

Capital Protected* Fund

Smart Investment Choice for Constant Capital Growth
Fund Fact Sheet 30 September 2011

FUND DETAILS AS AT 30 SEPTEMBER 2011

Unit In Circulation	: 120.570 million
Unit NAV	: RM 0.5358
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

- Dato' Dr. Abdul Halim bin Ismail (Chairman)
- Datuk Dr. Syed Othman bin Syed Hussin Alhabshi
- 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 fell 60pts or 4.1% to 1,387 points. The broader market underperformed the KLCI as the FBM EMAS Index fell a sharper 5.2% to 9,398 points. Smaller cap performance against the KLCI were mixed as the FBM Small Cap Index plunged 8.3% to 10,397 points but the FBM ACE Index fell a lower 3.8% to 3,598 points. The average value traded on Bursa Malaysia in September eased 15% m-o-m to RM1.81 billion per day (RM2.14 billion in August) as investors continued to de-risk in reaction to fears of a double-dip recession in Europe and the US. Monetary and credit growth sustained a healthy pace in August, suggesting that domestic demand conditions are holding up. In line with expectations, inflation eased to 3.3% y-o-y in August (3.4% in July) for the second month amid the Hari Raya Aidilfitri celebrations and was partly aided by the high base effects.

Malaysia's leading index (LI) sustained at a moderate growth of 1.9% y-o-y in July (1.9% in June), suggesting uneven economic conditions ahead. While we expect resilient private spending and faster implementation of public sector projects will help to keep the economy going in the coming months, the intensified external uncertainties will also temper the growth momentum.

Fixed Income

Sovereign debt concerns coupled with the banking crisis and possible recession in the Eurozone was highly contagious to the global financial market. Overall, the market was in "risk off" mode for the entire month of September, causing investors to retreat to a safe haven in the form of US Treasuries ("UST"). The US Dollar has also strengthened against all major currencies as a result. The UST yield curve bullish flattened following the announcement of "Operation Twist" by the US Federal Reserve ("Fed") where the Fed will shift USD400 billion of its own portfolio from shorter term securities to longer term securities. Subsequently, 10-year and 30-year UST were traded lower and closed the month 30 and 69 bps lower at 1.92% and 2.91% respectively.

The local government bond market continued with its bullish stance from the prior month, gaining strong buying interest from both local and foreign investors early in the month, pushing the 3-year, 5-year and 10-year MGS benchmark yields lower to 2.97%, 3.20% and 3.53% respectively from previous month's closing of 3.15%, 3.38% and 3.65%. Buying interest flowed in after Bank Negara Malaysia ("BNM") kept its overnight policy rate ("OPR") unchanged at 3.00% at the 8 September monetary policy committee ("MPC") meeting due to increased uncertainty on global and domestic economic growth prospects that could ease the inflationary pressure.

Manager's Comment

We expect real GDP growth to come in at around 4.5% for both 2011 and 2012. Our base case is protracted slow growth for the global economy, with a 30% possibility of a double-dip recession. As long as the double-dip does not happen, domestic demand will likely remain resilient and supportive of growth, driven by a sustained increase in consumer spending and the implementation of projects under the Economic Transformation Programme (ETP). With the slowing global economy, there is now greater urgency for the Government to expedite the rollout of the various projects under the ETP. Given that the market has retraced to oversold territory, we expect a technical rebound soon. Equity allocations for the domestic funds have been reduced to 70-75% for the aggressive and small cap equity funds and 75-80% for the core equity funds (from 90-95% previously). In doing so, we have lowered our exposure to cyclical and growth stocks, and switched into more defensive dividend yielders. We are reluctant to bring down equity allocations further as the market has already priced in a slow growth environment. We are still looking at an earnings growth of 14% for 2012.

The Malaysian local bond market currently hinges upon the prospects of potential outflows from foreign investors which as at August are holding closed to RM98.7 billion, roughly 35% of total outstanding MGS (although the amount should be lower with the recent selling by hedge funds in September). To date, we have not seen large disposals from the real foreign investors. We believe any form of panic selling would be contained, as foreign investors would still require some form of exposure into Malaysian government bonds as long as Malaysia remains fundamentally strong. Nevertheless, we do expect to see volatility in the MGS market as long as the USD continue to strengthen as the USD index, DXY is approaching 80.0 and still climbing. Any unresolved issues pertaining to the European debt crisis will likely create nervousness in the market. We will continue to monitor the developments in the US and the Eurozone as further escalations in the European debt crisis may still trigger panic selling in the market although our view is that that is unlikely. Overall, the risk of a global recession and continued slump in the European financial markets has heightened.

In the corporate bond space, supply of new issuances has not been forthcoming. Demand continues to outstrip supply as we still see ample liquidity in the market. There is anticipation of sizable new issuances to be launched soon to take advantage of the low yields. We will also be taking the opportunity to switch to the new primary issues and take profit on some of the existing holdings in the portfolio.

Despite tighter credit spreads, we are still bullish on corporate bonds. Nonetheless, as the global growth shows some signs of lethargy, we will be maintaining the current portfolio duration and will be selective on corporate credits with focus on issuers with steady cashflow streams. Meanwhile, we are cautiously optimistic in MGS and will slowly increase our position for trading opportunity.

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.

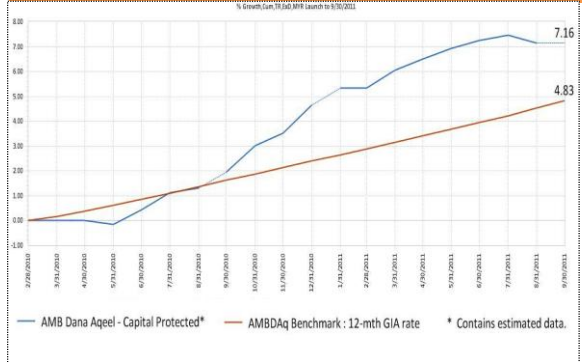
INVESTOR PROFILE

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

	Fund (%)	Rank
1 - Month (31 August 2011 - 30 September 2011)	0.00	3/4
6 - Month (31 March 2011 - 30 September 2011)	1.04	4/4
1 - Year (30 September 2010 - 30 September 2011)	5.10	2/4

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

High/Low NAV (RM)

	High	Low
1 - Month (31 August 2011 - 30 September 2011)	0.5367	0.5349
6 - Month (31 March 2011 - 30 September 2011)	0.5377	0.5303
1 - Year (30 September 2010 - 30 September 2011)	0.5377	0.5098

Income Distribution

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 at the maturity date.

Asset Allocation as at 30 September 2011

	Equities
Construction	0.21
Industrial	0.62
Trading/Services	0.89
Infrastructure Property	0.69
Properties	0.22
TOTAL	2.63

Top 5 Largest Holdings in Bond

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

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 the Master Prospectus dated 17 September 2011 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.