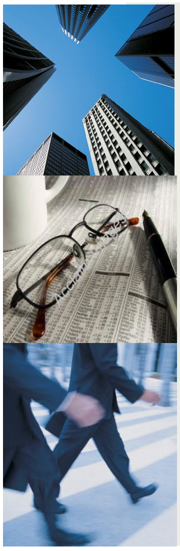

December | 2008

Phillip Funds *focus*

A MONTHLY NEWSLETTER EXCLUSIVELY FOR INVESTMENT PROFESSIONALS

A Brief Synopsis

- *Equity markets stabilised, albeit mixed, subsequent to a disastrous month in October. US market rallied ahead of the historic win by Obama. Unfortunately, the rally was shortlived due to new concern on the prospect of the automotive industry in the country.*

- *It was indeed a busy month in US, from presidential election to new policies announcement in salvaging the severely dented economy. Economic data continued to turn uglier, although not surprising, but definitely unpleasant to note.*

- *The local bourse ended firmer despite numerous headwinds, from uninspiring corporate earnings to scuttled deals announced by corporate.*

- *The deepening of global financial crisis is taking an increasing toll on Asia economies. Undeniably, Asia's fundamentals are significantly stronger this time around, backed by strong foreign reserves.*

- *Prompt action undertaken by central banks will need time to filter through as deleveraging takes place which eventually stabilises the financial market over time.*

- *Our asset allocation is maintained at current levels, following the 5% increase in equity exposure across the board in November.*

Where to Look Out For… ***Page***

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Window to The World

World Markets Were Mixed – Equity markets stabilized in November subsequent to a disastrous month in October. Several Asian markets managed to recoup some of its losses, the rest slipped lower. US market rallied initially however petered out to more than a 5-year low of 7,449.4 points on fear of the collapse of the automotive industry in the country.

Key Developments in the US :

- Historic win by Barrack Obama in the US Presidential Election.
- Announcement of US$800bn Term-Asset Backed Securities Loan Facility (TALF)
- Rescue Package of US$306bn for Citigroup

US Economy Slipped More than Expected – The US economy slipped 0.5% in 3Q08, more than preliminary estimate of 0.3%. Weak consumer spending and deceleration of exports dragged its growth. Trade deficit narrowed further to US$56.5bn in September as exports growth outpaced imports.

US Budget Deficit Jumped – The US budget deficit climbed to a record US$237bn in October, spurred by the purchases of stakes in a group of the country's largest banks. The US Treasury spent US115bn in October to acquire shares in 8 of the biggest US banks under the US$700bn TARP.

Technical Recession for Some – As global financial crisis deepened and spending cooled, Japan, Singapore and Hong Kong had slipped into a technical recession last quarter. The Chinese government promptly stepped in by undertaking preemptive measures by pledging to spend US$586bn.

Commodity Prices Showing Signs of Stabilising – Commodity prices remained suppress with crude oil prices fell to US$49/barrel. In November alone, the black gold lost another 19.7%, but losses are narrowing. This could be an early sign of commodity prices stabilising.

Markets Performance

	NOVEMBER 08 (%)
China	8.2
Hong Kong	-0.6
Japan	-0.8
Malaysia	0.3
Singapore	-3.4
South Korea	-3.3
US	-5.4

	YTD (%)
China	-64.4
Hong Kong	-50.1
Japan	-44.4
Malaysia	-40.1
Singapore	-50.3
South Korea	-43.3
US	-33.4

Source: PCM

A Peep into Malaysia

- ***KLCI Firmer in November –*** The Kuala Lumpur Composite Index (KLCI) turned out to be one of the better performing bourse in November despite uninspiring results announced by corporates and scuttled deals. Meanwhile, CPO prices rebounded to RM1,629/tonne by end-November. The bellwether KLCI closed the month 0.3% higher at 866.1points.

- ***A Disappointing 3Q08 Earnings –*** The 3Q08 scoreboard was a real letdown. Disappointing results by heavyweights such as banks, plantation, construction, property and aviation companies dragged earnings down significantly. Among prominent disappointments were Maybank, BCHB, TM Int, Tenaga, MAS, IOI Corp, Genting and several more.

