

FBM30etf

**Manager's Report And Financial Statements (unaudited)
For The Period 1 October 2008 to 31 December 2008**

(Ringgit Malaysia)

MANAGER

AmInvestment Services Berhad
9th Floor, Bangunan AmBank Group
55 Jalan Raja Chulan
50200 Kuala Lumpur

BOARD OF DIRECTORS

Kok Tuck Cheong
Datin Maznah Mahbob
Harinder Pal Singh
Professor Dr Annuar Md. Nassir
Dr Mahani Zainal Abidin
Lee Siang Korn @ Lee Siang Chin

INVESTMENT COMMITTEE

Professor Dr Annuar Md. Nassir
Dr Mahani Zainal Abidin
Lee Siang Korn @ Lee Siang Chin
Harinder Pal Singh

INVESTMENT MANAGER

AmInvestment Management Sdn Bhd

TRUSTEE

HSBC (Malaysia) Trustee Berhad

AUDITORS AND REPORTING ACCOUNTANTS

Ernst & Young

TAXATION ADVISER

Deloitte KassimChan Tax Services Sdn Bhd

FBM30etf

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FBM30etf

PERFORMANCE DATA

Details of portfolio composition of FBM30etf (“the Fund”) for the last financial periods as at 31 December 2008, 30 September 2008, 30 June 2008, 31 March 2008 and 31 December 2007 are as follows:

	As at 31-12-2008 %	As at 30-09-2008 %	As at 30-06-2008 %	As at 31-3-2008 %	As at 31-12-2007 %
Construction	1.6	1.4	1.3	2.7	3.7
Consumer products	4.8	4.2	4.0	4.0	4.8
Finance	25.2	26.4	23.4	26.3	31.4
Industrial products	1.9	2.6	2.7	1.3	1.5
Infrastructure project companies	3.4	2.9	2.5	2.6	3.0
Plantation	6.5	6.6	10.1	8.8	10.2
Trading/Services	35.1	35.7	34.8	34.1	44.5
Options	20.3	20.1	20.0	20.1	-
Cash and others	1.2	0.1	1.2	0.1	0.9
	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Note: The abovementioned percentages are based on total investment market value plus cash.

FBM30etf

Performance details of the Fund for the last financial periods ended 31 December 2008, 30 September 2008 and 30 June 2008 and last two financial years ended 31 December are as follows:

	3 months ended 31-12-2008	3 months ended 30-9-2008	3 months ended 30-6-2008	1 year ended 31-12-2008	6 2/3 months ended 31-12-2007
Net asset value (RM'000)	3,748	4,289	5,038	3,748	22,020
Units in circulation ('000)	650	650	650	650	2,340
Net asset value per unit (RM)*	5.7668	6.5977	7.7513	5.7668	9.4103
Closing quoted price (RM/unit)*	5.810	6.440	7.770	5.810	9.370
Highest quoted price (RM/unit)*	6.560	7.680	8.550	9.930	9.370
Lowest quoted price (RM/unit)*	5.450	6.300	7.740	5.450	7.680
Total return (%) ⁽¹⁾	-12.59	-13.74	-6.57	-37.2	7.61
- Capital growth (%)	-12.59	-23.74	-6.57	-57.2	7.61
- Income distribution (%)	-	10.00	-	20.00	-
Gross distribution per unit (sen)	-	11.52	-	21.72	-
Net distribution per unit (sen)	-	10.00	-	20.00	-
Management expense ratio (%) ⁽²⁾	1.14	1.08	1.12	1.06	1.21
Portfolio turnover ratio (times) ⁽³⁾	0.02	0.01	1.74	1.69	1.48

* Above price and net asset value per unit are shown as ex-distribution.

Note: (1) Total return is the actual return of the Fund for the respective financial periods, computed based on net asset value per unit and net of all fees.

(2) Management expense ratio ("MER") is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis. The MER increased by 0.06% as compared to 1.08% per annum for the quarter ended 30 September 2008 mainly due to decrease in average fund size.

(3) Portfolio turnover ratio ("PTR") is computed based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis. The PTR increased by 0.01 times (100%) as compared to 0.01 times for the quarter ended 30 September 2008 due to increase in investing activities.

Annualised Return (as at 31 December 2008)

	FBM30etf^(a) %	FBM30 Index %
One year	-37.2	-39.7
Since launch of fund (7 June 2007)	-22.1	-24.4

Annual Total Return

Financial Year/Period End	FBM30etf^(a) %	FBM30 Index %
31 December 2008	-37.2	-39.7
31 December 2007 ^(b)	7.6	6.9

(a) Independently verified by Perkasa Normandy Advisers Sdn Bhd

(b) Actual returns for the financial period 7 June 2007 (date of commencement) to 31 December 2007

The Fund's performance above is calculated based on net asset value per unit. Annualised returns for both FBM30etf and FTSE Bursa Malaysia Large 30 Index ("FBM30 Index") for a period are computed on the absolute returns for that period annualised over one year.

Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

**Manager's Report
For The Period 1 October 2008 to 31 December 2008**

Dear Unitholders

We are pleased to present you the Manager's Report and the unaudited accounts of FBM30etf ("the Fund") for the financial period 1 October 2008 to 31 December 2008.

Investment Objectives

FBM30etf is an equity exchange traded fund which aims to achieve a price and yield performance, before fees, expenses and tax, that is generally similar to that of the given benchmark, FTSE Bursa Malaysia Large 30 Index ("FBM30 Index"), balanced with the need to facilitate liquidity provision.

FBM30etf was established on 18 January 2007 and shall exist for as long as it appears to the Manager and the Trustee that it is in the interests of the unitholders for it to continue. In some circumstances, the unitholders can resolve at a meeting to terminate the Fund.

Details of the index components as at 31 December 2008 are as follows:

Stock code	Company's name	Percentage weight (%)	Shares in issue ('million units)
1295	Public Bank Berhad	12.25	3,525.20
4197	Sime Darby Berhad	9.19	5,997.99
1023	Bumiputra-Commerce Holdings Berhad	8.22	3,578.08
5347	Tenaga Nasional Berhad	7.96	4,322.56
1155	Malayan Banking Berhad	7.33	4,881.11
1961	IOI Corporation Berhad	6.42	6,122.37
3816	Malaysia International Shipping Corporation Berhad	5.00	3,719.83
3182	Genting Berhad	4.03	3,694.24
6888	TM International Berhad	4.00	3,753.40
4863	Telekom Malaysia Berhad	3.25	3,577.40
6947	DiGi.Com Berhad	2.66	777.50
4715	Resorts World Berhad	2.61	5,872.40
4162	British American Tobacco (M) Berhad	2.50	285.53
5052	PLUS Expressways Berhad	2.34	5,000.00
6033	PETRONAS Gas Berhad	2.28	1,978.73
4677	YTL Corporation Berhad	2.26	1,630.96

(Forward)

Stock code	Company's name	Percentage weight (%)	Shares in issue ('million units)
4065	PPB Group Berhad	2.17	1,185.50
1015	AMMB Holdings Berhad	1.98	2,722.97
1562	Berjaya Sports Toto Berhad	1.90	1,351.03
2445	Kuala Lumpur Kepong Berhad	1.87	1068.77
6742	YTL Power International Berhad	1.72	5,766.35
4588	UMW Holdings Berhad	1.66	1,091.20
5819	Hong Leong Bank Berhad	1.27	1,580.11
2267	Tanjong plc	1.05	403.26
5681	PETRONAS Dagangan Berhad	0.84	993.45
5657	Parkson Holdings Berhad	0.81	1,036.41
5076	Astro All Asia Networks Berhad	0.67	1,933.75
1066	RHB Capital Berhad	0.66	2,153.48
3786	Malaysian Airline System Berhad	0.60	1,670.99
2194	MMC Corporation Berhad	0.50	3,045.06

