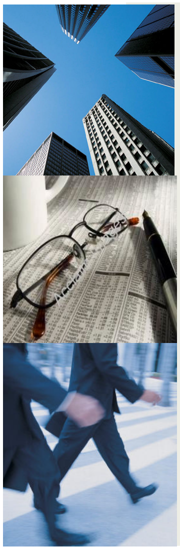
February | 2010



Phillip Funds *focus*

A MONTHLY NEWSLETTER EXCLUSIVELY FOR INVESTMENT PROFESSIONALS

A Brief Synopsis

- *Global markets started off the year brightly by breaking new highs with the Dow rising to a 15-month high of 10,725 pts. However, global markets tumbled towards the end of Jan with China retreating by 8.8% followed by the Hang Seng (-8.0%) and Singapore (-5.3%). A trilogy of events triggered the selldown. The first was Obama's plan to clamp down on banks' risk-taking activities. Next, China tightened her monetary policy by increasing the reserve requirement ratio and lastly was the concern on Greece's fiscal position.*

- *The preliminary 4Q GDP estimate for US increased at an annual rate of 5.7%, more than doubled the 2.2% growth rate achieved in 3Q. The big jump was due mainly to build-up in inventories which contributed +3.4%. China too saw robust growth with GDP accelarating to 10.7% y-o-y in 4Q. For the full year, real GDP growth was 8.7%, surpassing the targeted 8% growth rate.*

- *After touching a high of 1,308 pts, the KLCI scaled downwards to close the month 1.1% lower, the first monthly decline since Aug'09. However, second-liner stocks recorded impressive gains along with construction counters. Due to the lack of foreign participation, the KLCI did not fall as badly as its peers did.*

- *There are heightened expectations for tightening policies to be brought forward. However, we don't view the monetary actions as tightening but more as normalising it back to pre-crisis levels. .*

Where to Look Out For… ***Page***

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Window to The World

- ***Tale of Two Halves*** **–** Global markets started off the year brightly by breaking new highs with the Dow rising to a 15-month high of 10,725 pts. However, global markets tumbled towards the end of Jan with China retreating by 8.8% followed by the Hang Seng (-8.0%) and Singapore (-5.3%). Meanwhile, commodities also got battered led by crude oil, which at one point rallied to a new high of US$83.95/bbl, only to collapse back to US$72.89/bbl. On the other hand, the US$ index rebounded from its low of 74.17 in Nov'09 to 79.46.

- ***Obama Threatened, China Tightened, Greece Frightened*** **–** A trilogy of events triggered the selldown. The first was Obama's plan to clamp down on banks' risk-taking activities. Next, China tightened her monetary policy by increasing the reserve requirement ratio by 0.5%. Lastly was the concern on Greece's fiscal position.

- ***Economy Recovering Well*** – The preliminary 4Q GDP estimate for US increased at an annual rate of 5.7%, more than doubled the 2.2% growth rate achieved in 3Q. The big jump was due mainly to build-up in inventories which contributed +3.4%. Growth momentum continued to pick up as the PMI for the manufacturing sector rose to 55.9 in Dec from 53.6 in Nov, the highest level since Apr'06. As for the services sector, it improved to breakeven at 50.1, from prior month's level of 48.7.

  China too saw robust growth with GDP accelarating to 10.7% y-o-y in 4Q. This was the fastest pace of growth since 4Q07. For the full year, real GDP growth was 8.7%, surpassing the targeted 8% growth rate. Investment activities and private consumption contributed 8% and 4.6% respectively.

Markets Performance

	JAN 10 (%)
China	- 8.8
Hong Kong	- 8.0
Japan	- 3.3
Malaysia	- 1.1
Singapore	- 5.3
South Korea	- 4.8
US	- 3.5

	YTD (%)
China	- 8.8
Hong Kong	- 8.0
Japan	- 3.3
Malaysia	- 1.1
Singapore	- 5.3
South Korea	- 4.8
US	- 3.5

Source: PCM

A Peep into Malaysia

- ***First Monthly Loss Since August*** **–** After touching a high of 1,308 pts, the KLCI scaled downwards to close the month 1.1% lower, the first monthly decline since Aug'09. However, second-liner stocks recorded impressive gains along with construction counters. Due to the lack of foreign participation, the KLCI did not fall as badly as its peers did.

- ***Slight Dip in Economic Activities*** **–** Both exports and imports fell by 7.7% and 3.7% m-o-m respectively in Nov, a reversal from a surge in the previous month of 15% and 12.9% respectively. The unexpected drop in exports was mainly due to decline in non-E&E shipments. Likewise, the industrial production index fell across the board in Nov, declining by 6% m-o-m, a reversal from +5.9% in Oct.

- ***Corporate Developments*** **–** Tan Sri Quek made a voluntary takeover offer for Hume Industries at RM4.30/share.

Where Do We Go From Here

- ***Correction Was Necessary* –** Global markets finally underwent a strong and meaningful correction. Investors feared that the tightening of credit policy may be brought forward sooner than expected, leading to the sell down in all asset classes. On the other hand, our market did not retreat as much since at the first place it also did not appreciate that much. Although painful, we see this correction as necessary and healthy to allow markets to climb at a sustainable higher level.

- ***Normalisation of Interest Rate* –** There are heightened expectations for tightening policies to be brought forward. However, we don't view the monetary actions as tightening but more as normalising it back to pre-crisis levels. However, such actions to mop up excess liquidity in the financial system will cause a temporary disruption to the flow of funds that might lead to a sharp correction in all asset classes from time to time.

