

FBM KLCI etf (formerly known as FBM30etf)

**Manager's Report and Financial Statements (Unaudited)
For the period from 1 July 2010 to 30 September 2010**

(In Ringgit Malaysia)

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50200 Kuala Lumpur

BOARD OF DIRECTORS

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

INVESTMENT COMMITTEE

Professor Dr Annuar Md. Nassir
Dato' 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

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Manager's Report

Dear Unitholders,

We are pleased to present you the Manager's Report and the unaudited accounts of FTSE Bursa Malaysia KLCI etf ("FBM KLCI etf") Fund ("the Fund") for the financial period 1 July 2010 to 30 September 2010.

Salient Information of the Fund

Name of Fund FTSE Bursa Malaysia KLCI

Fund Category/Type ETF/ Equity

Fund Objective The objective of the Fund is to achieve a price and yield performance, before fees, expenses and tax, that is generally similar to that of the Benchmark Index, balanced with the need to facilitate liquidity provision. Any material change to the Fund's investment objective will require the Holders' approval by way of special resolution.

Index Component of the Fund Details of the index component as at 30 September 2010 are as follows:

Stock code	Company's name	Percentage weight (%)	Shares in issue ('million units)
1155	Malayan Banking Berhad	10.31	7,077.61
1023	CIMB Group Holdings Berhad	9.91	7,331.53
1295	Public Bank Berhad	9.79	3,531.93
4197	Sime Darby Berhad	8.44	5,997.99
5347	Tenaga Nasional Berhad	6.31	4,322.56
6888	Axiata Group Berhad	6.12	5,445.15
3182	Genting Berhad	6.06	3,694.24
1961	IOI Corporation Berhad	6.03	6,662.35
3816	MISC Berhad	3.44	4,463.79
6947	DiGi.Com Berhad	3.13	777.50
1015	AMMB Holdings Berhad	2.96	3,014.18
6012	Maxis Berhad	2.66	7,500.00
4065	PPB Group Berhad	2.25	1,185.50
4715	Genting Malaysia Berhad	2.20	5,872.40
4863	Telekom Malaysia Berhad	2.02	3,577.40
2445	Kuala Lumpur Kepong Berhad	2.00	1,068.77
5052	PLUS Expressways Berhad	1.84	5,000.00
5398	Gamuda Berhad	1.72	2,013.49

(Forward)

Stock code	Company's name	Percentage weight (%)	Shares in issue ('million units)
4677	YTL Corporation Berhad	1.57	1,897.12
4162	British American Tobacco (M) Berhad	1.53	285.53
4762	YTL Power International Berhad	1.45	7,188.72
6033	PETRONAS Gas Berhad	1.43	1,978.73
4588	UMW Holdings Berhad	1.28	1,142.68
5819	Hong Leong Bank Berhad	1.27	1,,580.11
1562	Berjaya Sports Toto Berhad	0.93	1,351.03
2194	MMC Corporation Berhad	0.81	3,045.06
5681	PETRONAS Dagangan Berhad	0.72	993.45
1066	RHB Capital Berhad	0.69	2,153.48
1082	Hong Leong Financial Berhad	0.63	1,052.77
3786	Malaysia Airline System Berhad	0.52	3,341.98

Duration of the Fund FBM KLCI etf 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.

Benchmark of the Fund FTSE Bursa Malaysia KLCI (formerly known as FTSE Bursa Malaysia Large 30 Index) ("FBM KLCI")

Income Distribution Policy of the Fund Income distribution (if any) will be semi annually.

Breakdown of Unit Holdings by Size For the period under review, the size of the Fund stood at 3,344 million units.

Breakdown of unitholding by size

Size of holding	As at 30 September 2010		As at 30 June 2010	
	Number of units held ('000)	Number of unitholders	Number of units held ('000)	Number of unitholders
Less than 100	1.29	35	0.9	28
100 - 1,000	19.8	31	19.4	31
1,001 - 10,000	377.4	88	417.6	99
101,000 to less than 5% of issue units	1,067.0	39	1,144.0	42
5% and above of issue units	1,878.6	3	1,762.1	2

Fund Performance Data

Portfolio Composition Details of portfolio composition of FTSE Bursa Malaysia KLCI etf (“FBM KLCI etf”) (“the Fund”) for the financial periods as at 30 September 2010, 30 June 2010 and three financial years/period ended 31 December are as follow:

	As at 30-9-2010	As at 30-6-2010	FY 2009	FY 2008	As at 31-12-2007
	%	%	%	%	%
Construction	2.7	1.7	1.6	1.6	3.7
Consumers	5.0	5.2	5.6	4.8	4.8
Finance	35.8	34.5	35.1	25.2	31.4
Industrial	1.4	1.4	1.4	1.9	1.5
Infrastructure	4.6	4.8	2.8	3.4	3.0
Plantations	8.2	8.3	9.0	6.5	10.2
Trading/Services	42.3	43.1	42.0	35.1	44.5
Options	-	-	-	20.3	-
Cash and others	-	1.0	2.5	1.2	0.9
	100.0	100.0	100.0	100.0	100.0

