

FBM30etf (now known as FBM KLCI etf)

**Manager's Report And Financial Statements (unaudited)
For The Period 1 April 2009 to 30 June 2009**

(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 (now known as FBM KLCI etf)

Contents	Page(s)
Performance data	1 - 3
Manager's report	4 - 15
Statement of assets and liabilities	16
Statement of income and expenditure	17
Statement of changes in net asset value	18
Cash flow statement	19
Notes to the financial statements	20 - 34

FBM30etf (now known as FBM KLCI etf)

PERFORMANCE DATA

Details of portfolio composition of FBM30etf (“the Fund”) for the financial periods as at 30 June 2009, 31 March 2009 and two financial year/period as at 31 December are as follows:

	As at 30-6-2009 %	As at 31-3-2009 %	As at 31-12-2008 %	As at 31-12-2007 %
Construction	1.3	1.8	1.6	3.7
Consumer products	4.4	5.1	4.8	4.8
Finance	26.9	24.3	25.2	31.4
Industrial products	1.3	1.9	1.9	1.5
Infrastructure project companies	2.9	3.4	3.4	3.0
Plantation	7.1	7.2	6.5	10.2
Trading/Services	34.4	34.8	35.1	44.5
Options	20.1	20.1	20.3	-
Cash and others	1.6	1.4	1.2	0.9
	<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 (now known as FBM KLCI etf)

Performance details of the Fund for the financial periods ended 30 June 2009, 31 March 2009, and two financial year/period ended 31 December are as follows:

	3 months ended 30-6-2009	3 months ended 31-3-2009	1 year ended 31-12-2008	6 2/3 months ended 31-12-2007
Net asset value (RM'000)	4,538	3,669	3,748	22,020
Units in circulation ('000)	650	650	650	2,340
Net asset value per unit (RM)*	6.9816	5.6444	5.7668	9.4103
Highest net asset value per unit (RM)*	7.0428	6.1079	9.9339	9.4196
Lowest net asset value per unit (RM)*	5.7357	5.4169	5.4137	7.7107
Closing quoted price (RM/unit)*	6.950	5.700	5.810	9.370
Highest quoted price (RM/unit)*	6.960	6.130	9.930	9.370
Lowest quoted price (RM/unit)*	5.870	5.480	5.450	7.680
Total return (%) ⁽¹⁾	23.7	-1.07	-37.2	7.61
- Capital growth (%)	23.7	-7.07	-57.2	7.61
- Income distribution (%)	-	6.00	20.00	-
Gross distribution per unit (sen)	-	6.96	21.72	-
Net distribution per unit (sen)	-	6.00	20.00	-
Distribution yield (%) ⁽²⁾	-	1.05	3.44	-
Management expense ratio (%) ⁽³⁾	1.12	1.39	1.06	1.21
Portfolio turnover ratio (times) ⁽⁴⁾	0.02	0.01	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) Distribution yield is calculated based on the total distribution for the period divided by the closing quoted price.
- (3) 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 decreased by 0.27% as compared to 1.39% per annum for the quarter ended 31 March 2009 mainly due to increase in average fund size.
- (4) 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 31 March 2009 due to increase in investing activities.

Annualised Return (as at 30 June 2009)

	FBM30etf^(a) %	FBM30 Index %
One year	-7.7	-9.8
Since launch of fund (7 June 2007)	-8.8	-10.8

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 April 2009 to 30 June 2009**

Dear Unitholders

We are pleased to present you the Manager's Report and the unaudited accounts of FBM30etf (now known as **FBM KLCI etf**) ("the Fund") for the financial period 1 April 2009 to 30 June 2009.

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 30 June 2009 are as follows:

Stock code	Company's name	Percentage weight (%)	Shares in issue ('million units)
1023	Bumiputra-Commerce Holdings Berhad	10.14	3,578.08
1295	Public Bank Berhad	10.01	3,531.93
1155	Malayan Banking Berhad	9.80	7,077.61
4197	Sime Darby Berhad	9.79	5,997.99
5347	Tenaga Nasional Berhad	7.76	4,322.56
1961	IOI Corporation Berhad	6.92	6,245.95
3182	Genting Berhad	4.90	3,694.24
6888	Axiata Group Berhad	4.70	8,445.15
3816	Malaysia International Shipping Corporation zBerhad	3.98	3,719.83
4715	Genting Malaysia Berhad	2.48	5,872.40
4863	Telekom Malaysia Berhad	2.46	3,577.40
6947	DiGi.Com Berhad	2.16	777.50
1015	AMMB Holdings Berhad	2.16	2,722.97
4065	PPB Group Berhad	2.15	1,185.50
5052	PLUS Expressways Berhad	2.00	5,000.00
4162	British American Tobacco (M) Berhad	2.00	285.53

(Forward)

Stock code	Company's name	Percentage weight (%)	Shares in issue ('million units)
2445	Kuala Lumpur Kepong Berhad	1.99	1068.77
4677	YTL Corporation Berhad	1.86	1,712.04
6033	PETRONAS Gas Berhad	1.82	1,978.73
1562	Berjaya Sports Toto Berhad	1.60	1,351.03
6742	YTL Power International Berhad	1.58	5,854.62
4588	UMW Holdings Berhad	1.52	1,091.20
5819	Hong Leong Bank Berhad	1.13	1,580.11
2267	Tanjong plc	0.84	403.26
5657	Parkson Holdings Berhad	0.83	1,036.41
2194	MMC Corporation Berhad	0.81	3,045.06
5076	Astro All Asia Networks Berhad	0.79	1,933.75
5681	PETRONAS Dagangan Berhad	0.78	993.45
1066	RHB Capital Berhad	0.56	2,153.48
3786	Malaysian Airline System Berhad	0.48	1,670.99

Fund Performance Review

	As at 30 June 2009	As at 31 March 2009	Changes (%)
FTSE Bursa Malaysia Large 30 Index	6,910.01	5,598.49	23.43
Net asset value (RM)	4,538,042	3,668,887	23.69
Units in circulation (units)	650,000	650,000	-
Actual returns (%)	23.69 ^(a)	-1.07 ^(b)	24.76
Benchmark return (%)	23.43 ^(a)	-0.70 ^(b)	24.13
Net asset value per unit (RM)	6.9816	5.6444	23.69
Closing price quoted at Bursa Malaysia (RM)	6.95	5.70	21.93

(a) Actual returns for the financial period 1 April 2009 to 30 June 2009.

(b) Actual returns for the financial period 1 January 2009 to 31 March 2009.

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

For the financial period ended 30 June 2009, the Fund’s net value assets (NAV) of the Fund stood at RM 4,538,042, increased by 23.69% as compared to RM 3,668,887 as of 31 March 2009. Units in circulation of the Fund were par at 650,000 units for the period 30 June 2009. The Fund registered a return of 23.69%, which was entirely capital growth in nature.

