

UNI INCOME FUND

October 2009

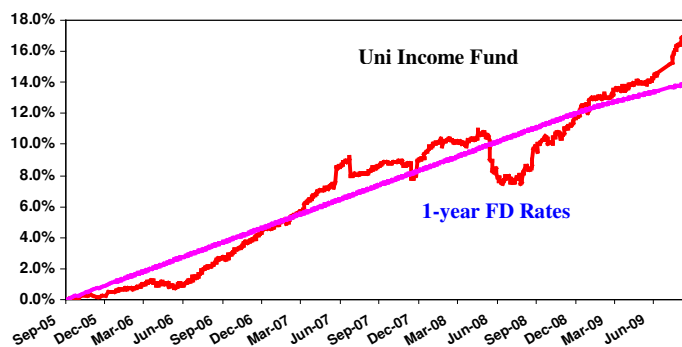
OBJECTIVE:

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.

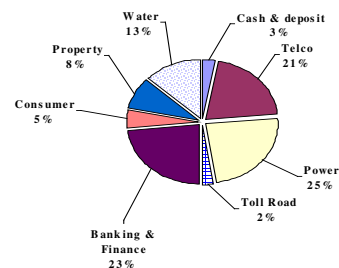
THE FUND IS SUITABLE FOR INVESTORS WHO:

- 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 17.96%** since inception on 22nd Sept 05.

Fixed Income Review & Outlook

Malaysian Government Securities (MGS) were little changed as the lack of a strong catalyst in the market prompted traders to stay on the sidelines. Malaysian Government Securities (MGS) yields across all sector of the curve closed mixed for the month of September. At the end of the month, compared to the previous month closing levels, the MGS yield curve remained more or less the same with the benchmark yields closing at 2.880%, (August: 2.864%), 3.740% (August 3.749%) and 4.175% (August: 4.168%) for the 3, 5 and 10 years MGS respectively.

The month of September witnessed the RM4.0 billion 3.5-year new GII issue auctions. The demand for the issuance was reasonable with a bid-to-cover ratio of 2.16 times. The new issuance generated an average yield of 3.278% (high of 3.295% and low of 3.25%). During the month, some buying interest was seen at the belly of the curve after a government report showed the Consumer Price Index (CPI) declined 2.4% year on year in August; the second consecutive months of decline.

The PDS market continued its upward momentum for the month of September. Risk appetite seemed to have improved considerably during the past 1~2 months, reflected by the downward yield movements along the Private Debt Securities (PDS)market as investors started to pick up these assets. This is evidenced from the increase in the trading volumes of PDS whereby the monthly trading volume had increased from RM3.6 billion in January to RM4.5 billion in September. In addition to that, reflecting the stronger risk appetite currently, credit spreads have also tightened.

Fixed Income Market Strategy

Our investment strategy is to overweight corporate bonds vis-à-vis sovereign bonds, concentrating on high-grade and liquid corporate bonds with potential for credit upgrades. We will seek to enhance returns by trading and actively participating in new issuances. We are targeting a neutral portfolio duration relative to the benchmark duration.

FUND DETAILS		TOP 5 HOLDINGS (%)	
Unit NAV (30 Oct 2009)	RM 0.5839	Binariang GSM Sdn Bhd	20.73
Fund Size (30 Oct 2009)	RM 10.02mil	Malakoff Corporation Bhd	18.95
Inception Date	22 Sept 2005	CIMB Investment Bank	10.69
Annual Fee	1.00%	Berjaya Land Bhd	8.37
Initial Charge	1.00%	Syarikat Pengeluar Air Selangor	6.86

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