June | 2010

Phillip Funds *focus*

A MONTHLY NEWSLETTER EXCLUSIVELY FOR INVESTMENT PROFESSIONALS

A Brief Synopsis

- *May was a terrible month for global equities. The Euro sovereign debt problems remained unresolved despite having a US$1 tr rescue package. The Nikkei plummeted 11.7% while the Dow plunged 7.9% during the month. The Shanghai and Hang Seng index slumped by 9.7% and 6.4% respectively as fiscal tightening continued.*

- *Tthe KLCI nose-dived below the 1,300 pts psychological support level to close 61 pts or 4.6% lower to 1,285.01 in May, representing the deepest monthly fall since Dec 2008. Malaysia GDP accelerated to 10.7% y-o-y in 1Q, the strongest in a decade after returning to a growth of 4.4% in the previous quarter. Next, Bank Negara further increased interest rate by another 25 bps to 2.5% after the initial increase in Mar 2010.*

- *Following the Greek debacle, investors have begun to question the credibility of risk-free government debt. High fiscal deficit countries have began to placate bond holders by preaching fiscal rectitude. Economic growth especially within the developed nations and Euro region is still weak and we have reached a juncture whereby growth will have to come from private sector initiative.*

- *Recent economic data are still robust, but financial conditions are indicating otherwise – elevated stress levels in the financial market. Market will be disrupted as liquidity is withdrawn. Hence, the need for a cautious stance.*

Where to Look Out For…	***Page***

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Window to The World

- ***Bloody May*** **–** May was a terrible month for global equities. It started off with the "flash crash" whereby the Dow plunged by 998.5 pts, the biggest one-day point decline in Dow's history. Next, the Euro sovereign debt problems remained unresolved despite having a US$1 tr rescue package. Moreover, the bailout of a small Spanish bank and Germany's move to ban naked short-selling and CDS trading on eurozone debt only fuelled the selldown. The Nikkei plummeted 11.7% while the Dow plunged 7.9% during the month.

- ***Emerging Markets Not Spared*** **–** With risk aversion in mind, investors decided to wind down their positions in emerging markets. The Shanghai and Hang Seng index slumped by 9.7% and 6.4% respectively in May as fiscal tightening continued. As anticipated, Australia raised its interest rate to 4.5% but shocked many by imposing a 40% super tax on mining companies. Tensions between the North and South Koreans heightened when the South implicated their Northern neighbour of sinking their navy vessel, sending the Korean market down by 5.8%.

- ***Gold Touched New High*** **–** Gold prices usually move in inverse relationship vis-à-vis the US dollar. But with lingering concerns on the Eurodollar and burgeoning fiscal deficit of the US government, investors saw gold as an alternative safe haven. Gold scaled to a new high of US$1,250/troy oz despite a strong US dollar, ending the month off its high at US$1,212/troy oz or 2.7% monthly gain.

Markets Performance

	May 10 (%)
China	- 9.7
Hong Kong	- 6.4
Japan	- 11.7
Malaysia	- 4.6
Singapore	- 7.5
South Korea	- 5.8
US	- 7.9

	YTD (%)
China	- 20.9
Hong Kong	- 9.6
Japan	- 7.4
Malaysia	+ 1.0
Singapore	- 5.0
South Korea	- 2.5
US	- 2.8

Source: PCM

A Peep into Malaysia

- ***KLCI Fell Steeply*** **–** Taking cue from the global markets, the KLCI nose-dived below the 1,300 pts psychological support level to close 61 pts or 4.6% lower to 1,285.01 pts in May, representing the deepest monthly fall since Dec 2008. The overall market's performance was weaker than the KLCI with the Emas Index losing 5%.

- ***Double Digit Growth in 1Q*** **–** Malaysia GDP accelerated to 10.7% y-o-y in 1Q, the strongest in a decade after returning to a growth of 4.4% in the previous quarter. Growth was spurred by stronger domestic demand and manufacturing output. Next, Bank Negara further increased interest rate by another 25 bps to 2.5% after the initial increase in Mar 2010.

- ***Corporate Developments*** **–** Two plantation heavyweights dominated the headlines for the wrong reason. Sime Darby revealed RM1 bn worth of cost overrun while Wilmar was implicated in tax fraud accusation. Berjaya Corp was granted approval for sports betting through Ascot Sports.

Where Do We Go From Here

- ***Volatility to Increase*** **–** Investors' sentiment have turned cautious and many are worried about the sovereign debt situation. Nonetheless, upon any slightly positive news, investors would also be ready to pile right back in to the market after the sharp rebound last year which caught many by surprise. Likewise, the opposite would also happen upon any negative newsflow, causing the market to slump back. Such collective actions will only add volatility to the current uncertain market condition.