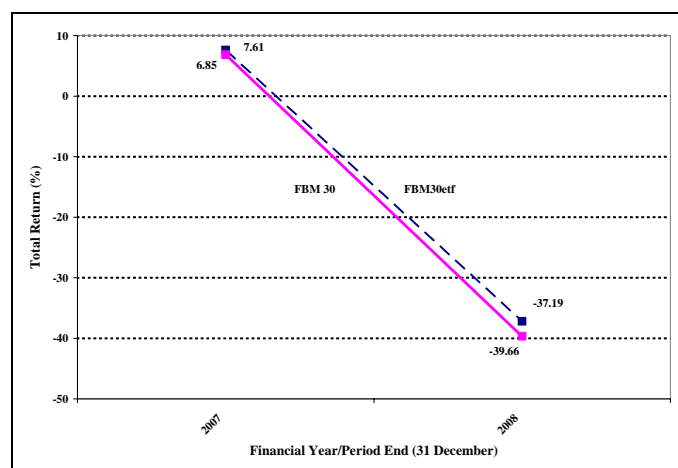
The Fund outperformed its benchmark, FBM30 Index by 0.26%. FBM30 Index registered a return of 23.43%, increasing by 24.13% from -0.70% as of 31 March 2009. The NAV of the Fund valued at RM 6.9816, increased by 23.69% as compared to RM 5.6444 as of 31 March 2009. As at 30 June 2009, the closing price of the Fund quoted at Bursa Malaysia was valued at RM 6.9500, increasing by 21.93% as compared to RM 5.700 as of 31 March 2009.

We believe that the Fund has met its objective during this financial period under review. There were no significant changes in the state of affairs of the Fund, no unit split declared and no circumstances that materially affected the interested of the unitholders for the period under review.

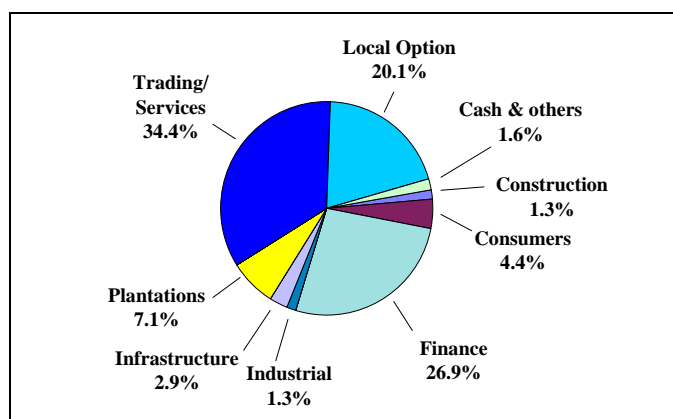
Comparison between the annual performance of FBM30etf and its benchmark for each of the last financial year/period ended 31 December is as follows:

Financial Year/Period End (31 December)	FBM30etf (%)	FBM30 Index (%)	Changes (%)
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



Sectoral Composition as at 30 June 2009



	30 June 2009 (%)	31 March 2009 (%)	Changes (%)
Construction	1.3	1.8	-0.5
Consumer products	4.4	5.1	-0.7
Finance	26.9	24.3	2.6
Industrial products	1.3	1.9	-0.6
Infrastructure project companies	2.9	3.4	-0.5
Plantations	7.1	7.2	-0.1
Trading/Services	34.4	34.8	-0.4
Options	20.1	20.1	-
Cash and others	1.6	1.4	0.2
Total	100.0	100.0	

During the period under review 31 March 2009 to 30 June 2009, 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 construction, consumer products, industrial products, infrastructure project companies, plantations and trading and services were reduced by 0.5%, 0.7%, 0.6%, 0.5%, 0.1% and 0.4% respectively, while exposure to finance sector increased 2.6%. The balance 0.2% resulted in the fund's cash holding increasing to 1.6%.

Break down of unitholding by size

Size of holding	As at 30 June 2009 No of units held ('000)	As at 31 March 2009 No of units held ('000)
Less than 100	-	-
100 – 1,000	74.5	86.8
1,001 – 10,000	198.3	204.8
10,001 to less than 5% of issue units	57.5	64.5
5% and above of issue units	319.7	293.9

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

Market Review

Over the period 31 March 2009 to 30 June 2009, the FTSE Bursa Malaysia KLCI rose 23.2% from 872.55 points to 1,075.24 points, while the FTSE Bursa Malaysia EMAS Index rose 26.4% from 5,701.13 points to 7,206.83 points. It was an interesting quarter with more highs than lows for the market, driven by internal as well as external factors. The following is a month by month review of events:

April 2009

The KLCI recorded a hefty gain of 118 points to close at 991 points (+13.5%). It was the strongest rebound since peaking in January 2008. However The KLCI underperformed the region Far East (Asia Pacific ex-Japan) which jumped by 16.5% in the same period. The market rally was broad-based and rotated between big cap blue chips and second liner bombed out stocks. The broader market performance was better than the KLCI as FBM Emas gained 14.8% to 6,542 points. Smaller caps were mixed as FBM KL 2nd Board rose only 11.2% to 4,306 points while FMB MDQ jumped 18.5% to 3,488 points. During the month, daily trading volume went above 2billion shares, its highest level in 18 months. The average value traded on Bursa in March rose by 78.5% month-on-month(mom) to RM1.16billion per day compared to the 3-month average of RM0.81billion per day.

Datuk Seri Najib Tun Razak was sworn in as Malaysia's sixth prime minister, taking over from Datuk Seri Abdullah Ahmad Badawi who stepped down after leading the country for over five years. Liberalisation of the financial sector and 27 services sectors was announced by Datuk Seri Najib Razak.

May 2009

The KLCI recorded a gain of 53 points to close at 1,044 in May (+5.3%), still underperforming the regional Far East (Asia Pacific ex-Japan) which rose by 15.6% in the same period. The broader market's performance was better than the KLCI as FBM Emas gained 6.8% to 6984 points, FBM KL 2nd Board rose by 6.2% to 4,575 points while FMB MDQ rose by 15.8% to 4,040 points. The average value traded on Bursa in May increased by 53% mom to RM1.77bn per day compared to the 3-month average of RM1.18billion per day.

Bank Negara announced a sharp contraction in the 1Q09 Gross Domestic Product(GDP) of – 6.2% year-on-year(yoy). The government revised Malaysia's 2009 GDP forecast downard from a range of – 1% to +1% previously to an expected contraction of between 4% to 5%.However, Bank Negara kept its overnight policy rate (OPR) at 2%.This seemed to indicate that worst was over and BNM was confident that the economy would recover, albeit slowly going forward.

