Amanah Mutual Berhad (195414-U)

Income Fund

Smart Investment Choice for Constant Capital Growth

Fund Fact Sheet 30 June 2011

Morning Star Rating	★★★
Lipper Total Return	**Leader**
Lipper Consistent Return	**Leader**
Lipper Preservation Return	**Leader**

AMB Dana Arif

3-year Fund Volatility 3.0 Very Low Lipper Analytics 15 July 2011

The fund's objective is to provide a steady appreciation of the net asset value of the Fund with a regular flow of income to our investors through investments in debt securities that are permissible under Shariah Principles.

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 30 JUNE2011

Unit In Circulation	: 52.161 millon
Unit NAV	: RM 0.5557
Financial Year	: May 31
Fund Category	: Bond Fund
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
Asset Allocation	: Min 50% to Max 98% in debt securities.
	: Min 2% to Max 50% in liquid assets and short-term money instruments.

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

Amidst the uncertainty on Greece and risk aversion in the USD credit space, the Malaysian government launched its benchmark USD2 billion sukuk with much success. The offering has been assigned A3/A- by Moody's and S&P's. In total, 320 global investors placed USD9 billion worth of orders, with strong support from Middle Eastern and Malaysian investors. The USD1.2 billion five-year bonds was priced at US Treasuries plus 145 basis points (bps) to yield 2.991% and the USD800 million 10-year bonds priced at US Treasuries plus 165 bps to yield 4.646%. The sukuk was issued through a special purpose vehicle, Wakala Global Sukuk. This is Malaysia's first sukuk to be offered under the wakala structure, which is a combination of leasable assets, shares and commodities.

Trading volume for corporate bonds jumped 45% month-on-month (m-o-m) to MYR11.5 billion. Trading volumes were heavy on the AA segment followed by the AAA segment, with respective 48% and 30% trade share. Risk aversion caused by the sovereign debt crisis can be seen in the trades, which were skewed towards safe-haven papers. Government related entity and power papers were popular with collective trade shares of 62% last month, backed by the debut of Sarawak Energy's MYR15 billion paper. During the month, the water sector bond buyback was completed with the issuance of the MYR5.8 billion Pengurusan Air SPV Bhd bonds. Credit spreads narrowed further as investors searched for yields given that sovereign yields have been largely compressed by offshore investors targeting MYR appreciation.

In June the government announced further revisions in energy prices. With effect from 1 June, electricity tariffs were hiked by an average 7.12%. Gas prices will be hiked by RM3.00 per mmbtu every six months until it reaches market price. This leads market players to speculate that Bank Negara Malaysia (BNM) may rush to further tighten monetary policy on 7 July. Hence the short end of the curve was traded higher. However, more buying interest appeared when the industrial production index for April came in below consensus at 2.2%. Meanwhile, the May Consumer Price Index (CPI) release on 24 June showed a higher increase of 3.3% over 3.2% in April. This further sapped trading activities.

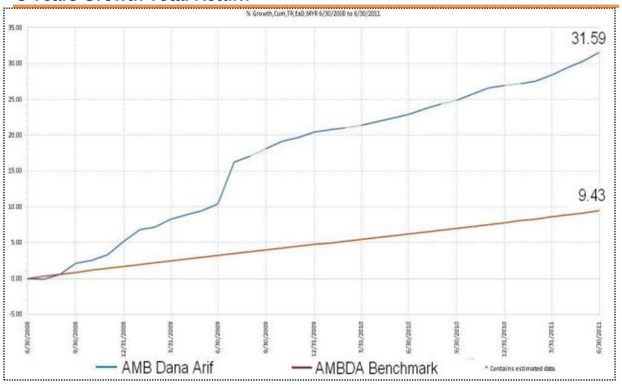
Manager's Comments

BNM governor reiterated her view that the central bank will not overreact to inflationary pressures, having raised interest rates four times to the current 3%. This downplayed some expectations of a quick rate hike this month. Nevertheless ahead of the Monetary Policy Committee (MPC) meeting, we maintain our expectations that the central bank will raise the interest rate by 25 bps to 3.25% sometime in the third quarter of 2011. However, the timing will be a close call between July and September. Bond trading is expected to be weaker ahead of the interest rate decision on 7 July. The market is also expecting BNM to raise the Statutory Reserve Ratio by a further 1.0%, bringing it back to the 2008 level of 4.00%, prior to the global financial crisis. With one more potential rate hike in the second half of 2011, sovereign bond yields are likely to be pressured on the shorter end of the curve. Nevertheless, taking into account the anticipated hike in Overnight Policy Rate by another 25 bps before pausing for the year and peaking inflation in the region, it may be the end of the interest rate normalization cycle in Malaysia. Therefore we expect the Malaysian Government Securities (MGS) yield curve to bullish flatten with demand from end-investors extending towards the mid and long end of the curve for the rest of 2011.

We continue to maintain our strategy with an 'overweight' on the corporate debt segment and aim to switch to new issuances should primary yield pick-up prove attractive. We have a neutral call on MGS with target buying on 5-year and above tenures.

PERFORMANCE RECORD

3 Years Growth Total Return



Cumulative Total Return

	Fund (%)	Rank
1 - Month *(31 May 2011 - 30 June 2011)*	0.96	8/22
6 - Month *(31 December 2010 - 30 June 2011)*	3.66	6/21
1 - Year *(30 June 2010 - 30 June 2011)*	7.02	7/19
3 - Year *(30 June 2008 - 30 June 2011)*	31.59	1/16
5 - Year *(30 June 2006 - 30 June 2011)*	20.05	11/13

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

High/Low NAV (RM)

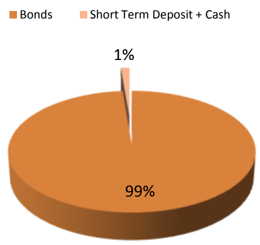
	High	Low
1 - Month *(31 May 2011 - 30 June 2011)*	0.5687	0.5633
6 - Month *(31 December 2010 - 30 June 2011)*	0.5687	0.5487
1 - Year *(30 June 2010 - 30 June 2011)*	0.5687	0.5472
3 - Year *(30 June 2008 - 30 June 2011)*	0.5687	0.4451
5 - Year *(30 June 2006 - 30 June 2011)*	0.5687	0.4451

Income Distribution

	Net (sen per unit)
Interim Nov 30, 2010	1.70

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

Asset Allocation as at 30 June 2011



Top 5 Largest Holdings in Bond

1) BANK MUAMALAT BERHAD
2) JIMAH ENERGY VENTURES SDN BHD
3) KONSORTIUM LEBUHRAYA UTARA-TIMUR KUALA LUMPUR S/B
4) NATIONAL BANK OF ABU DHABI
5) SUNRISE BERHAD

Based on the fund's portfolio returns as at July 15, 2011, the Volatility Factor (VF) for this fund is 3.0 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.

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