- ***Scuttled Deals –*** Undoubtedly, Malaysian corporate is facing tougher times ahead noting the recent unexpected announcement of scuttled deals although this is not the best time for more shocking news. MISC abandoned its reverse takeover of Ramunia and likewise, IOI Corp aborted the purchase of Menara Citibank. Meanwhile, Resort announced a perceived pricey acquisitions of a related gaming outfit.

- ***Government Trimmed Growth Forecast –*** The government lowered it real GDP growth forecast to 3.5% for 2009 (from 5.4% projected previously) in view of deterioration in external economic conditions. For 2008, government expects growth of at least 5.0%.

- ***Milder Inflation, This Trend Should Stay–*** Inflation decelerated for 2 consecutive months to 7.6%, from 8.2% in September. The tamer inflation gave comfort for BNM to ease the monetary policy, which led to the former cutting the OPR by 25 basis points to 3.25%, after leaving it unchanged at 3.50% since April 2006.

- ***Sovereign Bonds Rallied–*** The MGS market rallied on expectation of more rate cuts in the pipeline. Soon after BNM cutting the OPR by 25 basis points, MGS yields dropped between 25-30 basis points in tandem with the quantum of the rate cut. The sovereign yield curve flattened as investors sought duration in anticipation of cuts ahead. PDS market, however, remained weak owing to lack of risk appetite.

Where Do We Go From Here

- ***Asian Economies are Stronger –*** The deepening global financial crisis is taking an increasing toll on Asian economies. Plunging commodity prices, falling export orders and industrial output, depressed equity prices as well as rapid depreciation of currency are consistent with weaker economic outlook. Undeniably, Asia's fundamentals are significantly stronger this time around, back by strong foreign reserves.

- ***Prompt Measure, Economy will Recover Eventually –*** Prompt measures implemented by central banks and policymakers around the globe to shore up the financial systems, from nationalisation of banks to offering guarantees to bank deposits are much needed. However, these measures require time to filter through the financial system, which is still undergoing the deleveraging process, and will eventually stabilise the financial market given time.

- ***Subsiding Inflationary Pressure –*** A comforting factor to note is easing of headline and core inflation, thanks to lower commodity prices. With inflation no longer a worrying threat, policymakers would now have to prioritise on policies that avoid the real economy from going into a tailspin. Despite the fact that most economies are still facing negative differential between inflation and deposit rates, policymakers are likely to maintain easing of monetary policy while complementing the fiscal stimulus to support domestic demand.

- ***The FEAR Factor –*** Whilst economic slowdown is inevitable, the fear factor may drag the economic activities even more should everyone turned overly cautious, tighten their belts too much while companies cut production excessively. This in turn will weaken the economy more than it should have been.

Lighting Up Your Path

- ***Spread Out Your Investment –*** We are sticking to our prescribed strategy of spreading out the investment over a period of 12 months. It is important to note that the investment strategy is planned for mid to long-term horizon of 3 years. This strategy does not encourage short term trading.

- ***Hold on to Bonds –*** In anticipation of further rates cut, bond prices are rallying. As such, we advocate investors to hold on to bond funds especially those with longer duration bonds. This is because long duration bonds are more sensitive to interest rate movements and have more upside when interest rate is cut further.

Walking With You

RISK PROFILE	PORTFOLIO ALLOCATION*		
	Equities	Mixed Assets	Fixed Income^
Low Risk	15%	45%	40%
Moderate Risk	35%	30%	35%
High Risk	40%	30%	30%

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

^ Fixed Income includes capital protected funds and money market funds

- The asset allocation is maintained at current levels, following the 5% increase in equity exposure across the board in November.

Flavour for the Month

Funds Recommendation for December 2008

Region	Equity	Mixed Assets	Fixed Income
Malaysia	OSK-UOB Smart Treasure ♨	OSK-UOB Gr & Income Focus ♨	Avenue BondEXTRA
(Conventional)	ASM First Public	Hwang Select Income	
		RHB Goldenlife 2010	
Islamic Malaysia	TA Islamic	PruDana Al-Islah	AmBon Islam ♨
	Avenue Saham Wanita	RHB Mudharabah	RHB Islamic Bond
	ASM Dana Al-Aiman	Hwang Dana Fahim	
Asia	PruAsia Pacific Equity	OSK-UOB Muhibbah Income	
	OSK-UOB Resources	PruAsia Select Income	
	TA South East Asia	OSK-UOB Golden Dragon	
Global	PruGlobal Leader		
	PruGlobal Basics		
	AmOasis Global Islamic Equities		

Source: PCM ♨ Preferred fund

- Alliance Tactical Growth fund's performance are showing signs of recovery. The fund has been added into the watchlist and we are monitoring the fund's performance. Should its performance speaks for itself, the fund will be added in once again. (Monitor for another month).