June 2009

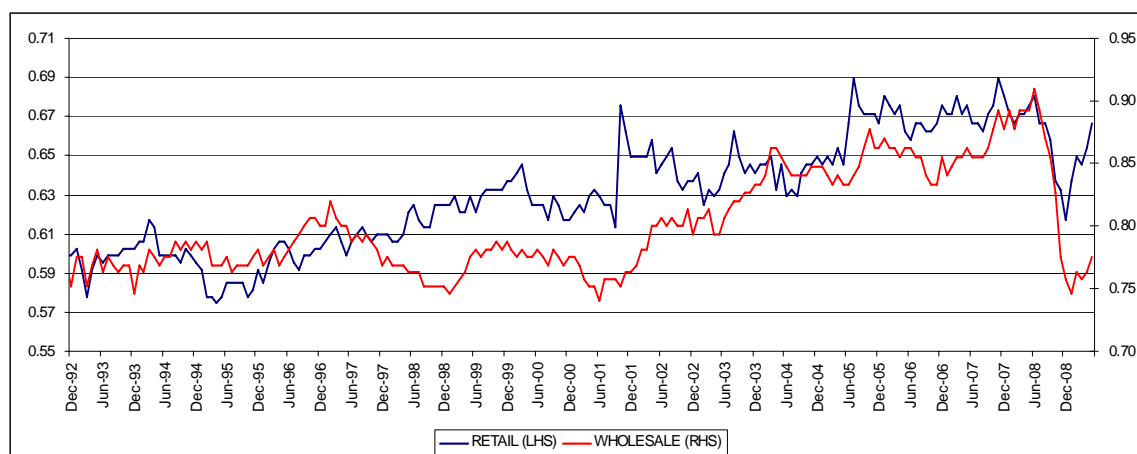
It was a better than expected month for Malaysia as the KLCI gained 31 points or 3% to close at 1,075 points. This was despite the market undergoing its first and real consolidation phase since the strong ascent started in early April 2009. The Invest Malaysia conference on 30 June and 1 July 2009 also helped boost market sentiment and buying as it was reported repeatedly in the press that the Prime Minister would announce further liberalization measures. The broader market's performance was slightly better than the KLCI as FBM Emas gained 3.2% to 7,207 points. Smaller caps were mixed as FBM KL 2nd Board rose 3.9% to 4,755 points while FBM MDQ inched up 1.4% to 4,096 points. The average value traded on Bursa in June eased 12% mom to RM1.62billion per day.

The first quarter 2009 corporate results ended mixed but were not as bad as investors/analysts expectations. Almost two thirds of the companies met analysts expectations and only 25% were below market expectations. This was better than the previous quarter's results where almost 40% of companies did not meet market expectations.

Market Outlook

While we are more positive about the global economy going forward, it is one thing for the recession to end and another for economic activity to return to par. The risk is more likely, that expectations are moving ahead of reality. If end-demand does not materialize, a stalemate period is envisaged. The key is then to monitor end-demand sales versus inventory levels to determine the continuation of the market uptrend (Chart 1). The good news is that retail sales / inventory appears to be picking up and would probably lead to improving wholesale numbers as well.

Chart 1: US sales to Inventory Ratio



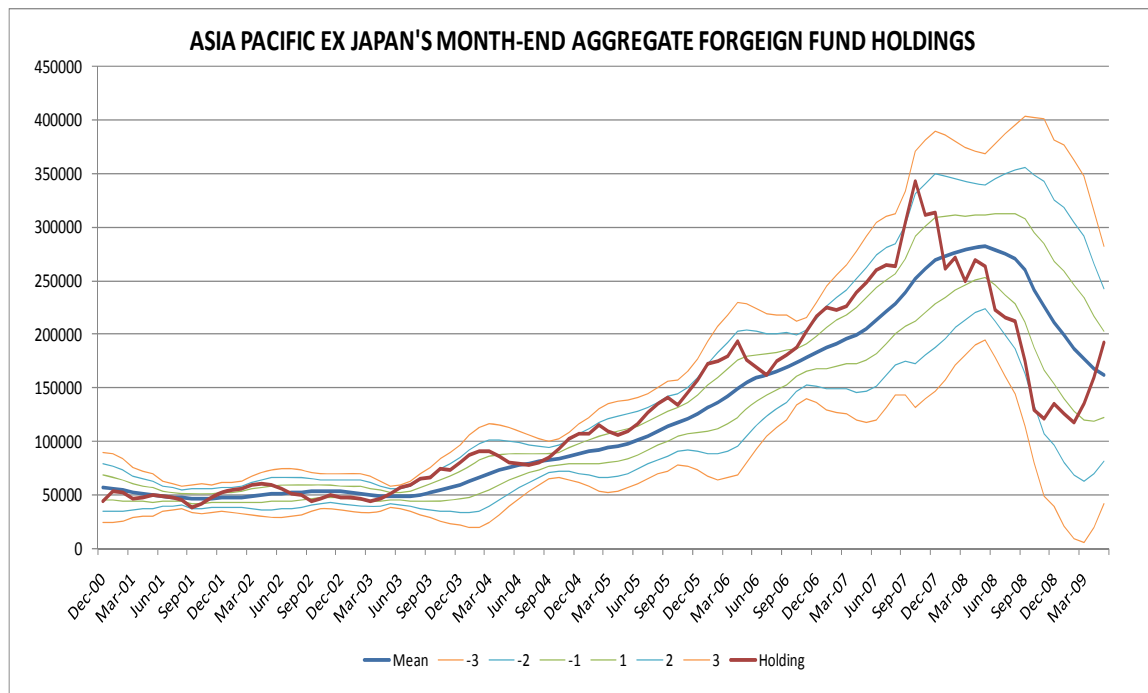
Source: Bloomberg

For FY2010, while we highlight chance of companies missing their earnings forecasts is high; the outlook is improving and is likely to be better than in FY2009. The second leg-up in equities is intact (our base case) but it will not be smooth going forward as markets have rebounded more than 40% (70% for Hang Seng Index from its low). With gradually improving economic growth (due to government stimulus) and the prospect of low interest rates for a while longer, equity markets will continue to perform, although with occasional setbacks. Risk still remains as there are headwinds and potential pitfalls that could derail the recovery process.