- ***Fiscal Austerity*** **–** Following the Greek debacle and having seen the massive devaluation of the Eurodollar, investors have begun to question the credibility of risk-free government debt. England, Germany, Japan, US and other high fiscal deficit countries have began to placate bond holders by preaching fiscal rectitude. They are worried to face the same run on their bonds.

- ***Growth Still Weak*** **–** But whether these austerity measures are purely just rhetoric are yet to be seen. Economic growth especially within the developed nations and Euro region is still weak and we have reached a juncture whereby growth will have to come from private sector initiative.

- ***Precious Metal Back in Vogue –*** It is difficult to see the Euro swallowing the austerity pill, as politicians will most likely succumb to populist policies, choosing to inflate their debt away instead of restructuring their economy. Already the Eurodollar's confidence has been shaken and everybody is aware of the divided views among EU members. That leaves investors with fewer choices of alternative fiat paper – Swiss franc, Aussie dollars, Canadian loonies, etc. As such, interest may flow to precious metals such as gold, silver, platinum which serves as a preservation of value.

Lighting Up Your Path

- ***Yellow Lights Flashing*** **–** Recent economic data are still robust, but financial conditions are indicating otherwise – elevated stress levels in the financial market. The LIBOR rate, Treasury yield spread, etc are all on an uptick, signalling that banks are beginning to withhold funding to buffer up their reserves for potential writedowns on Euro denominated debts. Market will be disrupted as liquidity is withdrawn. Hence, the need for a cautious stance.

- ***Opportunities in Emerging Markets and Precious Metals*** **–** Despite the headwinds, emerging markets have been battered down to an attractive level and this bloc is better suited to weather through the current sovereign debt crisis. No doubt it may slump lower but nobody can tell when it will hit its trough. Hence, we always advocate a dollar cost averaging strategy. Precious metals is another theme which we also favour following the fallout

Walking With You

	Equities	Mixed Assets	Fixed Income^
Low Risk	40%	40%	20%
Moderate Risk	50%	35%	15%
High Risk	60%	35%	5%

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

^ Fixed Income includes capital protected funds and money market funds

- We shall adopt a cautious stance for June and nibble along the way as the market takes a dip. However, some of the funds had already brought down their equity exposure. As such, the same allocation is maintained to avoid missing out on any rebound in the market. We have also decided to shift 10% from the Malaysian equity funds into the overseas funds to give us better upside opportunity when the market rebounds.

PMB Model Portfolio

PMB Model Portfolio* (%)				
Fund Name	**Mar 10**	**Apr 10**	**May 10**	**Jun 10**
PruGrowth	30	30	30	20
HwangDBS Asia Quantum	20	20	20	30
OSK-UOB Kidsave	35	35	35	35
AmBon Islam	15	15	15	15
Total	**100**	**100**	**100**	**100**

PMB Islamic Model Portfolio* (%)				
Fund Name	**Mar 10**	**Apr 10**	**May 10**	**Jun 10**
HwangDBS Aiiman Growth	30	30	30	20
PruAsia Pacific Shariah Fund	20	20	20	30
RHB Mudharabah	35	35	35	35
AmBon Islam	15	15	15	15
Total	**100**	**100**	**100**	**100**

** Moderate risk portfolio*

- Equity funds, PruGrowth and Aiiman Growth, fell 4.8% and 6.8% respectively. Overseas equity funds took an even heavier beating with Asia Quantum and PruAsia Pacific Shariah dropping by 9.0% and 7.1% respectively.

- Mixed assets funds suffered the similar fate, albeit a smaller contraction. OSK-UOB Kidsave and RHB Mudharabah dropped by 3.2% and 3.5% respectively. On the other hand, bond funds did well in this turmoil. AmBon Islam managed a positive return of 0.6%.

- Both model portfolios suffered losses with PMB portfolio giving up 4.1% while the Islamic portfolio lost 4.3%. May's monthly losses itself were large enough to wipe out gains for 2010 bringing the YTD performance to -0.3% for both portfolios vis-à-vis KLCI's gain of 1.0%.

- Emerging markets suffered a heavy correction and look attractive for us to implement the dollar cost averaging strategy. We have decided to shift 10% from the Malaysian equity funds into Asia Quantum and PruAsia Pacific Shariah for both portfolios respectively. As the Malaysian market tends to be more defensive, the overseas funds give us better upside opportunity when the market rebounds.

Flavour for the Month

Funds Recommendation for June 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	OSK-UOB Kidsave	
		PruBalanced	
Malaysia	AmIttikal	PruDana Dinamik	AmBon Islam
(Islamic)	CIMB Islamic Small Cap	RHB Mudharabah	RHB Islamic Bond
	HwangDBS Aiiman Growth		
	PruDana Al-ilham		
	TA Islamic		
Asia	HwangDBS Asia Quantum	OSK-UOB Golden Dragon	
	OSK-UOB Big Cap China Ent	PruAsia Select Income	
	OSK-UOB Resources		
	*PruAsia Pacific Shariah Fund		
	TA South East Asia		
Global	*AmPrecious Metals		
	HwangDBS Global Emerging Market PruGlobal Basics		
	PruGlobal Basics		
	PruGlobal Emerging Market		

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

- May saw all funds at the losing end with the exception of bond funds which benefited from the flight to safety. For equity and mixed assets funds, it was a competition between funds that lost the least. As Malaysia tends to be a defensive market, losses where much smaller compared to funds with overseas exposure. Malaysian equity funds on average lost about 4.7%.

