

## 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 Berhad (593075-U)

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

## FUND DATA

NAV/Unit	RM 1.2858
Fund Value	RM 19,452,394.62
Units in circulation	15,128,669.06
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	9.72
Digi.com Bhd	7.81
Sime Darby Bhd	7.20
Axiata Group Bhd	6.20
Gamuda Bhd	4.59

## TOP 5 SECTORS %

Trading / Services	47.30
Industrials	11.11
IPC*	9.49
Plantations	8.05
Construction	6.94

\*Infrastructure Project Companies

## TOTAL RETURNS

	1 Month	6 Month	1 Year	3 Years	5 Years
Growth (%)	-0.70	-0.48	3.94	33.94	41.20
Benchmark (%)	-2.32	-0.71	2.53	29.16	46.12

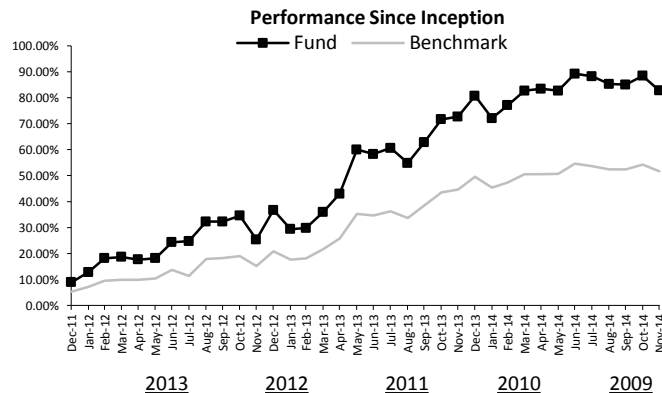
## REVIEW & INVESTMENT STRATEGY

The Fund was down 1.65% for the month but outperformed the benchmark by 0.67% due to the outperformance of the Industrial and Basic Material sectors and Cash. At the stock level, the overweight in Westport and underweight in Petronas Chemicals contributed. On year-to-date ("YTD-FY") basis, the Fund is up 0.74% with an outperformance of 1.58%.

The recent results season has been one of the worst in recent memory where only 13% of stocks in CIMB Securities coverage beat forecasts while 36% missed. After the downgrades, earnings per share ("EPS") growth rates for 2015 and 2016 are at 9.2% and 9.1% with corresponding price earnings ratio ("PER") at 15.3 times and 14.0 times. However, there is the risk of further downgrades as the impact of lower crude oil prices on the Oil & Gas sector is still unfolding. The introduction of the Goods and Service Tax ("GST") in April next year will crimp domestic consumption providing another source of earnings downgrades. Therefore, Bursa Malaysia valuations continue to appear elevated.

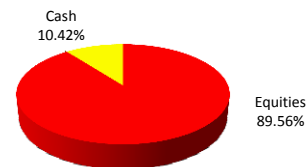
We lower equity allocation from 85-95% to 80-90%. We continue to favour defensive dividend stocks; beneficiaries of the weaker Ringgit – exporters and beneficiaries of government infrastructure projects. In terms of sectors, we are overweight the Technology, Construction and Power sectors

## FUND PERFORMANCE



Target Fund	22.24	13.32	8.90	23.68	37.54
Benchmark	13.29	11.85	2.41	18.20	43.03

## ASSET ALLOCATION



## FINANCIAL YEAR PERFORMANCE

	Growth (%)	Benchmark (%)	12-month GIA	Highest NAV	Lowest NAV
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
2013/14	16.65	15.11	2.88	1.3946	0.7627

## 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 Berhad (593075-U)

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

## FUND DATA

NAV/Unit	RM 1.4565
Fund Value	RM 12,070,008.18
Units in circulation	8,286,986.61
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	9.48
Axiata Group Bhd	4.99
Sime Darby Bhd	4.91
Digi.com Bhd	3.74
Petronas Gas Bhd	2.73