Liquidity

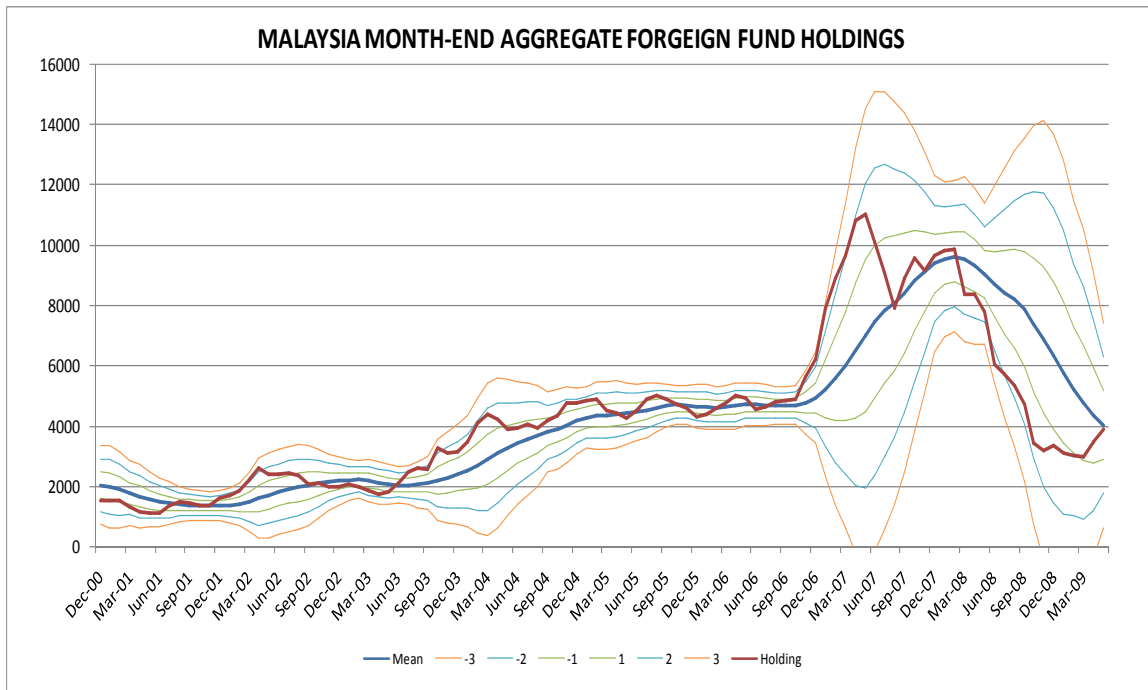
In view of the above, the strategy must be one of selective purchases on pull-backs to add value and rotational plays instead of a long-term buy and hold strategy. **While the primary driver has been liquidity, we believe that it will be shifting to earnings delivery and that is where disappointments can surface.** Referring to Charts 2 and 3; while foreign inflows have been strong since March 2009, they are well within positive 2 standard deviations above the mean. Fundamentally, we are comfortable on Asia ex-Japan and commodities but further market rallies will result in overbought conditions and a corrective phase is likely to set-in awaiting further macro data on end demand sales.

Chart 2: Asia Pacific ex-Japan Aggregate Foreign Fund Flows



Source: Emerging Portfolio Fund Research

Chart 3: Malaysia Aggregate Foreign Fund Flows



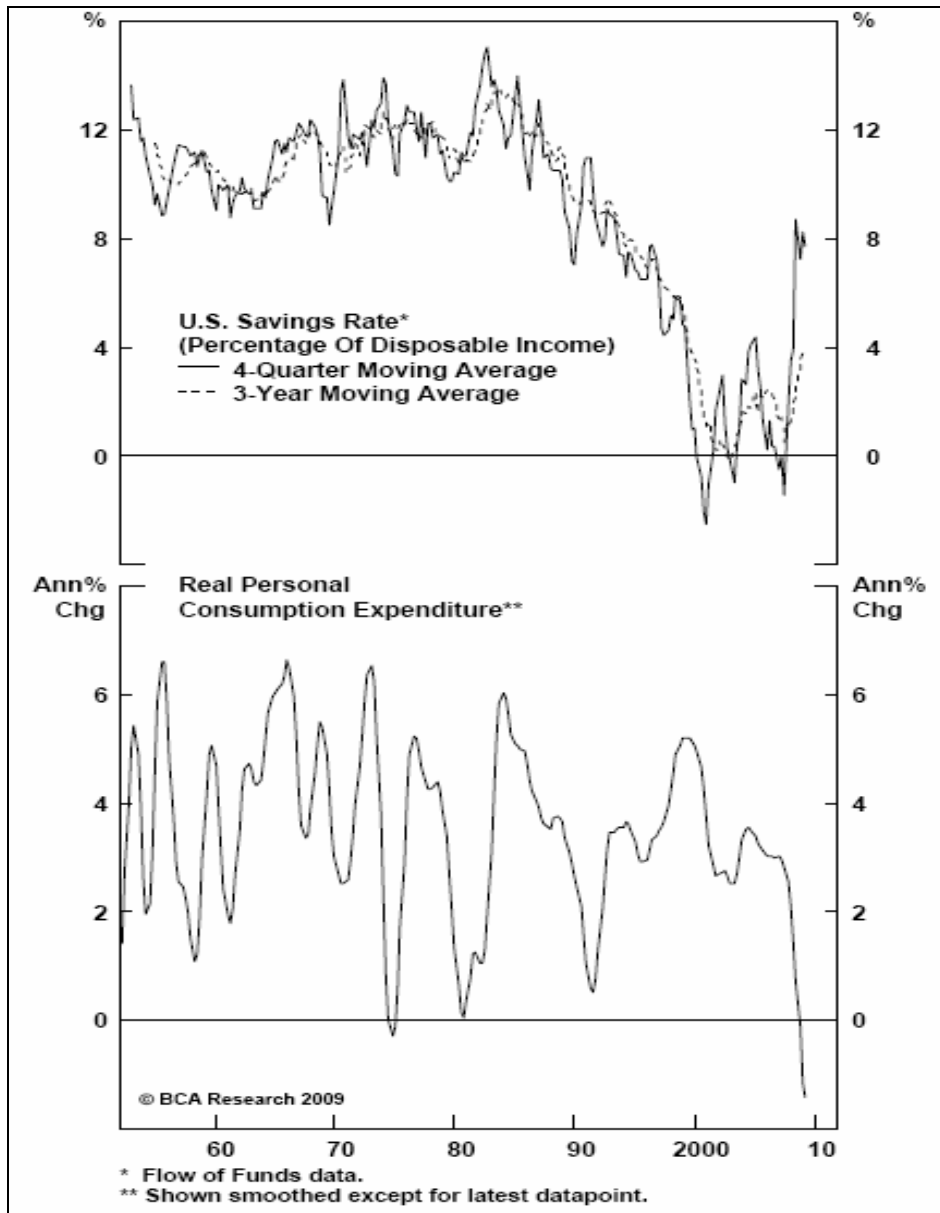
Source: Emerging Portfolio Fund Research

Macro data

With the unemployment rate in the US at record highs and rising debt levels, how will it be possible for consumer spending to recover? We have to bear in mind that capacity utilization has already adjusted downwards and non-financial corporates are not doing too badly as judging from their results, they are still profitable. Any recovery going forward is starting from a low-base and it is worth noting that;

- US consumers have already retrenched massively and personal consumption expenditure has already fallen of the cliff. The sharper the adjustment, the quicker a new equilibrium can be reached (Chart 4).
- US savings rate is already at post war average and would probably enter a steady state soon. This implies that the previous drag from rising savings rate is over and things can only get better moving forward (Chart 4).