- The current selldown provides another opportunity to build-up on our emerging market exposure. We still favour emerging nations such as China, Indonesia, etc. If any markets were to come out stronger from this crisis, it will be the emerging markets, which has better macroeconomic fundamentals.

- After much deliberation, we have decided to recommend AmPrecious Metals. In international finance, the US$ is the de facto world currency and also serves as the world's primary reserve. Alternative fiat papers would be the Eurodollar and Yen, which are also not better of. Investment in gold is a vote of no confidence towards these governments and it is not in the best interests of central bankers which may intervene from time to time to support these currencies. As such this fund will be extremely volatile and only suitable for aggressive investors which can stomach the risks. The fund is also Shariah compliant.

- Of note, CIMB-Principal Global Income fund has been liquidated and taken off our funds universe.

Tracking our Recommendations

Category	April 2010	May 2010	June 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
Islamic Growth - Malaysia	AmIttikal	AmIttikal	AmIttikal
	CIMB Islamic Small Cap	CIMB Islamic Small Cap	CIMB Islamic Small Cap
	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	HwangDBS Asia Quantum	HwangDBS Asia Quantum	HwangDBS Asia Quantum
	OSK-UOB Big Cap China Ent	OSK-UOB Big Cap China Ent	OSK-UOB Big Cap China Ent
	OSK-UOB Resources	OSK-UOB Resources	OSK-UOB Resources
	PruAsia Pacific Shariah Fund	PruAsia Pacific Shariah Fund	PruAsia Pacific Shariah Fund
	TA South East Asia	TA South East Asia	TA South East Asia
Offshore – Global	HwangDBS Global Emerging Market	HwangDBS Global Emerging Market	AmPrecious Metals
	PruGlobal Basics	PruGlobal Basics	HwangDBS Global Emerging Market
	PruGlobal Emerging Market	PruGlobal Emerging Market	PruGlobal Basics
			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	OSK-UOB Kidsave
	PruBalanced	PruBalanced	PruBalanced
Islamic – Malaysia	PruDana Dinamik	PruDana Dinamik	PruDana 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	2.90	1.04	17.24	0.46	10.18	1.69	17	17
E	Affin Select Growth	22/07/09	1.65	-0.58	-	-	-	-	-	-
	Alliance Tactical Growth	02/09/04	4.52	3.01	16.87	-3.71	10.25	1.65	18	20
	AmCumulative Growth	24/07/96	-3.59	-4.86	13.81	-14.41	13.80	1.00	24	30
E	AmDividend income	28/03/05	1.35	0.71	19.54	11.25	10.61	1.84	12	15
E	AmTotal Return	10/01/89	3.34	1.51	16.15	-2.35	8.05	2.01	19	10
	Areca Equity Trust	23/04/07	6.57	4.67	29.17	26.44	11.07	2.64	3	3
E	ASM First Public	20/04/92	4.17	2.94	14.35	1.21	7.55	1.90	23	14
E	ASM Index	25/03/02	2.51	1.31	13.70	-3.45	6.80	2.02	25	8
E	ASM KMB Dana Pertumbuhan	28/12/72	3.07	2.14	18.71	-10.09	8.60	2.18	14	6
E	ASM Premier	12/06/95	1.68	1.54	12.87	-5.01	7.98	1.61	27	22
E	Avenue DividendEXTRA	18/03/05	-1.34	-2.67	13.28	4.62	9.18	1.45	26	27
E	Avenue EquityEXTRA	10/09/99	4.45	2.70	17.36	1.55	11.94	1.45	16	26
E	CIMB-Principal Equity Aggressive 3	12/03/98	3.61	0.74	27.72	-3.80	14.00	1.98	4	12
E	CMS Malaysian Inc	09/11/07	-3.71	-3.15	2.98	-	8.98	0.33	32	32
E	CMS Premier	26/11/96	-0.92	-2.83	4.77	-30.22	10.80	0.44	31	31
	HwangDBS Select Opportunity	07/09/01	3.90	1.21	26.53	5.39	14.79	1.79	5	16
E	ING Blue Chip	23/04/04	0.02	-1.56	14.46	-4.22	9.51	1.52	22	23
E	ING Tactical	23/04/04	0.04	-1.75	12.12	-13.57	9.47	1.28	30	29
	InterPac Dynamic Equity	25/07/07	13.65	8.39	30.17	-	9.06	3.33	2	2
E	Kenanga Growth	17/01/00	8.78	6.06	22.18	17.42	6.29	3.52	10	1
E	OSK-UOB KLCI Tracker	03/04/00	2.63	1.19	24.72	0.28	11.73	2.11	6	7
E	OSK-UOB Malaysia Dividend	04/03/08	4.56	2.86	19.31	-	11.46	1.69	13	18
E	OSK-UOB Smart Treasure	07/09/04	2.45	0.48	15.80	11.74	10.78	1.47	20	25
E	OSK-UOB Thematic Growth	26/09/07	4.89	3.77	12.71	-	5.76	2.21	29	5
	Phillip Master Equity Growth	18/06/03	9.43	5.08	66.30	25.20	40.82	1.62	1	21
E	PruEquity income	18/10/04	4.34	2.51	22.41	-4.68	9.00	2.49	9	4
E	PruGrowth	29/05/01	2.15	0.52	22.89	5.95	11.41	2.01	8	9
E	RHB Capital	12/04/95	4.60	2.00	23.81	5.96	11.91	2.00	7	11
E	RHB GoldenLife 2030	21/02/05	6.34	5.07	21.91	28.00	11.48	1.91	11	13
E	TA Comet	01/10/99	2.33	0.05	12.86	-10.07	9.80	1.31	28	28
E	TA Growth	01/07/96	4.36	3.45	18.59	6.11	11.16	1.67	15	19
E	TA High Growth	07/06/04	4.65	2.57	14.73	3.65	9.95	1.48	21	24
	AVERAGE (33)		**3.31**	**1.52**	**19.37**	**1.77**	**11.07**	**1.80**		
	Equity– Islamic Growth – Msia									
E	Affin Islamic Equity	01/08/07	-2.23	-4.11	7.56	-	8.59	0.88	16	16
E	Alliance Dana Adib	25/03/04	1.77	0.87	12.33	0.16	7.61	1.62	11	5
	Amanah Saham Wanita	04/05/98	-0.38	-2.43	6.14	-9.37	7.70	0.80	20	18
	AmanahRaya Islamic Equity	23/04/08	1.63	-0.12	7.80	-	16.96	0.46	15	21