- ***Threat from Euroland* –** The threat from Euroland, especially countries racking up a large budget deficit i.e Greece and Spain, is much more of a concern for us. Although Greece's GDP constitutes around 2% of EU's GDP, it is a precusor of more headwinds to come for sovereign debts. Evidently, both the Dubai and Greece crisis had lead to a sharp correction in both equities and commodities market.

Lighting Up Your Path

- ***Opportunity in Correction* –** The global economic recovery is in fact very much still intact, especially for the emerging markets, hence whenever a correction happens, it provides an opportunity to increase our investment exposure. Although catching the lows is difficult, we reiterate our dollar cost averaging strategy to mitigate timing risk and volatility.

- ***Emerging Markets and Commodities* –** Besides increasing exposure to our local equities, the current correction has presented to us the opportunity to invest in emerging markets and commodities-related fund.

- ***Moving Towards Small Cap –*** After last year's strong performance in blue-chip stocks, interest is seen moving towards the smaller counters as it provides better upside potential. Hence, investors may want to slowly build up a position in funds that specialises in small cap stocks.

- ***Cutting Down on Bonds* –** The yield curve is steepening as a result of the anticipated hike in interest rate. This situation does not favour the bond market as a whole. That said, we don't foresee the rate hike to be too drastic, hence the bond exposure is still suitable for investors that are risk adverse.

Walking With You

	Equities	Mixed Assets	Fixed Income^
Low Risk	30%	50%	20%
Moderate Risk	40%	45%	15%
High Risk	50%	45%	5%

Source: PCM
* The recommendation may vary based on individual's risk profile

^ Fixed Income includes capital protected funds and money market funds

- Faced with the dilemma on whether to take the opportunity of the current correction to increase our equities exposure or to park our funds under the safety of bonds, we've decided to opt for a more balanced approach. We've switched 10% of the fixed income portion to mixed assets for all risk profile. As such, if the markets do worsened, we won't be badly hit. On the hand, if the markets react favourably, we will also be able to enjoy the upside.

PMB Model Portfolio

- For the month of January, the KLCI retraced by 1.1%. Likewise, our equities funds selection also fell inline with the market. OSK-UOB Smart Treasure and PruGrowth fell by 1.4% and 1.0% respectively. On the other hand, AmBon managed to inched up by 0.4%. Overall, our portfolio fell 0.9%, slightly better than the KLCI benchmark.

- For this month's allocation, we decided to switch the mixed asset portion into OSK-UOB Kidsave instead of OSK-UOB Smart Treasure considering the latter's high level of equity exposure – around 97%, and hence not suitable to be considered as a mixed asset fund.

- We have also decided to cash out 20% from PruGrowth to invest in HwangDBS Asia Quantum for exposure to Asian region.

PMB Model Portfolio* (%)

Fund Name	Nov 09	Dec 09	Jan 10	Feb 10
PruGrowth	35	35	40	20
HwangDBS Asia Quantum	-	-	-	20
OSK-UOB Smart Treasure	35	35	35	-
OSK-UOB Kidsave	-	-	-	45
AmBon Islam	30	30	25	15
Total	**100**	**100**	**100**	**100**

** Moderate risk portfolio*

PMB Islamic Model Portfolio

- Contrary to PMB's portfolio, the Islamic portfolio managed to garner a gain of 0.1%. The fund mainly benefited from RHB Mudharabah which returned 0.8%, covering the losses of Hwang Aiiman Growth which lost 0.4%.

- We intend to allocate another 10% into RHB Mudharabah by decreasing AmBon Islam's exposure. Likewise with the portfolio above, we will be redeeming 20% from Hwang Aiiman Growth to invest in PruAsia Pacific Shariah Fund.

PMB Islamic Model Portfolio* (%)

Fund Name	Nov 09	Dec 09	Jan 10	Feb 10
Hwang Aiiman Growth	35	35	40	20
PruAsia Pacific Shariah Fund	-	-	-	20
RHB Mudharabah	35	35	35	45
AmBon Islam	30	30	25	15
Total	**100**	**100**	**100**	**100**

** Moderate risk portfolio*

Flavour for the Month

Funds Recommendation for February 2010

Region	Equity	Mixed Assets	Fixed Income
Malaysia	Avenue EquityEXTRA	Avenue TacticalExtra	Avenue BondEXTRA 👍
(Conventional)	OSK-UOB Smart Treasure	HwangDBS Select Income	HwangDBS Select Bond
	PruGrowth 👍	PruBalanced	
		OSK-UOB Kidsave 👍	
Malaysia	AmIttikal	HwangDBS AIIMAN Balanced	AmBon Islam 👍
(Islamic)	HwangDBS AIIMAN Growth 👍	PruDana Al-Islah	RHB Islamic Bond
	Prudana Al-ilham	Pru Dana Dinamik	
	TA Islamic	RHB Mudharabah 👍	
Asia	HwangDBS Asia Quantum 👍	OSK-UOB Golden Dragon	
	OSK-UOB Resources	PruAsia Select Income	
	OSK-UOB Big Cap China Ent 👍		
	TA South East Asia		
	*PruAsia Pacific Shariah Fund 👍		
Global	HwangDBS Global Emerging Market		
	HwangDBS Global Infrastructure		
	PruGlobal Basics		
	PruGlobal Emerging Market		

Source: PCM 👍 *Preferred fund* ** Shariah Compliant*

- In the month of January, majority of funds fell into the red, especially those with higher equity exposure. The Malaysian equity funds did not fall as bad as the Asian and Global equity funds. Although our recommended funds had a poor monthly performance compared to its peers, we are still sticking with our recommendation, as it may be too hasty to change to other funds based on the short-term performance. On the other hand, our fixed income fund recommendation fared well with an improved monthly performance.

