

Capital Protected* Fund

Smart Investment Choice for Constant Capital Growth

Fund Fact Sheet 31 January 2011

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 JANUARY 2011

Unit In Circulation	: 134.950 million
Unit NAV	: RM 0.5267
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
 For the month, the KLCI was relatively flat and edged up a marginal 1 point to close at 1,520 points. The broader market's performance was stronger than the KLCI with the FBM Emas up 0.9% to 10,469 points. Smaller caps outperformed the KLCI as seen by the FBM Small Cap which rose 2.9% to 12,989 points. The FBM ACE, however, fell 1.3% to 4,292 points. Average value traded on Bursa in January surged 41% month-on-month to RM2.66 billion per day.

Higher inflation and the fear of tighter monetary policy led to the fourth consecutive month of Asia Pacific ex-Japan underperforming since October 2010. MSCI Asia Pacific ex-Japan declined 1.4%, underperforming MSCI World by 3.6% in January. The sharp rotation between sectors and markets in the last three months affected performance, and investor confidence is low with technical factors often more dominant than fundamental factors. Other factors that may have affected performance negatively include the political turmoil in Egypt, floods in Australia and Japan debt rating downgrade.

Fixed Income
 Local government bonds generally trended lower, with the 20-year Malaysian Government Securities (MGS) benchmark declining the most. On the economic front for the month of November, exports gained some traction to grow by 5.3% YoY while industrial output also picked posting a YoY growth rate of 5.1%. Meanwhile, inflation edged higher at 2.2% in December 2010. There was healthy demand for the new issuance of RM3.5 billion 10-year MGS, attracting a bid-to-cover ratio of 2.3 times and drawing an average yield of 4.16%. The 3-, 5-, 10- and 20-year benchmark yields rose by 9 to 19 bps to 3.21%, 3.48%, 4.06% and 4.49% respectively while the 7-year benchmark yield eased by 3.7bps to 3.72%.

Bank Negara Malaysia (BNM) also decided to maintain the Overnight Policy Rate (OPR) at 2.75%. In its Monetary Policy Statement, BNM reiterated that the current OPR is appropriate and consistent with their latest assessment of economic growth and inflation prospects. BNM also mentioned that going forward, additional policy tools such as the statutory reserve requirement and macroprudential lending measures may be considered to avoid the risks of macroeconomic and financial imbalances.

Comments

Equity
 We believe 2011 will provide solid yet unspectacular returns for equity investors. The main support factors include reasonable valuations, strong profitability of the corporate sector, lack of solid investment alternatives on the fixed income side (low sovereign yields and tightened credit spreads), and a favorable outlook on global and emerging market growth.

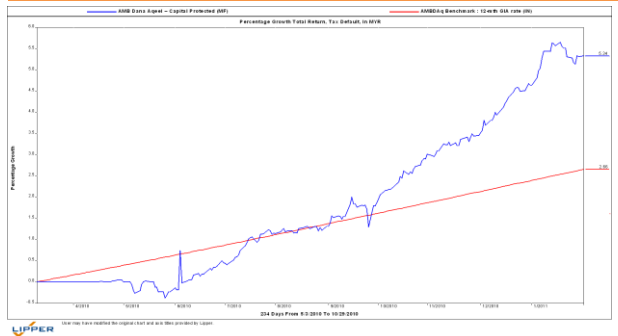
We believe Malaysia will do well on a relative basis in this current volatile environment as the country is low-beta defensive market. With the promise of the Economic Transformation Programme and Government Transformation Programme, the market should experience a bout of healthy speculation. In addition, as Malaysian policy makers were early in raising interest rates and its nature was not inflation-targeting, the pressure is off them to ratchet rates up higher. As a result, we are maintaining a relatively high equity exposure and are paying careful attention to potential volatility which can erode gains that have been made.

Fixed Income
 We continue to like the corporate debt segment and aim to switch to new issuances should primary yield pick-up prove attractive. Meanwhile, we continue to maintain an overweight on Corporate bonds versus Government bonds.

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 (31 August 2010 - 31 January 2011)	4.15	2/6

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

High/Low NAV (RM)

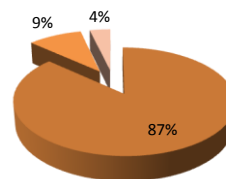
	High	Low
6 - Month (31 August 2010 - 31 January 2011)	0.5282	0.5058

Income Distribution

	Net (sen per unit)
2010	N/A

Asset Allocation as at 31 January 2011

■ Bonds ■ Equities ■ Short Term Deposit + Cash



Equities

Construction	1.03
Trading/Services	4.22
Industrial	3.13
Plantations	1.00
Consumer Product	0.20
Properties	0
TOTAL	9.58

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.