

FUND OBJECTIVE

To invest in Shariah-compliant listed equities to provide capital growth over the medium to long term through a diversified, but growth-oriented portfolio.

INVESTOR RISK PROFILE

Suitable for investors who is mainly interested in growth and willing to accept higher risk in investment return.

FUND MANAGER

Takaful Ikhlas Sdn Bhd (593075-U)

Appointed External Fund Manager :
CIMB-Principal Islamic Asset Management Berhad

FUND DATA

NAV/Unit	RM 1.3191
Fund Value	RM 14,031,613.96
Units in circulation	10,637,090.69
Fund Inception Date	16 December 2006
Management Fee	1.5% p.a. of the NAV
Benchmark	FTSE Bursa Malaysia Emas Shariah Index
Target Fund	CIMB Islamic Dali Equity Growth Fund

TOP 5 HOLDINGS %

Tenaga Nasional Bhd	9.45
Maxis Bhd	5.95
Axiata Group Bhd	5.89
Petronas Gas Bhd	5.69
Digi.com Bhd	5.11

TOP 5 SECTORS %

Trading / Services	35.98
Industrials	15.29
IPC*	13.74
Plantations	12.74
Construction	5.35

*Infrastructure Project Companies

TOTAL RETURNS

	1 Month	6 Month	1 Year	3 Years	5 Years
Growth (%)	3.19	7.74	16.70	25.62	68.89
Benchmark (%)	2.49	6.12	12.95	27.81	82.42

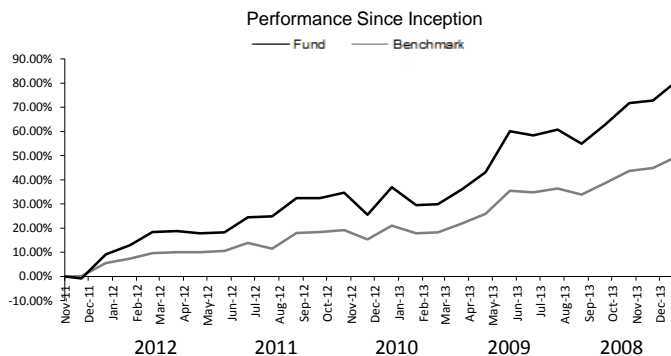
REVIEW & INVESTMENT STRATEGY

The Fund gained 3.35% in December outperforming its benchmark by 0.86%. The Utility, Finance and Oil & Gas sectors contributed positively. At the stock level, overweight in Tenaga, BIMB-WA and Dayang were major reasons. For 2014, the Fund gained 23.66% and outperformed the benchmark by 10.37%.

Global growth will be more synchronized in 2014. The US economy is accelerating. Growth in the Eurozone is turning positive, even at the periphery. In Japan, Abe's "Third Arrow" is expected so sustain the recovery while in China, growth should stabilize on the new policy initiatives. The Federal Reserve's tapering of USD10.0bn from its monthly bond purchases to USD7.5bn has resulted in an increase in 10-Year Treasury yields to just above 3.0%. Expectations are for 10-Year yields to hit 3.5% in 6 to 12 months time. Malaysian 10-year Malaysian government securities ("MGS") yields, currently at 4.1%, looks set to move up as well. Foreigners still hold 44.6% of our total MGS outstanding amounting to RM136.0bn. While the risk is low, we cannot discount the possibility of a disorderly exit as Treasury yields move higher leading to a weaker Ringgit. The market PER has risen further to 16.0x for 2014 but drops to 14.6x for 2015. Earnings-per-share ("EPS") growth rates are at 8.0% and 9.7% for 2014 and 2015 respectively. But compared to 3-months ago, the momentum in downgrades is slowing. The long awaited earnings upgrade may finally happen sometime this year. We maintain our December 2014 target of 1920 based on 15x 2015 earnings. We are reducing beta while maintaining equity allocation at 90-95%.