- With the sharp correction, we see opportunity for investors to increase their investment exposure especially in funds that invest in the emerging markets. Despite the sharp drop in NAV during January, we continue to advocate a disciplined approach by buying on the dip through dollar cost averaging strategy. Growth prospect for the emerging markets is still intact.

- We have added HwangDBS Asia Quantum into our recommendation list. The fund invests in small to mid sized companies, which has high growth prospect within the Asian region. This fund has two features that we like – firstly, it provides exposure to the high growth Asian region; next, after the strong rebound in blue-chip stocks, value is seen much more in the smaller cap stocks which provides potentially better upside. With its much-improved performance both on an absolute return and risk-adjusted basis, we feel that it is timely to recommend this fund.

- We have removed two funds from our Fixed Income and Fixed Income Islamic list as they have been liquidated: - CIMB-Principal Xcess Income; and CIMB Islamic Short Term Sukuk

- To note, the CIO of OSK-UOB, Mr. Jason Chong, has left for Manulife. Hence, Mr. Ho Seng Yee, CEO, will also be assuming the CIO's duties. We don't foresee any big impact in the investment decisions as the investment processes are well placed.

Tracking our Recommendations

Category	December 2009	January 2010	February 2010
EQUITY			
Growth - Malaysia	Avenue EquityEXTRA	Avenue EquityEXTRA	Avenue EquityEXTRA
	OSK-UOB Smart Treasure	OSK-UOB Smart Treasure	OSK-UOB Smart Treasure
	PruGrowth	PruGrowth	PruGrowth
	TA Growth		
Islamic Growth - Malaysia	AmIttikal	AmIttikal	AmIttikal
	HwangDBS AIIMAN Growth	HwangDBS AIIMAN Growth	HwangDBS AIIMAN Growth
	Prudana Al-ilham	Prudana Al-ilham	Prudana Al-ilham
	TA Islamic	TA Islamic	TA Islamic
Offshore – Asia	OSK-UOB Big Cap China Ent	OSK-UOB Big Cap China Ent	HwangDBS Asia Quantum
	OSK-UOB Resources	OSK-UOB Resources	OSK-UOB Resources
	PruAsia Pacific Shariah Fund	PruAsia Pacific Shariah Fund	OSK-UOB Big Cap China Ent
	TA South East Asia	TA South East Asia	PruAsia Pacific Shariah Fund
			TA South East Asia
Offshore – Global	HwangDBS Global Emerging Market	HwangDBS Global Emerging Market	HwangDBS Global Emerging Market
	HwangDBS Global Infrastructure	HwangDBS Global Infrastructure	HwangDBS Global Infrastructure
	PruGlobal Basics	PruGlobal Basics	PruGlobal Basics
	PruGlobal Emerging Market	PruGlobal Emerging Market	PruGlobal Emerging Market
MIXED ASSETS			
Malaysia	Avenue TacticalExtra	Avenue TacticalExtra	Avenue TacticalExtra
	HwangDBS Select Income	HwangDBS Select Income	HwangDBS Select Income
	OSK-UOB Kidsave	OSK-UOB Kidsave	PruBalanced
	PruBalanced	PruBalanced	OSK-UOB Kidsave
Islamic – Malaysia	HwangDBS AIIMAN Balanced*	HwangDBS AIIMAN Balanced*	HwangDBS AIIMAN Balanced
	PruDana Al-Islah	PruDana Al-Islah	PruDana Al-Islah
	Pru Dana Dinamik	Pru Dana Dinamik	Pru Dana Dinamik
	RHB Mudharabah	RHB Mudharabah	RHB Mudharabah
Offshore	OSK-UOB Golden Dragon	OSK-UOB Golden Dragon	OSK-UOB Golden Dragon
	PruAsia Select Income	PruAsia Select Income	PruAsia Select Income
FIXED INCOME			
Conventional	Avenue BondEXTRA	Avenue BondEXTRA	Avenue BondEXTRA
	HwangDBS Select Bond	HwangDBS Select Bond	HwangDBS Select Bond
Islamic	AmBon Islam	AmBon Islam	AmBon Islam
	RHB Islamic Bond	RHB Islamic Bond	RHB Islamic Bond

Source: PMB ^Funds are rearranged in alphabetical order for easy comparison.