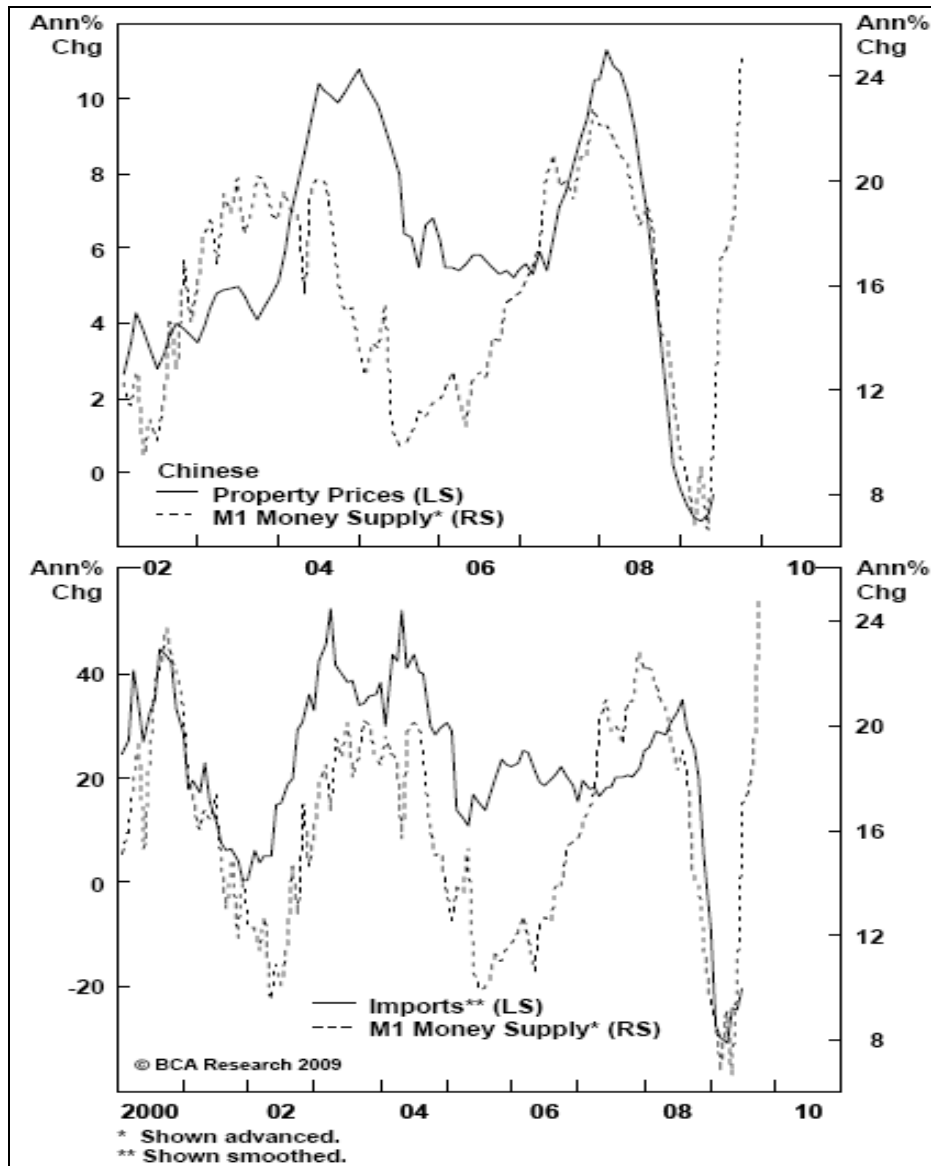
Chart 4: US Consumers Have Already Been Massively Retrenched



Source: BCA Research

For China, rising money supply (Chart 5) implies rising real estate prices and renewed housing construction, boosting domestic sentiment. It also implies rising imports which is good news for the rest of the world. Therefore, the strategy is to buy on weakness and to execute rotational trades as we believe that the global recovery will arrive earlier and stronger led by a broad-based China recovery and lower US consumer drag from a rising savings rate.

Chart 6: China Money Supply

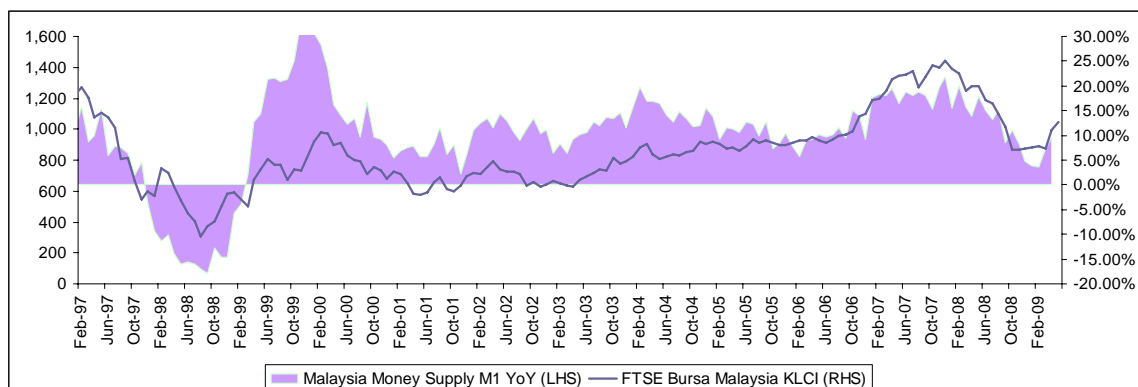


Source: BCA Research

Valuations

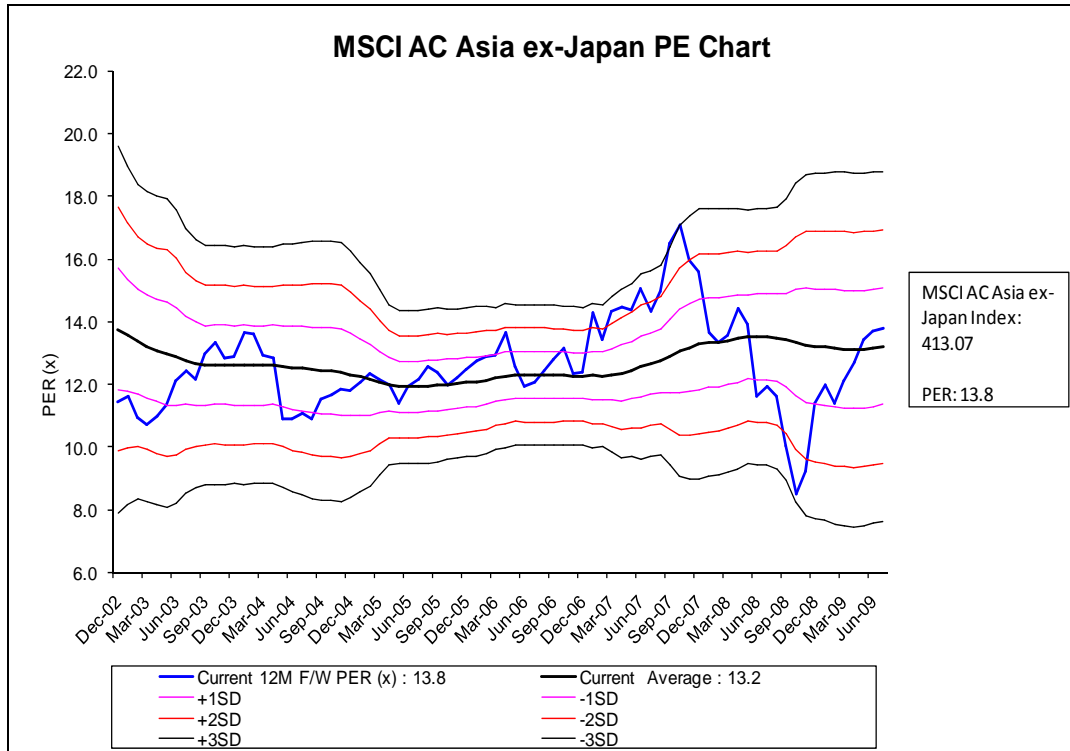
Markets will probably overshoot due to abundant and rising liquidity (Chart 7). However, a further rise in the FBM KLCI to 1,200 would tilt the risk return dynamics toward the downside unless earnings accelerates beyond 13.8% consensus expectation for financial year 2010.

