

**UNI GOLD AND GENERAL FUND**

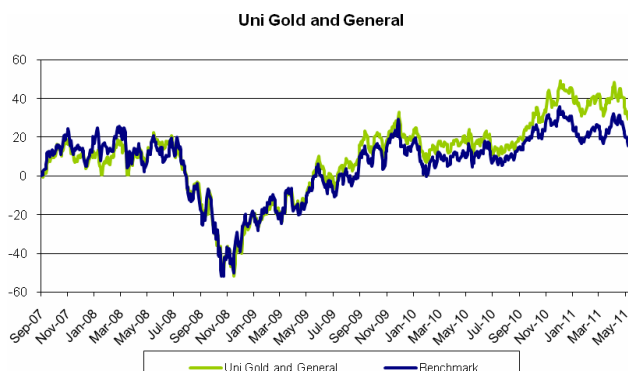
**June 2011**

**OBJECTIVE**

The fund aims to achieve long-term capital growth by investing in a single collective investment scheme that invest in companies involved in the exploration of precious metals, energy and base metals.

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

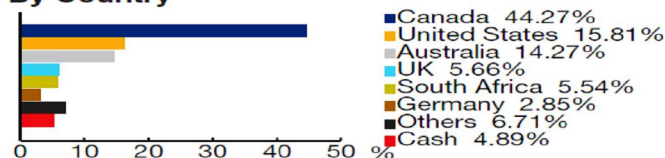
- are looking for investment that meant to produce returns over the long term



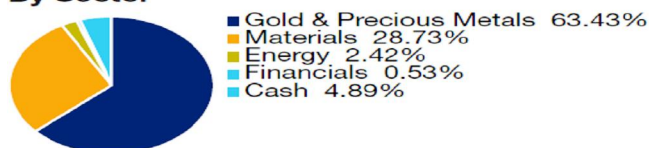
Note: Benchmark : 70% FT Gold + 30% HSBC GM

**Asset Allocation (As at 31 May 2011)**

**By Country**



**By Sector**



Note: Asset Allocation of United Gold & General Fund as at 31 May 2011

**MANAGER'S COMMENTS**

**Fund Review**

In May 2011, the unit price of the Fund decreased 3.07% in Malaysian Ringgit terms on a bid-to-bid basis, which was less than the 4.12% fall for the composite benchmark index (70% FT Gold Mines Index & 30% HSBC Global Mining Index). On an individual basis, the FT Gold Mines Index decreased by 4.29% while the HSBC Global Mining Index fell 3.56%. The physical gold price moved higher in May, by 1.53% in Malaysian Ringgit terms.

**Performance Attribution**

Physical gold started May at US\$1,564/oz but sold-off sharply to reach a low of US\$1,474/oz (-5.7%) on 5 May 11. Gold's initial sell-off was related to a much sharper correction in the spot silver price which declined from US\$47.91/oz to US\$34.70/oz (-27.6%) over the same period. Physical gold then recovered and traded in a generally upward direction to close the month at US\$1,536/oz. The gold price remains well above its 200-day moving average, which increased to US\$1,389/oz by end-May 2011. The 200-day average continues to act as a reliable technical support level. The recovery in the physical gold price in the latter part of May was particularly impressive given initial signs of a counter-rally in the USDollar index. The USDollar index rose from 72.9 to 74.6 (2.3% mom), reversing five consecutive monthly decline. The relatively small physical gold price decline in May was also impressive given that COMEX gold long positions fell to 963 tonnes (-15.1% mom) and there was a small decrease in aggregate Gold ETF holdings to 2,180 tonnes (-0.5% mom). One reason why the gold price has remained strong came with the release of the World Gold Council's 1Q11 market report. This showed surging retail jewellery and investment demand, particularly from India (292 tonnes, +40% qoq) and China (246 tonnes, +34% qoq). Anecdotal market information from UBS suggests that retail buying has remained strong in both April and May, indicating that 2Q11 demand numbers will be equally strong. Share prices of gold companies again underperformed physical gold in May, with the ratio between the physical gold price and HUI index of gold-producing companies decreasing from 2.7x to 2.9x. One possible reason for the underperformance was concern about escalating mining costs, including fuel. However, 1Q11 results reported by end-May showed only moderate cost increases. The majority of reporting companies met production targets, generated strong operating cashflow and continued to accumulate cash on their balance sheets. We expect the improved net cash levels on gold company balance sheets to underpin further M&A activity in the gold sector.

**FUND DETAILS**

**TOP 5 HOLDINGS of United Gold & General Fund (% of NAV) as at 31 May 2011**

|                          |                  |                          |      |
|--------------------------|------------------|--------------------------|------|
| Unit NAV (as at 31/5/11) | RM 0.6475        | Newmont Mining Corp      | 5.93 |
| Fund Size                | RM 14.0 million  | Barrick Gold Corporation | 5.92 |
| Inception Date           | 6 September 2007 | Kinross Gold Corporation | 5.54 |
| Annual Fee               | 1.5%             | Goldcorp Inc             | 4.77 |
| Initial Charge           | 5.0%             | Agnico-Eagle Mines       | 3.09 |

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