

Income Fund
Smart Investment Choice for Constant Capital Growth
Fund Fact Sheet 31 December 2011

INVESTOR PROFILE

The fund is suitable for investors who prefer a consistent and steady appreciation in value through investment in debt instruments permissible under Shariah Principles and possess an investment horizon in excess of 5 years.

FUND DETAILS AS AT 31 DECEMBER 2011

Unit In Circulation	:	55.766 million
Unit NAV	:	RM 0.5853
Financial Year	:	May 31
Fund Category	:	Bond Fund (Shariah)
Fund Inception	:	April 27, 2004
Initial Sales Charge	:	1.00% of NAV per unit
Annual Management Fee	:	Profit sharing scheme of 15:85 from Net Investment Income of the Fund.
Benchmark	:	12-month General Investment Account-rates of commercial banks
Asset Allocation	:	Min 50% to Max 98% in Shariah - compliant debt securities Min 2% to Max 50% in Shariah - compliant liquid assets

SHARIAH COMMITTEE MEMBERS

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

FUND MANAGER'S REVIEW

Market Review

The Malaysian Government Securities (MGS) yield curve bull steepened for the month, with the benchmark 3-year at 2.98% (-9bps), 5-year at 3.22% (-7bps), 7-year at 3.49% (-3bps), 10-year at 3.69% (-1bps) and 20-year at 4.07% (-2bps). Trading volume held steady at RM43.76 billion despite the holiday season as compared to RM45.8 billion in November. The last government bond auction for the year was the RM3.0 billion 3-year Islamic Government Investment Issue (GII) maturing Sept 14. It was well-received with bid-to-cover ratio of 2.19 times giving an average yield of 3.20%.

Bank Negara Malaysia (BNM) also released the 2012 government securities auction calendar. For 2012, there will be on offer a total of 28 auctions (2011: 29) without any private placements, in contrast to 2011 where we saw 8 privately placed issues. BNM is offering more medium to longer dated tenures with 6 offerings of the 2017 maturities, 5 of the 2022 maturities and 2 of the 20-year benchmark securities.

For the Private Debt Securities (PDS) segment, the month saw pretty active trading of corporate bonds with flows evenly split along the AAA and AA rated papers. Buyers were seen picking up high grade papers such as Manjung Energy, Malaysia Airports Capital Bhd and ADCB Holdings (Malaysia) Sdn Bhd, all AAA rated.

Malaysia's foreign exchange reserves rose by 0.185% to USD135.03 billion (RM429.8 billion) as at 15 December 2011. The increase by USD0.2 billion (RM0.7 billion) in the first six months of 2011 was due to repatriation of export proceeds. These are sufficient to finance 9.8 months of retained imports and cover 4.1 times of the country's short-term external debt.

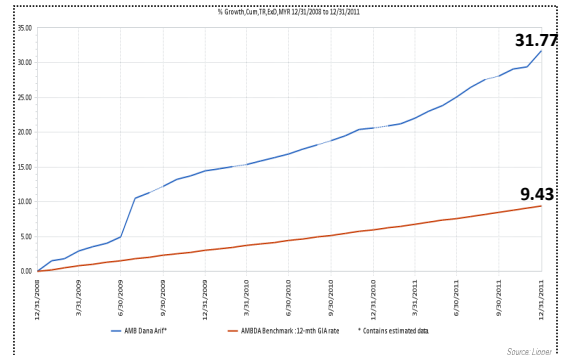
Manager's Comments

MGS/GII supply for 2012 to be evenly spread with majority of the issuance around 3 to 7 years tenure. BNM has been holding the Overnight Policy Rate (OPR) at 3.00% based on the assessment that the risks to growth and inflation are well balanced. However, we view that the risks are skewed to downside for growth given the uncertain and volatile external environment. There is a possibility that BNM may act to cut rates by 25 to 50 bps in 2012 should the external growth environment prove weaker than expected. However, our view is that we expect BNM to stand pat on rates at the next Monetary Policy Committee (MPC) meeting on 31 January 2012.

In terms of PDS supply, we are expecting total gross issuances for 2012 to be more than RM50 billion with majority coming from government related entities. In terms of maturities – There are about RM28.8 billion of PDS (excluding Commercial Papers) maturing in 2012 with a sizable amount of RM5 billion maturing in July. In addition, there will also be early redemption of bonds such as Tanjong Bin and Encorp Systembilt Bhd. As bond issuers take advantage of the low interest rate environment to refinance to a better package, we expect more bond buybacks this year, especially those with prevailing high coupons. In any case, barring any delay in the primary supply pipeline, there should be enough primary bonds to replace the RM28.8 billion of maturities this year. In view of the above, we believe in extending portfolio duration versus the benchmark.

PERFORMANCE RECORD

3 Years Growth Total Return



Cumulative Total Return

	Fund (%)	Rank
1 - Month (30 November 2011 - 31 December 2011)	1.77	1/22
6 - Month (30 June 2011 - 31 December 2011)	5.33	1/20
1 - Year (31 December 2010 - 31 December 2011)	9.19	2/19
3 - Year (31 December 2008 - 31 December 2011)	31.77	1/15
5 - Year (31 December 2006 - 31 December 2011)	22.29	8/13

* Source : Lipper(G) - Category of Bond - Islamic.

Income Distribution Declared by Management Company

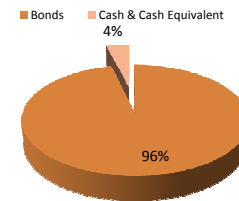
	Net (sen per unit)	Yield (%)
2008	Nil	Nil
2009	Nil	Nil
Interim, Nov 2010	1.70	3.1
Interim, June 2011 *Declared on 30 June 2011	1.30	2.3

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

High/Low NAV (RM)

	High	Low
1 - Month (30 November 2011 - 31 December 2011)	0.5834	0.5751
6 - Month (30 June 2011 - 31 December 2011)	0.5834	0.5561
1 - Year (31 December 2010 - 31 December 2011)	0.5834	0.5487
3 - Year (31 December 2008 - 31 December 2011)	0.5834	0.4687
5 - Year (31 December 2006 - 31 December 2011)	0.5834	0.4451

Asset Allocation as at 31 December 2011



Notes : The above asset allocation is based on the value of total investment of the fund.

Top 5 Largest Holdings in Bond

- 1) KESTURI SDN BHD
- 2) SPECIAL POWER VEHICLE BHD
- 3) GULF INVESTMENT CORPORATION
- 4) BANK MUAMALAT BERHAD
- 5) ANIH BERHAD

*Where a distribution is declared, investors are advised that following the distribution, the NAV per unit will be reduced from cum-distribution NAV to ex-distribution NAV.

Based on the fund's portfolio returns as at January 15, 2012, the Volatility Factor (VF) for this fund is 2.9 and its Volatility Class (VC) is classified as "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 17 September 2011 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 office or any other IUTA branches appointed by the Manager.