	FUNDS	LAUNCH	RETURN				STD DEV	RTN/	RANK	RANK
		DATE	6-MTH (%)	YTD (%)	1-YR (%)	3-YR (%)	1-YR (%)	RISK	ABS (1-YR)	RAR (1-YR)
	Equity– Islamic Growth – Msia									
E	AmIslamic Growth	10/09/04	2.26	0.64	16.74	-3.06	10.48	1.60	5	6
E	AmIttikal	12/01/93	1.07	-0.47	16.33	1.75	10.75	1.52	6	8
E	ASM Dana Al-Aiman	19/05/97	2.52	1.72	8.10	0.84	4.54	1.79	14	4
E	ASM Dana Bestari	03/10/02	0.99	1.21	4.68	-10.46	5.35	0.87	21	17
E	ASM Dana Mutiara	05/08/04	1.56	1.31	6.94	-24.18	10.00	0.69	18	20
E	ASM Syariah Aggressive	21/11/05	-4.69	-4.94	1.08	-34.86	9.88	0.11	22	22
E	ASM Syariah Dividend	21/07/08	2.82	2.43	6.33	-	5.14	1.23	19	13
E	CIMB Islamic Equity Aggressive	15/06/95	2.11	-1.01	20.33	-5.03	13.88	1.46	3	11
E	CMS Islamic	15/08/02	0.88	-1.43	8.58	-13.99	8.21	1.04	12	14
E	HwangDBS AIIMAN Growth	08/10/02	1.72	0.36	19.09	12.21	13.01	1.47	4	10
E	ING Ekuiti Islam	23/04/04	-0.20	-1.61	8.42	-10.73	9.39	0.90	13	15
*	InterPac Dana Safi	25/07/07	15.11	9.25	29.08	-	9.41	3.09	1	1
E	Kenanga Syariah Growth	29/01/02	8.73	5.65	20.46	12.42	6.84	2.99	2	2
E	OSK-UOB Dana Islam	26/10/01	-0.62	-2.82	7.15	-7.00	10.02	0.71	17	19
E	PruDana Al-ilham	14/08/02	2.74	1.64	15.27	4.74	8.45	1.81	8	3
E	RHB Islamic Growth	26/01/04	3.33	1.01	15.89	-0.70	10.67	1.49	7	9
E	TA Dana Fokus	17/06/08	5.43	2.30	12.44	-	9.10	1.37	10	12
E	TA Islamic	24/04/01	1.96	0.49	14.22	6.94	9.27	1.53	9	7
	AVERAGE (22)		**2.21**	**0.45**	**12.04**	**-4.72**	**9.33**	**1.34**		
	Equity- Small Cap - Malaysia									
	Alliance Vision	01/03/00	4.86	2.55	17.19	-3.87	10.56	1.63	3	2
E*	CIMB Islamic Small Cap	30/04/03	19.91	9.07	28.02	16.50	15.22	1.84	1	1
	ING Hwang Growth Opportunities	23/04/04	3.15	1.65	15.55	-22.78	10.41	1.49	4	4
E	OSK-UOB Emerging Opportunity	18/05/04	4.67	2.68	11.79	11.61	11.86	0.99	6	6
	OSK-UOB Small Cap Opportunity	20/04/98	-1.33	-2.63	1.69	-13.26	8.51	0.20	7	7
E	PruSmall cap	29/05/01	7.36	4.35	24.46	4.75	16.37	1.49	2	3
E	TA Small Cap	09/02/04	6.12	3.06	13.86	-7.56	9.29	1.49	5	5
	AVERAGE (7)		**6.39**	**2.96**	**16.08**	**-2.09**	**11.75**	**1.31**		
	Equity- Offshore – Asia									
	Am-Namaa' Asia-Pacific Eq Growth	11/08/08	4.47	0.24	22.10	-	18.11	1.22	3	3
	Avenue CLAF	18/07/07	0.69	-3.06	11.12	-	13.87	0.80	7	6
*	CIMB Islamic Asia Pacific Equity	02/06/06	-6.87	-13.00		-	21.08	-	-	-
	CIMB ASEAN Equity	12/09/07	-2.34	-6.30	20.02	-	18.68	1.07	4	4
	CIMB Asia Infrastructure Equity	25/03/08	-7.97	-12.38	0.39	-	16.12	0.02	17	17
	CIMB Emerging Asia	22/11/05	-6.31	-11.61	6.42	-21.26	20.27	0.32	13	14
	CIMB Greater China	12/06/07	-8.71	-13.42	6.75	-	17.48	0.39	12	12
	HwangDBS Asia Quantum	15/04/04	12.52	2.94	30.87	24.65	18.77	1.64	1	1
	ING China Access	11/01/08	-9.85	-9.54	4.56	-	15.33	0.30	15	16
	OSK-UOB Asia Pacific	06/01/06	-8.28	-11.49	8.53	-29.76	17.31	0.49	11	11