From the Scoreboard

	FUNDS	LAUNCH DATE	RETURN 6-MTH (%)	YTD (%)	1-YR (%)	3-YR (%)	STD DEV 1-YR (%)	RTN/ RISK	RANK ABS (1-YR)	RANK RAR (1-YR)
	Equity – Growth - Malaysia									
	Affin Equity	29/04/93	5.71	0.93	40.98	9.80	15.66	2.62	8	24
E	Affin Select Growth	22/07/09	3.48	-0.77	-	-	-	-	-	-
	Alliance Tactical Growth	02/09/04	7.25	1.62	34.12	9.48	11.05	3.09	16	12
	AmCumulative Growth	24/07/96	2.04	-3.64	35.30	-2.16	14.59	2.42	13	26
E	AmDividend income	28/03/05	6.42	-0.45	34.67	24.60	11.09	3.13	14	10
E	AmTotal Return	10/01/89	8.09	0.12	26.39	10.63	8.94	2.95	27	18
	Areca Equity Trust	23/04/07	10.70	0.45	42.36	-	10.57	4.01	7	2
E	ASM First Public	20/04/92	2.54	-1.22	23.30	9.09	8.39	2.78	30	21
E	ASM Index	25/03/02	5.24	-0.68	23.06	5.38	7.44	3.10	31	11
E	ASM KMB Dana Pertumbuhan	28/12/72	5.58	-1.71	27.26	-4.15	8.66	3.15	25	9
E	ASM Premier	12/06/95	3.94	-0.04	27.75	-0.27	11.57	2.40	22	27
E	Avenue DividendEXTRA	18/03/05	3.73	-2.55	27.50	17.22	10.35	2.66	24	22
E	Avenue EquityEXTRA	10/09/99	4.48	-0.12	30.96	9.78	10.22	3.03	19	15
E	CIMB-Principal Equity Aggressive 3	12/03/98	11.11	0.39	52.77	11.04	15.70	3.36	3	7
E	CMS Malaysian Inc	09/11/07	1.54	0.80	25.16	-	13.69	1.84	28	30
E	CMS Premier	26/11/96	4.20	1.37	30.90	-14.11	17.65	1.75	20	31
	HWANGDBS Select Opportunity	07/09/01	9.82	0.17	58.40	10.16	19.68	2.97	2	17
E	ING OA Inv- ING Blue Chip	12/04/04	7.04	-1.60	27.55	13.92	8.33	3.31	23	8
E	ING OA Inv- ING Tactical	23/04/04	6.69	-1.38	26.43	-4.15	10.20	2.59	26	25
	InterPac Dynamic Equity	25/07/07	16.65	1.70	27.83	-	5.23	5.32	21	1
E	Kenanga Growth	17/01/00	9.30	0.91	33.84	29.62	9.59	3.53	17	4
E	OSK-UOB KLCI Tracker	03/04/00	7.64	-1.23	42.84	18.08	15.09	2.84	6	20
E	OSK-UOB Malaysia Dividend	24/03/08	5.54	-1.21	24.52	-	7.14	3.43	29	5
E	OSK-UOB Smart Treasure	07/09/04	5.33	-1.42	31.70	24.50	10.33	3.07	18	13
E	OSK-UOB Thematic Growth	26/09/07	4.61	0.04	18.84	-	6.16	3.06	32	14
	Phillip Master Equity Growth	28/06/03	10.78	0.78	67.05	34.15	42.15	1.59	1	32
E	PRUequity income	18/10/04	8.09	-0.15	34.24	13.94	8.55	4.00	15	3
E	PRUgrowth	29/05/01	8.32	-1.03	48.96	19.24	16.34	3.00	4	16
E	RHB Capital	12/04/95	8.76	0.12	43.54	15.10	15.12	2.88	5	19
E	RHB GoldenLife 2030	21/02/05	7.67	0.58	36.86	45.05	10.95	3.37	10	6
E	TA Comet	01/10/99	3.18	-1.07	36.83	3.43	16.12	2.29	11	29
E	TA Growth	01/07/96	2.47	-0.78	36.55	12.34	13.79	2.65	12	23
E	TA High Growth	07/06/04	3.24	-0.39	37.40	18.17	16.14	2.32	9	28
	AVERAGE (33)		**6.4**	**-0.35**	**34.87**	**12.59**	**12.7**	**2.95**		
	Equity– Islamic Growth – Msia									
E	Affin Islamic Equity	01/08/07	3.91	-1.97	36.32	-	11.91	3.05	4	6
E	Alliance Dana Abid	25/03/04	4.22	0.19	29.65	15.13	9.89	3.00	12	7
	Amanah Saham Wanita	04/05/98	3.70	-0.33	25.49	4.41	10.83	2.35	14	16
	AmanahRaya Islamic Equity	23/04/08	-4.26	-1.25	20.86	-	15.51	1.35	18	21

