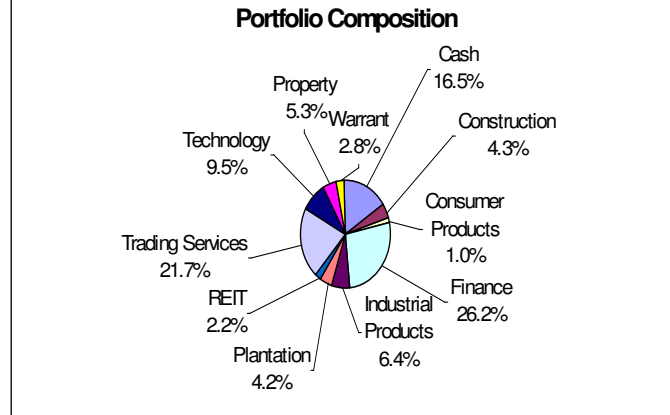
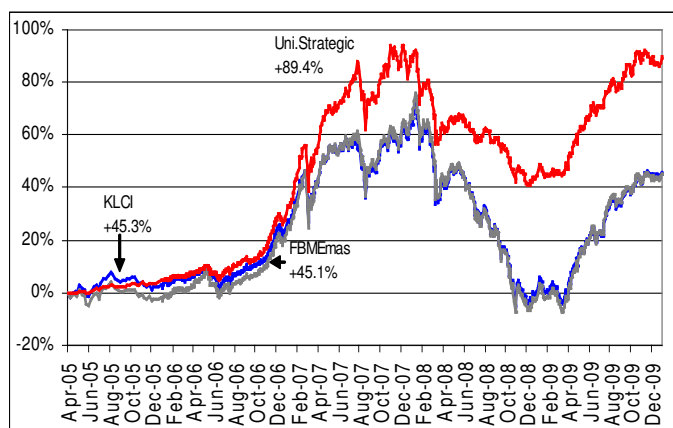


**OBJECTIVE**

To achieve consistent capital appreciation over the medium to long-term by investing mainly in companies those have been systematically filtered through a series of proven pre-determined financial criteria.

**THE FUND IS SUITABLE FOR INVESTORS WHO:**

- are willing to accept risks for returns presented by the stock market.
- have a medium to long term investment horizon.



**MANAGER'S COMMENTS**

Global equities remained upbeat throughout year end with the MSCI World index risen +27% and MSCI Asia-Ex Japan jumped +68% in 2009. Malaysian equities were also not left out from the recovery rally as the KLCI managed to close the year at 1,273 points, +45% higher from a year ago. In the Asian region, exporters rallied during the month on the back of strengthening US\$ whilst commodities prices softened. The Nikkei 225 jumped +13% whilst Taiwan and KOSPI gained +8% each. On the DXY Index, US\$ rebounded +4% from its low of 74.88 as of year-end.

On the corporate front, Sapura Crest bagged a 3+2 year transportation and installation contract worth RM1.5bn in the first year. Property stocks were also given a boost after the government lifted real-property gain taxes for properties held more than 5-years. For the month of December, mid and small caps were pretty much in the limelight spurred by sporadic rotational and laggard plays. Among mid-caps in focus were Top Glove and Adventa which rallied on the back of decent quarterly results. As a result, the broader index FBM Emas gained +1.5% to 8,508pts and FBM Small Cap gained +3% to 10,166points outstripping the KLCI.

For December 2009, the Fund's NAV rose 1.1% underperforming FBM Emas' rise of 1.5%. Year-to-date, the Fund's NAV rose 30.9% under-performing FBM Emas' gain of 48.6% due to high level of cash holding at the beginning of the rally. As we roll over to 2010, equities market is expected to stay volatile amidst doubt cast over the strength of the recovery, near mid-cycle valuations for many large caps. Strategy wise, we are adding small caps into the portfolio as valuation gap between big & small caps widen. We are also adding companies which offer generous and sustainable dividend yields in substitution of low-yield in money market instruments.

FUND DETAILS		TOP 5 HOLDINGS (%)	
Unit NAV(31/12/09)	RM 0.8995	RHB Capital	5.6
Fund Size	RM 16.1 million	Tenaga Nasional Bhd	5.4
Inception Date	1 April 2005	CIMB Group Holdings Bhd	5.3
Annual Fee	1.5%	Kurnia Asia Bhd	5.1
Initial Charge	5.0%	Malayan Banking Bhd	4.9

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