

Jun 2011

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:	RM20,000.00	Absolute Return:	1.24%	<i>The portfolio value is net of initial sales charge of 2% or lower for equity funds</i>
Portfolio Value:	RM20,247.69	May 2011 Return:	0.85%	

CONSERVATIVE PORTFOLIO

Fund Name	Target Allocation (%)	NAV		% Change
		30/4/2011	31/5/2011	
AmBond	42%	1.1381	1.1441	0.53
AmDynamic Bond	14%	0.599	0.6052	1.04
RHB Asian Total Return Fund	24%	0.4082	0.4134	1.27
Alliance Global Equities Fund	14%	0.5659	0.5626	-0.58
Kenanga Growth Fund	6%	1.912	1.994	4.29

MARKET COMMENTARY

- Global stock markets lower on renewed European debt concerns
- Slower economic growth and end of QE2 weighing on markets
- MSCI AC World dropped 0.86% in the month in MYR terms
- MSCI Emerging Markets dropped 1.34% while MSCI Asia Ex-Japan gained 0.01% in the month in MYR terms.
- Malaysian markets outperformed, FBMKLCI gained 1.50% in the month

PORTFOLIO COMMENTARY

- 0.85% gain in May, following a 1.11% gain in April.
- Alliance Global Equities Fund was the worst performing fund in the portfolio, by returning a 0.58% loss in May, outperformed the 0.86% loss in the MSCI AC World.
- Kenanga Growth Fund was the best-performing fund in the portfolio. Its 4.29% gain outperformed the 1.50% gain in the FBMKLCI
- Prudential Asia Pacific dividend payout in May: RM0.0233
- Current market volatility is an opportunity to add to risky assets
- Global economic growth remains on track, maintaining overweight in equities

ACTION TAKEN

Nil