

UNI INCOME FUND

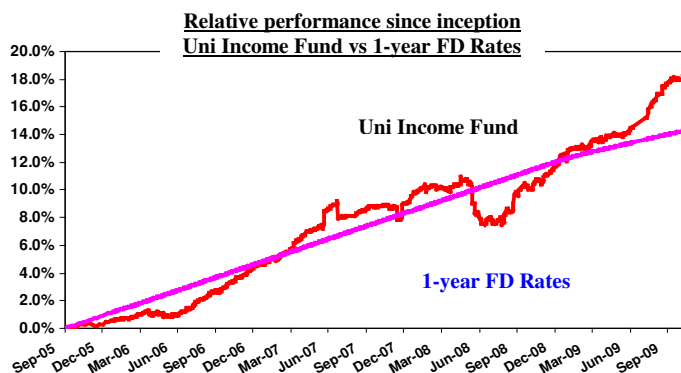
November 2009

OBJECTIVE:

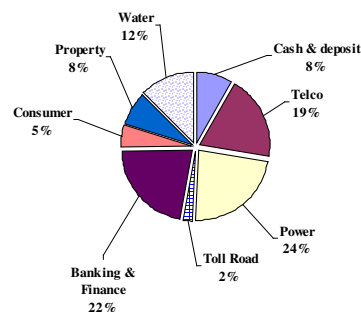
To achieve capital preservation over the medium term while providing a stable long term and secured income return by investing primarily in a portfolio of investment grade fixed income securities.

THE FUND IS SUITABLE FOR INVESTORS WHO:

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



Portfolio composition



MANAGER'S COMMENTS:

The Net Asset Value (NAV) of **Uni Income Fund** has **appreciated by 18.28%** since inception on 22nd Sept 05.

Fixed Income Review & Outlook

Malaysian Government Securities (MGS) yields across all sectors of the curve closed higher in the month of October. Compared to the previous month closing levels, the MGS yield curve bearish steepened for the month of October with the benchmark yields closing at 2.93%, (September: 2.88%), 3.88% (September: 3.72%) and 4.28% (September: 4.18%) for the 3, 5 and 10 years MGS respectively.

Trading activities in the secondary PDS market has normalized in recent months with total monthly traded volume hovering around the RM4.5bil to RM5bil region. Market players continue to take comfort that the worst is over for corporate earnings given the more positive earnings announcements so far. On the primary market, we continue to witness the return of more corporate issuers given the more conducive debt capital market for fund raising. Recent heavy weight issuers that have tapped the debt market include, amongst others, Genting Berhad via a special purpose vehicle, GB Services Berhad; Pengurusan Air SPV Bhd and Sime Darby Berhad.

Inflationary pressure is expected to remain benign, according to the government's latest forecast of 1.5% to 2.5% in 2010. However, the risk is for inflation to tilt higher in 2010 should international crude oil prices remain elevated. In addition, the fuel subsidy management system and a possible hike in electricity tariffs to be implemented in 2010 would further add upward pressure on the official CPI reading. Furthermore, the future "noises" from the possible change in regional central banks' monetary policy stance would also stoke higher rate worries.

Fixed Income Market Strategy

We maintain our investment strategies which are to overweight corporate vis-à-vis sovereign bonds, to actively participate in new issuances via switching from existing holdings in order to take advantage of the higher yield, to maintain neutral portfolio duration compared to benchmark especially for all MGS portfolios, to concentrate on high grade liquid corporate bonds and those with potential credit upgrades and to capitalize on volatility and enhance returns by trading.

FUND DETAILS		TOP 5 HOLDINGS (%)	
Unit NAV (30 th Oct 2009)	RM 0.5855	Binariang GSM Sdn Bhd	19.47
Fund Size (30 th Oct 2009)	RM9.8mil	MALAKOF Corporation	17.91
Inception Date	22 Sept 2005	CIMB	11.76
Annual Fee	1.00%	BERJAYA LAND	10.10
Initial Charge	1.00%	Syarikat Pengeluar Air Selangor	7.91

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