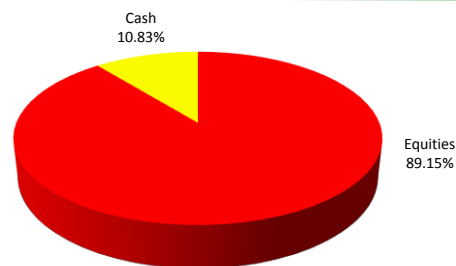
We are reducing weightings in stocks that have been "dressed-up" to overvalued levels. Replacing these, are stocks with reasonable valuations and with the potential for an upgrade in earnings. In terms of sectors, we are underweight Plantations and overweight Telecommunications and positioning the portfolio for a weaker Ringgit.

FUND PERFORMANCE



Target Fund	13.99	7.39	15.57	32.84	-33.31
Benchmark	8.24	2.77	11.72	25.42	-27.65

ASSET ALLOCATION



FINANCIAL YEAR PERFORMANCE

	Growth (%)	Benchmark (%)	12-month GIA	Highest NAV	Lowest NAV
2008/09	-23.00	-31.21	3.68	1.2041	0.7627
2009/10	28.01	47.12	2.60	1.1104	0.8291
2010/11	11.53	16.22	2.87	1.2022	0.9052
2011/12	-0.47	0.69	2.55	1.1960	0.965
2012/13	6.08	5.00	2.94	1.1080	1.0183

FUND OBJECTIVE

To attain medium to long-term capital growth via investments into Shariah-compliant listed equities, debt securities and other Shariah-compliant assets. This fund is to provide a balanced mix of income and equities.

INVESTOR RISK PROFILE

Suitable for investors who are prepared to accept moderate investment risks over the medium to long term.

FUND MANAGER

Takaful Ikhlas Sdn Bhd (593075-U)

Appointed External Fund Manager :
CIMB-Principal Islamic Asset Management Berhad

FUND DATA

NAV/Unit	RM 1.4345
Fund Value	RM 9,074,252.32
Units in circulation	6,325,597.69
Fund Inception Date	16 December 2006
Management Fee	1.0% - 1.5% p.a. of the NAV
Benchmark	60% FTSE Bursa Malaysia Emas Shariah Index & 40% CIMB Islamic 1-Month GIA
Target Fund	CIMB Islamic Balanced Growth Fund

TOP 5 HOLDINGS %

Tenaga Nasional Bhd	8.33
Axiata Group Bhd	3.98
Maxis Bhd	3.83
Petronas Gas Bhd	3.51
UMW Oil & Gas Corp Bhd	3.20

TOP 5 SECTORS %

Sukuk	28.48
Trading / Services	27.25
Industrials	9.30
IPC*	7.59
Plantations	7.18

*Infrastructure Project Companies

TOTAL RETURNS

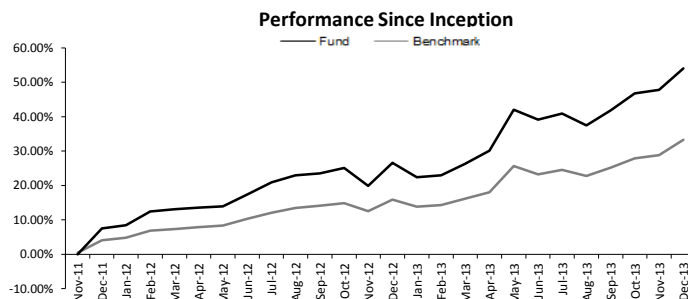
	1 Month	6 Month	1 Year	3 Years	5 Years
Balanced (%)	3.69	5.83	11.25	18.78	57.99
Benchmark (%)	1.59	4.23	8.87	19.65	61.90

REVIEW & INVESTMENT STRATEGY

On the corporate bond segment, credit spreads are expected to widen as market will adjust to the higher sovereign yields. As such, we target neutral benchmark duration by increasing allocation into liquid securities for trading and to switch out to securities with higher yields, be it from the secondary or primary markets once the market has stabilized. The Fund gained 3.42% in December, outperforming the benchmark by 1.83%. YTD-FY, the Fund gained 14.71% while the benchmark gained 9.69%. During the month, both Equity and Fixed Income outperformed. The outperformance from Equity came mainly from overweighting UMW Oil & Gas and Tenaga Nasional. For fixed income, the main contributors were the construction, plantations and power related bonds in the Fund.

