



PRU *balanced fund*

January 2012

Objective

Seeks to provide investors with capital appreciation and a reasonable level of current income by investing in a mixed portfolio of companies with good dividend yield and low price volatility and a portfolio of investment-grade fixed-income securities.

Investor Profile

- seek capital appreciation and income distribution
- have medium risk tolerance
- have medium-term investment horizon.

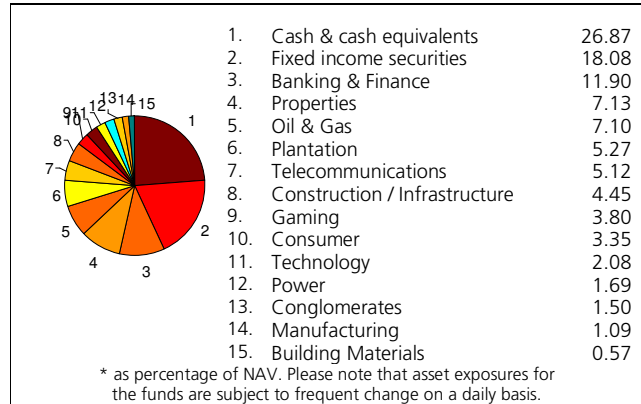
Investment Strategy

Invests in a balanced portfolio consisting equities, equity-related securities and fixed-income securities.

FUND DETAILS (as at 30 December 2011)

Launch Date	: 29 May 2001
Unit NAV	: RM0.8148
Fund Size	: RM52,113,001.10
Annual Management Fee	: 1.5% of NAV
Annual Trustee Fee	: 0.1% of NAV subject to a minimum of RM35,000 p.a.
Initial Service Charge	: Up to 5.26% of NAV per unit
Distribution Frequency	: It is intended that the Fund will distribute income at least once a year, subject to availability of income
Redemption Payment Period	: 10 days
Fund Manager	: Prudential Fund Management
Minimum Initial Investment (Lump Sum)	: RM1000*
(Regular)	: RM500*
Minimum Subsequent Investment (Lump Sum & Regular)	: RM100*
* or such amount we may from time to time decide	

SECTOR ALLOCATION*(as at 30 December 2011)



MANAGER'S COMMENTS

Equity Review:

After a sharp correction in November, the month of December saw global equity markets correct sharply mid December on the back of some disappointment from the 9 December 2011 EU Summit where investors had hoped for a more concrete resolution to the Euro Debt Crisis. Domestically, Malaysia bucked the trend in December, along with some of their ASEAN counterparts, and outperformed the region during the month. Window dressing activities were evident end of December, as investors bought ahead in preparation for the new year. The KLCI ended the month gaining 58.6 points or +3.98% to close at 1,530.7 points. The broader market outperformed the KLCI, with the FBM Emas Index gained 4.22% in December. The FBM Small Cap Index under performed the KLCI gaining 1.32% for the month. Average value traded on Bursa in December eased 8.9% mom to RM1.3bn per day due to the year end holiday season. The sector indices on the local bourse closed higher for December, with the best performing sectors being Technology (+11.36%) and Plantation (+6.15%). The worst performing sectors were Construction (+3.09%) and Industrial (+4.09%).

Fixed Income Review:

The headline inflation moderated to 3.3% yoy in November, compared to 3.4% yoy in October, driven by slower price increases in food & non-alcoholic beverages, housing & utilities, and transportation. There were only one sovereign bond auctions in December. The RM3.0bn of 3 year MGII reopening received an encouraging bid to cover ratio of 2.19x at an average yield of 3.204%. Month-on-month, 3-, 5- and 10-year MGS yields fell by 9bps, 7bps and 1bp to close at 2.98%, 3.22% and 3.69% respectively. MGII yields changed by -6bps, +1bp and -1bp to close at 3.18%, 3.36% and 3.79% respectively. Trading in corporate bonds remains largely in selected quasi-government, AAA and AA bonds.

INCOME DISTRIBUTION HISTORY

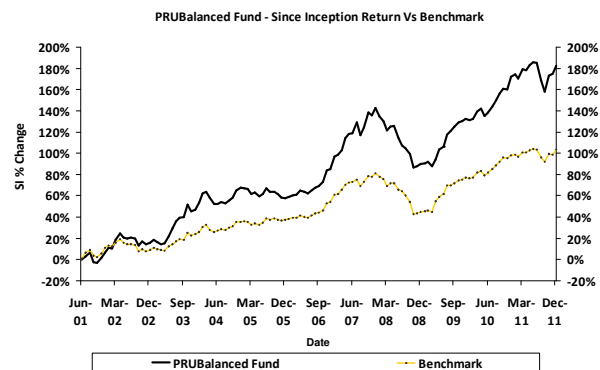
Date of Distribution	Gross Distribution per unit (sen)
25.08.2009	3.56
23.08.2010	1.93
28.03.2011	3.88

LARGEST HOLDINGS* (as at 30 December 2011)

Hyundai Capital Services	9.81
CIMB Group Holdings Bhd	4.43
Public Bank Bhd	3.72
Malayan Banking Bhd	3.23
Genting Bhd	2.79
Kuala Lumpur Kepong Bhd	2.73
Binariang GSM Sdn Bhd	2.68
Bumi Armada Bhd	2.53
Benalec Holdings Bhd	2.52
Jimah Energy Ventures Sdn Bhd	2.07
*as percentage of NAV	

FUND PERFORMANCE

Total returns of the following period ended 30 December 2011
Cumulative return over the period (%)



	1mth	6mths	1yr	3yrs	5yrs
Fund	2.71%	-1.37%	3.66%	48.59%	52.48%
B'mark*	2.34%	-0.46%	2.72%	40.78%	31.83%

* Weighted average : 50% FBM100 + 50% 12-mth MBB FD rate
Performance figures are sourced from Lipper Hindsight 5, Bursa Malaysia and Maybank, 30 December 2011

We recommend that you read and understand the Prudential Master Prospectus before investing. To invest, obtain a current Master Prospectus & Application Form from the head office of Prudential Fund Management Berhad or any approved distributor. A copy of the Prudential Master Prospectus dated 15 July 2011 and Supplemental Master Prospectus dated 17 August 2011 have been registered and lodged with the Securities Commission, who takes no responsibility for its contents. There are fees and expenses involved in investing in the funds. We suggest that you consider these charges carefully prior to making an investment. Past performance and income distributions are not guaranteed and may not be reflective of future performance and income distributions. Unit prices and income distributions, if any, may fall and rise. In the event that there is a discrepancy of information between the fact sheet and the prospectus, the information in the Prospectus shall prevail.