

Sep 2010

The portfolio aims to achieve a slow but steady return by investing 90% into bond funds and 10% 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 80% bond funds and 20% equity funds.

Total Investment:	RM42,000.00	Absolute Return:	4.54%	Annualised	
Portfolio Value:	RM43,905.76	Aug 2010 Return:	0.08%	Internal Rate of Return:	3.28%

CONSERVATIVE PORTFOLIO

Fund Name	Target Allocation (%)	NAV		% Change
		31/07/2010	30/08/2010	
AmBond	28%	1.1236	1.1336	0.89
AmDynamic Bond	28%	0.6018	0.5904	-1.89
RHB Asian Total Return Fund	24%	0.4333	0.4405	1.66
Alliance Global Equities Fund	10%	0.4859	0.4779	-1.65
Kenanga Growth Fund	10%	1.5633	1.5842	1.34

MARKET COMMENTARY

- Global equity markets generally lower in August, with major markets like US and Europe lower by 6.3% and 5.4% respectively
- Weak US housing data and downwardly-revised economic growth weighed on global growth outlook
- Federal Reserve resumed quantitative easing by rolling over agency/mortgage debt payments into existing longer-dated Treasury bonds
- Treasuries rallied, driving down yields on safer government debt
- Exports remain robust, driving growth in various Asian economies, but expansion expected to slow going into 2H 2010.

PORTFOLIO COMMENTARY

The portfolio value rose by 0.08%. The increase was mainly driven by the RHB Asian Total Return Fund and AmBond, which increased 1.66% and 0.89% respectively. It was further supported by Kenanga Growth Fund which rose 1.34%. However, the performance of the portfolio was dragged down by AmDynamic Bond and Alliance Global Equities Fund, which downed 1.89% and 1.65% respectively. The decline in NAV of AmDynamic Bond was due to the 2 sen income distribution in 3 Aug 2010.

ACTION TAKEN

Monthly top-up:

1. RM500 into AmDynamic Bond
2. RM500 into Alliance Global Equities Fund