

Oct 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: | RM43,000.00 | Absolute Return: | 6.36% | Annualised | |
| Portfolio Value: | RM45,733.17 | Sep 2010 Return: | 1.84% | Internal Rate of Return: | 4.17% |

CONSERVATIVE PORTFOLIO

| Fund Name | Target Allocation (%) | NAV | | % Change |
|-------------------------------|-----------------------|------------|------------|----------|
| | | 30/08/2010 | 30/09/2010 | |
| AmBond | 28% | 1.1336 | 1.1228 | -0.95 |
| AmDynamic Bond | 28% | 0.5904 | 0.592 | 0.27 |
| RHB Asian Total Return Fund | 24% | 0.4405 | 0.4321 | -1.91 |
| Alliance Global Equities Fund | 10% | 0.4779 | 0.5099 | 6.70 |
| Kenanga Growth Fund | 10% | 1.5842 | 1.6537 | 4.39 |

MARKET COMMENTARY

- MSCI AC World gained 6.6% in the month
- European markets bounced back with an 8.7% return in Sep 10, as fears over the Euro-zone sovereign debt crisis subsided
- US Fed indicated its willingness to continue with further quantitative easing
- Global bonds underperformed in the month, as a weakening USD hurt returns

PORTFOLIO COMMENTARY

The portfolio value rose by 1.84%. The increase was mainly driven by the equity funds such as Alliance Global Equities Fund and Kenanga Growth Fund, which gained 6.70% and 4.39% respectively. However, the performance of the portfolio was dragged down by RHB Asian Total Return Fund and AmBond, which dropped 1.91% and 0.95% respectively. The decline in NAV of AmBond was due to the 1.5 sen income distribution in 28 Sep 2010.

ACTION TAKEN

- Monthly top-up:
1. RM1,000 into AmBond