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

**Performance
Details**

Performance details of the Fund for the financial periods as at 30 September 2010, 30 June 2010 and three financial years/period ended 31 December are as follows:

	3 months ended 30-9-2010	3 months ended 30-6-2010	FY 2009	FY 2008	7 months ended 31-12-2007
Net asset value (RM)	4,923,610	4,424,997	4,322,755	3,748,450	22,020,061
Units in circulation (units)	3,344,000 ^(a)	3,344,000 ^(a)	3,344,000 ^(a)	650,000 ^(b)	2,340,000 ^(b)
Net asset value per unit (RM)	1.4724**	1.3233**	1.2927**	5.7668*	9.4103*
Highest net asset per unit (RM)	1.4858**	1.3561**	7.0489*	9.9339*	9.4196*
Lowest net asset per unit (RM)	1.3089**	1.2587**	1.0900**	5.4137*	7.7107*
Closing quoted price (RM/unit)	1.4700**	1.3500**	1.3000**	5.8100*	9.3700*
Highest quoted price (RM/unit)	1.4950**	1.3500**	1.3150**	9.9300*	9.3700*
Lowest quoted price (RM/unit)	1.3250**	1.2550**	0.8523**	5.4500*	7.6800*
Total return (%) ⁽¹⁾	11.54	-0.38	46.42	-37.20	7.61
- Capital growth (%)	11.21	-0.38	39.82	-57.20	7.61
- Income distribution (%)	0.33	-	6.60	20.00	-
Gross distribution per unit (sen)	0.36	-	7.74	21.72	-
Net distribution per unit (sen)	0.33	-	6.60	20.00	-
Distribution yield (%) ⁽²⁾	0.22	-	5.08	3.44	-
Management expense ratio (%) ⁽³⁾	1.08	1.19	1.18	1.06	1.21
Portfolio turnover ratio (times) ⁽⁴⁾	0.02	0.04	0.08	1.69	1.48

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

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

(a) After unit split

(b) Before unit split

Note:

(1) Total return is the actual return of the Fund for the respective financial period/years, 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 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 0.11% as compared to 1.19% per annum for the quarter ended 30 June 2010 mainly due to increased 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 decreased by 0.02 times (50.0%) as compared to 0.04 times for the quarter ended 30 June 2010 mainly due to decreased in investing activities.

Average Total Return

	FBM KLCI etf ^(a) %	FBM KLCI/ FBM30 Index ^(b) %
One year	22.6	21.7
Three years	5.7	4.2
Since launch of Fund (19 July 2007)	4.4	2.8

Annual Total Return

Financial Years/Period (31 December)	FBM KLCI etf ^(a) %	FBM KLCI/ FBM30 Index ^(b) %
2009	46.4	47.1
2008	-37.2	-39.7
2007 ^(c)	7.6	7.1

(a) Independently verified by Perkasa Normandy Advisers Sdn Bhd.

(b) Effective from 6 July 2009, the FTSE Bursa Malaysia Large 30 Index (“FBM30 Index”) has been renamed FTSE Bursa Malaysia KLCI (“FBM KLCI”).

(c) Total actual return for the financial period from 19 July 2007 (date of listed on Bursa Malaysia) to 31 December 2007.

The Fund’s performance above is calculated based on net asset value per unit. Average total returns for both FBM KLCI etf and FTSE Bursa Malaysia KLCI (“FBM KLCI 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. Unit prices and investment returns may fluctuate.

**Has the Fund achieved its objective?
Fund Performance**

For the year under review, the Fund has met its objective.

