

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	29.38 million units (30 September 2014)
Fund Size	RM 34.11 million (30 September 2014)
Unit NAV	RM 1.1609 (30 September 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	<ul style="list-style-type: none"> Management Fee: 1.000% p.a. Switching Fee: 3 free fund switches per policy year

ASSET ALLOCATION

Bonds/ Debentures	80% - 98%	Cash	Up to 20%
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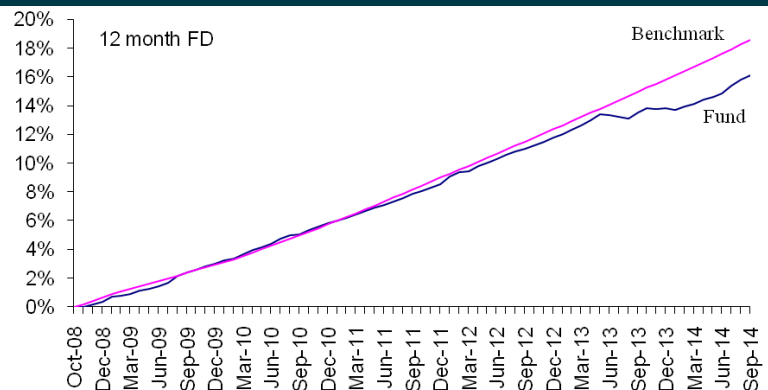
WHERE THE FUND INVESTS

Corporate Bond	87.58%
Government Bond	0%
Short Term Paper	0%
Cash	18.42%
Total	100.00%

TOP 10 HOLDINGS

Kuala Lumpur Kepong Berhad	3.88%	10/10/2016	5.99%
HSBC Bank Malaysia Berhad	4.35%	28/6/2017 JD28	5.98%
Hong Leong Bank Berhad	4.35%	05/05/2021	5.98%
Perbadanan Kemajuan N.Selangor	4.35%	28/10/2016	5.97%
Teknologi Tenaga Perlis	4.51%	31/01/2020	5.96%
Tanjung Bin Energy Issuer Berhad	4.87%	15/03/2019	5.95%
Projek Lebuhraya Usahasama Berhad	4.40%	12/01/2022	5.93%
First Resources Limited	4.30%	08/12/2017	5.92%
Tanjung Bin Power Sendirian Berhad	4.66%	14/08/2020	5.91%
Am Islamic Bank Berhad	4.40%	30/09/2021	5.90%

PERFORMANCE RECORD



NAV TO NAV

%	MTD	YTD	1-Year	3-Year	Since Inception
Fund*	0.25	1.99	2.30	7.65	16.09
Benchmark	0.28	2.37	3.16	9.64	18.60

*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 September was 0.25%, underperforming its benchmark's performance by 0.03%.

The Malaysian government bond market was relatively quiet at the beginning of the month due to the National Day holiday and a lack of fresh market catalyst coupled with cautious sentiment heading towards Bank Negara's Monetary Policy Meeting ("MPC") on 18 September. The Malaysian Government Securities ("MGS") yield curve then rallied slightly after Bank Negara Malaysia (BNM) left overnight policy rate ("OPR") unchanged at 3.25%. However, the MGS yield curve started to taper the later part of the month as market participant believes that US policy rates will remain low in the near term. As a result, the MGS yield curve bear steepened in September with yields higher on the longer tenor of the curve. Trading volume for corporate bonds was lower in September with RM10.97 billion worth of transactions concluded in the market, 12% lower than the previous month's RM12.58 billion in transactions.

The language in the recent Monetary Policy Statement seems to be "less" hawkish as BNM maintained reference to destabilising financial imbalances and added "further adjustment to the degree of monetary may be taken". BNM will need to further monitor the economic data before continuing its monetary policy.

We continue to concentrate mainly on corporate bonds. We prefer primary and secondary issues that have already priced in the risks going forward such as the potential OPR hike and the alignment of sovereign yields. We also prefer higher coupon bonds to cushion the impact of increasing yields.

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.