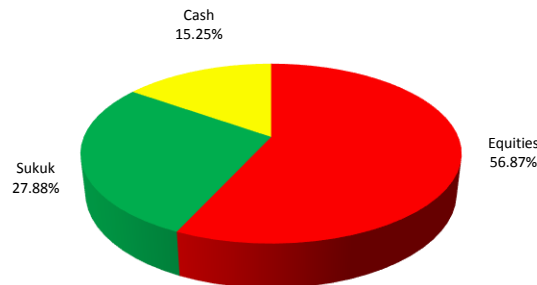
Global growth will be more synchronized in 2014. The US economy is accelerating. Growth in the Eurozone is turning positive, even at the periphery. In Japan, Abe's "Third Arrow" is expected so sustain the recovery while in China, growth should stabilize on the new policy initiatives. The Federal Reserve's tapering of USD10.0bn from its monthly bond purchases to USD7.5bn has resulted in an increase in 10-Year Treasury yields to just above 3.0%. Expectations are for 10-Year yields to hit 3.5% in 6 to 12 months time. Malaysian 10-year MGS yields, currently at 4.1%, looks set to move up as well. Foreigners still hold 44.6% of our total MGS outstanding amounting to RM136.0bn. While the risk is low, we cannot discount the possibility of a disorderly exit as Treasury yields move higher leading to a weaker Ringgit. For equities, we trimmed profitable positions on the back of the rally in December. Hence, we look to add on blue chips and selected small caps, with preference for dividend yielders with growth and companies with sustainable growth prospects but at reasonable valuations. For fixed income, we will maintain a trading stance on government securities and continue to overweight corporate bonds with focus on higher rated issues.

FUND PERFORMANCE



	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Target Fund	13.99	7.39	15.57	32.84	-33.31
Benchmark	8.24	2.77	11.72	25.42	-27.65

ASSET ALLOCATION



FINANCIAL YEAR PERFORMANCE

	Balanced (%)	Benchmark (%)	12-month GIA	Highest NAV	Lowest NAV
2008/09	-17.43	-24.04	3.68	1.5000	0.8409
2009/10	24.76	37.11	2.60	1.1426	0.9089
2010/11	12.18	12.82	2.87	1.2773	1.0471
2011/12	-0.84	-0.53	2.55	1.2460	1.108
2012/13	5.15	4.21	2.94	1.2612	1.1726

FUND OBJECTIVE

The portfolio seeks to provide capital preservation over the short to medium term period by investing primarily in the Malaysian Shariah-compliant fixed income securities and money market instruments.

INVESTOR RISK PROFILE

Suitable for investors who prefer a lower level of risk and are less concerned about capital appreciation.

FUND MANAGER

Takaful Ikhlas Sdn Bhd (593075-U)

Appointed External Fund Manager :
CIMB-Principal Islamic Asset Management Berhad

FUND DATA

NAV/Unit	RM 1.0675
Fund Value	RM 8,614,908.38
Units in circulation	8,070,218.21
Fund Inception Date	16 December 2006
Management Fee	1.0% p.a. of the NAV
Benchmark	CIMB Islamic 12-Month GIA
Target Fund	CIMB Islamic Sukuk Fund

TOP 5 HOLDINGS	%	TOP 5 SECTORS	%
Gulf Investment Corp	6.20	Sukuk	86.17
Jimah Energy Ventures	5.99	Cash	13.83
Encorp Systembilt Sdn Bhd	5.30		
Teknologi Tenaga Perlis	5.15		
Tanjung Bin Power Sdn Bhd	5.12		

TOTAL RETURNS

	1 Month	6 Month	1 Year	3 Years	5 Years
Fixed Income (%)	0.13	-0.56	1.62	12.27	22.97
Benchmark (%)	0.24	1.44	2.89	8.77	14.30

