

FUND OBJECTIVE

To provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

FUND DETAILS

Launch Date	20 May 2014
Domicile	Malaysia
Currency	Ringgit Malaysia
Launch Price	RM1.0000
Units in Circulation	1.5446 units (31 August 2014)
Fund Size	RM 1.5276 million (31 August 2014)
Unit NAV	RM 0.9890 (31 August 2014)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Benchmark	50% FBM100 Index + 50% MSCI AC Asia ex-Japan Index
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> ▪ Have a medium to long term investment horizon ▪ Target capital appreciation ▪ Do not require regular income ▪ Comfortable with higher volatility ▪ Willing to take higher risk for potential higher gains
Fees	▪ Management Fee: 1.500% p.a.
Taxation	▪ 8% of annual investment income

ASSET ALLOCATION

Equity	Minimum 70% - 98%	Cash	Minimum 2%
--------	-------------------	------	------------

WHERE THE FUND INVESTS

Trading/Services	18.89%	Telecommunications	2.71%
Financials	14.84%	Plantations	2.03%
Consumer	13.71%	Construction	1.53%
Finance	12.25%	Oils & Gas	1.11%
Industrials	9.97%	Basic Materials	0.87%
Technology	4.90%	Properties	0.45%
IPC	3.12%	Cash	13.62%

TOP 10 HOLDINGS

Public Bank Bhd - Local	3.69%
Tenaga Nasional Bhd	3.48%
Malayan Banking Bhd	2.91%
Digi.com Bhd	2.37%
Axiata Group Bhd	2.16%
Concepcion Ind. Corporation (Foreign)	2.15%
Sapura-Kencana Petroleum Bhd	1.97%
Sinotrans Limited – H (Foreign)	1.89%
CIMB Group Hldgs Bhd	1.86%
Shinhan Financial Grp Co. Ltd (Foreign)	1.54%

PERFORMANCE RECORD

This fund feeds into CIMB Principal Equity Income Fund ("target fund") with the objective to provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

Table below shows the historical actual investment returns of the target fund versus its benchmark as at 31 August 2014:

%	1 month	3 months	YTD	1-Year	3-Year	Since Inception
Fund**	-0.89	2.83	5.20	16.21	42.35	128.71
Benchmark	-0.76	1.78	2.42	10.54	27.13	133.63

** Calculations 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 was down 0.89% for the month underperforming the benchmark by 0.13%. Malaysia and Taiwan underperformed. In Malaysia, at the stock level, underweight in IHH and CIMB and overweight in Padini were negative. On year-to-date ("YTD") basis, the Fund is up 5.20%, outperforming its benchmark by 2.78%.

In the US, data points to strengthening growth and labour markets continue to improve. The Eurozone is caught up in lacklustre growth with increasing likelihood of price deflation. Japan's outlook remains firm with growth at 2-3% underpinned by consumption and export recovery. Reform is key to China transforming itself. In Malaysia, despite the strong second quarter of 2014 ("2Q14") real gross domestic product ("GDP") growth, the August results season was a letdown as the revision ratio deteriorated to a 3-year low of 0.37 times (CIMB Research). This was largely due to competitive pressures and higher costs which resulted in lower operating margins.

Our end-2014 Kuala Lumpur Composite Index ("KLCI") target remains unchanged at 1920 based on 15 price earnings ratio ("PER") of 15.5 times. We also introduce an end-2015 KLCI target of 2,050 based on the same PER of 15.5 times and assuming the consensus earnings-per-share ("EPS") growth of 10.3% for 2015. However, we remain wary of potential earnings downgrades. While the market is in correction mode currently, we expect the market to inch higher towards our target in fourth quarter of 2014 ("4Q14") as window dressing activities result in PER expansion.

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.