

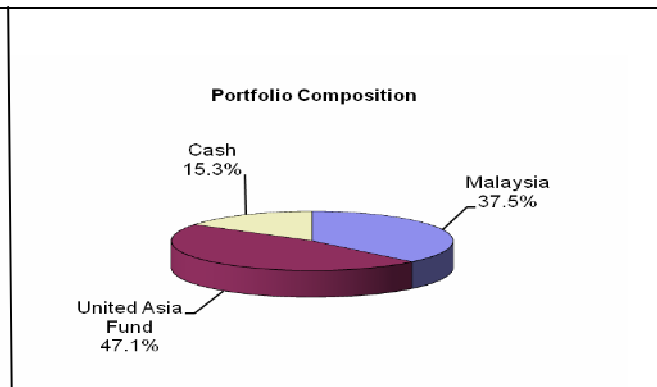
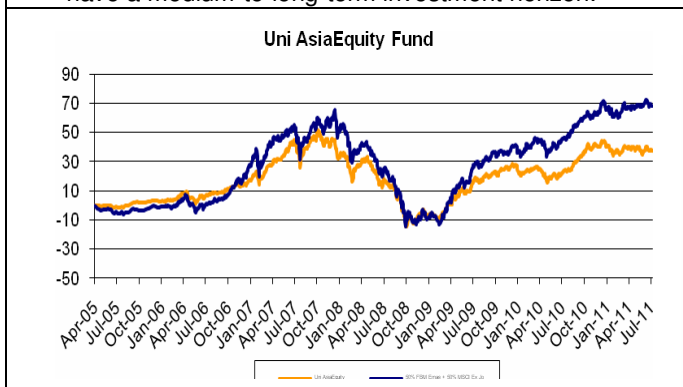
	<b>UNI ASIA EQUITY FUND</b>	<b>August 2011</b>
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**OBJECTIVE**

To achieve consistent, above average capital appreciation and reasonable income over the medium to long term by investing in a balanced portfolio of quality investments in Malaysia and Asia excluding Japan.

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

- are willing to accept risks for returns presented by the stock markets of Malaysia and Asia (excluding Japan).
- have a medium-to-long-term investment horizon.



**MANAGER'S COMMENTS**

MSCI Far East ex Japan equities was up 0.05% (in MYR terms), while the portfolio depreciated 0.09% for the month of July 2011.

Asian equity markets were choppy as risk aversion returned on the back of heightened Eurozone contagion concerns and uncertainty about the possibility of a US debt default or credit rating downgrade. On the global front, the Federal Reserve disappointed the markets as it would not embark on any renewed quantitative easing, quashing hopes of QE3 in the near term. In Asia, while growth has moderated amid weaker external demand, domestic economic activity continues to provide strong support to growth momentum. Overall, the Asian equity market was down 0.01% for the month, underperforming the global equity market, which was down 3.4%.

**Thailand** rose 9.7% as the opposition Puea Thai party secured a strong victory at the elections, winning a majority of 265 out of 500 seats in Parliament, enough to form the government. The **Indonesian** market posted a gain of 5.0% as exports accelerated to 45.3% in May, following a robust 37.3% in April, helped by strong commodity prices and demand. The **Philippines** reported a gain of 4.9% as the BSP kept both the policy repo and reverse repo rates on hold at 6.50% and 4.50% respectively. The **Singapore** market rose 2.9% as manufacturing output increased 10.5% yoy in June, in line with market consensus, and rebounded from -17.5% in May. **Hong Kong** posted a gain of 0.3% as unemployment rate remained unchanged at 3.5% for the three months to June 2011. The **Korean** market was flat as Bank of Korea (BoK) kept its policy rate at 3.25% in line with market expectations. The **Malaysian** market fell 2.0% as Bank Negara surprised the market by maintaining its benchmark Overnight Policy Rate (OPR) at 3.00%. **China** fell 2.5% as June and 2Q data show a picture of moderating growth momentum. 2Q2011 GDP growth moderated to 9.5%, down from 9.7% yoy in 1Q2011. The **Taiwan** market fell 3.0% as consumer price index rose 1.93% yoy in June due to higher food and transportation prices.

**OUTLOOK AND STRATEGY**

We expect the market to trade sideways as the focus now turns to the global economic weakness as seen by the latest economic data points. We expect that the current weakness is a soft patch on the road to economic recovery. We retain our cautious view and avoid cyclical stocks relating to global trade and transportation and focus on domestic consumption and structural growth trends. The key risks are the European debt crisis, rising inflation and economic growth in the US stalling. In terms of our sector allocation, we are overweight in the Consumer, Technology, Energy, Healthcare and Industrials sectors, underweight the Materials, Real Estate and Telecom sectors and neutral in the Financials, Conglomerates and Utilities sectors.

Fund Details		Top Holdings			
Unit NAV(29/7/11)	RM 0.6545	<b>Malaysia</b>	<b>%</b>	<b>Asia</b>	<b>%</b>
Fund Size	RM15.9 million	CIMB Group Holdings Berhad	3.94	United Asia Fund	47.16
Inception Date	4 August 05	RHB Capital Bhd	3.78		
Annual Fee	1.5%	Public Bank Bhd	3.58		
Initial Charge	5.0%	Malayan Banking Bhd	2.80		
		Axiata Group Berhad	2.55		

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