

**Capital Protected\* Fund**  
Smart Investment Choice for Constant Capital Growth  
Fund Fact Sheet 31 December 2011

FUND DETAILS AS AT 31 DECEMBER 2011	
Unit In Circulation	: 115,295 million
Unit NAV	: RM 0.5419
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 of commercial banks
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	
<ul style="list-style-type: none"> <li>• Dato' Dr. Abdul Halim bin Ismail (Chairman)</li> <li>• Datuk Dr. Syed Othman bin Syed Hussin Alhabshi</li> <li>• Prof. Dato' Dr. Abdul Monir bin Yaacob</li> <li>• Prof. Dato' Dr. Mahmood Zuhdi bin Hj. Ab Majid</li> </ul>	

**FUND MANAGER'S REVIEW**

**Market Review**

**Equity**

For the month, the FBM KLCI surged 58.6 points or 4.0% to 1,531 points. However the broader market outperformed the FBM KLCI as the FBM EMAS rose 4.2% to 10,489 points. Smaller caps underperformed as the FBM Small Cap Index only registered an increase of 1.3% to 11,670 points as investors focused more on index stocks which is typical towards year end. Among the regional bourses, the China market was the worst performer while the Malaysia market posted the largest gains. On a year to date basis, the FBM KLCI was one of the few markets that ended the year in positive territory with the North Asian market performing the worst as investors took a shine to Asean markets with Jakarta and Philippines being the top gainers in Asia.

Meanwhile, Bank Negara Malaysia (BNM) recently launched the Financial Sector Blueprint for 2011-2020 with the purpose of strengthening the competitiveness and efficiency of the sector. With the blueprint, the financial sector contribution to nominal GDP is projected to rise from 8.6% to between 10% and 12% in the same period.

**Fixed Income**

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 (GI) 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 Manjuring 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**

**Equity**

For Malaysia, the perception remains, that we are expensive. If measured solely on price-to-earnings ratio ("PER") terms, the FBM KLCI Index trades at approximately a 35% premium to the MSCI Asia ex-Japan Index. However if we factor in return on equity ("ROE"), net gearing, and earnings volatility, Malaysia does not end up as expensive. Another perspective is to look at it from a risk-adjusted angle over the last 3 and 5 years. Malaysia's risk adjusted returns are on par with our neighbours.

**Fixed Income**

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 Tanjung Bin and Encoorp 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.

**AMB Dana Aqeel**  
**Capital Protected\***

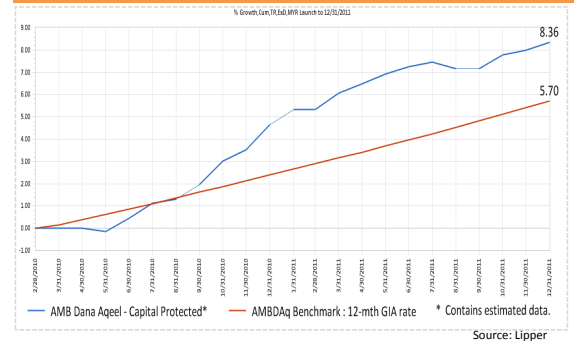
To protect the initial capital\* of the fund at the Maturity Date through investments principally in fixed income securities predominantly in Sukuk that are permissible under Shariah Principles whilst seeking potential returns over the tenure of the fund.

**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.

**PERFORMANCE RECORD**

**Total Return Since Inception**



**Cumulative Total Return**

Period	Fund (%)	Rank
1 - Month (30 November 2011 - 31 December 2011)	0.33	1/5
6 - Month (30 June 2011 - 31 December 2011)	1.03	4/4
1 - Year (31 December 2010 - 31 December 2011)	3.56	3/4

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

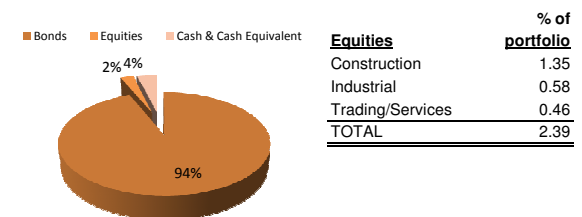
**High/Low NAV (RM)**

Period	High	Low
1 - Month (30 November 2011 - 31 December 2011)	0.5418	0.5400
6 - Month (30 June 2011 - 31 December 2011)	0.5418	0.5349
1 - Year (31 December 2010 - 31 December 2011)	0.5418	0.5241

**Income Distribution Declared by Management Company**

There shall be no income distribution during the tenure of the fund. Return to unitholders (if any), will be in the form of capital appreciation

**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) KESAS SDN BHD
- 2) JIMAH ENERGY VENTURES SDN BHD
- 3) GAMUDA BERHAD
- 4) MALAYAN BANKING BERHAD
- 5) DIVERSIFIED GATEWAY 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.

The fund is not guaranteed and subject to investment risks. The capital protection only applies to unit holders who hold their investments until maturity date specified in the prospectus. Any redemption before the maturity/specified date will be based on the NAV of the fund on that day and would be charged an exit fee, if any, and that the protection does not apply in this case. There may be dilution of performance due to the capital protection structure being put in place, compared to a conventional fund without capital protection. Investors are advised to read the prospectus for further details of the capital protection structure.

Investors are advised to read and understand the contents of this Fund's Prospectus dated 9 March 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 office or any other IUTA branches appointed by the Manager.