	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	-13.26	-20.79	-2.83	-	27.13	-0.10	18	18
	OSK-UOB Big Cap China Ent	03/12/07	-10.36	-10.51	9.38	-	16.60	0.57	9	9
	OSK-UOB Resources	16/05/06	-4.16	-7.85	11.46	13.16	12.67	0.90	6	5
	Pheim Asia Ex-Japan	30/06/06	-2.72	-5.65	9.00	-11.80	13.69	0.66	10	8
*	Pheim Asia Ex-Japan Islamic	01/11/06	-2.60	-5.34	4.48	-7.69	13.36	0.34	16	13
	PruAsia Pacific Equity	21/07/05	-9.27	-12.25	12.52	-14.82	16.35	0.77	5	7
*	PruAsia Pacific Syariah Equity	22/11/07	-7.84	-12.18	10.85	-	19.58	0.55	8	10
*	PruDinasti equity	26/10/09	-6.63	-9.37	-	-	-	-	-	-
	RHB Dividend Value Equity	13/07/05	-9.71	-12.89	5.74	-19.92	18.16	0.32	14	15
	TA South East Asian Equity	28/11/05	-0.90	-4.62	24.48	-3.57	17.40	1.41	2	2
	AVERAGE (20)		**-5.00**	**-8.95**	**10.88**	**-7.89**	**17.47**	**0.65**		
	Equity – Offshore – Others									
	Alliance Global Diversified Property	09/08/07	-2.03	-7.01	20.30	-	17.60	1.15	2	2
	Alliance Global Equities	19/05/06	-7.90	-10.29	5.51	-20.00	15.71	0.35	11	10
	AmBRIC Equity	09/11/09	-13.87	-12.98	-	-	-	-	-	-
*	AmOasis Global Islamic Equity	21/04/06	-11.10	-12.86	7.14	-29.95	13.60	0.52	9	8
*	AmPrecious Metals	15/11/07	-7.28	0.12	4.47	-	22.61	0.20	13	15
*	AmStaples	17/12/08	-8.64	-6.70	-0.09	-	8.39	-0.01	18	18
	CIMB Climate Change Equity	27/09/07	-15.57	-20.41	-10.69	-	18.86	-0.57	24	23
	CIMB Global Titans	18/07/05	-9.40	-11.62	-1.48	-27.03	12.65	-0.12	19	19
	CIMB MENA Equity	19/02/08	-6.05	-4.43	0.89	-	13.28	0.07	17	17
	Hwang Environment Opportunities	18/09/07	-10.09	-13.05	2.80	-	15.69	0.18	16	16
	Hwang Global Commodity	20/08/07	-12.44	-13.15	-6.41	-	12.74	-0.50	22	22
	Hwang Global Emerging Markets	11/01/07	-9.74	-13.18	8.14	25.62	18.57	0.44	7	9
	Hwang Global Infrastructure	25/04/07	-9.51	-13.14	4.50	-30.47	13.76	0.33	12	12
	Hwang Global Property	19/04/06	-2.82	-6.34	28.82	-42.26	23.23	1.24	1	1
	Hwang US Access 80	12/03/09	-0.67	-1.93	7.19	-	7.72	0.93	8	4
	ING Global Dividend	19/03/07	-9.24	-10.47	4.42	-38.38	13.33	0.33	14	11
	ING Global Real Estate	18/07/06	-5.23	-8.27	14.61	-39.23	16.33	0.89	3	5
	OSK-UOB Gold and General	21/07/09	-8.36	-2.50	-	-	-	-	-	-
	PruCountry Selection	18/03/08	-17.14	-17.87	-4.38	-	19.99	-0.22	21	20
	PruGlobal Basics	17/01/07	-9.62	-12.04	11.02	-25.70	17.71	0.62	4	7
	PruGlobal Emerging Markets	11/01/08	-10.07	-14.27	6.11	-	18.82	0.32	10	13
	PruGlobal Leaders	23/03/06	-10.76	-13.57	4.27	-39.24	16.23	0.26	15	14
	RHB Global Multi Manager	23/08/07	-4.31	-5.42	10.15	-	10.64	0.95	5	3
	RHB Global Themes	05/01/07	-6.74	-10.13	9.39	-36.97	14.33	0.66	6	6
	TA European Equity	20/03/07	-17.53	-18.89	-4.32	-40.67	16.83	-0.26	20	21
	TA Global Utilities	15/08/07	-16.49	-19.52	-10.66	-	12.84	-0.83	23	24
	AVERAGE (26)		**-9.33**	**-10.77**	**4.65**	**-28.69**	**15.48**	**0.29**		

