

## UNI STRATEGIC FUND

**September 2011**

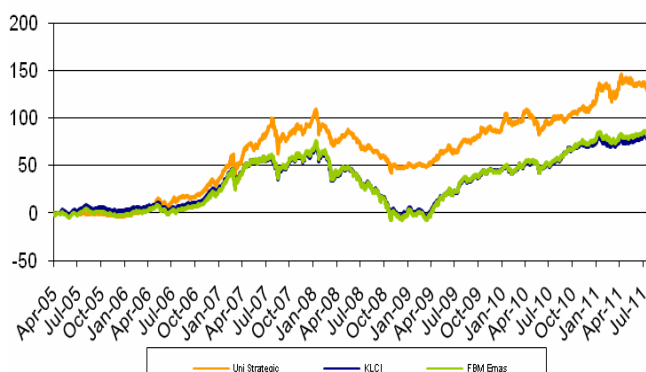
### OBJECTIVE

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

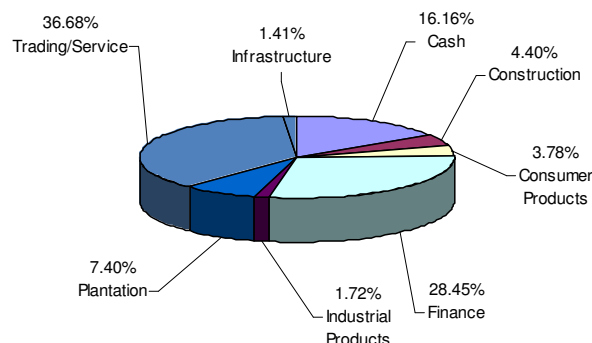
### THE FUND IS SUITABLE FOR INVESTORS WHO:

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

**Uni Strategic Fund**



**Portfolio Composition**



### MANAGER'S COMMENTS

In August, global equity markets suffered heavy sell-downs due to the downgrade of United States' triple-A rating by S&P for the first time in history as well possible recession in US and Europe. We expect global economic growth to slow in the 4Q. For the month, the FBMKLCI fell 102 points or 6.6% to close at 1,447 points. The broader index FBM100 fell 7.2% to 9,909 points. Smaller caps underperformed as the FBM Small Cap fell 9.4% to 11,333 points. All major regional bourses were down with the Taiwan and Korea markets experiencing the worst selling pressure as it fell 10.4% and 11.9% respectively. However, Australia and China markets showed better resilience.

On the local corporate front, a series of corporate M&A activity also failed to excite the market with AirAsia leading the pack by entering into a collaboration agreement with MAS and AirAsia X. Under the agreement, Khazanah will take up a 10% stake in AirAsia via a share swap for a 20.5% equity stake in MAS. In addition, Khazanah proposed to acquire a 10% stake in AirAsia X on terms and at a price to be mutually agreed later. Apart from that, Sime Darby also announced a surprise acquisition of a 30% stake in Eastern & Oriental at a price of RM2.30/share to gain exposure into Penang's property market.

For the month of August 2011, the Fund's NAV decreased by 7.28% which underperformed the FBM Emas' loss of 7.25%. Year-to-date, the Fund's NAV is up 0.3% to beat FBM Emas' decrease of 4.5%. The fund's outperformance was due to reduced exposure in high beta companies such as timber, O&G and construction companies while replacing it with more defensive counters such as Telekom and high dividend yield stocks. Moving forward, in view of the weak market sentiment and higher chance of double dip, we will maintain our low equity weighting of around 80% to stay defensive for Uni. Strategic fund.

#### FUND DETAILS

Unit NAV	RM 1.0957
Fund Size	RM 21.1 million
Inception Date	1 April 2005
Annual Fee	1.5%
Initial Charge	5.0%

#### TOP 5 HOLDINGS (%)

Malayan Banking Bhd	7.8
Telekom Malaysia Bhd	6.2
Tenaga Nasional Bhd	4.3
CIMB Group Holdings Berhad	4.0
Axiata Group Bhd	3.5

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