Fund Performance Review

	As at 31 December 2008	As at 30 September 2008	Change (%)
FTSE Bursa Malaysia Large 30 Index	5,637.73	6,577.73	-14.29
Net asset value (RM)	3,748,450	4,288,523	-12.59
Units in circulation (units)	650,000	650,000	-
Actual returns (%)	-37.19 ^(a)	-13.74 ^(b)	1.15
Benchmark return (%)	-39.66 ^(a)	-14.09 ^(b)	-0.20
Net asset value per unit (RM)	5.7668	6.5977	-12.59
Closing price quoted at Bursa Malaysia (RM)	5.810	6.440	-9.78

(a) Actual returns for the financial period 1 October 2008 to 31 December 2008

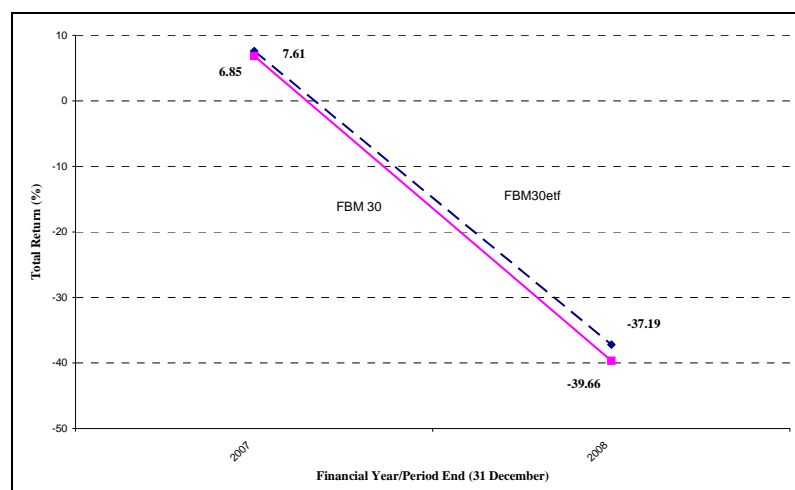
(b) Actual returns for the financial period 1 July 2008 to 30 September 2008.

Note: Benchmark – FTSE Bursa Malaysia Large 30 Index (“FBM30 Index”)

Comparison between the annual performance of FBM30etf and its benchmark for each of the last financial year/period ended 31 December is as follows:

Financial Year/Period End (31 December)	FBM30etf (%)	FBM30 Index (%)	Change (%)
2008	-37.19	-39.66	2.47
2007*	7.61	6.85	0.76

* Actual returns for the financial period 7 June 2007 (date of commencement) to 31 December 2007

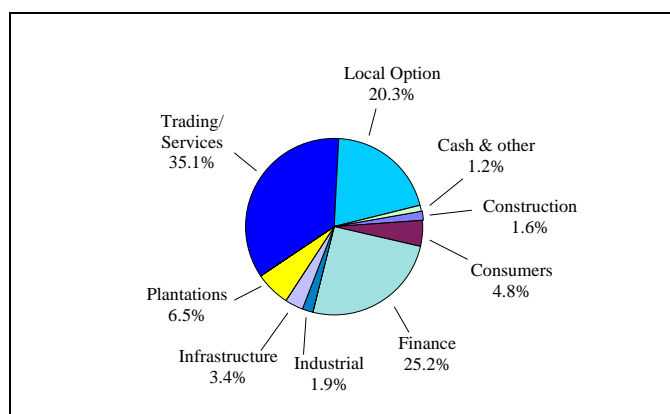


For the period under review, 30 September 2008 to 31 December 2008, the total Net Asset Value (NAV) of the Fund stood at RM 3,748,450, a decline of -12.59% from RM 4,288,523 as at 30 September 2008. NAV per unit of the Fund decrease by -12.59% to RM 5.7668 from RM 6.5977. Units in circulation of the Fund remain unchanged at 650,000 units for the period under review 31 December 2008.

The Fund registered a return of -37.19, consisting of nil income distribution and capital growth of -12.59%. The Fund however, underperformed the benchmark, FTSR Bursa Malaysia Large 30 Index by 2.47%. Closing price quoted at Bursa Malaysia on 31 December 2008 was RM5.810, decrease by -9.78% from RM 6.440 on 30 September 2008.

The Fund has met its investment objective during the period under review. No income distribution was declared and no unit split exercise has taken place. For the period under review ended 31 December 2008, there were no significant changes in the state of affairs of the Fund and no circumstances that materially affected the interest of unitholders.

Sectoral Composition as at 31 December 2008



	31 December 2008 (%)	30 September 2008 (%)	Change (%)
Construction	1.6	1.4	0.2
Consumer products	4.8	4.2	0.6
Finance	25.2	26.4	-1.2
Industrial products	1.9	2.6	-0.7
Infrastructure project companies	3.4	2.9	0.5
Plantations	6.5	6.6	-0.1
Trading/Services	35.1	35.7	-0.6
Options	20.3	20.1	0.2
Cash and others	1.2	0.1	1.1
Total	100.0	100.0	

During the period under review 30 September 2008 to 31 December 2008, there were some minor adjustments to the asset allocation of the Fund.

As the Fund is meant to mimic the performance of the benchmark FTSE Bursa Malaysia Large 30, the Fund weighting was rebalanced over the period under review to reflect this. As such, weighting in the finance, industrial products, trading/services and plantations sectors were reduced by 1.2%, 0.7%, 0.6% and 0.1% respectively. Allocation to Consumer products increased by 0.6%, infrastructure project companies by 0.5%, while, construction and options increased by 0.2%. As a result, the Fund's cash holding was increased by 1.1% to 0.1%.

Break down of unitholding by size

Size of holding	As at 31 December 2008 No of units held ('000)	As at 30 September 2008 No of units held ('000)
Less than 100	-	-
100 – 1,000	85.9	87.3
1,001 – 10,000	213.8	209.1
10,001 –100,000	62.5	86.5
100,001 to less than 5% of issue units	287.8	-
5% and above of issue units	-	267.1

Note: 5% of issue units = 32,500 units

Market Review

October 2008

The Kuala Lumpur (KLCI) plunged to a low of nearly 800 points during the month as underlying economic issues point towards global recession. Fears about recession and deteriorating economic fundamentals have created havoc on stock markets around the world and even overshadowed Malaysia's political uncertainties for the first time since the March 2008 general election. The KLCI ended the month a hefty 155 points or 15% lower at 864 points. However it outperformed the region Far East (Ex-Japan) which dropped at a higher percentage of 24% in October. The broader market slightly underperformed the KLCI as FBM Emas fell 16% to 5,669 points. Smaller caps were also broadly in line as FBM KL 2nd Board fell 14% to 4,289 points while FMB MDQ lost 16% to 3,344 points. The average value traded on Bursa in October jumped 53% to RM1.2billion (RM0.8billion in September) per day (3-month average of RM1billion per day).

Major events and corporate news for October are (1) Malaysian Institute of Economic Research (MIER) has revised down Malaysia's GDP growth in 2009 to 3.4% from 5.0% earlier. This is lower than Bank Negara's figure of 4%, (2) Banks in the country are turning cautious and being selective in evaluating loans due to the global credit crunch, but they have not put the brakes on lending to businesses, (3) Maybank will shave another RM205.5million off the RM8.6billion bill for the acquisition of Bank Internasional Indonesia (BII) if it gets approval from Indonesian authorities to acquire a 15% block from a group of hedge funds at Rp433/share (16 sen/share), (4) IOI Corp share price has fallen steeply on news that it may have incurred forex losses. Meanwhile, Mr Kong Chee Koon, Deputy CFO of IOI Corp has resigned. IOI is also postponing the launch of Sentosa Cove project in view of the slowdown in Singapore's, (5) IJM Corp did not receive consent from its lenders for the proposed 50 sen/share capital repayment and will not proceed with the exercise. Instead, IJM has declared a 25 sen/share special dividend, and (6) Roaming charges for mobile phone users in the Asean region may be reduced by up to 50% by early-2009 said Malaysia's Energy, Water and Communications Minister Some Malaysian steel makers have cut production by up to 35% since last month due to weak demand globally.