- There has been a change in name for one of Hwang-DBS funds, ie. Hwang Dana Idzihar has been renamed as Hwang AIIMAN Growth fund.

- The recent month sharp correction in commodity prices has caused commodity-based fund prices to retreat sharply. Despite commodity prices are still trending down, the losses are narrowing, which is a sign of stabilising. While commodity prices are now trading at much justifiable levels, we see values in resource-based funds as these funds do not trade futures or undertaken speculative tradings. The funds invest into resource-based companies. To name a few, OSK-UOB Resource and Prudential Global Basic are worth considering.

- Recent easing of monetary policy and anticipation of more rates cut in the near term are expected to benefit long duration bond funds. Strolling through the list under distribution, we have shortlisted two bond funds that meet the criteria, ie AmBon Islam and RHB Islamic Bond. Although both funds are recommended, we prefer AmBon Islam to RHB Islamic Bond due to the selection of bonds in the portfolio.

Tracking our Recommendations

Category	October 2008	November 2008	December 2008
EQUITY			
Growth - Malaysia	OSK-UOB Smart Treasure	OSK-UOB Smart Treasure	OSK-UOB Smart Treasure
	ASM First Public	ASM First Public	ASM First Public
	Alliance Tactical		
Islamic Growth - Malaysia	TA Islamic	ASM Dana Al-Aiman	TA Islamic
	ASM Dana Al-Aiman	TA Islamic	Avenue Saham Wanita
	OSK-UOB Dana Islam	Avenue Saham Wanita	ASM Dana Al-Aiman
Offshore - Asia	TA South East Asia	CIMB Greater China	PruAsia Pacific Equity
	CIMB Emerging Asia	CIMB Emerging Asia	OSK-UOB Resources
	CIMB Greater China	TA South East Asia	TA South East Asia
	OSK-UOB Resources	OSK-UOB Resources	
Offshore - Global	PruGlobal Basics	CIMB Global Titans	PruGlobal Leader
	CIMB Global Titans	PruGlobal Leader	PruGlobal Basics
	PruGlobal Leader	PruGlobal Basics	AmOasis Global Islamic Eq.
	CIMB MENA Fund	CIMB MENA Fund	
MIXED ASSETS			
Malaysia	OSK-UOB Gr & Inc Focus	OSK-UOB Gr & Inc Focus	OSK-UOB Gr & Inc Focus
	OSK-UOB Kidsave	RHB Goldenlife 2010	Hwang Select Income
	PruBalanced	PruBalanced	RHB Goldenlife 2010
Islamic - Malaysia	RHB Mudharabah	PruDana Al-Islah	PruDana Al-Islah
	PruDana Al-Islah	RHB Mudharabah	RHB Mudharabah
			Pru Dana Dinamik
	AmIslamic Balanced	Hwang Dana Fahim	Hwang Dana Fahim
Offshore	CIMB Global Asset Spectra	CIMB Global Asset Spectra	OSK-UOB Muhibbah Income
	PruAsia Select Income	PruAsia Select Income	PruAsia Select Income
	OSK-UOB Muhibbah Income	OSK-UOB Muhibbah Income	OSK-UOB Golden Dragon
	TA Asia Pac Islamic Balanced	OSK-UOB Golden Dragon	
FIXED INCOME			
Conventional	CMS Bond	Avenue BondEXTRA	Avenue BondEXTRA
	CIMB Xcess Income	CIMB Xcess Income	
	Avenue BondEXTRA		
Islamic	CIMB Islamic ST Sukuk	AmBon Islam	AmBon Islam
	RHB Islamic Bond	RHB Islamic Bond	RHB Islamic Bond
	ING Bon Islam	CIMB Islamic ST Sukuk	

