

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	27.69 million units (28 February 2014)
Fund Size	RM 31.55 million (28 February 2014)
Unit NAV	RM 1.1395 (28 February 2014)
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: 1.000% p.a. Switching Fee: 3 free fund switches per policy year

ASSET ALLOCATION

Bonds/ Debentures	75% - 98%	Cash	Up to 25%
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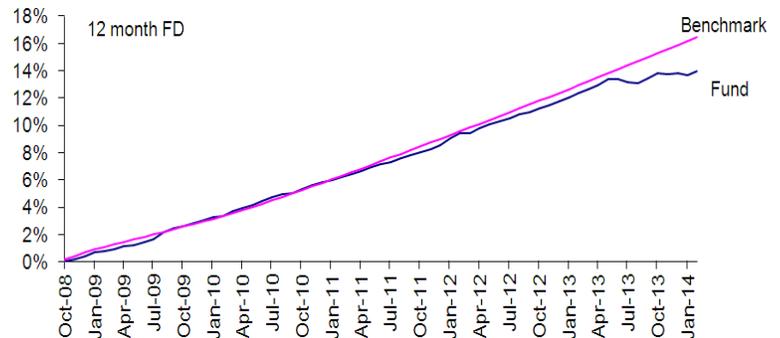
WHERE THE FUND INVESTS

Corporate Bond	73.79%
Government Bond	3.23%
Short Term Paper	6.31%
Cash	16.67%
Total	100.00%

TOP 10 HOLDINGS

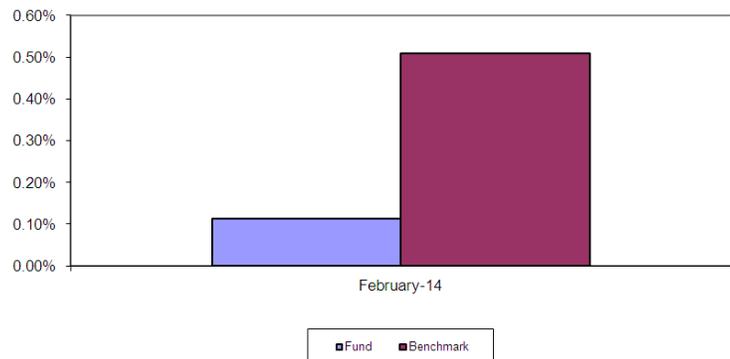
Tanjung Bin Energy Issuer Berhad	4.87%	6.55%
	15/03/2019	
Sabah Credit Corp	5.30%	6.46%
	07/05/2014	
Kuala Lumpur Kepong Berhad Projek	- 3.88%	6.47%
	10/10/2016	
Perbadanan Kemajuan Negeri Selangor	4.35%	6.44%
	28/10/2016	
Teknologi Tenaga Perlis	- 4.51%	6.44%
	31/01/2020	
First Resources Limited	4.30%	6.41%
	08/12/2017	
Tanjung Bin Power Sendirian Berhad	4.66%	6.37%
	14/08/2020	
Malakoff Corp Berhad	274D	6.31%
	18/04/2014	
Projek Lebuh raya Usahasama Berhad	- 4.40%	6.30%
	12/01/2022	
Aman Sukuk Berhad	4.23%	5.88%
	27/07/2027	

PERFORMANCE RECORD



NAV TO NAV

Performance YTD



FUND MANAGER'S COMMENTS

The Fund's performance for the month of February was 0.24% as compared to its benchmark of 0.25%.

During the month of February, the local benchmark yields ended up mixed with buying interest mainly in the belly of the curve whilst the short and long end yields moving higher. The 3/10 spread narrowed by 13bps from 97bps to 84bps. The improved buying sentiment was boosted by a combination of UST rally and positive domestic economic data. The corporate bonds trading volume improved in February despite the festive holidays and trading activities centered mainly on the high grades GG/AAA.

Credit spreads continued to widen encompassing all ratings and are expected to widen further as market re-adjust itself to the higher MGS yields. Despite ample market liquidity, end investors are not taking major position as opposed to previous January's rebalancing. Most are currently adopting the wait and see attitude as concerns of rising inflation may result in BNM hiking its policy rate later this year.

Our strategy remains unchanged and we continue a trading stance on the sovereign bonds. For corporate bonds, we concentrate mainly on primary issues that have already priced in the risks going forward such as potential OPR hike and the alignment of sovereign yields. We also prefer higher coupon bonds to cushion the impact of increasing yields.

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.