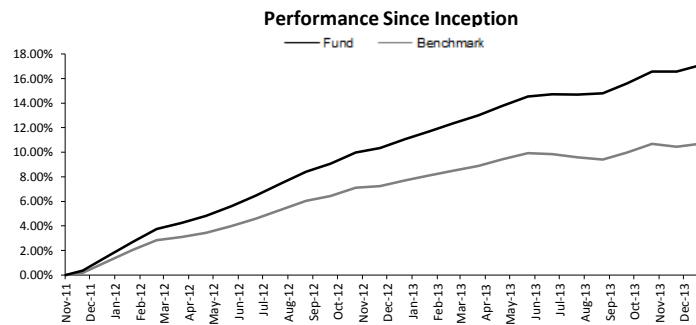
REVIEW & INVESTMENT STRATEGY

The Fund's performance for the month of December 2013 was 0.24%.

Sovereign bonds sold-off in December as investors decided to reduce their Malaysian Government Securities ("MGS") positions in response to the strong nonfarm payroll ("NFP") numbers reported in November and the unwinding of Quantitative Easing ("QE") by the Federal Reserve ("Fed"). As a result, the MGS yield curve bearish steepened in December.

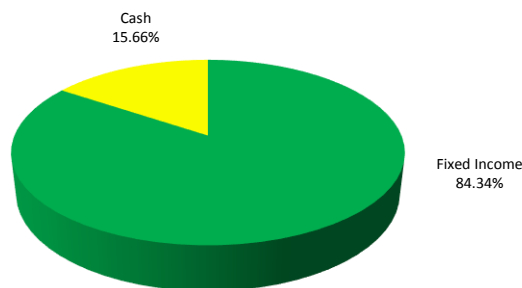
The volatility in the MGS market is expected to continue with yields likely to trade in a wider range. We may expect MGS yield curve to show a slight steepening during 2014 as investors shun the long end of the curve. We also expect Bank Negara Malaysia ("BNM") to keep the Overnight Policy Rate at 3.00% in the first half of 2014, as BNM will take into account Malaysia's growth outlook, domestic prices and financial stability before any attempts to start normalizing rates.

FUND PERFORMANCE



	2012	2011	2010	2009	2008
Target Fund	5.59	6.05	3.45	4.85	1.97
Benchmark	4.01	4.40	5.41	0.07	8.81

ASSET ALLOCATION



FINANCIAL YEAR PERFORMANCE

	Fixed Income (%)	Bench -mark (%)	12-month GIA	Highest NAV	Lowest NAV
2008/09	2.20	3.68	3.68	1.0496	0.9674
2009/10	4.71	2.60	2.60	1.0796	0.9190
2010/11	4.68	2.87	2.87	0.9805	0.8908
2011/12	5.67	2.55	2.55	1.0220	0.9640
2012/13	5.41	2.94	2.94	1.0606	1.0182

GROWTH FUND

Investment Strategy & Approach	The fund will invest in Shariah compliant equities listed on Bursa Malaysia whereby the target investments will be large cap stocks with growth prospects and where trading is fairly liquid.
Asset Allocation	<p>The investment portfolio is subjected to the following:</p> <ul style="list-style-type: none"> • Up to 98% of the Portfolio shall be invested in Shariah compliant equity securities • At least 2% of the Portfolio will be invested in Shariah based liquid assets • The value of the Portfolio's holding of the share capital of any single issuer must not exceed 10% of total asset of Portfolio • The value of the Portfolio's holding in transferable securities issued by any single issuer must not exceed 15% of the Portfolio's NAV • The value of the Portfolio's holding of the share capital of any group of companies must not exceed 20% of total asset of the Portfolio; • Shariah-compliant deposits can only be placed in licensed Financial Institutions by BNM