	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	3.82	2.36	15.55	-0.43	6.38	2.44	5	2
	AmBalanced	16/09/03	2.20	0.89	10.62	0.25	5.50	1.93	12	9
	AmConservative	16/09/03	-0.38	-1.29	1.73	3.13	5.77	0.30	18	18
E	ASM Balanced	06/12/97	-7.19	-7.74	0.55	-15.54	7.89	0.07	19	19
	Avenue TacticalEXTRA	18/03/05	3.93	1.78	14.65	7.34	9.05	1.62	7	13
E	CMS Balanced	23/05/01	1.88	-0.20	11.23	-6.83	5.62	2.00	10	8
E	Hwang Select Balanced	28/07/03	5.21	3.60	21.11	21.28	8.77	2.41	1	3
	Hwang Select Income	06/01/05	2.19	1.16	13.84	16.10	5.14	2.69	8	1
E	ING Balanced	15/03/00	2.33	1.45	16.52	4.25	9.15	1.81	3	12
E	ING Diversified	23/04/04	0.17	-0.91	7.22	-13.34	5.51	1.31	14	14
E	ING Managed Growth	23/04/04	1.51	0.37	10.00	-0.43	5.18	1.93	13	10
	KAF Jade	01/11/06	-6.84	-6.01	-	-	6.48	-	-	-
E	OSK-UOB Growth & Income Focus	07/01/05	2.94	0.11	5.76	16.81	7.53	0.77	17	16
E	OSK-UOB Kidsave	10/05/99	2.40	1.20	15.22	22.16	7.23	2.11	6	7
E	OSK-UOB Smart Balanced	07/09/04	2.62	0.61	6.30	16.61	8.24	0.76	16	17
	Pheim Emerging Co Balanced	28/01/02	0.18	-1.59	7.11	-4.94	7.95	0.89	15	15
	PruBalanced	29/05/01	1.97	1.12	15.64	7.77	6.99	2.24	4	5
E	PruDynamic	06/11/03	3.35	2.38	10.92	-10.32	5.93	1.84	11	11
	PruGlobal Market Navigator	20/04/09	-7.73	-8.17	-2.63	-	6.80	-0.39	20	20
E	RHB Goldenlife 2020	21/02/05	6.03	5.03	19.88	36.99	8.46	2.35	2	4
E	TA Income	06/05/02	1.59	0.19	12.91	6.17	6.12	2.11	9	6
	AVERAGE (21)		**1.06**	**-0.17**	**10.71**	**5.63**	**6.94**	**1.56**		
	Mixed Assets – Islamic- Msia									
E	Alliance Dana Alif	26/02/03	5.49	4.89	19.51	8.82	10.93	1.78	1	4
E*	AmIslamic Balanced	10/09/04	0.84	-0.38	9.22	0.27	6.82	1.35	6	8
E*	Avenue SyariahEXTRA	01/01/03	-1.19	-1.29	0.10	-19.02	6.63	0.02	11	11
E	CIMB Islamic Balanced Growth	26/05/03	2.79	0.43	15.18	-2.24	8.11	1.87	3	3
E	CMS Islamic Balanced	06/12/04	1.11	-0.98	8.36	1.46	5.78	1.45	8	7
E	Dana Islamiah Affin	11/11/01	-2.01	-3.44	4.40	0.94	6.75	0.65	10	10
E	Dana Makmur Pheim	28/01/02	1.17	-0.63	8.63	6.44	6.98	1.24	7	9
E	Hwang Aiiman Income Plus	28/06/04	-	-	-	-	5.29	-	-	-
E	Pru Al-Islah	14/08/02	2.06	1.45	7.53	8.55	2.23	3.37	9	1
E	PruDana Dinamik	25/02/04	2.13	1.24	10.89	3.88	5.45	2.00	5	2
E	RHB Mudharabah	09/05/96	2.96	0.53	11.10	9.15	6.65	1.67	4	6
E	TA Dana Optimix	17/01/05	2.94	0.00	15.26	3.89	8.94	1.71	2	5
	AVERAGE (12)		**1.66**	**0.16**	**10.02**	**2.01**	**6.71**	**1.55**		