Source: PMB

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									
	Alliance Tactical Growth	02/09/04	-28.84	-37.51	-34.70	14.08	17.97	-1.93	17	6
E	ASM KMB Dana Pertumbuhan	28/12/72	-25.92	-33.65	-32.14	-7.13	14.86	-2.16	13	17
E	ASM First Public	20/04/92	-22.98	-27.62	-24.70	5.00	12.92	-1.91	4	5
E	ASM Premier	12/06/95	-22.01	-29.26	-27.13	-7.22	13.21	-2.05	6	12
E	ASM Index	25/03/02	-23.18	-29.03	-26.71	4.00	13.00	-2.05	5	11
E	Avenue DividendEXTRA	18/03/05	-17.52	-25.63	-23.50	13.02	10.48	-2.24	2	21
E	Avenue EquityEXTRA	10/09/99	-23.49	-31.10	-29.33	8.96	11.54	-2.54	7	24
E	CIMB Equity Aggressive Fund 3	12/0/98	-35.01	-43.69	-39.91	-0.04	19.70	-2.03	21	9
E	CMS Premier	26/11/96	-36.52	-50.61	-49.71	12.98	22.41	-2.22	24	20
E	CMS Malaysian Global Inc	09/11/07	-25.52	-36.87	-37.01	n.a	16.05	-2.31	20	22
	Hwang Select Opportunity	07/09/01	-29.98	-37.77	-36.56	2.07	18.53	-1.97	19	7
E	ING Blue Chip	12/04/04	-25.62	-35.82	-33.26	17.52	15.71	-2.12	15	19
E	ING Tactical	23/04/04	-33.73	-42.37	-40.82	-8.20	19.93	-2.05	23	13
E	Kenanga Growth	17/01/00	-18.38	-25.29	-22.06	27.03	13.38	-1.65	1	1
E	OSK-UOB Smart Treasure	07/09/04	-25.10	-33.70	-29.84	65.67	17.44	-1.71	9	2
E	Phillip Master First Ethical	18/06/03	-27.28	-39.81	-40.08	-41.84	15.87	-2.53	22	23
E	Phillip Master Equity Growth	28/06/03	-25.61	-31.47	-29.63	-1.53	13.67	-2.17	8	18
E	PruGrowth	29/05/01	-28.12	-36.74	-34.43	5.54	16.03	-2.15	16	16
E	PruEquity Income	18/10/04	-25.52	-32.86	-31.35	0.68	15.00	-2.09	10	14
E	RHB Capital	12/04/95	-27.05	-34.56	-32.01	0.20	15.26	-2.10	12	15
E	RHB GoldenLife 2030	21/02/05	-20.70	-27.23	-24.50	46.32	13.06	-1.88	3	4
E	TA Growth	01/07/96	-23.32	-34.31	-31.60	10.77	15.73	-2.01	11	8
E	TA Comet	01/10/99	-28.60	-38.69	-35.96	17.47	20.28	-1.77	18	3
E	TA High Growth	07/06/04	-25.99	-35.56	-32.64	32.03	16.01	-2.04	14	10
	AVERAGE (24)		**-26.08**	**-34.63**	**-32.48**	**9.45**	**15.75**	**-2.07**		
	Equity– Islamic Growth – Msia									
E	Alliance Dana Abid	25/03/04	-24.42	-33.61	-31.13	28.16	14.81	-2.10	9	12
E	AmIslamic Growth	10/09/04	-26.16	-34.55	-31.14	12.09	16.32	-1.91	10	7
E	AmIttikal	12/01/93	-23.15	-34.07	-30.81	14.50	14.81	-2.08	8	11
E	ASM Dana Al-Aiman	19/05/97	-20.89	-25.63	-23.37	5.31	11.88	-1.97	3	9
E	ASM Dana Bestari	03/10/02	-23.52	-30.33	-28.14	-2.68	13.09	-2.15	6	13
E	ASM Dana Mutiara	05/08/04	-31.64	-38.85	-36.66	-12.30	14.43	-2.54	13	17
E	ASM Syariah Aggressive	21/11/05	-33.63	-43.74	-42.11	-22.19	18.73	-2.25	15	16
	Asnita	04/05/98	-19.21	-30.96	-27.80	2.07	15.64	-1.78	5	5
E	CIMB Islamic Equity Aggressive	15/06/95	-38.48	-48.65	-45.62	-7.64	21.24	-2.15	17	14
E	CMS Islamic	15/08/02	-34.21	-46.64	-44.46	46.51	21.60	-2.06	16	10
E	Hwang AIIMAN Growth	08/10/02	-19.51	-26.43	-23.51	15.64	13.66	-1.72	4	3
E	ING Ekuiti Islam	23/04/04	-30.56	-40.82	-37.89	21.52	19.76	-1.92	14	8
E	Kenanga Syariah Growth	29/01/02	-18.01	-26.16	-22.84	27.52	12.94	-1.77	2	4