Chart 7: FBM KLCI Versus M1



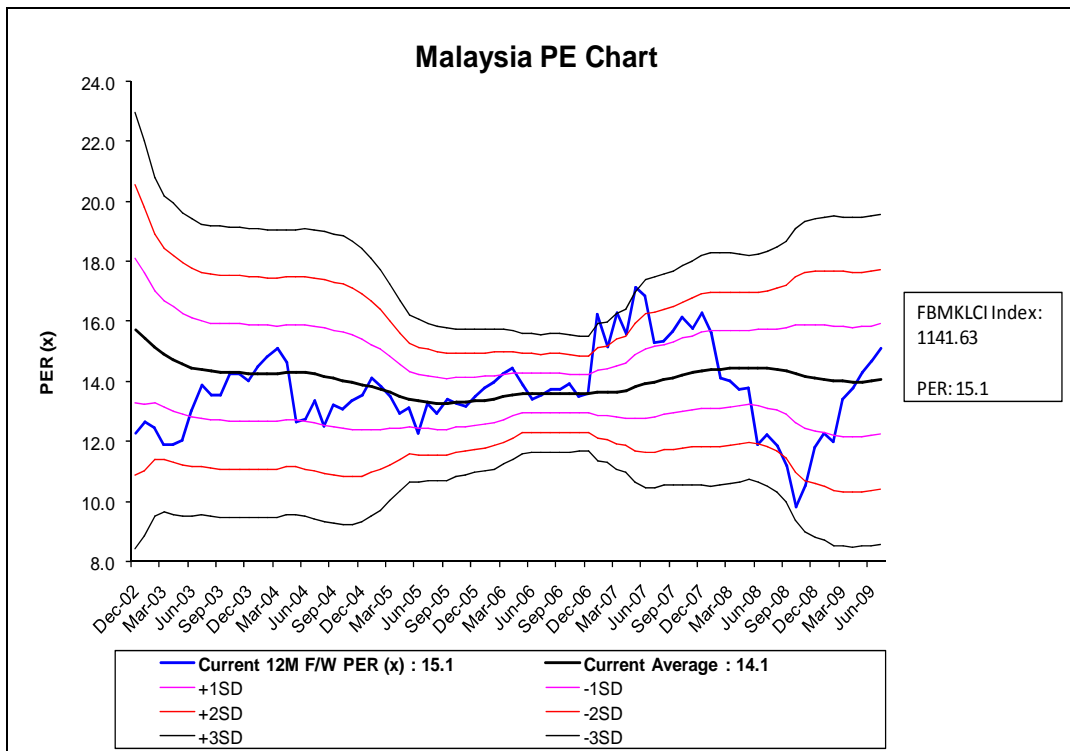
Source: Bloomberg

Chart 8: MSCI Asia ex-Japan PER



Source: I/B/E/S

Chart 9: Malaysia PER



Source: I/B/E/S

Investment Strategy

As the fund is meant to mimic the performance of the FBM KLCI (formerly known as the FBM30), the portfolio will be rebalanced periodically to ensure that weighting of the stocks in the ETF is similar to that of the benchmark 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

31 July 2009

FBM30etf (now known as FBM KLCI etf)**STATEMENT OF ASSETS AND LIABILITIES (unaudited)
AS AT 30 JUNE 2009**

	Note	2009 RM	2008 RM
ASSETS			
Quoted investments	4	3,530,886	3,957,117
Investments in derivatives	5	906,521	1,007,191
Cash at banks		72,278	722
Sundry receivables	7	57,962	12,676
Amount due from Manager	8	37,117	37,035
Unquoted investments	6	-	59,706
		<hr/>	<hr/>
Total Assets		4,604,764	5,074,447
LIABILITIES			
Sundry payables and accrued expenses		64,782	22,618
Amount due to index provider	9	1,704	13,211
Amount due to Trustee	10	236	270
		<hr/>	<hr/>
Total Liabilities excluding Net Asset Value Attributable to Unitholders		66,722	36,099
		<hr/>	<hr/>
NET ASSET VALUE AS AT 30 JUNE	11	4,538,042	5,038,348
		<hr/>	<hr/>
UNITS IN CIRCULATION	11(a)	650,000	650,000
		<hr/>	<hr/>
NET ASSET VALUE PER UNIT – EX DISTRIBUTION	12	698 sen	775 sen
		<hr/>	<hr/>

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

FBM30etf (now known as FBM KLCI etf)

**STATEMENT OF INCOME AND EXPENDITURE (unaudited)
FOR THE PERIOD 1 APRIL 2009 TO 30 JUNE 2009**

	Note	1-4-2009 to 30-6-2009 RM	1-4-2008 to 30-6-2008 RM
INVESTMENT INCOME			
Net unrealised gain/(loss) on change in value of quoted investments		702,236	(182,082)
Net unrealised gain/(loss) on change in value of derivatives		173,064	(73,249)
Dividend Income		34,319	45,032
Interest income		14	29
Net realised loss on sale of quoted investments		<u>(26,033)</u>	<u>(136,933)</u>
Gross Income/(Loss)		<u>883,600</u>	<u>(347,203)</u>
EXPENDITURE			
Manager's fee	8	5,314	7,022
Trustee's fee	10	638	843
License fee	9	425	562
Audit fee		751	1,243
Tax agent's fee		1,246	1,243
Other expenses		<u>3,571</u>	<u>4,916</u>
Total Expenditure		<u>11,945</u>	<u>15,829</u>
NET INCOME/(LOSS) BEFORE INCOME TAX			
		871,655	(363,032)
LESS: INCOME TAX EXPENSE	13	<u>(2,500)</u>	<u>(9,500)</u>
NET INCOME/(LOSS) AFTER INCOME TAX		<u>869,155</u>	<u>(372,532)</u>
Net Income/(Loss) After Income Tax comprises the following:			
Realised loss		(6,145)	(117,201)
Unrealised gain/(loss)		<u>875,300</u>	<u>(255,331)</u>
		<u>869,155</u>	<u>(372,532)</u>

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

FBM30etf (now known as FBM KLCI etf)

**STATEMENT OF CHANGES IN NET ASSET VALUE *(unaudited)*
FOR THE PERIOD 1 APRIL 2009 TO 30 JUNE 2009**

	1-4-2009 to 30-6-2009 RM	1-4-2008 to 30-6-2008 RM
Net asset value at beginning of period	3,668,887	5,392,433
Net gain/(loss) for the period	869,155	(372,532)
Distribution/Loss equalisation	-	(3,366)
Amount received from units created net of equalisation	-	1,015,488
Amount paid for units redeemed net of equalisation	-	(993,675)
Net asset value at end of period	<u>4,538,042</u>	<u>5,038,348</u>