November 2008

The KLCI was flat, ended at 866 points or 0.3% higher despite the disappointing results season in November. The KLCI outperformed the region Far East (Ex-Japan) which dropped by 6% in November. The broader market slightly underperformed the KLCI as FBM Emas gained a marginal 0.2% to 5,676 points. Smaller caps underperformed as FBM KL 2nd Board fell 6% to 4,031 points while FBM MDQ lost 0.6% to 3,322 points. The average value traded on Bursa in October fell 27% to RM0.9million (RM1.2billion in October) per day (3-month average of RM0.9billion per day).

Major events and corporate news for November are (1) Malaysian Crude Palm Oil (CPO) exporters are in a quandary as the global financial crisis and the plunge in CPO prices have made it difficult for foreign importers to obtain letters of credit (LCs). Palm oil stocks in Malaysia are expected to hit a record high of 2.19m tonnes as export growth was weak despite a slight easing in output, a Reuters poll showed, (2) Electricity and gas prices may be reduced to lighten the burden on its manufacturers, International Trade and Industry Minister Tan Sri Muhyiddin Yassin said, (3) International air traffic for October 2008 declined by 1.3% compared to the same month last year, marking the second consecutive month of global decline, (4) IOI Corp has called off a deal to buy Menara Citibank on Jalan Ampang, Kuala Lumpur, from Inverfin Sdn Bhd for RM586.7million, citing concerns over the economy, (5) WCT's 50% owned JV company in Abu Dhabi has secured additional works worth RM1.2billion under the contract for construction of the Abu Dhabi F1 circuit, and (6) Malayan Banking and CIMB Group have reduced their base lending rates (BLR), effective from December 1, following the move by Bank Negara to lower the overnight policy rate (OPR).

December 2008

KLCI rose in December by 10.6 points or 1.2% to close at 876.75 points. The KLCI underperformed the region Far East (Ex-Japan) which jumped by 9.9% in December. Overall it was a relatively quiet month as there were no major developments that greatly influenced share prices. Even the results of blue chip companies such as SP Setia, Gamuda, B Toto and Tanjong saw little price movements regardless whether results were in line or not. The broader market slightly underperformed the KLCI as FBM Emas gained a marginal 0.8% to 5,949.63 points. Smaller caps underperformed as FBM KL 2nd Board fell 0.6% to 4,007.3points while FBM MDQ gained 0.3% to 3,333.5points. The average value traded on Bursa in December fell 39.8% mom to RM0.53billion (RM0.88billion in November) per day. (3-month average of RM0.85billion per day).

Major events and corporate news for December are (1) YTL Power acquired a 100% equity interest in PowerSeraya for a purchase consideration of S\$3.6billion (RM8.57billion) from Singapore's Temasek Holdings, (2) AirAsia posted its first net loss since it went public in 2004 of RM465.5million after it took a one-time charge for contracts tied to fuel hedging and trades held by Lehman Brothers Holdings Inc, (3) MMC Corp proposed to pay RM1.7billion cash for Senai Airport Terminal Services Sdn Bhd (SATS), 13% cheaper than its initial deal to acquire the latter for RM1.95billion in an all-share deal. The company also has reached an advanced stage in negotiations to sell a minority stake in Pelabuhan Tanjung Pelepas (PTP) to fund expansion plans, (4) Malaysia's property market will take three years to recover from its current slump, the slowest revival in more than two decades, reflecting the reach of the worldwide financial crisis, said Regroup Associates Sdn Bhd, (5) Property prices will fall by 5-10% from first quarter of 2009 (1Q09) as a slower economy cools demand, says Association of Valuers & Property Consultants in Private Practice Malaysia (PEPS) president James Wong

Kwong Onn, and (6) Sime Darby's deal to acquire a 51% equity in Institut Jantung Negara (IJN) has been postponed until an in-depth review has been undertaken by the Ministries of Finance and Health as well as the Economic Planning Unit.

Market Outlook

While there is a lot of bad news floating around, we believe that the average investor is well aware of this and expect more to come. Who does not know that US will have the worst recession post the Great Depression coupled with a synchronized global slowdown in Europe and Japan? The key theme for 2009 will be the on going battle between poor economic and reporting numbers versus aggressive monetary policy easing, large fiscal stimulus packages and even share buy back schemes by Central Banks (either directly or through moral suasion). This will create a volatile trading band until we will either see a decent rebound as markets realize that the worst is over or a further decline as massive fiscal stimulus is insufficient to bolster consumer confidence and hence a recovery.

The key problem is US which absorbs 20% plus of all global demand (especially from China). While we wait for further details from President Obama on how to deal with the banking crisis, toxic assets are still in the US banking books and thus choking off credit availability. Coupled with increasing US savings rate, China has lost her key customer and has no one to sell her products to. Similarly, emerging Asia has lost its key customer as China runs a trade deficit with most of her Asian neighbors. Hence it is no surprise that the Chinese and Taiwanese governments are trying to enhance its domestic market by giving vouchers to their citizens. However, weak growth and global uncertainties are likely to ensure that markets are range bound and capped at technical resistance levels until third quarter of 2009 (3Q 09).

As in any downturns, the recession needs to complete its work of cleaning up the excesses and rebuilding a base for recovery. This process is probably only mid-way at best. While we resist the temptation to be too bearish at current levels, valuations alone would be insufficient to make a meaningful recovery. We need some stabilization of fundamentals or the absence of bad news before some sort of bull recovery commences.

A look at the past 4 cycles from a price to book value proposition suggest a 50% probability of a bear market rally (Chart 1) before a market bottom post July 2009 (we argued this in the previous write-up). However, while the chance of the market going below its October 2008 low exists, the probability is against it for a few reasons;

- Fund flows suggest that risk appetite has improved.
- MSCI Asia ex Japan has discounted an 18% earnings decline for FY2009, over and above the existing consensus downgrade of -5%.
- Reasonable odds for policy makers to achieve close to 8% growth in China.

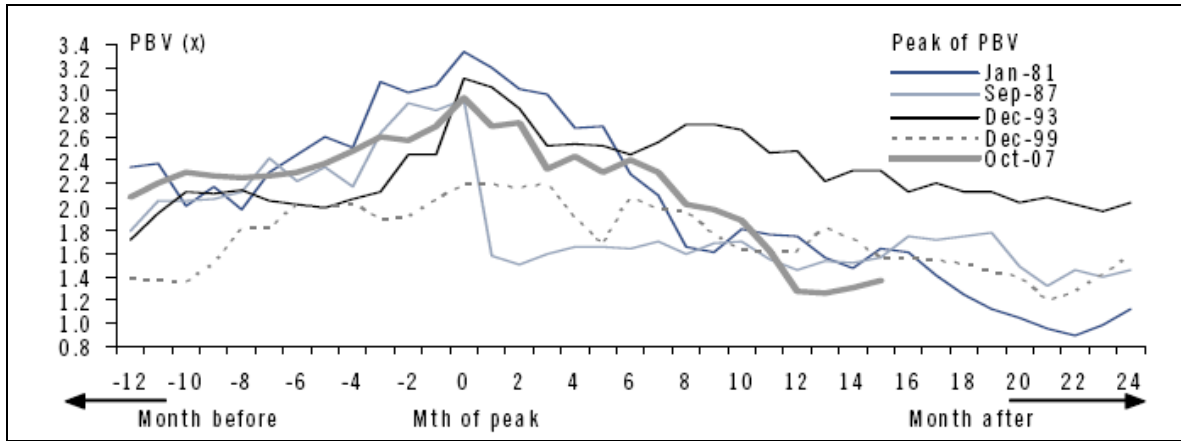


Chart 1: MSCI Asia ex Japan Price/Book value (Source: Citigroup)

Fund Flows into Asia Pacific ex Japan

Inflows into the region started in December 2008 and outflows have been rather muted despite the horrendous macro news in January 2009. Moreover, we notice that telcos have dropped from the largest overweight to the fourth biggest overweight over the 4th quarter 2008 while real estate has moved from underweight to neutral. This suggests that risk appetite has risen and investors are moving from an overly defensive stance into beta positioning (Table 1).

