

Income Fund

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

Unit In Circulation	: 55.041 million
Unit NAV	: RM 0.5550
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 Habsh
- 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 shifted up for the month in reaction to inflation worries, with the belly of the curve weakening the most. The 3, 5 and 10 year benchmarks rose by 5bps, 18bps and 4 bps to end the month at 3.39%, 3.62% and 4.11% respectively. Additionally, the RM4 billion auction of the new 3.5-year GII 9/14 drew weak demand with a bid-to-offer ratio of 1.43x as investors grew wary of earlier than expected rate hikes by Bank Negara Malaysia (BNM) and did not participate aggressively in the tender. Malaysian Government Securities (MGS) volume transacted tripled from prior month's volume, surging to RM87.4 billion done. As expected, the Overnight Policy Rate (OPR) was left unchanged at 2.75% and Banks' Statutory Reserve Requirement (SRR) was raised to 2% (previously 1%) .

Private Debt Securities (PDS) volume rose to RM7.2 billion in March, up 16% from RM6.2 billion in February. The "AAA" segment was the most popular, with 50% of all trades done, followed by "AA" at 32%. The non-rated segment recorded significant trade share of 11%, while the 'A' segment was largely negligible. Rating actions in March were largely negative again, with 3 negative rating actions and no upgrades. After being on negative watch for some time, Musteq Hydro's debt rating was finally downgraded 1 notch by RAM to A3 in March. Meanwhile, persistent financial losses resulted in Offshoreworks Capital and Formis Resources being put on negative watch/outlook, with the possibility of multi-notch downgrades in the future. Although there were no rating upgrades in the month, Berjaya Infrastructure had its rating outlook revised to stable from negative, after a tariff hike and resolution of late payments from the Kedah state government improved its liquidity position.

Manager's Comments

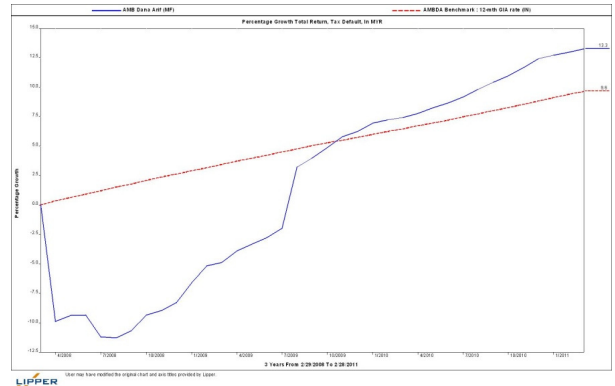
We expect Bank Negara Malaysia (BNM) to start raising interest rates as early as May 2011, taking the Overnight Policy Rate (OPR) to 3.25% by year end.

The Private Debt Securities (PDS) market has been experiencing a bit of a dry spell in the first quarter this year. We expect the issuance pipeline to pick up momentum from the second quarter onwards taking its cue from implementation of some of the major Economic Transformation Programmes (ETP) like the KL-MRT and infrastructure related projects. It is likely that the bond issuances related to the ETP projects will be highly rated, possibly guaranteed by the Government or Danajamin. We foresee a neutral and stable credit environment.

We still favour Corporates over Sovereigns, in particular AA and A rated segment for yield enhancement. Credit selection remains key. For Malaysian Government Securities (MGS), we will buy on weakness and adopt a more active trading stance. We remain of neutral duration in view of the rising interest rate environment and higher inflationary expectations.

PERFORMANCE RECORD

3 Years Growth Total Return



Cumulative Total Return

	Fund (%)	Rank
6 - Month (30 September 2010 - 31 March 2011)	2.79	6/19
1 - Year (31 March 2010-31 March 2011)	5.79	6/18
3 - Year (31 March 2008-31 March 2011)	26.52	9/16
5 - Year (31 March 2006-31 March 2011)	16.39	12/13

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

High/Low NAV (RM)

	High	Low
6 - Month (30 September 2010 - 31 March 2011)	0.5643	0.5472
1 - Year (31 March 2010-31 March 2011)	0.5643	0.5409
3 - Year (31 March 2008-31 March 2011)	0.5643	0.4451
5 - Year (31 March 2006-31 March 2011)	0.5643	0.4451

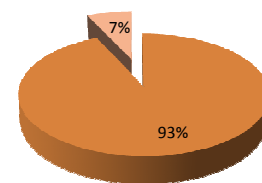
Income Distribution

	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 31 March 2011

■ Bonds ■ Short Term Deposit + Cash



Top 5 Largest Holdings in Bond

- 1) JIMAH ENERGY VENTURES SDN BHD
- 2) KONSORTIUM LEBUHRAYA UTARA TIMUR
- 3) RANHILL POWERTRON SDN BHD
- 4) SUNRISE BERHAD
- 5) NATIONAL BANK OF ABU DHABI

Based on the fund's portfolio returns as at April 15, 2011, the Volatility Factor (VF) for this fund is 3.4 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 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.