	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 – Offshore									
	Alliance Adv GEM Treasures	23/10/07	-5.83	-7.34	7.62	-	12.09	0.63	5	7
	Alliance Optimal Income	02/09/04	3.38	3.21	16.20	-1.78	8.29	1.95	1	1
	CIMB Global Asset Spectra	13/11/06	-8.80	-12.06	0.53	-16.42	12.83	0.04	11	11
	CMS Asia Pacific Oriental	24/08/06	-8.65	-11.80	0.72	-17.25	13.90	0.05	10	10
	Hwang Global Financial Institutions	10/07/08	-7.16	-7.64	9.20	-	13.92	0.66	3	6
	OSK-UOB Golden Dragon	08/05/07	-6.77	-9.22	3.93	-4.29	13.74	0.29	8	9
*	OSK-UOB Muhibbah Income	12/03/07	-2.21	-2.81	3.75	-4.42	5.17	0.73	9	5
	PruAsia Select Income	18/11/05	-0.98	-1.98	9.11	12.47	5.92	1.54	4	3
	PruEnhanced Income	28/05/07	-0.55	-1.68	6.71	-5.10	4.07	1.65	6	2
*	TA Asia Pac Islamic Balanced	07/11/06	-3.70	-7.50	11.80	1.72	12.97	0.91	2	4
	TA Global Asset Allocator	12/06/06	-6.94	-9.67	6.07	-14.09	12.63	0.48	7	8
	AVERAGE (11)		**-4.38**	**-6.23**	**6.87**	**-5.46**	**10.50**	**0.81**		
	Fixed Income^									
E	Affin Capital Fund	12/12/01	-1.50	-1.92	1.51	8.05	3.52	0.43	26	27
	Alliance Asian Bond	19/05/06	-	-	-	-	10.10	-	-	-
	AmanahRaya Unit Trust	21/09/06	2.42	1.94	6.33	12.41	1.27	4.98	13	11
E	AmBond	20/01/00	3.12	2.39	8.24	14.00	1.09	7.59	9	5
E	AmDynamic Bond	16/09/03	4.48	3.23	11.58	21.75	1.65	7.02	3	6
E	AmIncome Plus	17/06/04	1.56	1.28	3.57	11.66	0.22	16.19	23	1
E	Areca Income Trust	23/04/07	2.03	1.76	5.23	12.18	0.56	9.36	18	3
	Avenue BondEXTRA	08/10/02	0.94	0.62	6.07	9.13	2.83	2.14	15	19
E	Avenue IncomeEXTRA	10/09/99	1.66	1.22	4.28	1.93	1.29	3.32	21	14
E	CIMB Bond	15/11/95	2.88	2.24	8.58	14.41	1.67	5.14	6	10
E	CIMB Lifecycle-2017	12/07/07	-1.84	-3.86	11.44	-	9.82	1.17	4	23
E	CIMB Lifecycle-2022	12/07/07	-2.75	-5.31	18.13	-	12.19	1.49	1	22
E	CIMB Lifecycle-2027	12/07/07	-2.69	-5.60	14.89	-	12.86	1.16	2	24
E „	CIMB Multi-Maturity Income 1	18/05/06	1.51	0.89	7.04	14.86	3.10	2.27	11	17
E	CIMB Strategic Bond	23/03/04	2.51	1.71	7.07	9.07	1.86	3.81	10	13
	CMS Bond	15/08/02	3.43	2.41	8.36	15.67	1.21	6.88	7	7
	Hwang Select Bond	28/07/03	0.20	0.06	6.27	14.89	2.30	2.73	14	15
	ING Annual Alpha	08/04/08	0.62	0.22	0.29	-	0.64	0.45	28	26
	ING Income Plus	23/04/04	1.97	1.64	4.85	6.27	1.24	3.92	19	12
E	KAF Bond	01/11/06	3.89	3.12	8.28	17.48	0.70	11.78	8	2
	OSK-UOB Energy	23/03/09	-9.27	-10.94	-3.33	-	16.24	-0.21	29	29
	OSK-UOB Income	26/02/03	2.70	2.14	5.92	5.22	0.64	9.31	16	4
	OSK-UOB Income Alpha	08/08/08	1.35	1.13	2.79	-	0.52	5.33	24	9
	OSK-UOB Smart Income	07/09/04	5.22	4.31	9.38	13.93	5.03	1.87	5	20
	Pheim Income	28/01/02	0.24	-0.42	4.04	12.55	2.38	1.70	22	21