US\$ mn	1/28/2009	Past 4-weeks
China	43.2	366.9
HK	0.2	(5.4)
India	(1.9)	38.1
Indonesia	1.0	0.7
S Korea	3.1	46.7
Malaysia	(1.1)	3.0
Philippines	0.0	(0.3)
Spore	(4.0)	7.1
Taiwan	(0.2)	(24)
Thailand	1.4	2.4

Table 1: Funds flow into the region (Source: Emerging Portfolio.Com)

Market Valuation

MSCI Asia ex Japan

Looking at the Asia ex Japan market as a whole, the current consensus forward PE valuation is 10.9x versus the 3 years moving average of 13.1x (Chart 3). Earnings would have to decline by 18% to bring the forward valuation back to the mean. This suggests that the market has not discounted anything worse than a 23% fall and recessionary earnings decline of 20 to 30% is common. A 25% earnings decline would bring the forward PE back to the three year mean.

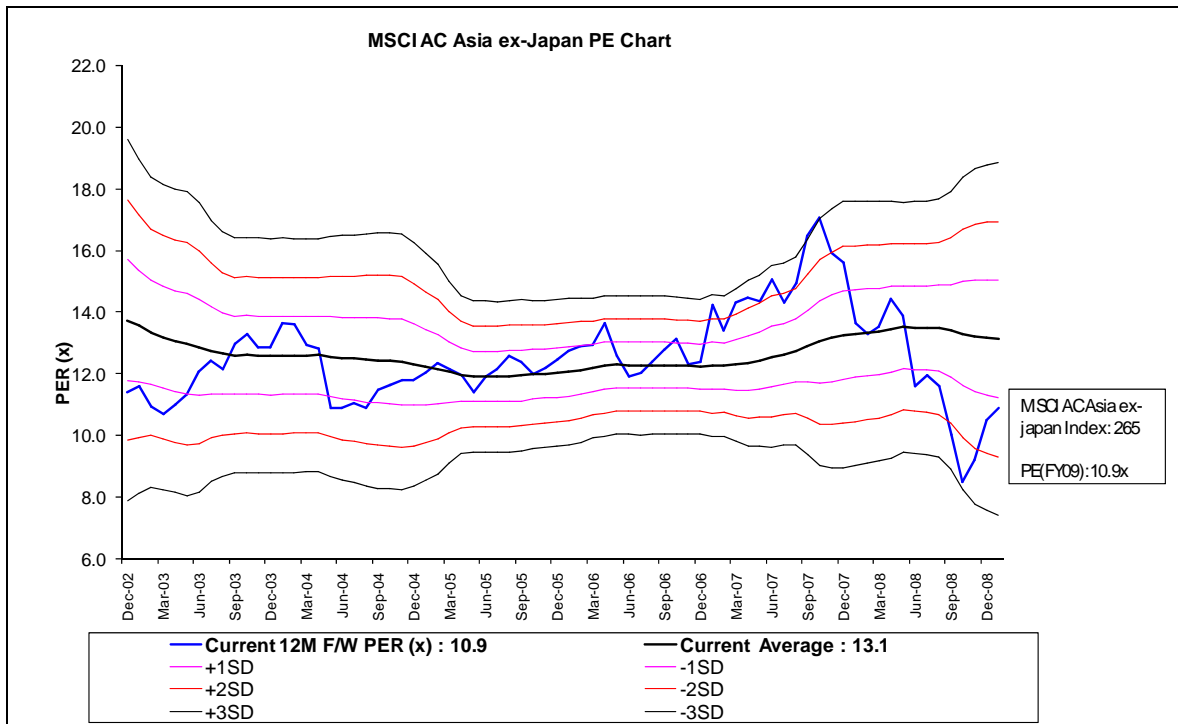


Chart 3: MSCI Asia ex Japan PER(Source: IBES)

Malaysia

For Malaysia, the current consensus forward PER is 12x versus the 3 years moving average of 14.1x (Chart 4). Basically, the market has discounted a 15% decline to bring the forward valuation back to its mean. This is over and above the 10% consensus earnings decline for 2009.

Taking a look at historical data, if we exclude the Asian financial crisis of 1997/1999, the worst earnings fall would be 22% during the recessionary period of 2001/2002 (Chart 5). It would appear that investors' expectation is rather low and has been priced in.

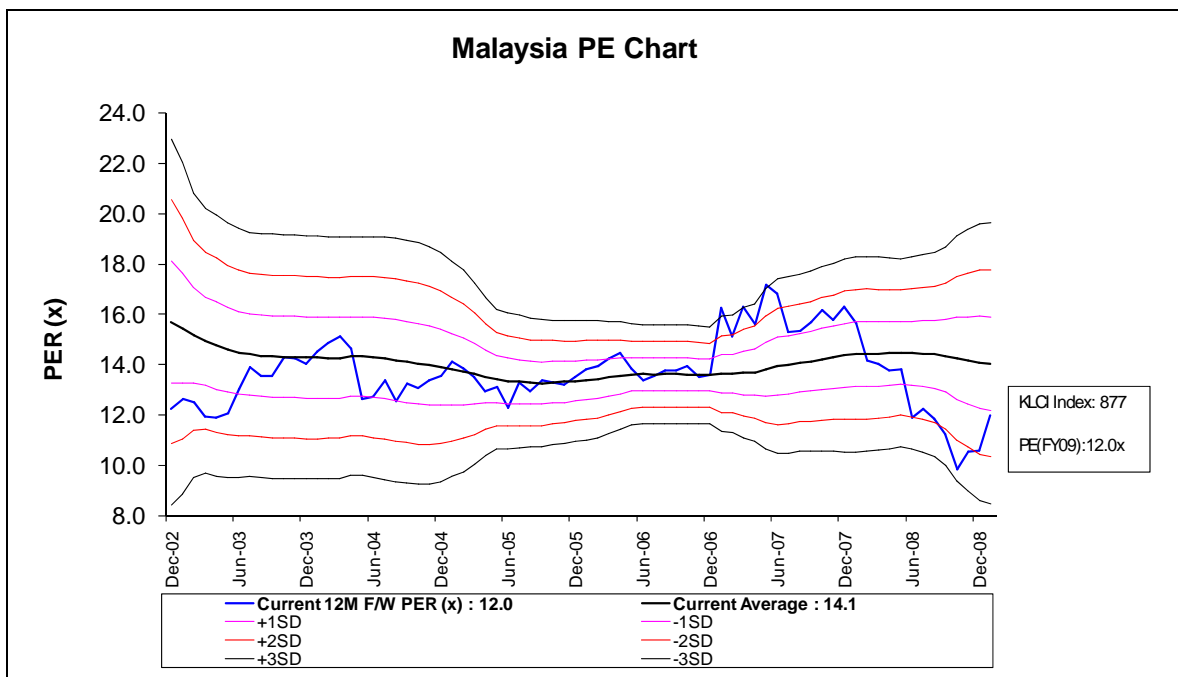


Chart 4: Malaysia PER (Source: IBES)