	FUNDS	LAUNCH DATE	6-MTH (%)	RETURN YTD (%)	1-YR (%)	3-YR (%)	STD DEV 1-YR (%)	RTN/ RISK	RANK ABS (1-YR)	RANK RAR (1-YR)
	Equity– Islamic Growth – Msia									
E	AmIslamic Growth	10/09/04	5.11	-0.60	29.73	11.53	10.04	2.96	11	8
E	AmIttikal	12/01/93	4.94	-0.77	32.65	16.15	9.92	3.29	7	4
E	ASM Dana Al-Aiman	19/05/97	1.60	-0.37	18.71	10.94	6.73	2.78	19	11
E	ASM Dana Bestari	03/10/02	-0.72	-0.48	11.17	-4.84	8.42	1.33	22	22
E	ASM Dana Mutiara	05/08/04	-0.38	0.44	18.58	-12.34	10.02	1.85	20	18
E	ASM Syariah Aggressive	21/11/05	0.20	-1.13	17.26	-25.90	11.30	1.53	21	20
E	ASM Syariah Dividend	11/08/08	1.28	0.42	23.20	-	13.04	1.78	16	19
E	CIMB Islamic Equity Aggressive	15/06/95	8.35	0.05	57.66	15.21	18.55	3.11	1	5
E	CMS Islamic	15/08/02	6.37	0.41	30.91	6.99	12.56	2.46	10	14
E	HwangDBS AIIMAN Growth	08/10/02	6.42	-0.41	41.08	21.95	12.26	3.35	2	3
E	ING Ekuiti Islam	23/04/04	4.09	-1.58	24.15	8.89	8.26	2.92	15	9
*	InterPac Dana Safi	25/07/07	15.53	1.98	28.86	-	6.21	4.65	13	1
E	Kenanga Syariah Growth	29/01/02	9.91	1.11	31.11	28.19	8.31	3.75	9	2
E	OSK-UOB Dana Islam	26/10/01	4.06	-0.65	22.83	6.93	9.50	2.40	17	15
E	PruDana Al-ilham	14/08/02	4.52	-0.58	39.26	20.57	15.70	2.50	3	13
E	RHB Islamic Growth	26/01/04	4.55	-0.97	32.36	16.71	12.28	2.63	8	12
E	TA Dana Fokus	27/06/08	3.68	1.37	32.92	-	14.89	2.21	6	17
E	TA Islamic	24/04/01	4.78	-0.18	35.04	20.39	12.21	2.87	5	10
	AVERAGE (22)		**4.18**	**-0.24**	**29.08**	**9.47**	**11.29**	**2.64**		
	Equity- Small Cap - Malaysia									
	Alliance Vision	01/03/00	9.45	2.97	45.60	17.54	12.91	3.53	3	1
E*	CIMB Islamic Small Cap	20/04/04	15.76	3.68	52.95	19.90	18.11	2.92	2	3
	ING Hwang Growth Opportunities	23/04/04	7.37	-0.52	24.86	-19.64	8.67	2.87	5	4
E	OSK-UOB Emerging Opportunity Tr	18/05/04	5.29	1.69	24.83	33.88	9.11	2.73	6	5
	OSK-UOB Small Cap Opp UT	20/04/98	1.35	-0.13	10.45	-2.18	6.30	1.66	7	7
E	PRUsmall cap	29/05/01	8.54	1.70	60.80	20.22	24.79	2.45	1	6
E	TA Small Cap	09/02/04	7.00	1.71	33.37	-0.95	10.81	3.09	4	2
	AVERAGE (7)		**7.82**	**1.59**	**36.12**	**9.83**	**12.96**	**2.75**		
	Equity- Offshore – Asia									
	Am-Namaa' Asia-Pacific Eq Growth	8/11/08	2.60	-5.23	25.66	-	15.54	1.65	18	17
	Avenue CLAF	18/07/05	-0.54	-4.81	36.93	-	22.65	1.63	15	18
*	CIMB Islamic Asia Pacific Equity	02/06/06	2.82	-7.15	-	-	24.47	-	-	-
	CIMB ASEAN Equity	12/09/07	5.16	-3.17	56.62	-	23.24	2.44	6	7
	CIMB Asia Infrastructure Equity	14/04/08	-3.09	-7.04	35.39	-	18.66	1.90	16	15
	CIMB Emerging Asia	22/11/05	-0.79	-6.37	50.16	-3.90	24.26	2.07	9	12
	CIMB Greater China	12/06/07	0.37	-8.22	59.86	-	22.66	2.64	5	5
	HwangDBS Asia Quantum	15/04/04	18.33	4.18	65.53	36.55	21.04	3.12	3	2
	ING China Access	11/01/08	-6.94	-7.84	47.33	-	23.64	2.00	12	13
	OSK-UOB Asia Pacific	06/01/06	5.22	-4.85	38.80	-22.29	17.16	2.26	14	9