	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– Islamic Growth – Msia									
E	OSK-UOB Dana Islam	26/10/01	-23.26	-32.86	-28.17	24.42	15.86	-1.78	7	6
E	PruDana Al-ilham	14/08/02	-29.33	-37.76	-34.04	16.92	20.24	-1.68	11	2
E	RHB Islamic Growth	26/01/04	-26.88	-36.91	-34.46	7.68	15.60	-2.21	12	15
E	TA Islamic	24/04/01	-20.04	-26.14	-22.76	16.79	13.75	-1.66	1	1
	AVERAGE (17)		**-26.05**	**-34.95**	**-32.05**	**11.43**	**16.14**	**-1.98**		
	Equity- Small Cap - Malaysia									
	Alliance Vision	01/03/00	-31.09	-42.49	-39.97	18.42	20.67	-1.93	4	2
E*	CIMB Islamic Small Cap	20/04/04	-36.90	-39.63	-35.92	0.06	26.08	-1.38	2	1
	ING Hwang Growth Opportunities	23/04/04	-33.60	-43.43	-41.20	-11.81	19.04	-2.16	5	5
E	PruSmall-Cap	29/05/01	-28.67	-39.33	-36.27	6.21	18.64	-1.95	3	3
E	TA Small Cap	09/02/04	-23.34	-31.42	-29.51	-0.68	13.75	-2.15	1	4
	AVERAGE (5)		**-30.72**	**-39.26**	**-36.57**	**2.44**	**19.64**	**-1.91**		
	Equity- Offshore – Asia									
	CIMB Emerging Asia	22/11/05	-44.22	-51.43	-52.27	-22.81	29.25	-1.79	13	7
*	CIMB Islamic Asia Pacific Equity	02/06/06	-34.80	-40.29	-42.63	n.a	23.41	-1.82	6	9
	CIMB Greater China	12/06/07	-41.14	-49.11	-50.33	n.a	31.30	-1.61	11	2
	CIMB ASEAN Equity	12/09/07	-39.76	-44.35	-43.23	n.a	23.03	-1.88	7	10
	HwangDBS Asia Quantum	15/04/04	-28.93	-27.67	-27.19	-3.41	15.93	-1.71	1	4
	ING China Access	11/01/08	-38.11	-38.11	n.a	n.a	n.a	n.a	n.a	n.a
	OSK-UOB Asia Pacific	06/01/06	-41.87	-50.06	-51.45	n.a	28.44	-1.81	12	8
	OSK-UOB Resources	16/05/06	-36.81	-39.19	-37.60	n.a	24.88	-1.51	3	1
	OSK-UOB Big Cap China Ent	03/12/07	-33.19	-36.09	n.a	n.a	n.a	n.a	n.a	n.a
	OSK-UOB Asian Growth Opp	08/01/08	-52.48	-52.48	n.a	n.a	n.a	n.a	n.a	n.a
	Pheim Asia Ex-Japan	30/06/06	-42.58	-48.19	-48.07	n.a	24.14	-1.99	9	11
*	Pheim Asia Ex-Japan Islamic	01/11/06	-40.13	-43.36	-41.87	n.a	23.72	-1.77	5	6
	PruAsia Pacific Equity	21/07/05	-37.29	-40.46	-41.10	-21.81	25.30	-1.62	4	3
*	PruAsia Pacific Syariah Equity	22/11/07	-34.20	-32.56	-32.88	n.a	18.71	-1.76	2	5
	RHB Dividend Value Equity	13/07/05	-35.14	-44.24	-45.35	-2.53	22.06	-2.06	8	13
	TA South East Asian Equity	28/11/05	-43.55	-49.97	-49.76	-11.55	24.62	-2.02	10	12
	AVERAGE (16)		**-39.01**	**-42.97**	**-43.36**	**-12.42**	**24.21**	**-1.80**		
	Equity - Offshore – Others									
	Alliance Global Diversified Property	09/07/07	-45.71	-47.00	-51.72	n.a	27.11	-1.91	16	12
	Alliance Global Equity Fund	19/05/06	-38.37	-41.95	-43.62	n.a	22.66	-1.92	10	13
*	AmOasis Global Islamic Equities	04/05/06	-33.38	-36.66	-37.33	n.a	22.73	-1.64	5	5
*	AmPrecious Metal	06/12/07	-44.56	-42.82	-41.97	n.a	48.92	-0.86	8	1
	CIMB Global Titans	18/07/05	-18.64	-23.74	-24.91	-13.45	14.66	-1.70	1	8
	CIMB Climate Change Equity	27/09/07	-45.81	-49.41	-50.20	n.a	35.62	-1.41	15	4
	CIMB MENA Equity	18/02/08	-52.45	-52.45	n.a	n.a	n.a	n.a	n.a	n.a
	Hwang Global Property	19/04/06	-44.00	-45.61	-49.16	n.a	27.85	-1.77	14	11

