

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	0.4928 units (30 June 2014)
Fund Size	RM 0.4865 million (30 June 2014)
Unit NAV	RM 0.9872 (30 June 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	<ul style="list-style-type: none"> ▪ Management Fee: 1.500% p.a.
Taxation	<ul style="list-style-type: none"> ▪ 8% of annual investment income

ASSET ALLOCATION

Equity	Minimum 70% - 98%	Cash	Minimum 2%
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WHERE THE FUND INVESTS

Trading/Services	19.07%	Plantations	2.88%
Consumer	14.26%	Telecommunications	2.71%
Industrials	12.89%	Construction	1.64%
Financials	12.64%	Oils & Gas	1.14%
Finance	11.90%	Utilities	0.00%
Technology	4.93%	Cash	11.24%
IPC	4.70%	Total	100.00%

TOP 10 HOLDINGS

Digi.com Bhd	3.97%
Tenaga Nasional Bhd	3.83%
Malayan Banking Bhd	3.31%
Public Bank Bhd - Local	3.07%
Daewoo International Corp (Foreign)	2.20%
Amorepacific Corp (Foreign)	2.10%
Sinotrans Limited – H (Foreign)	1.99%
Samsung Electronics Co Ltd (Foreign)	1.98%
Telekom Malaysia Bhd	1.95%
Petronas Gas Bhd	1.91%

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 30 June 2014:

%	1 month	3 months	YTD	1-Year	3-Year	Since Inception
Fund**	2.62	5.56	4.99	17.24	27.22	128.24
Benchmark	1.25	3.11	1.88	10.27	14.53	132.40

** 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 up 2.62% for the month, outperforming its benchmark by 1.37%. China, Korea, India and Malaysian outperformed. In Malaysia, Financials and Telecommunications contributed. At the stock level, overweight in Allianz Insurance, BIMB Holdings and Digi.com were positive. YTD, the Fund is up 4.99%, outperforming the benchmark by 3.11%.

Our view of a stronger global economy in the second half of 2014 still holds. The main driver of this upswing is the US economy. Growth in Europe has also been gaining traction and in Japan, the stimulus is slowly leading to a sustained growth in domestic demand. Against this backdrop, we are looking for a cyclical upswing in Asian (including Malaysia) growth in the second half of 2014. Malaysia now trades at 16.2x and 14.7x in year 2014 and 2015 earnings respectively. Earnings continue to be downgraded with earnings per share ("EPS") growth at only 4.2% for 2014. As such, the market looks expensive based on 2014 earnings. Nevertheless, EPS growth for 2015 is projected at 10.1% and valuation is fair. Hence, there could be upside to the market once we move into the second half of 2014.

In the region, we are mindful of value traps as companies get de-rated as they fail to adapt to the structural changes in a rapidly evolving world. We believe growth investing will continue to do well in this environment. And for bottom up investors like us, stock

picking is and will continue to be the main performance driver. In Malaysia, we are reducing the defensiveness of the portfolio marginally by investing in cyclical stocks that will benefit from stronger economic growth in the 2nd Half. We remain overweight in Oil & Gas and Utilities, Neutral on Construction and underweight Banks and Plantations.

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.