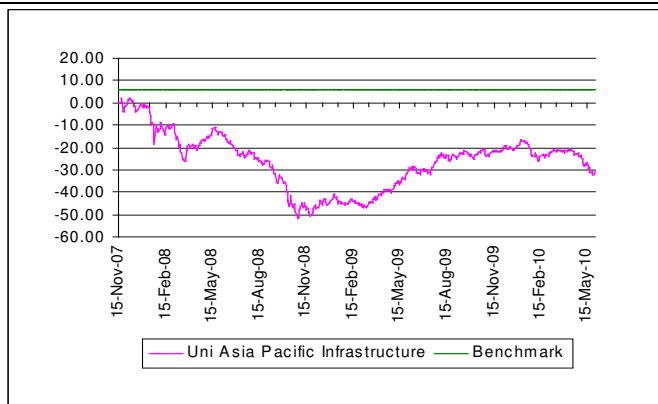


OBJECTIVE

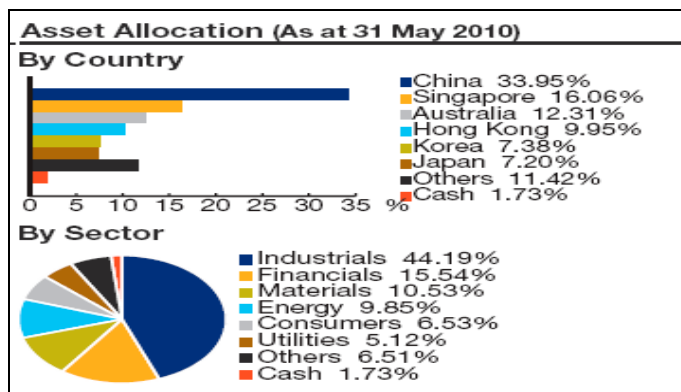
The fund aims to achieve medium to long-term capital growth by investing in a single collective investment scheme that invests primarily in securities (equities or equity-related securities) issued by companies which carry on infrastructure related businesses in the Asia-Pacific region.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- This Fund is suitable for investors who are looking for investment that meant to produce returns over long-term



Note: Benchmark return 6% pa



Note: Asset Allocation of United Asia Pacific Infrastructure Fund as at 31 May 10

MANAGER'S COMMENTS

The fund's NAV was down 8.03% in the month of May. Asian equity markets were down in May as risk aversion returned on concerns over the uncertainty of Europe's sovereign debt woes, outweighing the announcement of the €750bn Eurozone debt rescue package. In the past few months, risk aversion has driven by policy uncertainty not just in Europe but also in China, where tightening on the property market has been more aggressive than expected. Markets are however now beginning to price a downturn in the real economy. The development of events in the Eurozone is leading the market to draw parallels with what took place in the US in 2008 - the rescue of Bear Sterns, the collapse of Lehman, the Troubled Asset Relief Program (TARP) rescue and the final spillover into the real economy. We do not believe we will see a repeat of what happened after Lehman. For one, we believe the policymakers have learnt the lessons of Lehman and are unlikely to make a similar policy error. Also, the global business cycle is at a different point compared to September 2008 when the Lehman episode occurred. Fear can however be self-fulfilling and there is a risk that business and consumer confidence is meaningfully affected if markets stay volatile, resulting in another pullback in spending and hiring. We have been sanguine about the recovery of the global economy and the concomitant recovery of corporate earnings but recognise that spillover risks are rising.

We continue to hold a positive view in Asian markets. Asian economies continue to be in good shape with most countries running healthy current account surpluses and low government debt to GDP ratios. As Asian economies recover from the recession, real GDP growth in Asia is likely to peak in the second quarter and moderate going into the second half of the year. Although concerns over Europe's sovereign debt woes and monetary tightening in Asia will persist, we believe the market has more or less priced these in and will focus again on fundamentals. In our view, the ongoing improvement in the global economy and the recovery in corporate earnings are likely to drive equity markets higher in the coming months. Our key strategy going forward is to maintain our growth bias and focus on Asia's robust domestic demand which in our view will drive corporate earnings growth and valuation expansion. We maintain our overweight position in the **Consumer** sector. We have also upgraded **Industrials** and **Utilities** as we see attractive opportunities in the alternative energy and water treatment space. We will be upgrading **Technology** to overweight on buoyant demand and on a seasonally stronger quarter. We look to underweight **Financials** on concerns over policy risks and in relatively slower growth sectors like **Telecoms**. We will downgrade **Energy** sector on concerns over possible implementation of resource tax.

FUND DETAILS

TOP 5 HOLDINGS of United Asia Pacific Infrastructure Fund (% of NAV) as at 31 May 2010

Unit NAV (as at 31/5/10)	RM 0.3299	ZhuZhou CSR Times Electric Co Ltd	4.53%
Fund Size	RM40.3m	CNOOC Ltd	3.32%
Inception Date	15 November 2007	Komatsu Ltd	2.92%
Annual Fee	1.5%	Keppel Corporation Ltd	2.72%
Initial Charge	5.0%	First Tractor Co Ltd	2.54%

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