	FUNDS	LAUNCH DATE	RETURN				STD DEV	RTN/ RISK	RANK	RANK
			6-MTH (%)	YTD (%)	1-YR (%)	3-YR (%)	1-YR (%)		ABS (1-YR)	RAR (1-YR)
	Fixed Income^									
	PruBond	29/05/01	1.68	1.07	4.53	-1.67	2.00	2.27	20	18
	PruEmerging Market Rates	20/08/08	3.47	0.10	5.51	-	7.30	0.75	17	25
	RHB Commodities Cap Protected	30/04/08	0.94	0.73	2.22	-	0.40	5.58	25	8
E	RHB Goldenlife Today	21/02/05	2.61	2.05	6.84	19.04	2.78	2.46	12	16
	TA All-Cycle Commodities Income	04/05/09	2.07	3.03	0.76	-	2.17	0.35	27	28
	AVERAGE (30)		**1.22**	**0.39**	**6.23**	**11.64**	**3.65**	**4.18**		
	Fixed Income-Islamic^									
	AmanahRaya Syariah Trust	21/09/06	2.42	1.94	5.95	10.83	1.36	4.39	8	6
E	AmBon Islam	26/11/01	3.15	2.41	7.63	12.69	1.18	6.45	5	1
	Avenue Asnita Bond	18/03/05	2.59	2.43	6.59	11.79	1.18	5.59	7	3
E	CIMB Islamic Enhanced Sukuk	23/02/05	2.37	1.33	8.46	8.70	2.92	2.90	4	7
	CIMB Islamic Kausar LC-2017	12/07/07	-0.72	-3.28	10.09	-	7.73	1.31	3	8
	CIMB Islamic Kausar LC-2022	12/07/07	-1.98	-5.10	13.68	-	10.49	1.30	1	9
	CIMB Islamic Kausar LC-2027	12/07/07	-2.15	-5.74	11.30	-	10.70	1.06	2	10
E	ING Bon Islam	23/04/04	1.23	0.94	3.21	7.12	0.58	5.58	10	4
E	PruDana Wafi	21/02/05	1.38	1.07	4.29	9.38	0.73	5.89	9	2
E	RHB Islamic Bond	25/08/00	4.33	3.50	6.74	16.44	1.33	5.06	6	5
	AVERAGE (10)		**1.26**	**-0.05**	**7.79**	**10.99**	**3.82**	**3.95**		
	KLCI		**2.06**	**0.96**	**23.07**	**-4.59**				

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
May-10	**1,285.01**	**-4.6**	**126.5**	**-4.1**	**123.4**	**-4.3**
Apr-10	1,346.38	+2.0	131.9	+1.2	128.9	+0.3
Mar-10	1,320.57	+3.9	130.3	+3.3	128.6	+2.9
Feb-10	1,270.78	+0.9	126.2	+0.3	124.9	+0.9
Jan-10	1,259.16	-1.1	125.8	-0.9	123.9	+0.1
Dec-09	1,272.78	+1.1	126.9	+1.4	123.8	+1.6
Nov-09	1,259.11	+1.3	125.1	+0.4	121.9	-0.8
Oct-09	1,243.23	+3.4	124.6	+1.0	122.9	+1.1
Sep-09	1,202.08	+2.4	123.4	+2.4	121.6	+1.8
Aug-09	1,174.27	-0.1	120.5	+0.8	119.4	+1.4
Jul-09	1,174.90	+9.3	119.6	+5.7	117.7	+4.5
Jun-09	1,075.24	+3.0	113.1	+0.9	112.6	+0.4
May-09	1,044.11	+5.4	112.1	+4.5	112.1	+4.7
Apr-09	990.74	+13.6	107.3	+4.6	107.1	+5.4
Mar-09	872.55	-2.0	102.6	+2.9	101.6	+1.6
Feb-09	890.67	+0.7	99.7	+0.1	100.0	-
Jan-09	884.45	+0.9	99.6	+0.5		
Dec-08	876.75	+2.6	99.1	-0.9		
16/12/2008	854.80	-	100.0	-		

** Performance includes income distribution of funds using reinvestment method.*