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	Equity - Offshore – Others									
	Hwang Global Infrastructure	25/04/07	-35.12	-38.02	-39.61	n.a	19.70	-2.01	7	14
	Hwang Environment Opportunity	18/09/07	-38.61	-36.49	-37.08	n.a	30.17	-1.23	4	2
	ING Global Real Estate	08/08/06	-40.23	-42.12	-45.72	n.a	26.15	-1.75	12	10
	ING Global Dividend	09/04/07	-33.34	-37.42	-39.20	n.a	19.48	-2.01	6	15
	PruGlobal Leaders	23/03/06	-45.52	-47.76	-48.83	n.a	29.36	-1.66	13	6
	PruGlobal Basics	17/01/07	-49.94	-44.86	-44.95	n.a	35.53	-1.27	11	3
	PruGlobal Emerging Markets	11/01/08	-43.05	-43.05	n.a	n.a	n.a	n.a	n.a	n.a
	RHB Global Multi Manager	23/08/07	-23.74	-27.30	-27.84	n.a	11.15	-2.50	2	16
	TA European Equity	20/03/07	-38.27	-41.88	-43.55	n.a	25.06	-1.74	9	9
	TA ABN AMRO Utilities	15/08/07	-32.1	-35.54	-36.39	n.a	21.63	-1.68	3	7
	AVERAGE (18)		**-39.05**	**-40.78**	**-41.38**	**-13.45**	**26.11**	**-1.69**		
	Mixed Assets - Malaysia									
	Alliance First	16/01/96	-20.69	-25.94	-24.03	4.59	15.66	-1.53	14	5
E	ASM Balanced	06/12/97	-17.82	-23.80	-22.45	-12.93	9.28	-2.42	13	17
E	CMS Balanced	23/05/01	-28.04	-36.21	-34.77	5.15	18.11	-1.92	17	11
E	Hwang Select Balanced	28/07/03	-14.87	-19.65	-17.19	20.13	9.65	-1.78	5	8
	Hwang Select Income	06/01/05	-5.89	-6.25	-5.5	14.23	4.02	-1.37	1	4
E	ING AMInvest Balanced	23/04/04	-16.06	-20.45	-18.32	9.19	9.09	-2.02	7	13
E	ING Managed Growth	23/04/04	-15.08	-21.24	-19.43	13.74	9.25	-2.10	10	14
E	ING RHB Diversified	23/04/04	-17.8	-28.79	-27.15	-4.51	11.58	-2.34	15	16
	KAF Jade	01/11/06	-13.27	-18.41	-18.22	n.a	9.24	-1.97	6	12
E	OSK-UOB Kidsave	10/05/99	-14.07	-15.58	-12.79	39.49	9.57	-1.34	3	3
E	OSK-UOB Growth&Income Focus	07/01/05	-18.79	-23.04	-14.21	87.32	17.63	-0.81	4	1
	Pheim Emerging Co Balanced	28/01/02	-31.89	-36.41	-34.61	-4.05	18.83	-1.84	16	9
	PruBalanced	29/05/01	-16.71	-22.60	-20.31	18.74	9.44	-2.15	11	15
E	PruDynamic	06/11/03	-15.79	-24.38	-20.73	22.98	12.41	-1.67	12	7
E	RHB Goldenlife 2010	21/02/05	-3.56	-6.51	-5.55	35.11	4.96	-1.12	2	2
E	RHB Goldenlife 2020	21/02/05	-16.36	-21.26	-18.56	42.47	10.01	-1.85	8	10
E	TA Income	06/05/02	-15.26	-21.66	-19.22	8.82	11.81	-1.63	9	6
	AVERAGE (17)		**-16.59**	**-21.89**	**-19.59**	**18.78**	**11.21**	**-1.76**		
	Mixed Assets –Islamic- Msia									
E	Alliance Dana Alif	02/26/03	-19.33	-25.00	-22.91	-2.01	11.39	-2.01	5	8
E*	AmIslamic Balanced	10/09/04	-19.39	-26.00	-23.58	12.95	11.06	-2.13	6	10
E*	Avenue SyariahEXTRA	12/03/96	-25.82	-34.33	-32.07	-12.84	15.54	-2.06	10	9
E	CIMB Islamic Balanced Growth	26/05/03	-26.69	-34.12	-31.76	0.06	13.71	-2.32	9	11
E	CMS Islamic Balanced	06/12/04	-26.20	-34.30	-32.45	5.76	18.28	-1.78	11	4
E	Hwang Dana Fahim	28/06/04	-13.01	-18.80	-16.62	9.16	9.20	-1.81	2	5
	Dana Makmur Pheim	28/01/02	-24.50	-27.92	-25.24	10.13	13.36	-1.89	7	6
E	Pru Al-Islah	14/08/02	-6.71	-7.50	-6.29	6.26	6.43	-0.98	1	1
E	Pru Dana Dinamik	06/11/03	-15.56	-23.71	-20.01	23.15	12.43	-1.61	4	3