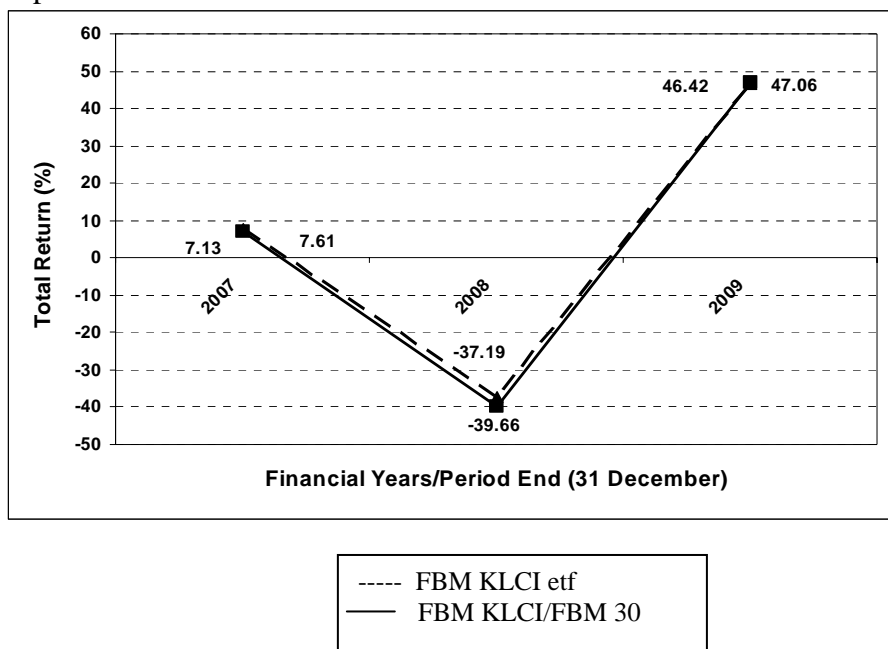
For the period under review, the Fund recorded a return of 11.54% comprising of 11.21% capital growth and 0.33% income distribution.

The Fund registered a return of 11.54%, and underperforming the benchmark return of 21.7% by 10.16%.

The NAV of the Fund increased by 11.27% from RM4,424,997 to RM4,923,610. The NAV per unit of the Fund increased by 11.27% from RM1.3233 to RM1.4724, while units in circulations remain at 3,344,000 units.

The closing price quoted at Bursa Malaysia of the Fund increased by 8.89% from RM1.3500 to RM1.4700.

The Line Chart below shows the comparison between the annual performance of FBM KLCI etf and its benchmark for each of the financial period ended 30 September.



Past Performance is no indication of the future performance of the Fund.

Strategies and Policies Employed

The Manager will be indexing using complete or partial replication. This will generally result in the Fund investing all or substantially all of its assets in the constituents of the Benchmark Index. In managing the Fund, the Manager aims to achieve performance, over time, with a correlation of 95% or better between the Fund's portfolio NAV and the Benchmark Index. The Manager will be responsible to monitor the correlation and if, in the Manager's belief, the current portfolio is not tracking the Benchmark Index and that it will lead to correlation below the objective of 95%, then the Manager may judiciously rebalance the portfolio to improve correlation or to rectify the divergence. Except for index changes, where rebalancing of the portfolio may have to take place prior to, upon or after the index changes, rebalancing of the portfolio will be carried out, no more than once a month. Where the Manager deems appropriate, the Manager may allow a Participating Dealer that has been pre-approved, to tender Zero Strike Call Options equivalent in value to an In-Kind Creation Basket or multiples thereof, in exchange for ETF units, to facilitate the liquidity provision process

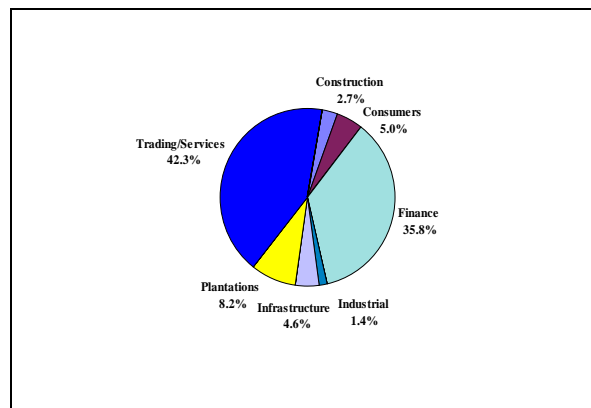
Portfolio Structure

This table below is the asset allocation of the Fund for the period under review.

	30 September 2010 (%)	30 June 2010 (%)	Change (%)
Construction	2.7	1.7	1.0
Consumer products	5.0	5.2	-0.2
Finance	35.8	34.5	1.3
Industrial products	1.4	1.4	-
Infrastructure project companies	4.6	4.8	-0.2
Plantations	8.2	8.3	-0.1
Trading/Services	42.3	43.1	-0.8
Cash and others	-	1.0	-1.0
Total	100.0	100.0	

The have been no significant changes to the assets allocation since the last report.

This pie chart below shows the sectoral composition of the Fund for the period under review.



**Distribution/
unit splits**

During the period under review, the Fund declared an income distribution of 0.33 sen per unit on 9 August 2010, detailed as follows:

0.33 sen per unit final income distribution	Change in the unit price prior and subsequent to the final income distribution	Before income distribution on 9 August 2010 (RM)	After income distribution on 9 August 2010 (RM)
	Net asset value per unit	1.3733	1.3700

No unit split was made for the period under review.