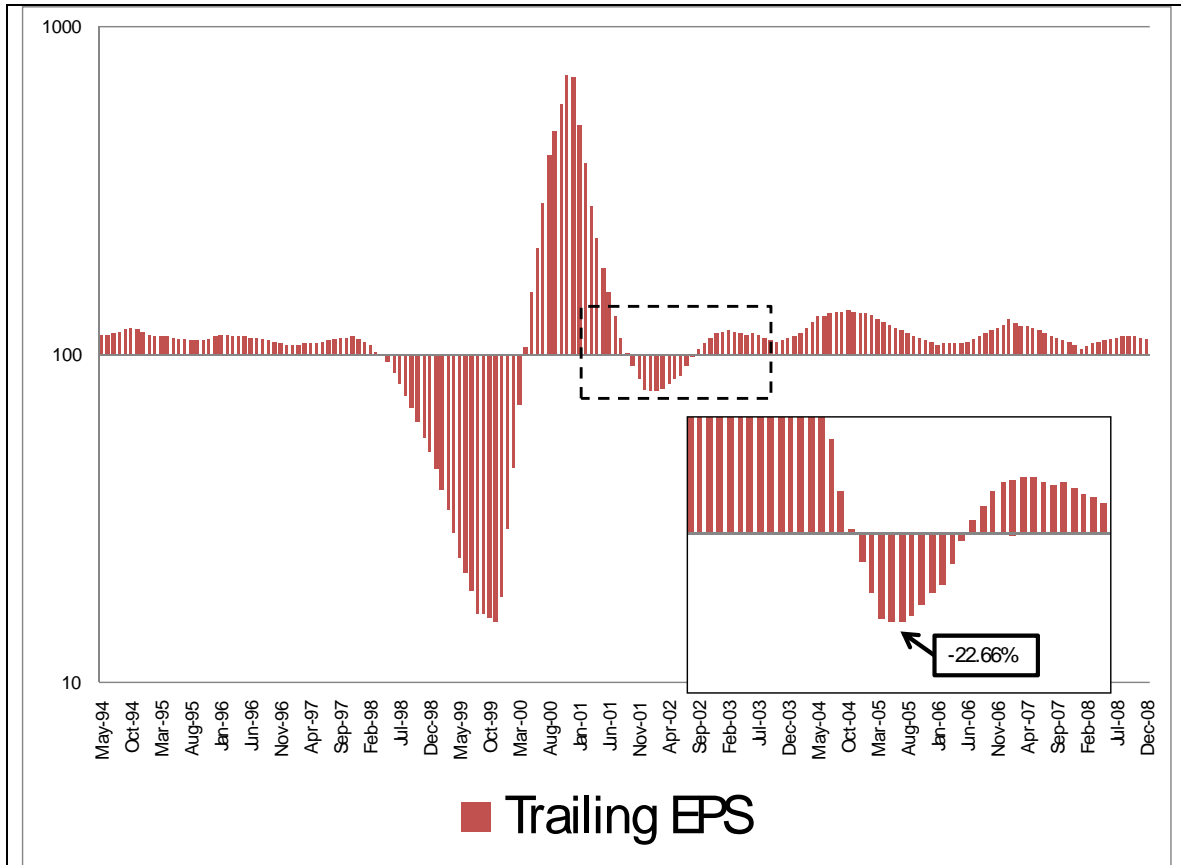


Chart 5: Historical earnings, Malaysia (Source: Bloomberg)

China – A ray of hope

First of all, the overall debt burden amongst households is not excessive. Consumer loans account for 12% of Gross Domestic Product (GDP) while households account for 70% of all deposits, underscoring an extremely conservative domestic balance sheet. Moreover, NPLs are manageable while loans-to-deposit ratio is only 65% versus 100% in mid-1990s (Chart 5). As China's banking system is in relatively decent shape, the transmission mechanism of monetary policy is functioning normally and banks are in a position to translate monetary easing into lowering borrowing costs. In fact money supply, M2 has re-accelerated (Chart 6).

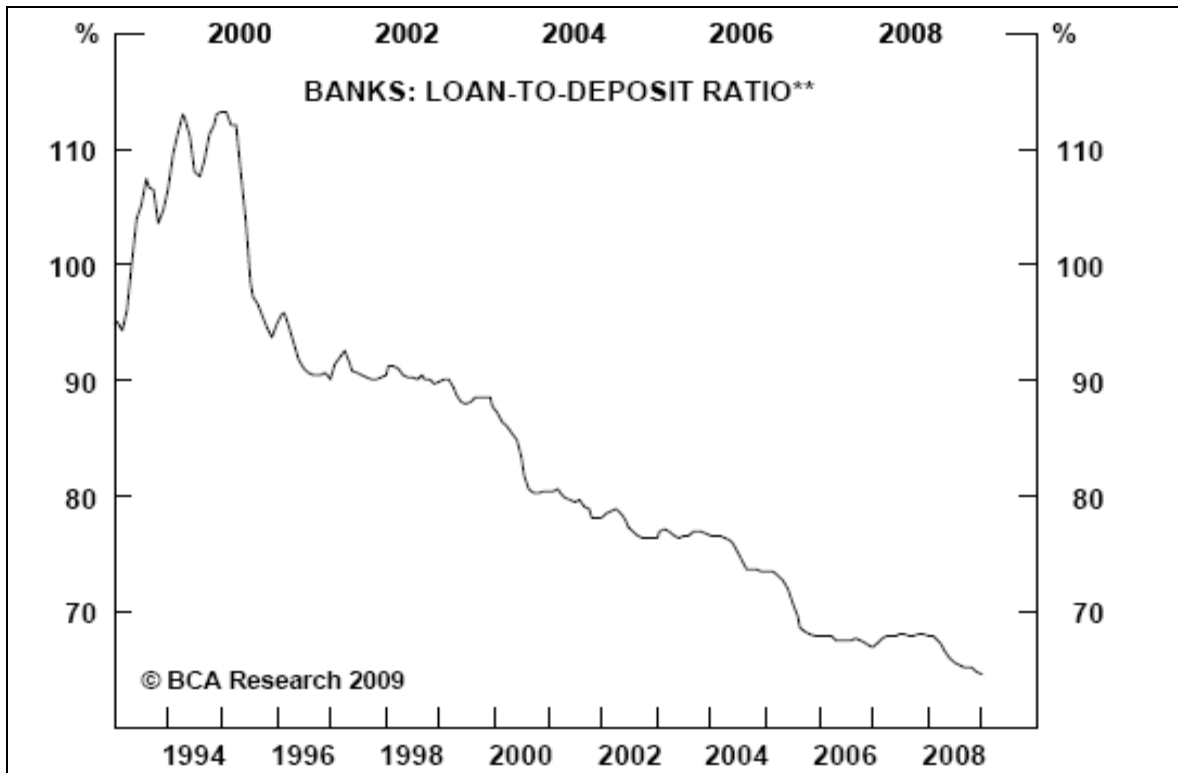


Chart 6: China Banks L/D ratio (Source: BCA)



Chart 7: M2 Money Supply (Source: Bloomberg)

Secondly, China Investment Corp (CIC), China’s sovereign wealth fund and the National Social Security Fund (NSSF), China’s main pension fund manages USD273 billion in assets. Due to the severe downturn in the A-share market in 2008, the central government began using moral suasion to CIC and NSSF to buy shares in the open market as long term investors. This has helped to stabilize the market through selective purchases when value emerges and China has taken the lead resulting in regional markets rebounding since October 2008.

Thirdly, policy stimuli in China of 8% plus of GDP are more aggressive and timely compared to 5.4% in US, 4% in Australia, 1.4% in Japan, 1.7% in Germany and 1 to 2% plus in the Asean region. There are early tentative signs that it is starting to work as;

- Steel and coal prices have recovered.
- Bank lending has accelerated from sub to high teens.



Chart 8: Coal prices (Source: Bloomberg)

While we are cautious on the market and nervous about the macro news, we believe we are close to the bottom, albeit it might remain there for awhile. We are aware that it is impossible for Asia to recover by itself without US, EU and Japan recovering. Our base case is still a global recession in 2009, sub-par growth in 2010 and better growth in 2011. As we argue in the first paragraph, the bad news is well known and hence we believe that markets will stay within a tight narrow but tradable band for the coming months. We would accumulate on market weakness

Investment Strategy

Investment strategy for the fund will remain the same, to conduct periodic rebalancing as and when required, in order to ensure that the fund tracks the performance of the benchmark index, the FTSE Bursa Malaysia Large 30 Index.

Rebates and soft commissions

It is our policy to pay all rebates to the Fund. However, soft commissions received for goods and services such as fundamental database, financial wire services, technical analysis software and stock quotation system incidental to investment management of the Fund are retained by the Manager. For the period under review, the Manager has received soft-commissions.

Kuala Lumpur
AmInvestment Services Berhad

30 January 2009

FBM30etf**STATEMENT OF ASSETS AND LIABILITIES (unaudited)
AS AT 31 DECEMBER 2008**

	Note	31-12-2008 RM	31-12-2007 RM
ASSETS			
Quoted investments	4	2,896,888	21,913,117
Investments in derivatives	5	749,507	-
Unquoted investments	6	-	198,919
Sundry receivables		54,230	79,720
Amount due from Manager	7	37,437	-
Cash at bank		45,066	796
Total Assets		<u>3,783,128</u>	<u>22,192,552</u>
LIABILITIES			
Amount due to Manager	7	-	139,422
Amount due to index provider	8	2,180	11,661
Amount due to Trustee	9	198	1,408
Sundry payables and accrued expenses		32,300	20,000
Total Liabilities excluding Net Asset Value Attributable to Unitholders		<u>34,678</u>	<u>172,491</u>
NET ASSET VALUE AS AT 31 DECEMBER	10	<u>3,748,450</u>	<u>22,020,061</u>
UNITS IN CIRCULATION	10(a)	<u>650,000</u>	<u>2,340,000</u>
NET ASSET VALUE PER UNIT – EX DISTRIBUTION	11	<u>577 sen</u>	<u>941 sen</u>

The accompanying notes form an integral part of the financial statements.

