

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	30.16 million units (31 March 2015)
Fund Size	RM 35.55 million (31 March 2015)
Unit NAV	RM 1.1787 (31 March 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	<ul style="list-style-type: none"> 8% of annual investment income

ASSET ALLOCATION

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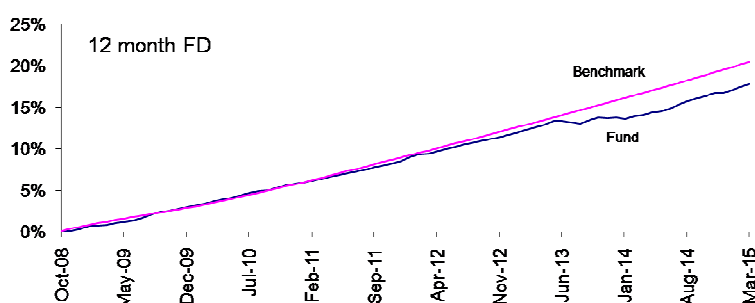
WHERE THE FUND INVESTS

Corporate Bond	94.00%
Government Bond	-
Short Term Paper	-
Cash	6.00%
Total	100.00%

TOP 10 HOLDINGS

Berjaya Land Bhd	4.750% 15/12/2017	14.33%
AMMB Hldg Bhd	4.30% 08/08/2017	14.10%
UEM Sunrise Bhd	4.6% 13/12/2018	8.59%
HSBC Bank Malaysia Bhd	4.35% Due 6/28/2017 JD28	5.74%
UniTapah Sdn Bhd	4.900% 12/06/2018	5.73%
Perbadanan Kemajuan N.Selangor	4.35% 28/10/2016	5.73%
Hong Leong Bank Bhd	4.35% 05/05/2021	5.73%
Teknologi Tenaga Perlis	4.51% 31/01/202	5.71%
First Resources Ltd	4.30% 08/12/2017	5.69%
Amlslamic Bank Bhd	4.40% 30/09/2021	5.65%

PERFORMANCE RECORD



NAV TO NAV

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	0.95	0.33	0.95	1.53	3.29	7.70	17.87
Benchmark	0.80	0.27	0.80	1.61	3.23	9.72	20.51

*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 March was 0.33% as compared to its benchmark of 0.27%.

Sovereign bonds rallied as yields fell in the US Treasuries ("UST") following a dovish Federal Open Market Committee ("FOMC") stand. Buying interest for short-end Malaysian government securities ("MGS") was noted among local and foreign investors, while some attention was shifted to the back end-curve, notably for the 10 and 15 years MGS. Nonetheless buzz surrounding Fitch's potential downgrade and 1MDB issues continue to weigh on sentiment. Meanwhile, trading volume for corporate bonds improved to RM13.4 billion after a historical 3 year low of only RM5.9 billion as new issuances for March picked up after a slow February. Most of the trades were centered on the AA-rated bonds and Government Guaranteed bonds ("GGs"). Credit spreads widened for the short end while the longer end saw credit compression.

There was no change to the 3.25% Overnight Policy Rate ("OPR") this month, as expected by all 19 economists surveyed on Bloomberg. The March Bank Negara Malaysia ("BNM") statement drops the word 'appropriate', but affirms that the current rate is still 'accommodative' for Malaysia's growth needs. Central bank governor Tan Sri Dr Zeti also restated her previous comments regarding the Ringgit being undervalued relative to Malaysia's fundamentals, and that the market continues to have a misperception on Malaysia's vulnerability to movements in oil prices. Tan Sri Dr Zeti also stated that the current Overnight policy rate ("OPR") already accounts for a slowdown in the global recovery. As such we opine that BNM is likely to maintain the OPR at its current level bar any Gross Domestic Product ("GDP") growth shocks, despite rate cuts by other central banks in the region.

With the support in the sovereign bonds, we expect credit spread to tighten as players switch into higher yielding corporate bonds as alternative to sovereign bond. As such, we aim to be fully invested with concentration on selective corporate bonds from the primary and secondary market with higher yields for better yield enhancement.

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.