	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 –Islamic- Msia									
E	RHB Mudharabah	09/05/96	-13.81	-19.25	-16.89	13.97	11.01	-1.53	3	2
E	TA Dana Optimix	17/01/05	-23.62	-31.34	-28.96	1.64	14.46	-2.00	8	7
	AVERAGE (11)		**-19.51**	**-25.66**	**-23.34**	**6.20**	**12.44**	**-1.83**		
	Mixed Assets – Offshore									
	Alliance Optimal Income	02/09/04	-21.44	-28.21	-27.44	-1.03	13.27	-2.07	6	11
	Alliance Adv GEM Treasures	23/10/07	-34.06	-35.19	-36.51	n.a	20.16	-1.81	10	6
	CIMB Global Asset Spectra	13/11/06	-20.20	-19.49	-20.73	n.a	14.35	-1.44	3	1
	CMS Asia Pacific Oriental	24/08/06	-34.01	-35.58	-37.85	n.a	22.84	-1.66	11	4
*	OSK-UOB Muhibbah Income	12/03/07	-12.89	-13.56	-14.23	n.a	9.04	-1.57	1	2
	OSK-UOB Golden Dragon	08/05/07	-24.35	-33.79	-35.61	n.a	21.53	-1.65	9	3
E	OSK-UOB Thematic Growth	26/09/07	-18.73	-24.52	-21.93	n.a	11.82	-1.86	4	8
	PruAsia Select Income	18/11/05	-17.65	-24.42	-24.12	9.80	12.68	-1.90	5	10
	PruEnhanced Income	28/05/07	-12.94	-14.48	-15.31	n.a	8.22	-1.86	2	9
*	TA Asia Pac Islamic Balanced	07/11/06	-26.53	-28.50	-29.90	n.a	16.25	-1.84	8	7
	TA Global Asset Allocator	12/06/06	-26.24	-28.09	-28.30	n.a	16.75	-1.69	7	5
	AVERAGE (11)		**-22.64**	**-25.98**	**-26.54**	**4.39**	**15.17**	**-1.76**		
	Fixed Income^									
	Alliance Global Bond	19/05/06	4.65	4.52	1.41	n.a	8.45	0.17	7	8
	AMNRaya Unit Trust	21/09/06	-3.17	-1.96	-1.88	n.a	6.33	-0.30	14	13
E	Avenue IncomeEXTRA	10/09/99	-7.10	-5.54	-5.16	3.34	11.29	-0.46	17	17
	Avenue BondEXTRA	08/10/02	-5.68	-3.93	-3.43	6.57	9.82	-0.35	16	15
E	CIMB Bond	15/11/95	0.40	1.65	2.22	10.95	3.34	0.66	5	6
E	CIMB Strategic Bond	23/03/04	-1.20	-1.07	-1.07	18.56	5.80	-0.18	11	11
	CIMB Xcess Income	20/04/06	1.26	2.57	2.83	n.a	0.46	6.15	3	2
E	CIMB Multi-Maturity Income 1	18/08/06	-4.16	-0.96	-0.47	n.a	3.85	-0.12	10	10
	CIMB Global Income	21/03/07	2.05	1.95	2.25	n.a	2.01	1.12	4	3
E	CIMB Lifecycle-2017	12/07/07	-19.72	-22.80	-22.71	n.a	9.29	-2.44	18	20
E	CIMB Lifecycle-2022	13/07/07	-26.45	-29.86	-29.79	n.a	12.82	-2.32	19	18
E	CIMB Lifecycle-2027	14/07/07	-27.80	-31.67	-31.65	n.a	13.34	-2.37	20	19
	CMS Bond	15/08/02	1.66	3.17	3.67	13.26	0.27	13.59	1	1
	Hwang Select Bond	28/07/03	0.49	1.75	2.15	13.43	2.37	0.91	6	4
E	ING Income Plus	23/04/04	0	1.01	1.05	8.68	4.42	0.24	8	7
	ING Annual Alpha	08/04/08	-4.20	-4.20	n.a	n.a	n.a	n.a	n.a	n.a
	ING Annual Income Climate	10/09/08	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
	KAF Bond	01/11/06	1.05	2.59	2.98	n.a	4.01	0.74	2	5
	OSK-UOB Income	26/02/03	-3.64	-2.50	-1.88	10.92	7.53	-0.25	15	12
	Pheim Income	28/01/02	-3.08	-1.18	-1.34	17.12	3.46	-0.39	12	16
	PruBond	29/05/01	-1.57	-1.74	-1.67	6.29	5.11	-0.33	13	14
	RHB Commodities Cap Protected	30/04/08	-4.44	-4.44	n.a	n.a	n.a	n.a	n.a	n.a
E	RHB Goldenlife Today	21/02/05	-1.84	-1.39	-0.34	25.65	3.46	-0.10	9	9
	AVERAGE (23)		**-4.66**	**-4.27**	**-4.14**	**12.25**	**5.87**	**0.70**		

