

UNI INCOME FUND

July 2009

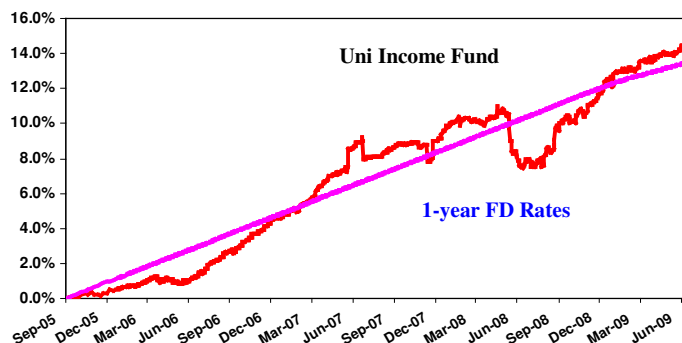
OBJECTIVE:

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.

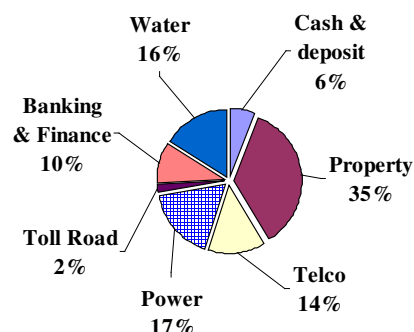
THE FUND IS SUITABLE FOR INVESTORS WHO:

- 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 14.57%** since inception on 22nd Sept 05.

Fixed Income Review & Outlook

The MGS yield curve bearish flattened for the month of June with the yields of the 3 years MGS increased by 14 basis points. At the month end, the yields closed at 2.96%, (May: 2.82%), 3.82% (May: 3.56%) and 4.34% (May: 4.27%) for the 3, 5 and 10 years MGS respectively. Trading in the corporate bonds market continued to pick up momentum, reflecting the improving risk appetite from investors. In particular, volume done on the AA segment registered the highest volume since the beginning of the year as market players continued looking for yield pick-up in the slightly more risky rating segment compared to the AAA segment. During the month, we saw a few issuers tapping the market funding, key among these issuers are Premium Commerce Berhad, YTL Corporation Berhad as well as Hana Bank.

Going forward, MGS market is expected to continue trading in a tight range, with upward bias in yield movement. Apart from the inflation concern, the over-supply concern from MGS and government guaranteed papers shall continue to exert pressure on the MGS yield curve, to trend higher. However, the current wide spread for MGS yields versus the cash rate shall render the MGS more attractive to certain investors, hence limiting the sell-off pressure. All in, the lack of impetus for MGS yields to trend lower, coupled with the persistent supply concern shall leave the MGS yield curve stays elevated and its movement volatile in the immediate near future.

For the PDS market, our view remains that secondary market trading activity is expected to pick-up momentum with buying interest remains on the high grade papers segment, before more risk taking activity flowing to the lower-rated segment of the corporate bond market. On primary issuance side, more issuers shall return to the market as investors' risk appetite improves amidst the improving sentiment about economy performances. The primary market, however, is expected to be flushed with good quality papers, especially issuances from government-related companies as well as companies tapping the Financial Guarantee Institution (FGI) guarantee facility.

FUND DETAILS		TOP 5 HOLDINGS (%)	
Unit NAV (30 June 2009)	RM 0.5671	Malakoff Corporation Bhd	17.08
Fund Size (30 June 2009)	RM 10.6 mil	Sunway City Bhd	16.00
Inception Date	22 Sept 2005	Binariang GSM Sdn Bhd	13.67
Annual Fee	1.00%	CIMB	9.81
Initial Charge	1.00%	Berjaya Land Bhd	7.75

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