## TOP 5 SECTORS %

Sukuk	33.99
Trading / Services	30.62
Industrials	5.92
IPC	4.63
Construction	3.37

\*Infrastructure Project Companies

## TOTAL RETURNS

	1 Month	6 Month	1 Year	3 Years	5 Years
Balanced (%)	0.27	0.76	7.66	27.71	37.21
Benchmark (%)	-1.30	0.14	2.64	20.85	35.12

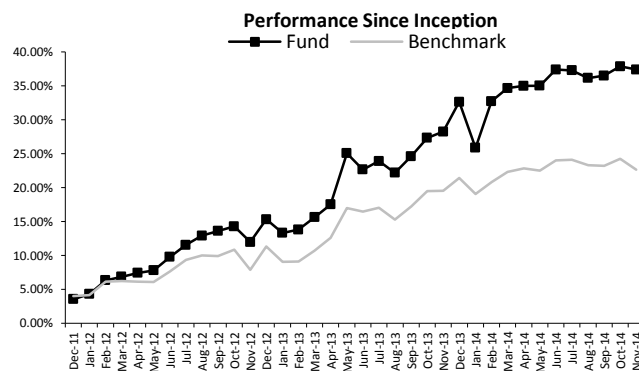
## REVIEW & INVESTMENT STRATEGY

The Fund was down marginally by 0.34% in November, outperforming the benchmark by 0.96% basis points ("bps"). Year-to-date ("YTD-FY"), the fund is outperforming the benchmark by 178 bps. During the month, equities outperformed while fixed income underperformed. The outperformance for equities came mainly from the fund's overweight position in the utilities and industrial sectors. In terms of stock selection, the overweight position in Tenaga Nasional and underweight position in Petronas Dagangan and Petronas Chemicals Group contributed to the outperformance. For fixed income, the main contributors were the power, banks, and real estate related bonds in the Fund.

The recent results season has been one of the worst in recent memory where only 13% of stocks in CIMB Securities coverage beat forecasts while 36% missed. After the downgrades, earnings per share ("EPS") growth rates for 2015 and 2016 are at 9.2% and 9.1% with corresponding price earnings ratios ("PER") at 15.3 times and 14.0 times. However, there is the risk of further downgrades as the impact of lower crude oil prices on the Oil & Gas sector is still unfolding. The introduction of the goods and services tax ("GST") in April next year will crimp domestic consumption providing another source of earnings downgrades. Therefore, Bursa Malaysia valuations continue to appear elevated.

For equities, we continue to favour defensive dividend stocks, beneficiaries of government infrastructure projects and beneficiaries of the weaker Ringgit such as exporters. In terms of sectors, we overweight the Technology, Construction and Power sectors. 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



	2013	2012	2011	2010	2009
Target Fund	13.50	13.99	7.39	15.57	32.84
Benchmark	9.09	8.24	2.77	11.72	25.42

## ASSET ALLOCATION



## FINANCIAL YEAR PERFORMANCE

	Balanced (%)	Benchmark (%)	12-month GIA	Highest NAV	Lowest NAV
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
2013/14	13.77	10.17	2.88	1.5000	0.8409

## 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 Berhad (593075-U)

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

## FUND DATA

NAV/Unit	RM 1.1021
Fund Value	RM 9,990,735.21
Units in circulation	9,065,322.40
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

	%
Jimah Energy Ventures	7.73
Encorp Systembilt Sdn Bhd	7.05
Bumitama Agri Ltd	6.84
Edaran SWM Sdn Bhd	6.76
MUMTALAKAT Malaysia	6.74

## TOP 5 SECTORS

	%
Sukuk	90.28
Cash	9.72

## TOTAL RETURNS

	1 Month	6 Month	1 Year	3 Years	5 Years
Fixed Income (%)	0.30	2.55	2.91	11.06	21.86
Benchmark (%)	0.24	1.44	2.88	8.66	14.42

## REVIEW & INVESTMENT STRATEGY

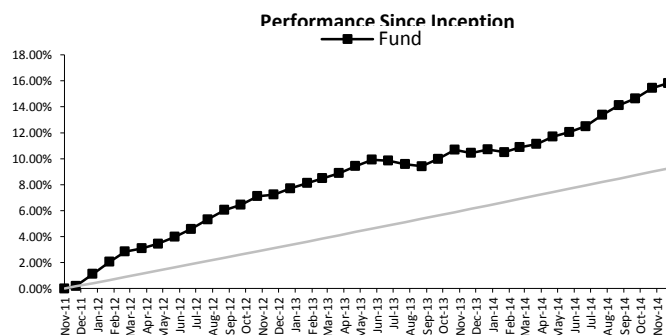
The Fund's performance for the month of November was 0.34% outperformed its benchmark by 0.10%.

