

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	28.92 million units (31 August 2014)
Fund Size	RM 33.48 million (31 August 2014)
Unit NAV	RM 1.1580 (31 August 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
	<ul style="list-style-type: none"> Management Fee: 1.000% p.a. Switching Fee: 3 free fund switches per policy year
Fees	

ASSET ALLOCATION

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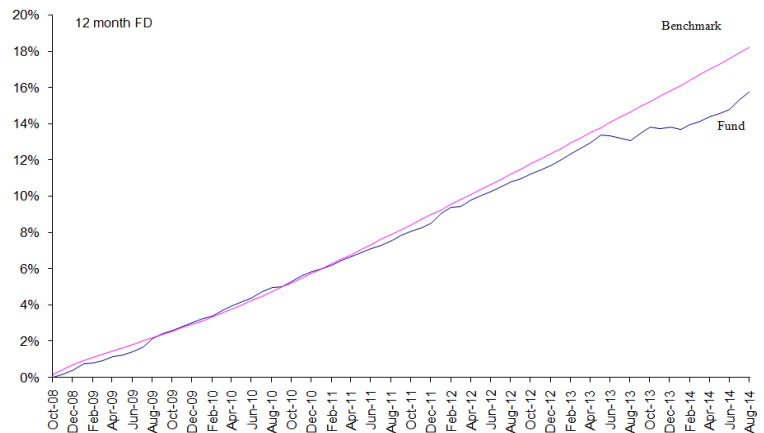
WHERE THE FUND INVESTS

Corporate Bond	89.15%
Government Bond	0%
Short Term Paper	0%
Cash	10.85%
Total	100.00%

TOP 10 HOLDINGS

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

PERFORMANCE RECORD



NAV TO NAV

%	MTD	YTD	1-Year	3-Year	Since Inception
Fund*	0.38	1.74	2.40	7.66	15.80
Benchmark	0.28	2.09	3.14	9.61	18.27

*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 August was 0.38%, outperforming its benchmark's performance by 0.10%.

The local sovereign yield curve bear flattened in August with yields higher on the short to medium tenor of the curve as market anticipates another Overnight Policy Rate ("OPR") hike in the next Monetary Policy Committee ("MPC") meeting in September. Trading volume for corporate bonds was higher in August with RM 12 billion traded 9.7% higher than previous month's RM 10.9 billion transactions. Focus remained on the highly rated GGs and AAAs.

The economy surprised on the upside with a second quarter GDP of 6.4% against market expectation of 5.80%. Continued favourable growth prospects heightened the chance of a consecutive 25bps increase in the OPR in the upcoming September MPC meeting. The next MPC statement will be important as it will provide further guidance of Bank Negara Malaysia's next action of where it will position its monetary policy.

In view of a cautious investor sentiment alongside with expectations of a potential further rate hike for this year, we are in favour of maintaining neutral portfolio duration until further clarity from the upcoming MPC meeting. We prefer primary and secondary issues which have been re-priced higher and also high coupon sukuk to cushion any increase in 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.