

FUND OBJECTIVE

To achieve medium to long term capital appreciation through investments primarily in Malaysian bonds

FUND DETAILS

Launch Date	20 October 2008
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	28.17 million units (30 June 2014)
Fund Size	RM 32.34 million (30 June 2014)
Unit NAV	RM 1.1481 (30 June 2014)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Benchmark	12 month FD

Risk Profile	Suitable for investors:
	<ul style="list-style-type: none"> Have a medium to long term investment horizon Want a diversified portfolio of fixed interest securities Are looking for a less volatile investment but can accept lower returns
	Fees

- Management Fee: 1.000% p.a.
- Switching Fee: 3 free fund switches per policy year

ASSET ALLOCATION

Bonds/ Debentures	75% - 98%	Cash	Up to 25%
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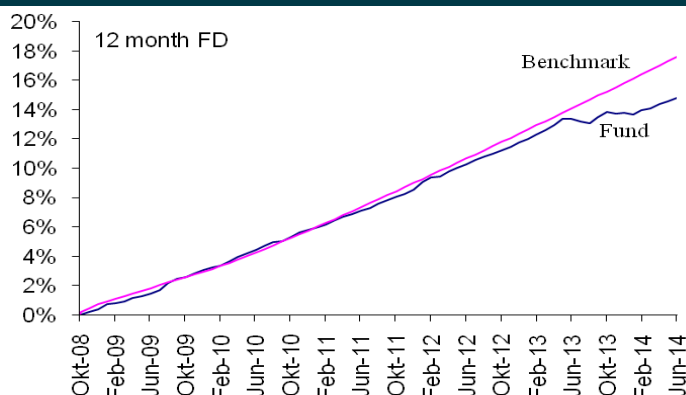
WHERE THE FUND INVESTS

Corporate Bond	88.64%
Government Bond	0%
Short Term Paper	0%
Cash	11.36%
Total	100.00%

TOP 10 HOLDINGS

Tanjung Bin Energy Issuer Berhad	4.87%	6.33%
	15/03/2019	
Teknologi Tenaga Perlis	4.51%	6.32%
	31/01/2020	
Am Islamic Bank Berhad	4.40%	6.28%
	30/09/2021	
Tanjung Bin Power Sendirian Berhad	4.66%	6.27%
	14/08/2020	
HSBC Bank Malaysia Bhd	4.35% Due	6.24%
	28/6/2017 JD28	
First Resources Limited	4.30%	6.24%
	08/12/2017	
Kuala Lumpur Kepong Berhad	3.88%	6.24%
	10/10/2016	
Hong Leong Bank Berhad	4.35%	6.23%
	05/05/2021	
Projek Lebuhraya Usahasama Berhad	4.40%	6.22%
	12/01/2022	
Golden Assets International Financial Limited	4.75%	6.22%
	03/08/2018	

PERFORMANCE RECORD



NAV TO NAV

%	MTD	YTD	1-Year	3-Year	Since Inception
Fund*	0.22	0.87	1.29	7.19	14.81
Benchmark	0.25	1.53	3.09	9.57	17.62

*Calculation of past performance is based on NAV-to-NAV

Notice: Past performance of the fund is not an indication of its future performance which may differ. The fund performance is not guaranteed.

FUND MANAGER'S COMMENTS

The Fund's performance for the month of June was 0.22% as compared to its benchmark of 0.25%.

The MGS yield curve bull flattened in June with the long end of the curve falling considerably as market players showed preference for longer dated instruments to cushion against rate hike and the belief that US policy rates will remain low for some time. Moving forward, growth is expected to be driven by domestic demand with additional support from the improved external environment. Exports, private sector spending and investment spending in manufacturing and service sectors are expected to remain strong, hence sustaining the growth momentum. Inflation has stabilized in the recent months but is expected to remain above its long run average due to high domestic cost factors.

Investors will be focusing on the upcoming Monetary Policy Committee meeting on 10th July as market is expecting Bank Negara Malaysia to commence the rate normalisation cycle and raise its Overnight Policy Rate by 25bps after the hawkish statement delivered by the central bank in its May's statement.

Taking into consideration of cautious investor sentiment alongside with expectations of a potential rate hike in the second half of this year, we are in favour of longer duration liquid securities. We will maintain our portfolio duration and focus on both primary and secondary issues which have been re-priced higher. We continue to maintain our trading position on MGS/GII as we believe that the yields are expected to trade within a wider range.

Disclaimer:

The benchmark performance is not a guide to future performances which may differ. The performance of the fund is not guaranteed. The value of the fund will fluctuate and may fall below the amount of premiums paid and the fund value depends on the actual performance on the underlying investment.