STATEMENT OF INCOME AND EXPENDITURE *(unaudited)*
FOR THE PERIOD 1 OCTOBER 2008 TO 31 DECEMBER 2008

	Note	1-10-2008 to 31-12-2008 RM	1-10-2007 to 31-12-2007 RM
INVESTMENT INCOME			
Dividend income		90,661	396,351
Interest income		-	2,660
Net realised (loss)/gain on sale of quoted investments		(97,393)	795,007
Net realized gain on sale of investments in derivatives		-	390,765
Net unrealised (loss)/gain on change in value of investments in derivatives		(107,952)	-
Net unrealised (loss)/gain on changes in value of quoted investments		(400,362)	3,375,949
Gross (Loss)/Income		<u>(515,046)</u>	<u>4,960,732</u>
EXPENDITURE			
Manager's fee	7	4,743	50,292
Trustee's fee	9	569	6,035
License fee	8	379	4,023
Audit fee		1,257	2,686
Tax agent's fee		1,257	2,686
Other expenses	12	2,622	114,873
Total Expenditure		<u>10,827</u>	<u>180,595</u>
NET (LOSS)/INCOME BEFORE INCOME TAX		(525,873)	4,780,137
LESS: INCOME TAX EXPENSE	13	(14,200)	(98,600)
NET (LOSS)/INCOME AFTER INCOME TAX		<u>(540,073)</u>	<u>4,681,537</u>
INCOME DISTRIBUTION	15	<u>-</u>	<u>-</u>
Net (Loss)/Income After Income Tax comprises the following:			
Realised (loss)/gain		(31,759)	1,305,588
Unrealised (loss)/gain		(508,314)	3,375,949
		<u>(540,073)</u>	<u>4,681,537</u>

The accompanying notes form an integral part of the financial statements.

FBM30etf**STATEMENT OF CHANGES IN NET ASSET VALUE *(unaudited)*
FOR THE PERIOD 1 OCTOBER 2008 TO 31 DECEMBER 2008**

	1-10-2008 to 31-12-2008 RM	1-10-2007 to 31-12-2007 RM
Net asset value at beginning of period	4,288,523	64,997,656
Net (loss)/gain for the period	(540,073)	4,681,537
Distribution/Loss equalisation	-	458,005
Amount paid from units redeemed net of equalisation	-	(48,117,137)
Net asset value at end of period	<u>3,748,450</u>	<u>22,020,061</u>

The accompanying notes form an integral part of the financial statements.

CASH FLOW STATEMENT *(unaudited)*
FOR THE PERIOD 1 OCTOBER 2008 TO 31 DECEMBER 2008

	Note	1-10-2008 to 31-12-2008 RM	1-10-2007 to 31-12-2007 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES			
Proceeds from sale of investments		84,084	48,060,074
Dividend received		40,774	461,387
Interest received		-	2,660
Payment for other fees expenses		(281)	(326)
Trustee's fee paid		(602)	(8,604)
Manager's fee paid		(5,019)	(71,697)
Purchase of investments		(79,156)	(1,010,545)
		<hr/>	<hr/>
Net Cash Generated From Operating And Investing Activities		39,800	47,432,949
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for release of units		-	(47,537,315)
		<hr/>	<hr/>
Net Cash Used In Financing Activities		-	(47,537,315)
		<hr/>	<hr/>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		39,800	(104,366)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		5,266	304,081
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	16	45,066	199,715
		<hr/>	<hr/>

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

FBM30etf (“the Fund”) was established pursuant to a Deed dated 18 January 2007 as amended by the Deeds Supplemental thereto (“the Deed”), between AmInvestment Services Berhad as the Manager, HSBC (Malaysia) Trustee Berhad as the Trustee and all unitholders.

The Fund was set up with the objective to achieve a price and yield performance, before fees, expenses and tax, that is generally similar to that of the benchmark index, FTSE Bursa Malaysia Large 30 Index, balanced with the need to facilitate liquidity provision. As provided in the Deeds, the “accrual period” or financial year shall end on 31 December and the units in the Fund were first offered for sale on 7 June 2007.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention modified by the revaluation of investments in accordance with applicable Financial Reporting Standards in Malaysia and the Securities Commission’s Guidelines on Exchange Traded Funds.

The new and revised Financial Reporting Standards that were first effective for and first adopted by the Fund in the current financial year were either not relevant or did not give rise to any significant change to the accounting policies of the Fund. At the date of authorisation of these financial statements, the following new and revised FRSs and Interpretations were issued but not yet effective and have not been adopted by the Fund:

FRS	Effective for financial periods beginning on or after
FRS 7: Financial Instruments: Disclosures	1 January 2010
FRS 8: Operating Segments	1 July 2009
FRS 139: Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010

The Fund is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139 by virtue of exemptions provided under Paragraph 44AB and 103AB respectively of the standards

3. **SIGNIFICANT ACCOUNTING POLICIES**

Investments

Investments are stated at market value on a portfolio basis in accordance with the provisions of the Deed. For investments in listed securities, market value is determined based on the closing price quoted on Bursa Malaysia Securities Berhad. For investments in options, market value is determined based on the quoted price of the respective issuers and/or financial institutions and for investments in unquoted fixed income securities, market value is determined based on the quoted prices from Bond Pricing Agency Malaysia Sdn Bhd (formerly known as Bondweb Malaysia Sdn Bhd) plus accrued interest. The difference between the adjusted cost and market value is treated as unrealised gain or loss and is recognised in the statement of income and expenditure. Adjusted cost of unquoted investments relates to the purchase cost plus accrued interest, adjusted for amortisation of premium and accretion of discount, if any, calculated on the straight-line method over the period from the date of acquisition to the date of maturity of the respective securities as approved by the Manager and the Trustee. Unrealised gains or losses recognised in the statement of income and expenditure is not distributable in nature.

On disposal of investments, the net realised gain or loss on disposal is measured as the difference between the net disposal proceeds and the carrying amount of the investments. The net realised gain or loss is recognised in the statement of income and expenditure.

Income Recognition

Dividend income is recognised based on the date the dividend is declared. Interest on fixed income securities and short-term deposits is recognised on an accrual basis.

Income Tax Expense

The tax effects of transactions are recognised, using the “balance sheet” method and all taxable temporary differences are recognised. As at 31 December 2008, there were no significant temporary differences.

Functional and Presentation Currency

Functional currency is the currency of the primary economic environment in which the Fund operates that most faithfully represents the economic effects of the underlying transactions. This is Ringgit Malaysia which reflects the currency of the economy in which the Fund competes for funds and subscribes and redeems units. The Fund has also adopted Ringgit Malaysia as its presentation currency.

Cash Flow Statement

The Fund adopts the direct method in the preparation of the cash flow statement.

Cash equivalents are short-term, highly liquid investments with maturity of three months or less from the date of acquisition and are readily convertible to cash with insignificant risk of changes in value.

Payables

The amounts are stated at cost which is the fair value of the consideration to be paid for services received.

Receivables

Sundry receivables are carried at anticipated realisable values.

Financial Assets and Liabilities

Financial assets and financial liabilities carried on the statement of assets and liabilities include cash at banks, investments, including deposits and placements with licensed institutions, receivables and payables. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies.

Financial instruments are classified as assets or liabilities in accordance with the substance of the contractual arrangement. The accounting policies on the recognition of interest, dividends, gains and losses relating to financial instruments classified as assets, are disclosed in the respective accounting policies.