	FUNDS	LAUNCH DATE	6-MTH (%)	RETURN YTD (%)	1-YR (%)	3-YR (%)	STD DEV 1-YR (%)	RTN/ RISK	RANK ABS (1-YR)	RANK RAR (1-YR)
	Equity- Offshore – Asia									
	OSK-UOB Asian Growth Opp	08/01/08	2.02	-11.68	77.52	-	42.82	1.81	1	16
	OSK-UOB Big Cap China Ent	03/12/07	-2.48	-7.69	40.13	-	18.45	2.18	13	11
	OSK-UOB Resources	16/05/06	9.52	-3.37	49.10	45.51	16.28	3.02	10	4
	Pheim Asia Ex-Japan	30/06/06	3.62	-2.13	69.43	0.55	27.74	2.50	2	6
*	Pheim Asia Ex-Japan Islamic	01/11/06	2.24	0.02	55.33	2.33	24.84	2.23	7	10
	PruAsia Pacific Equity	21/07/05	7.04	-5.18	53.37	-1.30	17.05	3.13	8	1
*	PruAsia Pacific Syariah Equity	22/11/07	3.87	-6.61	48.13	-	19.90	2.42	11	8
*	PRUdinasti equity	26/10/09	-	-5.38	-	-	-	-	-	-
	RHB Dividend Value Equity	13/07/05	-1.49	-7.92	32.31	-4.46	16.96	1.91	17	14
	TA South East Asian Equity	28/11/05	8.48	-2.27	65.15	15.77	21.60	3.02	4	3
	AVERAGE (20)		**2.94**	**-5.14**	**50.38**	**7.64**	**22.05**	**2.33**		
	Equity – Offshore – Others									
	Alliance Global Diversified Property	09/07/07	9.13	-6.00	38.66	-	29.64	1.30	6	17
	Alliance Global Equity Fund	19/05/06	1.02	-4.78	37.10	-9.01	18.86	1.97	8	9
	AmBRIC Equity	09/11/09	-	-5.65	-	-	-	-	-	-
*	AmOasis Global Islamic Equities	04/05/06	7.55	-2.64	28.32	-17.25	14.34	1.97	14	8
*	AmPrecious Metal	06/12/07	6.51	-6.19	23.75	-	30.38	0.78	17	21
*	AmStaples	17/12/08	5.74	0.20	26.66	-	9.33	2.86	15	1
	CIMB Climate Change Equity	27/09/07	-0.31	-7.00	21.65	-	25.32	0.86	19	19
	CIMB Global Titans	18/07/05	0.95	-3.74	8.94	-16.78	11.35	0.79	22	20
	CIMB MENA Equity	18/02/08	-4.23	-2.70	35.42	-	19.54	1.81	9	12
	Hwang Environment Opportunity	18/09/07	1.07	-5.51	26.26	-	18.03	1.46	16	14
	Hwang Global Commodity	20/08/07	1.29	-5.51	13.54	-	18.14	0.75	21	22
	Hwang Global Emerging Market	23/01/07	7.14	-7.16	51.87	40.30	20.44	2.54	2	3
	Hwang Global Infrastructure	25/04/07	6.64	-3.47	31.50	-	15.06	2.09	13	7
	Hwang Global Property	19/04/06	18.85	-5.77	40.33	-43.42	28.80	1.40	5	15
	Hwang Access US 80 Fund	11/03/09	3.56	-2.59	-	-	-	-	-	-
	ING Global Dividend	09/04/07	3.74	-2.56	23.10	-	16.58	1.39	18	16
	ING Global Real Estate	08/08/06	7.19	-5.31	32.57	-38.52	26.17	1.24	12	18
	OSK-UOB Gold and General	21/07/09	2.78	-9.48	-	-	-	-	-	-
	PruCountry Selection	18/03/08	-1.78	-6.28	41.52	-	22.66	1.83	4	11
	PruGlobal Basics	17/01/07	7.04	-5.10	42.22	-13.59	19.05	2.22	3	4
	PruGlobal Emerging Markets	11/01/08	4.64	-7.25	58.05	-	22.50	2.58	1	2
	PruGlobal Leaders	23/03/06	5.08	-3.96	34.37	-26.85	19.78	1.74	10	13
	RHB Global Multi Manager	23/08/07	4.73	-3.29	21.52	-	10.29	2.09	20	6
	RHB Global Themes	05/01/07	6.04	-4.01	38.48	-29.13	17.56	2.19	7	5
	TA ABN AMRO Utilities	15/08/07	5.80	-5.42	32.59	-	17.27	1.89	11	10
	TA European Equity	20/03/07	0.03	-6.35	0.09	-	15.76	0.01	23	23
	AVERAGE (26)		**4.41**	**-4.9**	**30.81**	**-17.14**	**19.43**	**1.64**		

	FUNDS	LAUNCH DATE	6-MTH (%)	RETURN YTD (%)	1-YR (%)	3-YR (%)	STD DEV 1-YR (%)	RTN/ RISK	RANK ABS (1-YR)	RANK RAR (1-YR)
	Mixed Assets – Malaysia									
	Alliance First	16/01/96	7.47	0.97	25.26	7.31	5.80	4.36	9	2
	AmBalanced	16/09/03	5.65	-0.11	15.35	11.25	5.04	3.05	14	11
	AmConservative	16/09/03	0.14	0.18	9.24	9.84	5.83	1.58	19	19
E	ASM Balanced	06/12/97	0.72	-1.69	19.09	-6.37	8.34	2.29	12	17
	Avenue TacticalEXTRA	18/03/05	6.19	1.18	28.26	21.64	7.98	3.54	6	7
E	CMS Balanced	23/05/01	6.52	0.33	29.33	4.32	7.95	3.69	5	5
E	Hwang Select Balanced	28/07/03	8.12	1.13	34.23	29.03	10.21	3.35	4	9
	Hwang Select Income	06/01/05	7.99	0.30	17.90	20.27	3.77	4.75	13	1
E	ING AMInvest Balanced	23/04/04	5.26	0.18	34.84	19.28	11.87	2.94	3	13
E	ING RHB Diversified	23/04/04	4.15	-0.71	14.77	-8.28	5.66	2.61	16	14
E	ING Managed Growth	23/04/04	5.30	-0.34	14.05	9.88	4.04	3.48	17	8
	KAF Jade	01/11/06	-9.50	-2.75	7.99	0.80	9.82	0.81	20	21
E	OSK-UOB Growth&Income Focus	07/01/05	3.61	1.13	14.88	34.08	6.85	2.17	15	18
E	OSK-UOB Kidsave	10/05/99	5.77	-0.55	26.16	35.18	6.66	3.93	7	4
E	OSK-UOB Smart Balanced	07/09/04	3.80	1.42	23.09	25.53	9.24	2.50	10	15
	Pheim Emerging Co Balanced	28/01/02	3.03	0.07	38.14	6.86	16.11	2.37	1	16
	PruBalanced	29/05/01	6.08	-0.47	21.25	17.70	7.20	2.95	11	12
E	PruDynamic	06/11/03	2.29	-0.37	6.56	-1.71	7.68	0.85	21	20
	PruGlobal Market Navigator	20/04/09	-1.20	-2.23	-	-	-	-	-	-
E	RHB Goldenlife 2010	21/02/05	4.64	0.89	9.62	29.44	2.87	3.35	18	10
E	RHB Goldenlife 2020	21/02/05	7.03	0.96	36.34	51.13	10.06	3.61	2	6
E	TA Income	06/05/02	5.20	-0.25	25.27	13.38	6.31	4.01	8	3
	AVERAGE (22)		**4.01**	**-0.03**	**21.5**	**15.74**	**7.59**	**2.96**		
	Mixed Assets – Islamic- Msia									
E	Alliance Dana Alif	02/26/03	4.43	2.36	30.47	16.70	11.75	2.59	4	10
E*	AmIslamic Balanced	10/09/04	3.26	-0.30	22.43	14.89	7.78	2.88	9	6
E*	Avenue SyariahEXTRA	12/03/96	0.78	0.41	19.90	-9.64	10.75	1.85	11	12
E	CIMB Islamic Balanced Growth	26/05/03	6.83	0.10	32.35	11.58	9.73	3.33	3	3
E	CMS Islamic Balanced	06/12/04	5.10	0.54	23.52	15.02	7.10	3.31	7	4
E	Dana Islamiah Affin	11/11/01	1.88	-0.73	24.02	17.39	8.82	2.72	6	8
E	Dana Makmur Pheim	28/01/02	6.91	0.76	35.08	17.72	15.21	2.31	2	11
E	Hwang Aiiman Balanced	28/06/04	4.04	0.31	26.17	16.60	8.41	3.11	5	5
E	Pru Al-Islah	14/08/02	3.68	-0.13	9.84	11.52	2.05	4.79	12	1
E	Pru Dana Dinamik	06/11/03	3.48	-0.46	21.54	16.69	7.90	2.73	10	7
E	RHB Mudharabah	09/05/96	5.61	0.77	23.17	22.84	6.79	3.41	8	2
E	TA Dana Optimix	17/01/05	8.17	0.37	42.92	10.68	16.48	2.60	1	9
	AVERAGE (12)		**4.51**	**0.33**	**25.95**	**13.5**	**9.4**	**2.97**		