	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-Islamic^									
	AMNRaya Syariah Trust	21/09/06	-4.19	-3.05	-2.84	n.a	5.87	-0.48	7	7
E	AmBond Islam	20/01/00	0.54	1.79	2.04	12.91	4.35	0.47	4	4
	Avenue AsnitaBOND	18/03/05	0.38	2.00	2.13	10.28	5.72	0.37	3	5
E	CIMB Islamic Enhanced Sukuk	23/02/05	-8.92	-10.67	-9.12	7.30	5.59	-1.63	8	8
	CIMB Islamic Short Term Sukuk	20/04/06	1.42	2.58	2.84	n.a	0.93	3.05	2	1
	CIMB Islamic Kausar LC-2017	12/07/07	-17.26	-18.22	-18.01	n.a	8.32	-2.16	9	11
	CIMB Islamic Kausar LC-2022	13/07/07	-24.47	-24.48	-24.27	n.a	12.21	-1.99	10	9
	CIMB Islamic Kausar LC-2027	14/07/07	-25.30	-26.01	-25.83	n.a	12.43	-2.08	11	10
E	ING BON Islam	23/04/04	1.01	1.64	1.72	10.39	2.16	0.80	5	3
E	PruDana Wafi	21/02/05	-0.06	0.74	0.87	9.93	4.07	0.21	6	6
E	RHB Islamic Bond	25/08/00	4.28	6.73	6.78	10.69	5.32	1.27	1	2
	AVERAGE (11)		**-6.60**	**-6.09**	**-5.79**	**10.25**	**6.09**	**-0.20**		
	KLCI		**-32.13**	**-40.06**	**-38.00**	**-3.35**				

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

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