



**Amanah Mutual Berhad**  
(195414-L)

**Capital Protected\* Fund**

Smart Investment Choice for Constant Capital Growth

**Fund Fact Sheet 31 March 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 March 2011**

Unit In Circulation	: 132.110 million
Unit NAV	: RM 0.5303
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 Habsbi
- Prof. Dato' Dr. Abdul Monir bin Yaacob
- Prof. Dato' Dr. Mahmood Zuhdi bin Hj Ab. Majid

**FUND MANAGER'S REVIEW**

**Market Review  
Equity**

The first half of March saw an increase in volatility in the Malaysian equity market due to the March 11 earthquake in Japan and the continuing crisis in the Middle East & North America (MENA) region especially in Libya. However, the market managed to recover by month end and finish on a positive note. For the month, the FBM KLCI gained 54 points or 3.6% to close at 1,545 points. The broader index FBM EMAS gained 3.9% to 10,612 points. Smaller caps outperformed as the FBM Small Cap Index rallied 4.7% to 12,996 points. Among the regional bourses, India and Korea posted the strongest gains whilst unsurprisingly, Japan declined.

On the local corporate front, Tenaga Nasional Bhd has acquired 66.5 million Integrax Berhad shares, representing a 22.12% equity interest in Integrax for a total consideration of RM106.5 million equivalent to RM1.60 per Integrax share as part of its efforts to improve operational efficiency.

**Fixed Income**

Local government bonds continued to trend lower, with the 5-year Malaysian Government Securities (MGS) benchmark declining the most. The bearish tone was due to concerns of further policy rate tightening amidst the recent jump in inflation data. On the economic front, export growth slowed further to 3.0% YoY for the month of January 2011. Industrial output also got off to a weak start and posted a YoY growth rate of 1.0% whilst inflation accelerated to 2.9% in February 2011. Meanwhile the reopening of RM4.0 billion of 5.5-year MGS attracted a healthy bid-to-cover ratio of 2.24 times with an average yield of 3.57%. However, the demand for the RM4.0 billion of 3.5-year GIL at the end of the month was lower, drawing a bid-to-cover ratio of only 1.43 times with an average yield of 3.51%. The 3-, 5-, 7-, 10- and 20-year benchmark yields rose by 0.1 to 16 bps to 3.47%, 3.65%, 3.81%, 4.10% and 4.54% respectively.

Meanwhile Bank Negara Malaysia (BNM) during its March policy meeting raised the statutory reserve requirement for banks to 2% from 1%. However BNM left the overnight policy rate unchanged at 2.75%. BNM also forecasted GDP growth at 5-6% YoY for 2011 supported by good labour conditions, higher disposable incomes and the Economic Transformation Programme Initiatives. BNM also commented that the degree of monetary accommodation may be reviewed given the sustained growth in the economy and risks of inflation as there are some signs that domestic demand factors could result in possible upward pressure on prices in the later part of the year.

**Manager's Comments  
Equity**

The markets continue to focus on the Economic Transformation Programme (ETP) / Government Transformation Programme (GTP) rollout details, as construction projects are being announced. Corporate profits are on track, with minimal revisions and far fewer surprises. Banks continue to raise cheap funding to bolster balance sheets to meet and exceed Basle III requirements.

We expect the Malaysian Market to remain flatish for the next 1-2 months as markets pause after the rebound. In valuation, the Malaysian Market PER is 14X, a 16% premium over the region. On a P/Book calculation, the Market looks fairly valued at 2.3X. However, if the ETP/GTP rollout is accelerated, we may see upwards revisions to Market ranges and a possible rally. For our portfolios, we remain positioned fairly invested in the markets, paying careful attention to risk and volatility, and modifying these parameters through stock picking.

**Fixed Income**

We expect BNM to start raising interest rates as early as May 2011, taking the OPR to 3.25% by year end.

The Private Debt Securities 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 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.

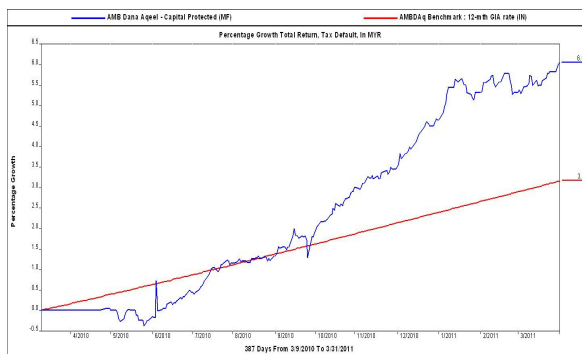
We still favour Corporates over Sovereigns, in particular AA and A rated segment for yield enhancement. Credit selection remains key. For MGS, we will buy on weakness and adopt a more active trading stance. We remain of neutral duration in view of the rising interest rate environment and higher inflationary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

**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.

**PERFORMANCE RECORD**

**Total Return Since Inception**



User may have modified the original chart and so it differs provided by Lipper.

**Cumulative Total Return**

	Fund (%)	Rank
<b>6 - Month</b> (30 September 2010 - 31 March 2011)	4.02	2/6
<b>1 - Year</b> (31 March 2010-31 March 2011)	6.06	2/6

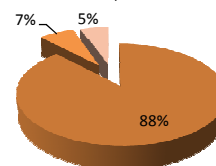
\* Source : Lipper(G) - Category of Capital Protected - Islamic

**High/Low NAV (RM)**

	High	Low
<b>6 - Month</b> (30 September 2010 - 31 March 2011)	0.5303	0.5103
<b>1 - Year</b> (31 March 2010-31 March 2011)		

**Asset Allocation as at 31 March 2011**

- Bonds
- Equities
- Short Term Deposit + Cash



**Equities**

Trading/Services	2.59
Industrial	1.98
Properties	2.08
<b>TOTAL</b>	<b>6.65</b>

**Top 5 Largest Holdings in Bond**

- 1) KESAS SDN BHD
- 2) JIMAH ENERGY VENTURES SDN BHD
- 3) MAYBANK BERHAD
- 4) GAMUDA 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.