

Feb 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:	-0.93%
Portfolio Value:	RM19,813.81	Jan 2011 Return:	-0.93%

CONSERVATIVE PORTFOLIO

Fund Name	Target Allocation (%)	NAV		% Change
		3/1/2011	31/1/2011	
AmBond	42%	1.1377	1.1394	0.15
AmDynamic Bond	14%	0.6047	0.6073	0.43
RHB Asian Total Return Fund	24%	0.4128	0.4105	-0.56
Alliance Global Equities Fund	14%	0.5545	0.5537	-0.14
Kenanga Growth Fund	6%	1.809	1.8019	-0.39

MARKET COMMENTARY

- MSCI Emerging Markets lowered 2.81%, in local currency term, in January.
- As concerned on higher inflationary pressure, both India and Indonesia lowered by 11.13% and 7.95% respectively, in local currency term, in January.
- Positive economic data from US had led to expectation of better growth, leading bond yield to rise, which resulted in underperformance of fixed income fund.

PORTFOLIO COMMENTARY

The portfolio value decreased 0.93%. The best performing fund in the portfolio was AmDynamic Bond which gained 0.43%. The worst performing fund was RHB Asian Total Return Fund which was lowered by 0.56% due to rising yield environment. Equities remain attractive relative to bonds; therefore, we maintain "overweight" position in equities for portfolio.

ACTION TAKEN

Nil