BALANCED FUND

Investment Strategy & Approach	The Portfolio will invest in diversified portfolio of Shariah compliant equities listed on Bursa Malaysia and Sukuk investments. The strategy of the fund is to maintain a balanced portfolio between Shariah compliant equities and fixed income investments in the ratio of 60:40. The Sukuk portion of the Fund is to provide some capital stability to the Fund whilst the equity portion will provide the added return in a rising market.
Asset Allocation	<p>The investment portfolio is subjected to the following:</p> <ul style="list-style-type: none"> • Up to 60% of the Portfolio shall be invested in Shariah compliant equity securities; • Investment in fixed income securities and liquid assets shall not be less than 40% of the Portfolio's Net Asset Value ("NAV"); • At least 2% of the Portfolio will be invested in Shariah based liquid assets; • The value of the Portfolio's holding of the share capital of any single issuer must not exceed 10% of total asset of Portfolio; • The value of the Portfolio's holding in transferable securities issued by any single issuer must not exceed 15% of the Portfolio's NAV; • The value of the Portfolio's holding of the share capital of any group of companies must not exceed 20% of total asset of the Portfolio; • Minimum Long Term Issuer Credit Rating of "A3" as assessed by Rating Agency Malaysia Berhad ("RAM") or equivalent by Malaysia Rating Corporation Berhad ("MARC"); • Minimum Short Term Issuer Credit Rating of "P3" as assessed by RAM or equivalent by MARC; • Shariah-compliant deposits can only be placed in licensed Financial Institutions by Bank Negara Malaysia ("BNM").

FIXED INCOME FUND

Investment Strategy & Approach	The investment strategy of the fund is to invest in a diversified portfolio consisting of Sukuk, short term money market instruments and other permissible investments under the Shariah principles and aim to provide a steady stream of income.
Asset Allocation	<p>The investment portfolio is subjected to the following:</p> <ul style="list-style-type: none"> • Up to 98% of the Portfolio shall be invested in Shariah compliant fixed income securities; • At least 2% of the Portfolio will be invested in Shariah based liquid assets; • Minimum Long Term Issuer Credit Rating of "A3" as assessed by RAM or equivalent by MARC; • Minimum Short Term Issuer Credit Rating of "P3" as assessed by RAM or equivalent by MARC; • The exposure to any single entity for sukuk (not applicable to government securities, BNM's securities, quasi and low risk assets granted by BNM) shall not exceed 20% of the Net Asset Value ("NAV") of the Portfolio; • The value of the Portfolio's holding in sukuk (not applicable to government securities, BNM's securities, quasi and low risk assets granted by BNM) of any group of companies must not exceed 30% of the NAV of the Portfolio; • The Malaysian Islamic Money Market Instruments must be rated at least P3 by RAM or equivalent; • Shariah-compliant deposits can only be placed in licensed Financial Institutions by BNM.

The investment is subject to the following risks:-

1. **Market risk** - The risk that arises due to developments in the market environment and typically includes changes in regulations, politics, technology and the economy. Diversification of the Fund's investments into different unit trust funds of different types (equity or non-equity etc.) and with different investment policy and strategies may help to mitigate its exposure to market uncertainties and fluctuations in the market.
2. **Profit rate risk** - This risk is crucial in a Sukuk fund since Sukuk portfolio management depends on forecasting interest rate movements. Generally, demand for Sukuk move inversely to interest rate movements therefore as interest rates rise, the demand for Sukuk decrease and vice versa. Furthermore, Sukuk with longer maturity and lower profit rates are more susceptible to interest rate movements. Sukuk are subject to interest rate fluctuations with longer maturity and lower profit rates Sukuk being more susceptible to such interest rate movements. This risk can be mitigated through continuous monitoring and evaluation of macro-economic variables to ensure the most appropriate strategy is in place for the Fund's portfolio.
3. **Credit / Default Risk** - Bonds are subject to credit/default risk in the event that the issuer of the instrument is faced with financial difficulties, which may decrease their credit worthiness. This in turn may lead to a default in the payment of principal and interest/ profit.
4. **Liquidity Risk** - Liquidity refers to the ease of converting an investment into cash without incurring an overly significant loss in value. Should there be negative developments on any of the issuers, this will increase liquidity risk of the particular security. This is because there are generally less ready buyers of such securities as the fear of a credit default increases. The risk is managed by taking greater care in security selection and diversification.
5. **Non-compliance risk** - Non-adherence with laws, rules, regulations, prescribed practices, internal policies and procedures may result in tarnished reputation, limited business opportunities and reduced expansion potential for the management company. Investor's investment goals may also be affected should the fund manager not adhere to the investment mandate. This risk can be mitigated through internal controls and compliance monitoring.
6. **Inflation Risk** - Inflation risk can be defined as potential intangible losses that may arise from the increase in prices of goods and services in an economy over a period of time. Inflation causes the reduction in purchasing power and if the rate of inflation is constantly higher than the rate of returns on investments, the eventual true value of investments could be negative.
7. **Issuer risk** - This risk refers to the individual risk of the respective companies issuing the securities. Specific risk includes, but is not limited to changes in consumer tastes and demand, legal suits, competitive operating environments, changing industry conditions and management omissions and errors. However, this risk is minimised through investing in a wide range of companies in different sectors and thus function independently from one another.
8. **Country risk** - The foreign investments may be affected by risks specific to the country in which investments are made such as changes in a country's economic fundamentals, social and political stability, currency movements, foreign investment policies and etc. This risk may be mitigated by conducting thorough research on the respective markets, their economies, companies, politics and social conditions as well as minimising or omitting investments in such markets.
9. **Management Risk** - There is risk that the management may not adhere to the investment mandate of the respective fund. With close monitoring by the investment committee, back office system is being incorporated with limits and controls, and regular reporting to the senior management team, the management company is able to manage such as risk.
10. **Fund Management Risk** - Poor management of the fund due to lack of experience, knowledge, expertise and poor management techniques would have an adverse impact on the performance of the fund. This may result in investors suffering loss on their investment of the fund.
11. **Shariah risk** - The risk that arises from potential revision on the status of the securities in the unit trust fund from Shariah compliant to non-Shariah compliant and the possibility of investing in non-Shariah compliant unit trust funds. This risk may be mitigated by conducting periodic review by Shariah Compliance Department and Shariah Committee. Thus necessary action to be taken by Fund Manager to dispose such securities as per advice by Shariah Compliance Department and Shariah Committee.