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

FBM30etf (now known as FBM KLCI etf)

**CASH FLOW STATEMENT (unaudited)
FOR THE PERIOD 1 APRIL 2009 TO 30 JUNE 2009**

	Note	1-4-2009 to 30-06-2009 RM	1-4-2008 to 30-06-2008 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES			
Proceeds from sale of investments		77,690	17,378,864
Capital repayments from quoted investments		29,596	-
Dividend received		20,617	41,150
Interest received		14	29
Trustee's fee paid		(593)	(868)
License's fee paid		(747)	-
Payment for other fees expenses		(4,578)	(4,629)
Manager's fee paid		(4,950)	(7,234)
Tax agent's fee paid		(6,650)	-
Purchase of investments		<u>(90,016)</u>	<u>(2,300,048)</u>
Net Cash Generated From Operating And Investing Activities		<u>20,383</u>	<u>15,107,264</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		-	2,126,708
Payments for release of units		<u>-</u>	<u>(17,181,002)</u>
Net Cash Generated From/(Used In) Financing Activities		<u>-</u>	<u>(15,054,294)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		20,383	52,970
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		<u>51,895</u>	<u>7,458</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	15	<u>72,278</u>	<u>60,428</u>

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

FBM30etf (now known as FBM KLCI etf)

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.

On 6 July 2009, the Fund’s benchmark, FTSE Bursa Malaysia Large 30 Index (“FBM30”) has been renamed FTSE Bursa Malaysia KLCI and concurrent with this change, the Fund also announced the change of name to FTSE Bursa Malaysia KLCI etf (short name: FBM KLCI etf). The Fund changed of its name is pursuant to the Third Supplemental Deed dated 29 June 2009.

On 6 July 2009, the Fund also undertook a unit split exercise involving a subdivision of every existing unit into 6.43 units.

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 (“FRSs”) 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, Interpretations and Amendments to FRSs were issued but not yet effective and have not been adopted by the Fund:

FRSs, IC Interpretations and Amendments to 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 123: Borrowing Costs	1 January 2010
FRS 139: Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 9: Reassessment of Embedded Derivatives (forward)	1 January 2010

FRSs, IC Interpretations and Amendments to FRS	Effective for financial periods beginning on or after
IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13: Customer Loyalty Programmes	1 January 2010
IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
Amendments to FRS 2 Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	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 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 30 June 2009, 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

	2009	2008
	RM	RM
At cost		
Shares quoted in Malaysia	<u>4,225,529</u>	<u>4,396,056</u>
At valuation		
Shares quoted in Malaysia	<u>3,530,886</u>	<u>3,957,117</u>

Details of quoted investments as at 30 June 2009 are as follows:

Securities quoted in Malaysia	No. of units	Market value RM	Purchase cost RM	Market value as a percentage of net asset value %
Name of Company				
Construction				
YTL Corporation Berhad	<u>8,700</u>	<u>60,465</u>	<u>67,561</u>	<u>1.33</u>
Consumer Products				
British American Tobacco (M) Berhad	1,600	71,600	66,755	1.58
PPB Group Berhad	6,700	77,720	56,322	1.71
UMW Holdings Berhad	<u>8,200</u>	<u>48,790</u>	<u>56,799</u>	<u>1.08</u>
	<u>16,500</u>	<u>198,110</u>	<u>179,876</u>	<u>4.37</u>
Finance				
AMMB Holdings Berhad	23,200	78,416	92,044	1.73
Bumiputra-Commerce Holdings Berhad	40,700	368,335	445,418	8.12
Hong Leong Bank Berhad	6,000	34,200	37,509	0.75
Malayan Banking Berhad	60,315	355,859	446,621	7.84
Public Bank Berhad	40,185	363,674	398,226	8.01
RHB Capital Berhad	<u>3,400</u>	<u>14,076</u>	<u>16,933</u>	<u>0.31</u>
	<u>173,800</u>	<u>1,214,560</u>	<u>1,436,751</u>	<u>26.76</u>

(Forward)

Securities quoted in Malaysia	No. of units	Market value RM	Purchase cost RM	Market value as a percentage of net asset value %
Name of Company				
Industrial Products				
PETRONAS Gas Berhad	6,100	59,780	64,490	1.32
Infrastructure				
DiGi.Com Berhad	3,500	77,700	80,996	1.71
YTL Power International Berhad	23,671	51,129	53,613	1.13
	27,171	128,829	134,609	2.84
Plantation				
IOI Corporation Berhad	53,285	251,505	305,710	5.54
Kuala Lumpur Kepong Berhad	5,500	65,450	74,956	1.44
	58,785	316,955	380,666	6.98
Trading/Service				
Astro All Asia Networks plc	6,800	22,032	15,556	0.49
AXIATA Group Berhad	72,000	170,640	282,873	3.76
Berjaya Sports Toto Berhad	10,200	51,510	51,782	1.13
Genting Berhad	31,500	177,975	249,569	3.92
Genting Malaysia Berhad	33,400	90,180	122,263	1.99
Malaysia International Shipping Corporation Berhad	16,800	143,640	163,661	3.17
Malaysian Airline System Berhad	3,833	11,729	16,965	0.26
MMC Corporation Berhad	10,700	22,791	34,231	0.50
Parkson Holdings Berhad	4,500	22,950	37,199	0.51
PETRONAS Dagangan Berhad	2,600	21,710	20,969	0.48
PLUS Expressways Berhad	20,600	65,920	66,179	1.45
Sime Darby Berhad	51,089	355,069	424,004	7.82
Tanjong plc	1,900	25,270	34,331	0.56
Telekom Malaysia Berhad	30,200	88,486	62,474	1.95

(Forward)

Securities quoted in Malaysia	No. of units	Market value RM	Purchase cost RM	Market value as a percentage of net asset value %
Tenaga Nasional Berhad	36,900	282,285	379,520	6.22
	333,022	1,552,187	1,961,576	34.21
Total quoted investments	624,078	3,530,886	4,225,529	77.81

5. INVESTMENTS IN DERIVATIVES

	2009 RM	2008 RM
At cost		
Option	706,875	1,037,829
At valuation		
Option	906,521	1,007,191

Details of investments in derivatives as at 30 June 2009 are as follows:

Derivatives	No. of units	Carrying value RM	Purchase cost RM	Carrying value as a percentage of net asset value %
The Zero Strike Call Option, AmInvestment Bank Berhad	1	906,521	706,875	19.98

6. UNQUOTED INVESTMENTS

	2009 RM	2008 RM
At carrying value		
Short-term deposit with licensed banks under short-term money market deposits	-	59,706
At nominal value		
Short-term deposit with licensed banks under short-term money market deposits	-	59,700

The weighted average interest rate and average remaining maturities of short-term deposits with licensed banks under short-term money market deposits are as follows:

	Weighted average interest rate		Remaining maturities	
	2009	2008	2009	2008
	%	%	Days	Days
Short-term deposits with licensed banks under short-term money market deposits	-	3.44	-	1

7. **SUNDRY RECEIVABLES/SUNDRY PAYABLES AND ACCRUED EXPENSES**

Included in sundry receivables/sundry payables and accrued expenses are amounts owing by/to brokers for outstanding contracts where settlement is not due as follows:

	2009 RM	2008 RM
Amount owing by brokers	36,731	-
Amount owing to brokers	(37,634)	-

8. **AMOUNT DUE FROM MANAGER**

	2009 RM	2008 RM
Net creation of units*	44,284	44,284
Manager's fee payable	(1,967)	(2,249)
Application fee payable to Manager	(5,200)	(5,000)
	<u>37,117</u>	<u>37,035</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 April 2008 to 30 June 2008) per annum of the net asset value of the Fund, calculated on daily basis, for the financial period 1 April 2009 to 30 June 2009.