	FUNDS	LAUNCH DATE	RETURN 6-MTH (%)	YTD (%)	1-YR (%)	3-YR (%)	STD DEV 1-YR (%)	RTN/ RISK	RANK ABS (1-YR)	RANK RAR (1-YR)
	Mixed Assets – Offshore									
	Alliance Adv GEM Treasures	23/10/07	4.62	-3.82	41.73	-	16.88	2.47	2	6
	Alliance Optimal Income	02/09/04	5.76	1.98	28.33	8.65	9.54	2.97	5	2
	CIMB Global Asset Spectra	13/11/06	0.56	-5.98	16.71	-9.38	14.08	1.19	9	11
	CMS Asia Pacific Oriental	24/08/06	1.95	-3.70	31.85	-3.13	14.89	2.14	4	7
	Hwang Global Financial Institutions	24/07/08	7.12	-2.08	42.83	-	16.63	2.58	1	5
	OSK-UOB Golden Dragon	08/05/07	-1.51	-6.39	27.02	-	14.87	1.82	7	8
*	OSK-UOB Muhibbah Income	12/03/07	2.16	-1.43	8.61	-	4.84	1.78	11	9
	PruAsia Select Income	18/11/05	3.61	-2.13	27.26	19.98	10.05	2.71	6	4
	PruEnhanced Income	28/05/07	4.21	-0.89	12.44	-	4.09	3.04	10	1
*	TA Asia Pac Islamic Balanced	07/11/06	5.86	-4.80	36.02	8.64	13.23	2.72	3	3
	TA Global Asset Allocator	12/06/06	3.17	-5.79	23.49	-7.46	13.23	1.78	8	10
	AVERAGE (11)		**3.41**	**-3.19**	**26.93**	**2.88**	**12.03**	**2.29**		
	Fixed Income^									
E	Affin Capital Fund	12/12/01	2.61	0.40	5.15	12.55	0.68	7.58	19	2
	Alliance Global Bond	19/05/06	0.37	2.23	3.33	11.21	8.51	0.39	24	28
	AMNRaya Unit Trust	21/09/06	3.27	-0.14	4.28	16.16	1.84	2.33	21	24
E	AmBond	20/01/00	4.41	0.35	5.73	16.88	2.64	2.17	16	25
E	AmDynamic Bond	16/09/03	6.57	0.36	9.34	24.16	2.62	3.57	9	10
	Areca Income Trust	23/04/07	1.75	0.25	3.95	11.94	0.22	18.32	22	1
E	AmIncome Plus	17/06/04	2.99	0.34	4.79	-	0.67	7.17	20	3
	Avenue BondEXTRA	08/10/02	2.52	0.48	9.15	11.30	2.85	3.22	10	13
E	Avenue IncomeEXTRA	10/09/99	2.52	0.26	3.46	2.70	1.06	3.28	23	12
E	CIMB Bond	15/11/95	4.41	0.36	7.93	15.36	1.79	4.43	11	7
	CIMB Global Income	21/03/07	2.68	-0.44	5.60	-	1.99	2.81	17	19
E	CIMB Lifecycle-2017	12/07/07	3.38	-2.48	25.03	-	10.41	2.40	3	23
E	CIMB Lifecycle-2022	13/07/07	9.24	-3.28	37.33	-	12.85	2.90	1	18
E	CIMB Lifecycle-2027	14/07/07	7.38	-2.93	34.23	-	13.79	2.48	2	21
E „	CIMB Multi-Maturity Income 1	18/08/06	2.15	0.24	12.41	17.39	3.37	3.69	5	8
E	CIMB Strategic Bond	23/03/04	4.21	0.23	6.82	11.07	1.86	3.67	12	9
	CMS Bond	15/08/02	4.27	0.13	5.90	15.00	1.85	3.20	15	14
	Hwang Select Bond	28/07/03	4.91	0.41	10.35	18.73	1.99	5.21	7	5
	ING Annual Alpha	08/04/08	0.06	-0.15	0.37	-	0.79	0.48	28	27
	ING Income Plus	23/04/04	2.83	0.26	2.62	7.30	1.69	1.55	26	26
E	KAF Bond	01/11/06	4.19	0.71	6.80	18.38	1.52	4.49	13	6
	OSK-UOB Energy	23/03/09	-4.72	-8.31	-	-	-	-	-	-
	OSK-UOB Income	26/02/03	3.51	0.53	5.21	5.71	0.74	7.04	18	4
	OSK-UOB Income Alpha	29/08/08	1.38	0.33	1.92	-	0.78	2.45	27	22
	OSK-UOB Smart Income	07/09/04	3.83	1.57	10.41	17.16	3.56	2.93	6	17
	Pheim Income	28/01/02	1.64	-0.01	9.68	16.37	2.78	3.48	8	11