NOTES ON FEES AND CHARGES

Actual Returns
(Net of Tax and Charges)

1. Past performance of the fund is not an indication of its future performance.
2. This is strictly the performance of the investment fund, and not the returns earned on the actual contributions paid of the investment-linked product.
3. Units are created and cancelled at the next pricing date following receipt of contribution or notification of claim respectively.
4. Past performance is calculated based on the Net Asset Value (NAV). The formula of calculation is as follows:

$$\text{Investment Return} = \left[\left(\frac{\text{NAV 31 March Year X}}{\text{NAV 31 March Year (X-1)}} \right) - 1 \right] \times 100$$

OTHER INFORMATION

Basis & Frequency of
Unit Valuation

1. The unit price on any valuation date of a fund shall be obtained by dividing the NAV on the business day before the valuation date by the number of units in issue of the relevant fund.
2. The NAV shall be determined as follows:-
 - a) The last transacted market price at which those assets could be purchased or sold,
 - b) Plus the amount of cash held uninvested
 - c) Plus any accrued or anticipated income
 - d) Less any expenses incurred in purchasing or selling assets
 - e) Less any amount for the liabilities of the Fund
 - f) Less the amount in respect of managing, maintaining and valuing the assets
3. To ensure fair treatment to all unit holders, the Fund Manager may impute the transaction costs of acquiring or disposing of assets of the Fund, if the costs are significant. To recoup the cost of acquiring and disposing of assets, the Manager shall make a dilution or transaction cost adjustment to the NAV per unit to recover any amount which the Fund had already paid or reasonably expects to pay for the creation or cancellation of units.
4. Unit valuation is performed on a daily basis on each Business Day.

Exceptional Circumstances

The Manager may take the following actions that may become necessary due to change of circumstances, as a means to protect the interest of Participants:-

1. Subject to at least three (3) months written notice, the Manager may:-
 - a) Close the Fund or cease to allow the allocation of additional contribution or to transfer the assets to a new fund which has similar investment objectives;
 - b) Change the name of the Fund
 - c) Split or combine existing units of the Fund;
 - d) Make any changes that may be required due to regulatory requirement and/or legislation.
2. The Manager may also choose to, without prior notice, suspend unit pricing and Certificate transactions if any of the exchanges or unit trust management company in which the Fund is invested is temporarily suspended for trading.

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