9. **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 April 2008 to 30 June 2008) per annum of the net asset value of the Fund, calculated on daily basis, for the financial period 1 April 2009 to 30 June 2009.

10. **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 April 2008 to 30 June 2008) per annum of the net asset value of the Fund, calculated on daily basis, for the financial period 1 April 2009 to 30 June 2009.

11. **NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS**

Net asset value attributable to unitholders is represented by:

	Note	2009 RM	2008 RM
Unitholders' contribution	(a)	5,431,641	5,431,641
Accumulated loss	(b)	<u>(893,599)</u>	<u>(393,293)</u>
		<u>4,538,042</u>	<u>5,038,348</u>

(a) **UNITHOLDERS' CONTRIBUTION/UNITS IN CIRCULATION**

	1-4-2009 to 30-06-2009		1-4-2008 to 30-06-2008	
	No. of units	RM	No. of units	RM
At beginning of period	650,000	5,431,641	650,000	5,409,828
Created during the period	-	-	130,000	1,015,488
Released during the period	<u>-</u>	<u>-</u>	<u>(130,000)</u>	<u>(993,675)</u>
At end of period	<u>650,000</u>	<u>5,431,641</u>	<u>650,000</u>	<u>5,431,641</u>

As provided in the Deed, 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 30 June 2009 and 30 June 2008. Holdings by parties related to the Manager as at 30 June 2009 were 294,300 units valued at RM2,054,685 (193,800 units valued at RM1,502,202 as at 30 June 2008).

(b) **ACCUMULATED LOSS**

	Note	1-4-2009 to 30-6-2009 RM	1-4-2008 to 30-6-2008 RM
Undistributed net loss at beginning of period		(1,762,754)	(17,395)
Net income/(loss) for the period		869,155	(372,532)
Distribution/Loss equalisation	14	<u>-</u>	<u>(3,366)</u>
At end of period		<u>(893,599)</u>	<u>(393,293)</u>

12. **NET ASSET VALUE PER UNIT**

The net asset value per unit is calculated by dividing the net assets of RM4,538,042 by the 650,000 units in issue as at 30 June 2009 (RM5,038,348 by the 650,000 units as at 30 June 2008).

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 on short-term deposit with licensed financial institutions derived by the Fund is exempted from tax.

A reconciliation of income tax expense applicable to income/(loss) before income tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	1-4-2009 to 30-6-2009 RM	1-4-2008 to 30-6-2008 RM
Net income/(loss) before income tax	<u>871,655</u>	<u>(363,032)</u>
Taxation at Malaysian statutory rate of 25% (26% in 2008)	217,900	(94,400)
Tax effect of:		
Net (income)/loss not subject to tax	(215,800)	100,000
Permitted expenses not deductible for tax purposes	2,600	2,300
Non-permitted expenses for tax purposes	800	1,600
Over-provision of tax in previous year	<u>(3,000)</u>	<u>-</u>
Tax expense for the financial period	<u>2,500</u>	<u>9,500</u>

14. DISTRIBUTION/LOSS EQUALISATION

Distribution/Loss equalisation represents the average amount of undistributed net income/accumulated loss 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. CASH AND CASH EQUIVALENTS

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

	2009 RM	2008 RM
Short-term deposits with licensed banks under Short-term money market deposits (Note 6)	-	59,706
Cash at banks	72,278	722
	<u>72,278</u>	<u>60,428</u>

16. MANAGEMENT EXPENSE RATIO AND PORTFOLIO TURNOVER RATIO

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

	1-4-2009 to 30-6-2009 %	1-4-2008 to 30-6-2008 %
Manager's fee	0.50	0.50
Trustee's fee	0.06	0.06
License fee	0.04	0.04
Trust expenses	0.52	0.52
	<u>1.12</u>	<u>1.12</u>
Total MER	<u>1.12</u>	<u>1.12</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 April 2009 to 30 June 2009 (1.74 times for the financial period 1 April 2008 to 30 June 2008).

17. 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
30 June 2009				
Revenue				
Segment income representing segment results	<u>710,522</u>	<u>14</u>	<u>173,064</u>	883,600
Unallocated expenditure				<u>(11,945)</u>
Net income before income tax				871,655
Income tax expense				<u>(2,500)</u>
Net income after income tax				<u>869,155</u>
Assets				
Segment assets – investments	3,530,886	-	906,521	4,437,407
Amount due from brokers/financial institutions	36,731	-	-	36,731
Dividend receivables	<u>7,065</u>	<u>-</u>	<u>4,914</u>	11,979
Other unallocated assets				<u>118,647</u>
				<u>4,604,764</u>
Liabilities				
Amount due to brokers/financial institutions	<u>37,634</u>	<u>-</u>	<u>-</u>	37,634
Other unallocated liabilities				<u>29,088</u>
				<u>66,722</u>
(Forward)				

	Quoted securities RM	Unquoted securities RM	Derivatives RM	Total RM
30 June 2008				
Revenue				
Segment (loss)/income representing segment results	<u>(273,983)</u>	<u>29</u>	<u>(73,249)</u>	(347,203)
Unallocated expenditure				<u>(15,829)</u>
Net loss before income tax				(363,032)
Income tax expense				<u>(9,500)</u>
Net loss after income tax				<u>(372,532)</u>
Assets				
Segment assets – investments	3,957,117	59,706	1,007,191	5,024,014
Dividend receivables	<u>5,693</u>	<u>-</u>	<u>-</u>	5,693
Other unallocated assets				<u>44,740</u>
				<u>5,074,447</u>
Liabilities				
Other unallocated liabilities				<u>36,099</u>

(b) Geographical Segment

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

18. TRANSACTIONS WITH FINANCIAL INSTITUTIONS/BROKERS

Details of transactions with financial institutions/brokers for the financial period 1 April 2009 to 30 June 2009 are as follows:

Financial institutions/ Brokers	Transaction value		Brokerage fee, stamp duty and clearing fee paid	
	RM	%	RM	%
AmInvestment Bank Berhad*	152,806	100.00	1,737	100.00

* 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 transactions values were in respect of listed securities.

19. RISK MANAGEMENT POLICIES

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.

20. **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/to 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.