The Malaysian Government Securities ("MGS") flattened in November. The front-end of the curve reflected the overall weak sentiment caused by the weakening Ringgit while the longer-end reflected supply-demand considerations with longer-end bonds being scarce. Trading volume for corporate bonds dropped more than 16% to RM8.7 billion in November in comparison to RM10.4 billion seen in the previous month. Most of the trades were centered around government guaranteed ("GGs") and AA rated corporate bonds.

Bank Negara Malaysia ("BNM") maintained the overnight policy rate ("OPR") at 3.25% at the last Monetary Policy Meeting ("MPC") for the year on 6 November 2014. The tone of the monetary policy statement was similar to the September statement except that the central bank has turned less upbeat on its general assessment of the world economy and cautioned on the rising volatility in the international financial markets. Additionally, the latest statement offered stronger hints that policy focus has now shifted back to growth. We remain in view that the current level of OPR remains supportive of growth. Market will be quiet going into year end, hence barring any external news, credit spreads should remain in range on the back of stable interest rate environment.

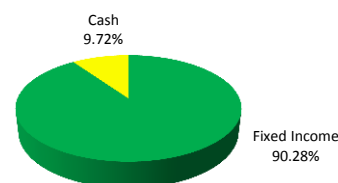
We continue to concentrate mainly on corporate bonds. We aim to be fully invested and maintain neutral benchmark duration with concentration on high liquidity bonds in view of the near term market volatility.

## FUND PERFORMANCE



	2013	2012	2011	2010	2009
Target Fund	1.85	5.59	6.05	3.45	4.85
Benchmark	1.19	4.01	4.40	5.41	0.07

## ASSET ALLOCATION



## FINANCIAL YEAR PERFORMANCE

	Fixed Income (%)	Bench-mark (%)	12-month GIA	Highest NAV	Lowest NAV
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
2013/14	0.26	2.88	2.88	1.0796	0.8908

## 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"> <li>• Up to 98% of the Portfolio shall be invested in Shariah compliant equity securities;</li> <li>• At least 2% of the Portfolio will be invested in Shariah based liquid assets;</li> <li>• The value of the Portfolio's holding of the share capital of any single issuer must not exceed 10% of total asset of Portfolio;</li> <li>• The value of the Portfolio's holding in transferable securities issued by any single issuer must not exceed 15% of the Portfolio's Net Asset Value (NAV);</li> <li>• 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;</li> <li>• Shariah-compliant deposits can only be placed in licensed Financial Institutions by Bank Negara Malaysia (BNM).</li> </ul>

## 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"> <li>• Up to 60% of the Portfolio shall be invested in Shariah compliant equity securities;</li> <li>• Investment in fixed income securities and liquid assets shall not be less than 40% of the Portfolio's NAV;</li> <li>• At least 2% of the Portfolio will be invested in Shariah based liquid assets;</li> <li>• The value of the Portfolio's holding of the share capital of any single issuer must not exceed 10% of total asset of Portfolio;</li> <li>• The value of the Portfolio's holding in transferable securities issued by any single issuer must not exceed 15% of the Portfolio's NAV;</li> <li>• 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;</li> <li>• Minimum Long Term Issuer Credit Rating of "A3" as assessed by Rating Agency Malaysia Berhad ("RAM") or equivalent by Malaysia Rating Corporation Berhad ("MARC");</li> <li>• Minimum Short Term Issuer Credit Rating of "P3" as assessed by RAM or equivalent by MARC;</li> <li>• Shariah-compliant deposits can only be placed in licensed Financial Institutions by BNM.</li> </ul>

## 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"> <li>• Up to 98% of the Portfolio shall be invested in Shariah compliant fixed income securities;</li> <li>• At least 2% of the Portfolio will be invested in Shariah based liquid assets;</li> <li>• Minimum Long Term Issuer Credit Rating of "A3" as assessed by RAM or equivalent by MARC;</li> <li>• Minimum Short Term Issuer Credit Rating of "P3" as assessed by RAM or equivalent by MARC;</li> <li>• 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 NAV of the Portfolio;</li> <li>• 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;</li> <li>• The Malaysian Islamic Money Market Instruments must be rated at least P3 by RAM or equivalent;</li> <li>• Shariah-compliant deposits can only be placed in licensed Financial Institutions by BNM.</li> </ul>

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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