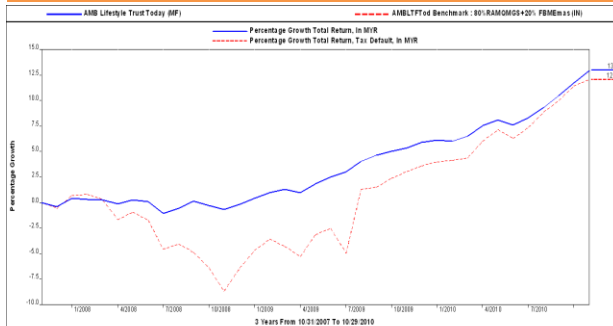
On the fiscal front in Budget 2011, the Federal Government stood by its earlier promise for fiscal consolidation by reining in its budget deficit to 5.6% of GDP in 2010 from 7% in the previous year. Although Budget 2011 did not contain any major announcements on subsidy reforms, the government did mention that it is targeting a 5.0% reduction in its subsidy bill to RM23.7 billion in 2011. Budget 2011 also aims to grow private investments by 12.5% to RM86 billion next year.

Comments

For the month of October, the Fund outperformed its benchmark due to its stock selection. We would look to increase our equity exposure on pullbacks.

PERFORMANCE RECORD

3 Years Growth Total Return



Cumulative Total Return

	Fund (%)	Rank
6 - Month (30 April 2010 - 29 October 2010)	4.53	9/41
1 - Year (31 October 2009 - 29 October 2010)	7.17	14/40
3 - Year (31 October 2007 - 29 October 2010)	12.96	18/33
5 - Year (31 October 2005 - 29 October 2010)	32.69	6/26

* Source : Lipper(G) - Category of Bond - Conventional

High/Low NAV (RM)

	High	Low
6 - Month (1 May 2010 - 29 October 2010)	0.5408	0.5171
1 - Year (1 November 2009 - 29 October 2010)	0.5408	0.5102
3 - Year (1 November 2007 - 29 October 2010)	0.5411	0.4960
5 - Year (1 November 2005 - 29 October 2010)	0.5493	0.4902

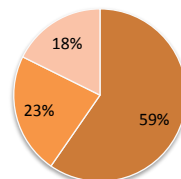
Income Distribution

	Net (sen per unit)
2009	1.59
2010	1.97

* Source : Extracted from the annual report of AMBLTF TODAY which has been audited by our external auditor

Asset Allocation as at 31 October 2010

	Equities
Construction	25.34
Plantations	6.74
Finance	49.33
Properties	3.92
Trading & Services	14.67
TOTAL	100.00



Top 5 Largest Holdings

- 1) PUBLIC BANK BERHAD - BOND
- 2) YTL POWER BERHAD - BOND
- 3) SABAHCC CORPORATION SDN BHD - BOND
- 4) KMCOB CAPITAL BERHAD - BOND
- 5) CIMB BANK BERHAD - BOND

Based on the fund's portfolio returns as at November 15, 2010, the Volatility Factor (VF) for this fund is 1.9 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, 2010 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 will only be issued on receipt of an application form referred to in and accompanying the Prospectus, which is obtainable at Amanah Mutual Berhad or any of its distribution branches.