

The fund seeks to provide investment opportunities that generate reasonable returns and growth over the tenure of the fund while endeavouring to provide capital protection to unit holders.

**INVESTOR PROFILE**

- The fund is suitable for Investors who:-
- Seek capital protection.
  - Wish to participate in the potential upside of global equities, interest rates or any other indices or any other underlying(s) as may be permitted under the Deed.
  - Have low risk tolerance and a medium-term investment horizon.

**FUND DETAILS AS AT 30 SEPTEMBER 2011**

Unit In Circulation	: 2,426.745 million
Unit NAV	: RM 1.0761
Financial Year	: July 31
Fund Category	: Mixed Assets
Fund Inception	: May 12, 2008
Maturity Date	: July 5, 2013
Tenure	: 5 Years
Initial Sales Charge	: 1.50% on the NAV per unit.
Annual Management Fee	: 1.00% per annum of NAV
Benchmark	: 12-month Maybank fixed deposit rate
Asset Allocation	: Up to 80% in Structured Products. Up to 50% in PNB REIT. Up to 80% in any other investment permitted by the Deed.
Specific Salient Features	: Min 2% in cash and money market instrument. The par value of RM1.00 will be protected upon maturity.

**FUND MANAGER'S REVIEW**

**Market Review**

As at September 30, 2011, the NAV of PNB SIF at RM1.0761 is slightly lower than its NAV as at August 31, 2011 of RM1.0799. This was largely attributed to the diversified nature of its investment portfolio, whereby the decline in market value of equity and structured products portfolio were largely mitigated by the positive performance of PNB REIT and cash equivalent instruments.

In September, the FBM KLCI continued its fall, declining by another 4.16%, to close at 1,387.1 points on September 30, 2011 as compared to the August 31, 2011 close of 1,447.3 points. Positive newsflow domestically such as announcement of fresh investment in Economic Transformation Programme (ETP) of RM1.43 billion, rise in manufacturing sales by 10.8% year-on-year and the abolishment of the Internal Security Act (ISA) failed to excite the market due to the overwhelming negative newsflow externally. In light of the external environment, the fund continued to lock profit and sell down its equity position, as it expects downside risk will continue to remain high in the near term.

The market value of the structured products portfolio declined slightly, as the majority of the underlying indices were affected by investors becoming risk averse in markets globally. Amongst the factors that impacted the structured products performances were the worsening European debt crisis, downgrading of Italy's credit rating, the IMF cutting the global growth forecast from 4.5% to 4.0% for 2012 and lowered growth forecast for the United States from 2.5% to 1.5% for 2011, as well as the announcement of 'Operation Twist' by the US Federal Open Market Committee.

**Manager's Comment**

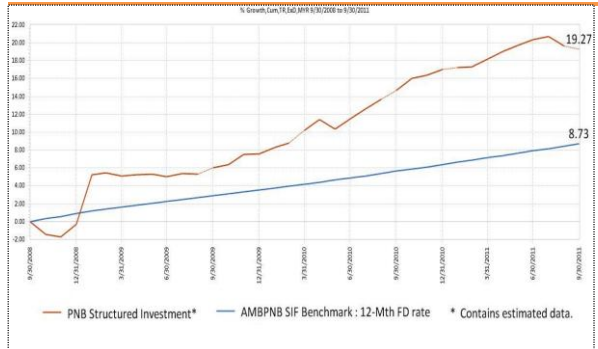
In October, 2011, the fund intends to continue being invested in the diversified asset classes of PNB REIT, structured products, cash equivalents and equity.

In the equity asset class, the fund would take opportunity from the volatile market to lock profit on any market strength whilst looking for opportunities to buy index-linked or large capitalization stocks with good fundamentals and high dividend yields. The fund would put emphasis on market timing when increasing its equity allocation, as it would want to ensure that the fund will be able to meet its obligation of endeavouring to provide capital protection at maturity.

Investment in PNB REIT and structured products is expected to be maintained, for the diversity that it brings to the portfolio, especially in times of high equity market volatility.

**PERFORMANCE RECORD**

**3 Years Growth Total Return**



**Cumulative Total Return**

	Fund (%)	Rank
<b>1 - Month</b> (31 August 2011 - 30 September 2011)	-0.35	9/17
<b>6 - Month</b> (31 March 2011 - 30 September 2011)	0.91	5/16
<b>1 - Year</b> (30 September 2010 - 30 September 2011)	4.01	3/13
<b>3 - Year</b> (30 September 2008 - 30 September 2011)	19.27	1/3

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

**High/Low NAV (RM)**

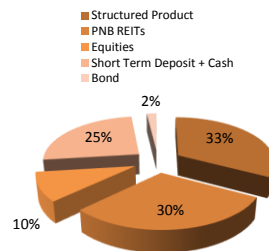
	High	Low
<b>1 - Month</b> (31 August 2011 - 30 September 2011)	1.0838	1.0742
<b>6 - Month</b> (31 March 2011 - 30 September 2011)	1.1296	1.0742
<b>1 - Year</b> (30 September 2010 - 30 September 2011)	1.1296	1.0715
<b>3 - Year</b> (30 September 2008 - 30 September 2011)	1.1296	0.9813

**Income Distribution**

	Net (sen per unit)
<b>2009</b>	3.25
<b>2010</b>	3.75
<b>2011</b> , *Declared on 31 July 2011	3.88

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

**Asset Allocation as at 30 September 2011**



**Equities**

Construction	0.02
Finance	1.95
Industrial	1.16
Infrastructure Property Co.	1.51
REITs	0.69
Trading/Services	2.85
Consumer	1.34
Properties	0.52
<b>TOTAL</b>	<b>10.04</b>

**General Info**

12-months Maybank FD rate = 3.15%\*

\*Notes: Maybank revised Fixed Deposit rates for conventional schemes with effect from 11 May 2011 (Source: www.maybank2u.com.my)

**Largest Holdings**

- 1) DEUTSCHE BANK'S STRUCTURED PRODUCTS
  - Interest-rate linked structured products
  - Equity-linked structured products
- 2) PNB REITs
- 3) EQUITIES
  - Malayan Banking Berhad
  - DIGI Telecommunications Sdn Bhd
  - UMW Holdings Berhad
  - Tenaga Nasional Berhad
  - Petronas Gas Berhad

\*Where a distribution is declared, investors are advised that following the distribution, the NAV per unit will be reduced from cum-distribution NAV to ex-distribution NAV

Based on the fund's portfolio returns as at September 15, 2011, the Volatility Factor (VF) for this fund is 3.8 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 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.