

**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 | 27.75 million units (31 March 2014)       |
| Fund Size            | RM 31.67 million (31 March 2014)          |
| Unit NAV             | RM 1.1412 (31 March 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"> <li>Have a medium to long term investment horizon</li> <li>Want a diversified portfolio of fixed interest securities</li> <li>Are looking for a less volatile investment but can accept lower returns</li> </ul> |
|              | 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% |
|-------------------|-----------|------|-----------|

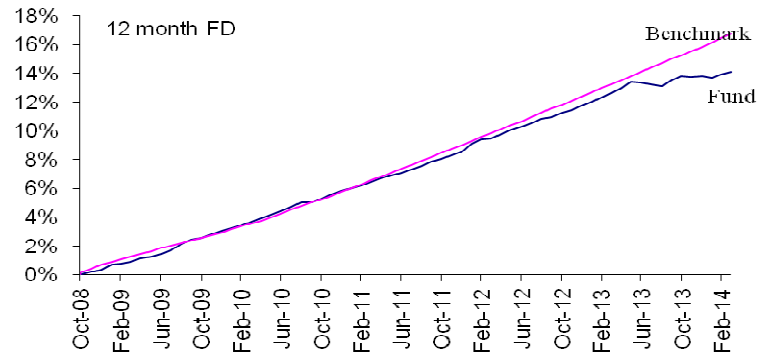
**WHERE THE FUND INVESTS**

|                  |         |
|------------------|---------|
| Corporate Bond   | 76.82%  |
| Government Bond  | 3.23%   |
| Short Term Paper | 6.31%   |
| Cash             | 13.64%  |
| Total            | 100.00% |

**TOP 10 HOLDINGS**

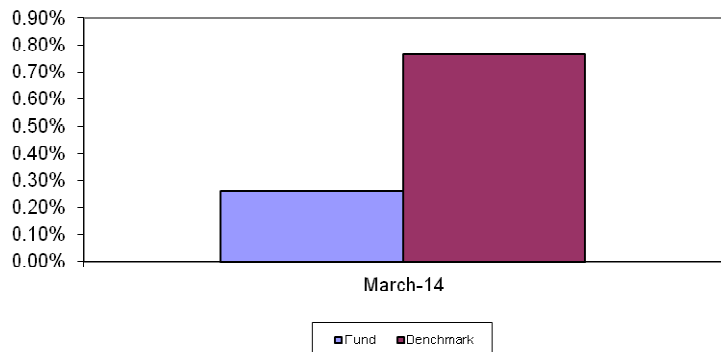
|                                     |                       |       |
|-------------------------------------|-----------------------|-------|
| Sabah Credit Corp                   | 5.30%<br>07/05/2014   | 6.55% |
| Kuala Lumpur Kepong Berhad          | - 3.88%<br>10/10/2016 | 6.46% |
| Perbadanan Kemajuan Negeri Selangor | 4.35%<br>28/10/2016   | 6.47% |
| Hong Leong Bank Berhad              | 4.35%<br>28/10/2021   | 6.44% |
| Tanjung Bin Energy Issuer Berhad    | 4.87%<br>15/03/2019-  | 6.44% |
| Teknologi Tenaga Perlis             | 4.51%<br>31/01/2020   | 6.41% |
| First Resources Limited             | 4.30%<br>08/12/2017   | 6.37% |
| Tanjung Bin Power Sendirian Berhad  | 4.66%<br>14/08/2020   | 6.31% |
| Malakoff Corp Berhad                | 274D<br>18/04/2014    | 6.30% |
| Projek Lebuhraya Usahasama Berhad   | - 4.40%<br>12/01/2022 | 5.88% |

**PERFORMANCE RECORD**



**NAV TO NAV**

**Performance YTD**



**FUND MANAGER'S COMMENTS**

The Fund's performance for the month of March was 0.15% as compared to its benchmark of 0.25%.

The Malaysian Government Securities yields traded range bound in March as concern over rising inflation pressure in Malaysia saw investors taking a more cautious stance. The 1Q14 yield curve was also relatively unchanged indicating a cautious mode in the domestic market after the sell-off in 4Q13.

We expect inflationary pressure to remain escalated in 2014 with another round of subsidy cuts to occur in the second half of 2014. As such, market is expected to remain cautious in anticipation of potential OPR hike. In terms of credit spreads, we expect it to widen further if there is a selloff in the sovereign market as well as greater than expected corporate bond supply in the market.

In line with the cautious investor sentiment coupled with expectations of a potential rate hike in the second half of 2014, we prefer to invest in longer duration liquid securities as the yield curve is at its steepest as compared to the past 2 years. We aim to maintain duration and invest in higher coupon bonds to cushion any increase in yields. We will concentrate on primary issues with higher yields as the market continues to reprice.

**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.