

UNI INCOME FUND

February 2009

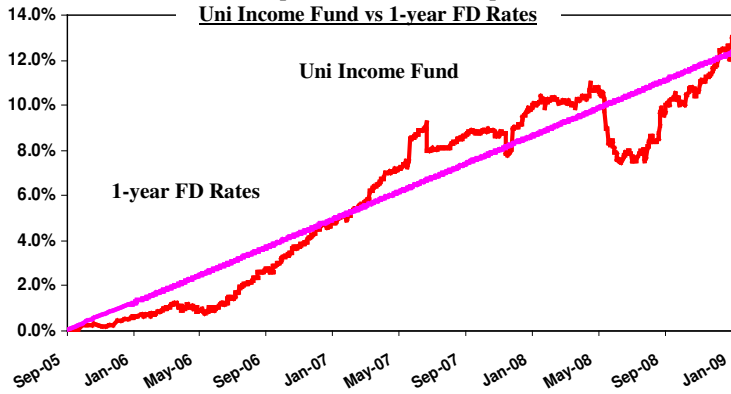
OBJECTIVE:

To achieve capital preservation over the medium term while providing a stable long term and secured income return by investing primarily in a portfolio of investment grade fixed income securities.

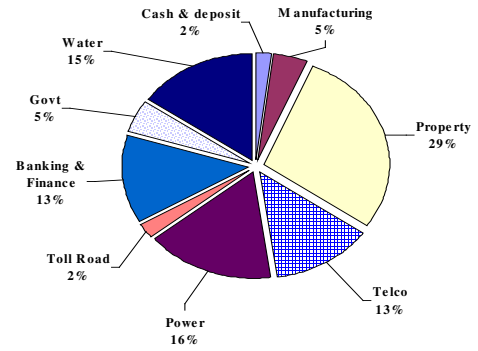
THE FUND IS SUITABLE FOR INVESTORS WHO:

- Seek a stable income stream
- Have a medium to long term investment horizon

**Relative performance since inception
Uni Income Fund vs 1-year FD Rates**



Portfolio composition



MANAGER'S COMMENTS:

The Net Asset Value (NAV) of **Uni Income Fund** has **appreciated by 12.99%** since inception on 22nd Sept 05.

Fixed Income Review & Outlook

In the month of January, the MGS market continued its strong performance with yields trending lower consequent to the more-than-expected OPR cut of 75 basis points vis-à-vis market's expectation of between 25-50 basis points. The weak economic data flow further support the performance of the MGS market as investors continue holding government securities due to risk aversion. Compared to the previous month's closing levels, the MGS yield curve bullish-steepened with the yields declining by 29, 17 and 7 basis points respectively for the 3, 5 and 10 year MGS. The month of January also witnessed the re-opening of the 5-year MGS, which had a bid-to-cover ratio of 1.46 times with an average yield of 2.643%. Activities along the PDS market continued to remain lackluster with concentration mainly on the Government Guaranteed and high-grade papers being traded. Investors have started to show slight interest on selective names from the AAA segment as the low yield of the MGS segment is causing investors to search for yield pickup.

On a medium term outlook, we expect bond markets to be bullish as monetary policy is biased towards easing with BNM expected to cut interest rates further as the economy turns for the worse. This can be seen from the recent economic data coming out which paints an increasingly grim picture. With inflation falling and a contracting economy, the outlook is positive for bonds as yields are likely to be suppressed. We expect higher demand for sovereign risk which will in turn offset fears of higher yields from increased MGS supply from a mushrooming budget deficit although there will be bouts of volatility in between.

Fixed Income Market Strategy

Our investment strategies is to overweight corporate in lieu of low yielding sovereign papers as well as to actively participate in new issuance. We will also switch the portfolio duration back to neutral relative to the benchmark duration.

FUND DETAILS		TOP 5 HOLDINGS (%)	
Unit NAV (30 January 2009)	RM 0.5593	Malakoff Corporation Bhd	16.44
Fund Size (30 January 2009)	RM 11.0 mil	Sunway City Bhd	14.89
Inception Date	22 Sept 2005	RHB Capital Bhd	13.48
Annual Fee	1.00%	Binariang GSM Sdn Bhd	13.14
Initial Charge	1.00%	Berjaya Land Bhd	6.96

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