4. QUOTED INVESTMENTS

	31-12-2008	31-12-2007
	RM	RM
At cost		
Shares quoted in Malaysia	<u>4,287,905</u>	<u>20,414,592</u>
At valuation		
Shares quoted in Malaysia	<u>2,896,888</u>	<u>21,913,117</u>

Details of quoted investments as at 31 December 2008 are as follows:

Securities quoted in Malaysia	No. of units	Market value	Purchase cost	Market value as a percentage of net asset value %
Name of Company		RM	RM	
Construction				
YTL Corporation Berhad	8,600	60,630	67,501	1.62
Consumer Products				
British American Tobacco (M) Berhad	1,700	75,650	70,927	2.02
PPB Group Berhad	6,200	57,660	51,024	1.54
UMW Holdings Berhad	8,300	42,745	58,079	1.14
	<u>16,200</u>	<u>176,055</u>	<u>180,030</u>	<u>4.70</u>
Finance				
AMMB Holdings Berhad	21,300	52,611	86,091	1.40
Bumiputra-Commerce Holdings Berhad	42,100	246,285	461,463	6.57
Hong Leong Bank Berhad	6,100	31,110	38,471	0.83
Malayan Banking Berhad	43,100	219,810	400,473	5.86
Public Bank Berhad	41,500	367,275	423,343	9.80
RHB Capital Berhad	3,300	12,870	17,103	0.34
	<u>157,400</u>	<u>929,961</u>	<u>1,426,944</u>	<u>24.80</u>
Industrial Products				
PETRONAS Gas Berhad	7,000	68,600	74,006	1.83
Infrastructure				
DiGi.Com Berhad	3,700	80,660	85,625	2.15
YTL Power International Berhad	23,771	45,165	54,016	1.20
	<u>27,471</u>	<u>125,825</u>	<u>139,641</u>	<u>3.35</u>

(Forward)

Securities quoted in Malaysia	No. of units	Market value	Purchase cost	Market value as a percentage of net asset value %
Name of Company		RM	RM	
Plantation				
IOI Corporation Berhad	54,085	192,542	311,983	5.14
Kuala Lumpur Kepong Berhad	5,500	48,950	75,820	1.31
	<u>59,585</u>	<u>241,492</u>	<u>387,803</u>	<u>6.45</u>
Trading/Service				
Astro All Asia Networks PLC	6,200	13,702	14,319	0.36
Berjaya Sports Toto Berhad	10,500	50,190	53,358	1.34
Genting Berhad	32,600	120,620	258,905	3.22
Malaysia International Shipping Corporation Berhad	17,500	149,625	170,480	3.99
Malaysian Airline System Berhad	3,833	11,729	17,444	0.31
MMC Corporation Berhad	7,700	8,008	29,895	0.21
Parkson Holdings Berhad	4,400	17,512	38,504	0.47
PETRONAS Dagangan Berhad	2,500	18,000	20,365	0.48
PLUS Expressways Berhad	23,500	70,030	75,495	1.87
Resorts World Berhad	34,600	78,196	128,136	2.09
Sime Darby Berhad	52,989	275,543	440,270	7.35
Tanjong plc	1,900	25,270	34,331	0.67
Telekom Malaysia Berhad	31,600	97,328	96,338	2.60
Tenaga Nasional Berhad	38,200	238,750	393,905	6.37
TM International Berhad	33,100	119,822	240,235	3.20
	<u>301,122</u>	<u>1,294,325</u>	<u>2,011,980</u>	<u>34.53</u>
Total quoted investments	<u>577,378</u>	<u>2,896,888</u>	<u>4,287,905</u>	<u>77.28</u>

5. **INVESTMENTS IN DERIVATIVES**

	31-12-2008 RM	31-12-2007 RM
At cost		
Option	<u>1,037,829</u>	<u>-</u>
At valuation		
Option	<u>749,507</u>	<u>-</u>

Details of investments in derivatives as at 31 December 2008 are as follows:

Derivatives	No. of units	Carrying value RM	Purchase cost RM	Carrying value as a percentage of net asset value %
AmInvestment Bank Berhad	<u>130,000</u>	<u>749,507</u>	<u>1,037,829</u>	<u>20.00</u>

6. **UNQUOTED INVESTMENTS**

	31-12-2008 RM	31-12-2007 RM
At carrying value		
Short-term deposits with licensed banks under short-term money market deposits	<u>-</u>	<u>198,919</u>
At nominal value		
Short-term deposits with licensed banks under short-term money market deposits	<u>-</u>	<u>198,900</u>

7. **AMOUNT DUE FROM MANAGER**

	31-12-2008 RM	31-12-2007 RM
Net creation of units*	44,284	124,087
Manager's fee payable	(1,647)	11,735
Application fee payable to Manager	<u>(5,200)</u>	<u>3,600</u>
	<u>37,437</u>	<u>139,422</u>

* The amount represents net amount receivable from Manager for units created net of units released.

Manager's fee is computed at a rate not exceeding 1.0% per annum of the net asset value of the Fund, calculated on a daily basis, as provided under Clause 14.1(b) of the Deed.

Manager's fee was charged at a rate of 0.50% (0.50% for the financial period 1 October 2007 to 31 December 2007) per annum of the net asset value of the Fund, calculated on daily basis, for the financial period 1 October 2008 to 31 December 2008.

8. AMOUNT DUE TO INDEX PROVIDER

Included in amount due to index provider is the license fee payable to FTSE International Limited, the provider of benchmark index.

License's fee was charged at a rate of 0.04% (0.04% for the financial period 1 October 2007 to 31 December 2007) per annum of the net asset value of the Fund, calculated on daily basis, for the financial period 1 October 2008 to 31 December 2008.

9. AMOUNT DUE TO TRUSTEE

Amount due to Trustee represents the trustee's fee payable.

Trustee's fee was charged at a rate of 0.06% (0.06% for the financial period 1 October 2007 to 31 December 2007) per annum of the net asset value of the Fund, calculated on daily basis, for the financial period 1 October 2008 to 31 December 2008.

10. NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS

Net asset value attributable to unitholders is represented by:

		31-12-2008	31-12-2007
		RM	RM
Unitholders' contribution	(a)	5,431,641	19,943,945
Accumulated (loss)/gain	(b)	<u>(1,683,191)</u>	<u>2,076,116</u>
		<u>3,748,450</u>	<u>22,020,061</u>

(a) UNITHOLDERS' CONTRIBUTION/UNITS IN CIRCULATION

	1-10-2008 to 31-12-2008		1-10-2007 to 31-12-2007	
	No. of units	RM	No. of units	RM
At beginning of the period	650,000	5,431,641	7,670,000	68,061,082
Released during the period	<u>-</u>	<u>-</u>	<u>(5,330,000)</u>	<u>(48,117,137)</u>
At end of period	<u>650,000</u>	<u>5,431,641</u>	<u>2,340,000</u>	<u>19,943,945</u>

As provided in the Prospectus dated 7 June 2007, the initial size of the Fund shall not exceed 500 million units.

The Manager, AmInvestment Services Berhad, did not hold any units in the Fund as at 31 December 2008 and 30 September 2008. Holdings by parties related to the Manager as at 31 December 2008 were 263,600 units valued at RM1,531,516 ((1,900,300 units valued at RM17,805,811 as at 31 December 2007).

(b) ACCUMULATED (LOSS)/GAIN

	Note	1-10-2008 to 31-12-2008 RM	1-10-2007 to 31-12-2007 RM
Accumulated loss at beginning of period		(1,143,118)	(3,063,426)
Net (loss)/gain for the period		(540,073)	4,681,537
Distribution/Loss equalisation	14	-	458,005
Accumulated (loss)/gain at end of period		(1,683,191)	2,076,116

11. NET ASSET VALUE PER UNIT

The net asset value per unit is calculated by dividing the net assets of RM3,748,450 (RM22,020,061 as at 31 December 2007) by the 650,000 (2,340,000 as at 31 December 2007) units in issue as at 31 December 2008.

12. OTHER EXPENSES

Included in other expenses is pre-listing expense amounting to RM112,766 charged out during the financial period 1 October 2007 to 31 December 2007.