	FUNDS	LAUNCH DATE	RETURN 6-MTH (%)	YTD (%)	1-YR (%)	3-YR (%)	STD DEV 1-YR (%)	RTN/ RISK	RANK ABS (1-YR)	RANK RAR (1-YR)
	Fixed Income^									
	PruBond	29/05/01	4.23	0.43	-2.00	-0.10	4.78	-0.42	29	29
	PRUEmerging Market Rates	20/08/08	1.92	-0.70	14.69	-	5.82	2.52	4	20
	RHB Commodities Cap Protected	30/04/08	1.41	0.19	3.12	-	1.03	3.01	25	15
E	RHB Goldenlife Today	21/02/05	2.47	0.41	6.24	24.45	2.11	2.96	14	16
	TA All-Cycle Commodities Income	04/05/09	-1.61	0.20	-	-	-	-	-	-
	AVERAGE (31)		**2.93**	**-0.25**	**8.75**	**13.69**	**3.33**	**3.77**		
	Fixed Income-Islamic^									
	AMNRaya Syariah Trust	21/09/06	2.95	-0.20	2.61	11.05	2.19	1.19	10	10
E	AmBond Islam	20/01/00	4.22	0.36	4.77	14.56	2.14	2.23	7	9
	Avenue AsnitaBOND	18/03/05	3.00	0.68	5.14	11.47	1.72	2.99	6	7
E	CIMB Islamic Enhanced Sukuk	23/02/05	4.44	0.30	14.51	11.91	3.43	4.23	4	3
	CIMB Islamic Kausar LC-2017	12/07/07	5.67	-1.23	24.87	-	7.80	3.19	3	5
	CIMB Islamic Kausar LC-2022	13/07/07	8.71	-2.28	32.87	-	10.88	3.02	1	6
	CIMB Islamic Kausar LC-2027	14/07/07	6.76	-2.13	32.75	-	11.33	2.89	2	8
E	ING BON Islam	23/04/04	1.61	0.05	3.04	9.37	0.61	4.96	9	1
E	PruDana Wafi	21/02/05	2.82	0.20	4.74	11.31	1.11	4.28	8	2
E	RHB Islamic Bond	25/08/00	2.51	0.57	5.44	12.67	1.65	3.29	5	4
	AVERAGE (10)		**4.27**	**-0.37**	**13.07**	**11.76**	**4.29**	**3.23**		
	KLCI		**7.17**	**-1.07**	**42.37**	**5.87**				

Source: PhillipCapital, Lipper
Note: ABS denotes ranking based on absolute return
RAR denotes ranking based on risk-adjusted return
'E' denotes EPF approved
* Denotes Shariah Compliant
^ Includes bond, income, capital guaranteed and capital protected funds
"Closed ended fund.

The Mechanism

1) Superior ranking based on risk-adjusted-return.
2) Commendable ranking based on absolute return.
3) Fund size (minimum RM25 million)
4) Check on short-term return (1-month or 3-month returns)
5) Check top holdings and sectors allocation
6) Qualitative evaluations (if needed)

For Phillip Capital Management Sdn Bhd

Nona Salleh
Executive Chairperson

Appendix

Date	KLCI	m-o-m % Change	PMB Portfolio	m-o-m % Change	PMB Islamic Portfolio	m-o-m % Change
31/01/2010	**1259.16**	**-1.1**	**125.8**	**-0.9**	**123.9**	**+0.1**
31/12/2009	1272.78	+1.1	126.9	+1.4	123.8	+1.6
30/11/2009	1259.11	+1.3	125.1	+0.4	121.9	-0.8
31/10/2009	1243.23	+3.4	124.6	+1.0	122.9	+1.1
30/09/2009	1202.08	+2.4	123.4	+2.4	121.6	+1.8
31/08/2009	1174.27	-0.1	120.5	+0.8	119.4	+1.4
31/07/2009	1174.90	+9.3	119.6	+5.7	117.7	+4.5
30/06/2009	1075.24	+3.0	113.1	+0.9	112.6	+0.4
31/05/2009	1044.11	+5.4	112.1	+4.5	112.1	+4.7
30/04/2009	990.74	+13.6	107.3	+4.6	107.1	+5.4
31/03/2009	872.55	-2.0	102.6	+2.9	101.6	+1.6
28/02/2009	890.67	+0.7	99.7	+0.1	100.0	-
31/01/2009	884.45	+0.9	99.6	+0.5		
31/12/2008	876.75	+2.6	99.1	-0.9		
16/12/2008	854.80	-	100.0	-		