

The portfolio aims to achieve a slow but steady return by investing 50% into bond funds and 50% into equity funds. The target allocation may change with our views on financial markets. Currently we have an **overweight position in equities** and we are targeting to have an exposure of 40% bond funds and 60% equity funds.

|                          |             |                              |        |                                                                          |
|--------------------------|-------------|------------------------------|--------|--------------------------------------------------------------------------|
| <b>Total Investment:</b> | RM20,000.00 | <b>Absolute Return:</b>      | 3.69%  | <i>The portfolio value is net of initial sales charge of 2% or lower</i> |
| <b>Portfolio Value:</b>  | RM20,737.39 | <b>February 2013 Return:</b> | -0.75% |                                                                          |

| 1 Month | 3 Month | 6 Month | YTD   | 1 Year | 2011   | 2012   | Since Inception |
|---------|---------|---------|-------|--------|--------|--------|-----------------|
| -0.75%  | 3.94%   | 5.51%   | 0.98% | 5.49%  | -6.78% | 10.15% | 3.69%           |

^2011 return starting from 1 January 2011 since portfolio revamped. \*Cumulative Return

## BALANCED PORTFOLIO

| Fund Name                                           | Target Allocation (%) | NAV       |           | M-o-M Returns (%) |
|-----------------------------------------------------|-----------------------|-----------|-----------|-------------------|
|                                                     |                       | 31/1/2013 | 28/2/2013 |                   |
| AmDynamic Bond                                      | 16%                   | 0.6242    | 0.6267    | 0.40              |
| Hwang Select Bond Fund                              | 6%                    | 0.6247    | 0.627     | 0.37              |
| OSK-UOB Emerging Markets Bond Fund                  | 10%                   | 0.5496    | 0.5414    | 0.07              |
| RHB Asian Total Return Fund                         | 8%                    | 0.4431    | 0.4435    | 0.09              |
| Kenanga Growth Fund                                 | 6%                    | 0.7479    | 0.7578    | 1.32              |
| Pacific Global Stars Fund                           | 30%                   | 0.4264    | 0.4195    | -1.62             |
| Eastspring Investments Global Emerging Markets Fund | 10%                   | 0.2507    | 0.246     | -1.87             |
| Eastspring Investments Asia Pacific Equity MY Fund  | 14%                   | 0.5238    | 0.5156    | -1.57             |

## MARKET COMMENTARY

- Fed's meeting release indicated the divided view among board members over the scale of bond purchase program, its long terms costs on the economic activities and possible early policy. Such remarks sparked the uneasiness among investors worldwide which sent world equities down.
- The inconclusive Italian election results that created hung parliament put the efforts of ECB on test again. Once subsided political risk back to the center stage, propped up the bond yield of Italian and Spanish debts to higher level.
- Policy tightening fears and renewed pledges by Chinese government to curb property prices weighed down on China equities. Market worried on the risk of inflation might move up again and constraint the room of policy easing by PBoC.
- Plagued by such macro risks and policy uncertainties, China and Europe slipped 4.49% and 3.20% in a month. World equities declined 0.6% at the same period.
- On local front, FBM KLCI index gained 0.62%. Local bourse continued trading at weak sentiment while the political risk premium remains as evident near-term risk to local market.

[All returns in Ringgit terms unless otherwise stated]

## PORTFOLIO COMMENTARY

- 0.75% loss in February, following a 1.74% gain in January.
- Kenanga Growth Fund was the best performing fund in the month by returning a 1.32% gain, outperformed the 0.62% gain in the FBM KLCI.
- Eastspring Investments Global Emerging Markets Fund was the worst performing fund in the month by returning a 1.87% loss, underperformed the 1.78% loss in the Emerging Markets equities (represented by MSCI Emerging Markets Index).

## ACTION TAKE

- OSK-UOB Emerging Markets Bond Fund paid out gross dividend of RM 0.008592 per unit on 27 February 2013.
- Diversify the Asia ex-Japan equities exposure by allocating 7% of the portfolio value to CIMB-Principal Asia Pacific Dynamic Income Fund.
- Increase the equity exposure in developed markets by allocating 15% of the portfolio value to CIMB-Principal Global Titans Fund