13. INCOME TAX EXPENSE

Income tax payable is calculated on investment income less deduction for permitted expenses as provided for under Section 63B of the Income Tax Act, 1967.

Pursuant to Schedule 6 paragraph 35 of the Income Tax Act, 1967, interest income derived by the Fund is exempted from tax. Hence, there is no taxation for the current period.

A reconciliation of income tax expense applicable to income before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	1-10-2008 to 31-12-2008 RM	1-10-2007 to 31-12-2007 RM
Net (loss)/gain before income tax	<u>(525,873)</u>	<u>4,780,137</u>
Taxation at Malaysian statutory rate of 26% (27% in 31 December 2007)	(136,700)	1,290,700
Tax effect of:		
Loss/(Income) not subject to tax	120,200	(1,237,200)
Permitted expenses not deductible for tax purposes	2,100	12,800
Non-permitted expenses for tax purposes	<u>200</u>	<u>32,300</u>
Tax expense for the financial period	<u>14,200</u>	<u>98,600</u>

14. **DISTRIBUTION/LOSS EQUALISATION**

Distribution equalisation represents the average amount of undistributed net income included in the creation or release price of units. This amount is either refunded to unitholders by way of distribution and/or adjusted accordingly when units are released back to Trustee.

15. **INCOME DISTRIBUTION**

No income distribution was declared during the financial period 1 October 2008 to 31 December 2008 (nil for the financial period 1 October 2007 to 31 December 2007).

16. **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in the cash flow statement comprise the following amounts:

	31-12-2008 RM	31-12-2007 RM
Cash at banks	45,066	796
Short-term deposits with licensed banks under short-term money market deposits (Note 6)	<u>-</u>	<u>198,919</u>
	<u>45,066</u>	<u>199,715</u>

17. MANAGEMENT EXPENSE RATIO AND PORTFOLIO TURNOVER RATIO

The Fund's management expense ratio ("MER") is as follows:

	1-10-2008 to 31-12-2008 %	1-10-2007 to 31-12-2007 %
Manager's fee	0.50	0.50
Trustee's fee	0.06	0.06
License's fee	0.04	0.04
Trust expenses	<u>0.54</u>	<u>1.20</u>
Total MER	<u><u>1.14</u></u>	<u><u>1.80</u></u>

The portfolio turnover ratio, calculated by dividing the average of total acquisitions and total disposals of investment securities by the average net asset value of the Fund calculated on a daily basis, is 0.02 times for the financial period 1 October 2008 to 31 December 2008 (0.48 times for the financial period 1 October 2007 to 31 December 2007).

18. SEGMENTAL REPORTING

(a) Business Segment

In accordance with the objective of the Fund, the Fund has exposures to both quoted securities, unquoted investments and investments in derivatives. The following table provides an analysis, results, assets and liabilities by business segments:

	Quoted securities RM	Unquoted securities RM	Derivatives RM	Total RM
31 December 2008				
Revenue				
Segment loss representing segment results	<u>(407,094)</u>	<u>-</u>	<u>(107,952)</u>	(515,046)
Unallocated expenditure				<u>(10,827)</u>
Loss before income tax				(525,873)
Income tax expense				<u>(14,200)</u>
Net loss after income tax				<u><u>(540,073)</u></u>
(forward)				

	Quoted securities RM	Unquoted securities RM	Derivatives RM	Total RM
31 December 2008				
Assets				
Segment assets – investments	2,896,888	-	749,507	3,646,395
Sundry receivables	<u>44,574</u>	<u>-</u>	<u>-</u>	44,574
Other unallocated assets				<u>92,159</u>
				<u>3,783,128</u>
Liabilities				
Other unallocated liabilities				<u>34,678</u>
31 December 2007				
Revenue				
Segment income representing segment results	<u>4,567,307</u>	<u>2,660</u>	<u>390,765</u>	4,960,732
Unallocated expenditure				<u>(180,595)</u>
Income before income tax				4,780,137
Income tax expense				<u>(98,600)</u>
Net income after income tax				<u>4,681,537</u>
Assets				
Segment assets – investments	21,913,117	198,919	-	22,112,036
Sundry receivables	<u>68,918</u>	<u>-</u>	<u>-</u>	68,918
Other unallocated assets				<u>11,598</u>
				<u>22,192,552</u>
Liabilities				
Other unallocated liabilities				<u>172,491</u>

(b) Geographical Segment

As all of the Fund's investments are located in Malaysia, the Fund does not have separate identifiable geographical segments.

19. TRANSACTIONS WITH BROKERS AND FINANCIAL INSTITUTIONS

Details of transactions with brokers and financial institutions for the financial period 1 October 2008 to 31 December 2008 are as follows:

Financial institutions/ Brokers	Transaction value		Brokerage fee, stamp duty and clearing fee paid	
	RM	%	RM	%
AmInvestment Bank Berhad*	<u>163,526</u>	<u>100.00</u>	<u>1,802</u>	<u>100.00</u>
	<u>163,526</u>	<u>100.00</u>	<u>1,802</u>	<u>100.00</u>

* A financial institution related to the Manager. The Manager and the Trustee are of the opinion that the above transactions have been entered into in the normal course of business and have been established under terms that no less favourable than those arranged with independent third parties.

The above transaction values are in respect of listed securities.

20. RISK MANAGEMENT

The Fund is exposed to a variety of risks that included market risk, interest rate risk, credit risk, liquidity risk, single issuer risk, regulatory risk, management risk and stock risk.

Risk management is carried out by closely monitoring, measuring and mitigating the above said risk, careful selection of stocks for investment coupled with stringent compliance to investment restrictions as stipulated by the Securities Commission Act, Securities Commission's Guidelines on Exchange Traded Funds and the Deed as the backbone of risk management of the Fund.

Market Risk

Market risk relates to investments in quoted/unquoted securities where movements of share prices can rise or fall for a number of reasons including industry trends, economic factors, changes in company's operations, management and financial performance as well as market perceptions on a particular company.

Market risk is managed through portfolio diversification and asset allocation whereby the securities exposure is monitored/reduced in the event of anticipated market weaknesses.

Interest Rate Risk

Interest rate risk will affect the value of the Fund's investments, given the interest rate movements, which are influenced by regional and local economic developments as well as political developments.

Interest rate moves in the opposite direction of bond prices. When the interest rates rise, bond prices fall and vice versa. When interest rate trend is anticipated to rise, the Fund Manager will reduce the exposure to fixed income securities.

Domestic interest rates on deposits and placements with licensed financial institutions are determined based on prevailing market rates. The Fund has a policy to ensure that the rates obtained are competitive.

Credit Risk

Credit risk applies to debt instruments such as term deposits, bonds and debentures. The issuer of such instruments may not be able to fulfill the required interest payments or repay the principal invested. These risks may cause the Fund's investments to fluctuate.

The Fund Manager manages the risk by setting internal counterparty limits and undertaking internal credit evaluation to minimise such risk.

Liquidity Risk

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellation of units by unitholders. Liquid assets comprise cash deposits with licensed institutions and other instruments, which are capable of being converted into cash between 5 to 7 days. The Fund's policy is to always maintain a prudent level of liquid assets so as to reduce liquidity risk.

Single Issuer Risk

Internal policy restricts the Fund from investing in securities issued by any issuer of not more than a certain percentage of its net asset value. Under such restriction, the risk exposure to the securities of any issuer is managed based on internal/external ratings.

Regulatory Risk

Any changes in national policies and regulations may have an effect on the capital market.

Management Risk

Poor management of a fund may cause considerable losses to the fund that in turn may affect the contribution by a unitholder.

Stock Risk

Risk that is specific to a stock and is not correlated with the specific risks of other stocks.

21. **FAIR VALUE OF FINANCIAL INSTRUMENTS**

All assets and liabilities of the Fund are carried at fair values. The accounting policies on recognition and measurement of the fair value for the Fund's investments are disclosed in their respective accounting policies.

The fair value for the amount due from the Manager and Trustee, cash at banks, sundry receivables, and sundry payables and accruals approximate their respective carrying amounts as at the balance sheet date due to the relatively short-term maturity of these financial instruments.