

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	30.10 million units (31 October 2015)
Fund Size	RM 36.00 million (31 October 2015)
Unit NAV	RM 1.1960 (31 October 2015)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Benchmark	12 month FD
Risk Profile	<p>Suitable for investors:</p> <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: 1.0% p.a.
Taxation	8% of annual investment income

ASSET ALLOCATION

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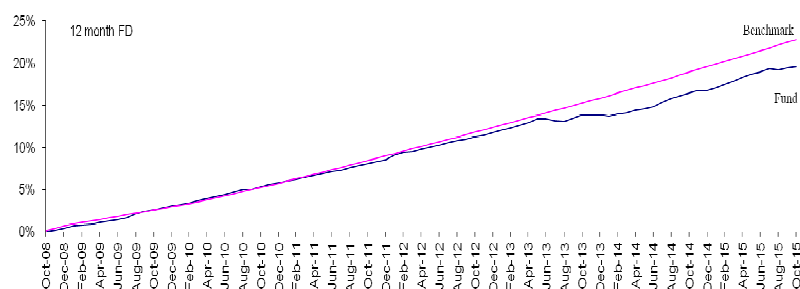
WHERE THE FUND INVESTS

Corporate Bond	88.65%
Government Bond	-
Short Term Paper	-
Cash	11.35%
Total	100.00%

TOP 10 HOLDINGS

Prominic Bhd	5.050%	14.29%
	05/05/2061	%
Berjaya Land Bhd	4.750%	14.18%
	15/12/2017	%
AMMB Hldg Bhd	4.300%	13.97%
	08/08/2017	%
UEM Sunrise Bhd	4.600%	8.47%
	13/12/2018	
UniTapah Sdn Bhd	4.900%	5.68%
	12/06/2018	
First Resources Ltd	4.300%	5.65%
	08/12/2017	
Teknologi Tenaga Perlis	4.510%	5.63%
	31/01/2020	
Tanjung Bin Power Sdn Bhd	4.660%	5.59%
	14/08/2020	
Golden Assets Intl Fin Ltd	4.750%	5.31%
	03/08/2018	
Temasek Eksklusif Sdn Bhd	4.620%	4.24%
	20/11/2019	

PERFORMANCE RECORD



NAV TO NAV

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	2.43	0.13	0.19	1.07	2.73	7.52	19.60
Benchmark	2.70	0.27	0.80	1.61	3.25	9.82	22.77

*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'S MANAGER COMMENTS

The Fund's performance for the month of October 2015 was 0.13% as compared to its benchmark of 0.27%.

The Malaysian Government Securities ("MGS") rallied in October 2015 due to improved buying interest on the back of a stronger Ringgit and higher oil price where WTI surged above USD50/barrel for the first time since July. Trading volume for bonds picked up in October with RM8.1 billion as compared to RM5.2 billion in September with focus of trades along high grades.

In its latest Monetary Policy Committee ("MPC") meeting in September, Bank Negara Malaysia ("BNM") maintained the Overnight Policy Rate ("OPR") at 3.25%. BNM noted the downside risks to growth (both globally and domestically) have increased and also noted that the weakness in Ringgit was driven by global factors and will reflect fundamentals when uncertainties recede. Meanwhile, the central bank will ensure "orderly functioning" of markets.

With the US Federal Reserve poised to make a rate hike decision before the year end which will have repercussions for global financial markets, we expect BNM to hold the OPR unchanged at 3.25% in the upcoming MPC meeting on 5th November 2015. For corporate bonds, credit yields may trend higher due to larger than expected supply.

We prefer lower rated issuances with high yield as a buffer for the volatility. We aim to switch into repriced bonds from the primary or secondary issuances.

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.

Any income distribution from the underlying assets of the investment-linked fund will be automatically reinvested into the respective investment-linked fund. The policy owner's total number of units will not change as a result of the reinvestment.