**State of Affairs
of the Fund**

There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

**Rebates and
Soft
Commission**

It is our policy to pay all rebates 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.

Market Review

For the third quarter, FBM KLCI gained 150 points or 11.3% to close at 1,464 points. The broader market's performance was lagging the KLCI with the FBM Emas and FBM 100 rising 10.7% and 11.02% to 9,812 points and 9,596 points, respectively.

Key events during this period included:

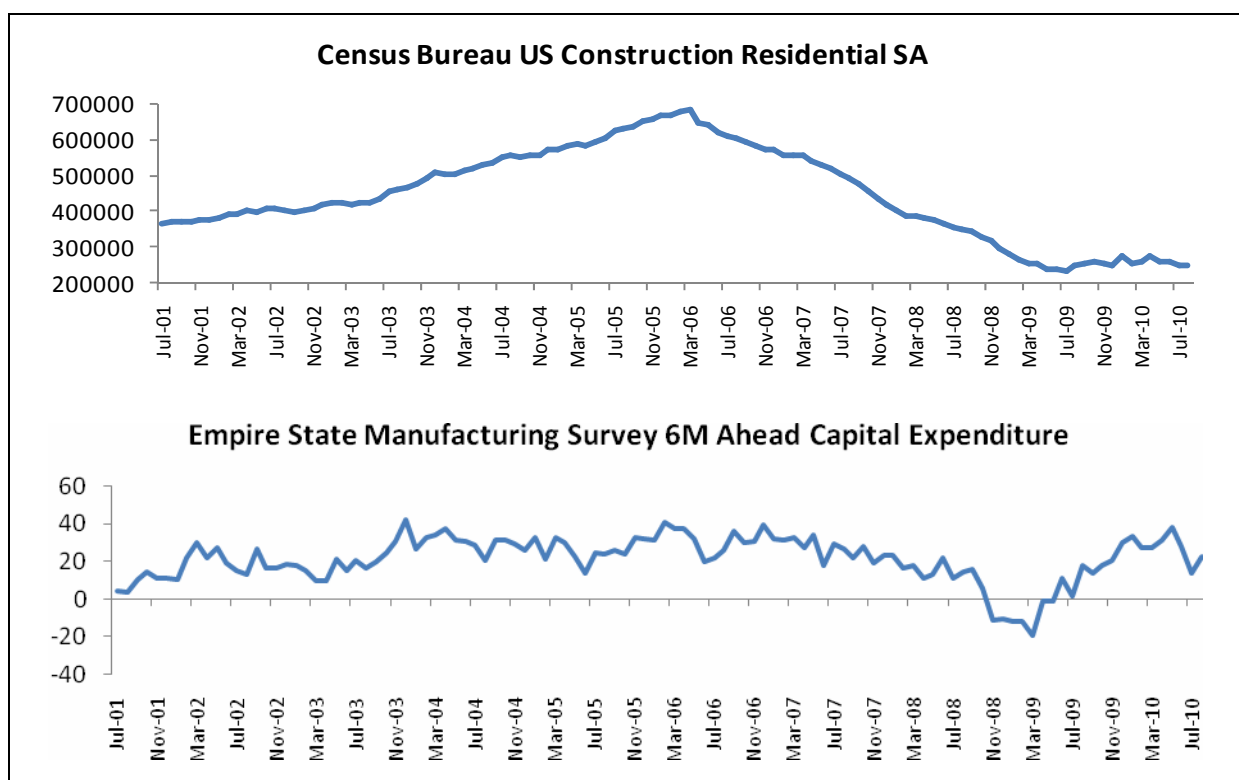
- Malaysia Airlines replaced Nestle in the FTSE Bursa Malaysia KL Composite Index.
- MISC's proposed listing of its unit Malaysia Marine and Heavy Engineering Holdings Bhd (MMHE).
- Petronas intended to list PetroChem which has total assets of RM26.98 billion. PetroChem is a leading integrated petrochemicals producer in Malaysia and one of the largest in the SE Asia.
- Economic Transformation Programme announced by the Government to stimulate the economy through private sector investment over the next decade. Investments range from a new MRT system to ease congestion in KL, and building oil storage facility next to neighboring Singapore to form a regional oil products trading hub. Total investments are to be worth \$444b over 10 years, with 60% coming from the private sector, and the remaining from Government link companies and the Government.

Market Outlook

There are many crosscurrents affecting markets at the moment but we are still convicted to remain invested going into 2011. We believe that the US economy is still stuck in the slow lane but will avoid a double dip while markets should grind higher on the back of extremely accommodative monetary policy and reasonably firm profit margins.

We also take note of the following positive macro announcements to support our positive view;

- Cyclical spending has trough and cannot fall much further such as housing, capital equipment and durable goods spending (Chart 1).



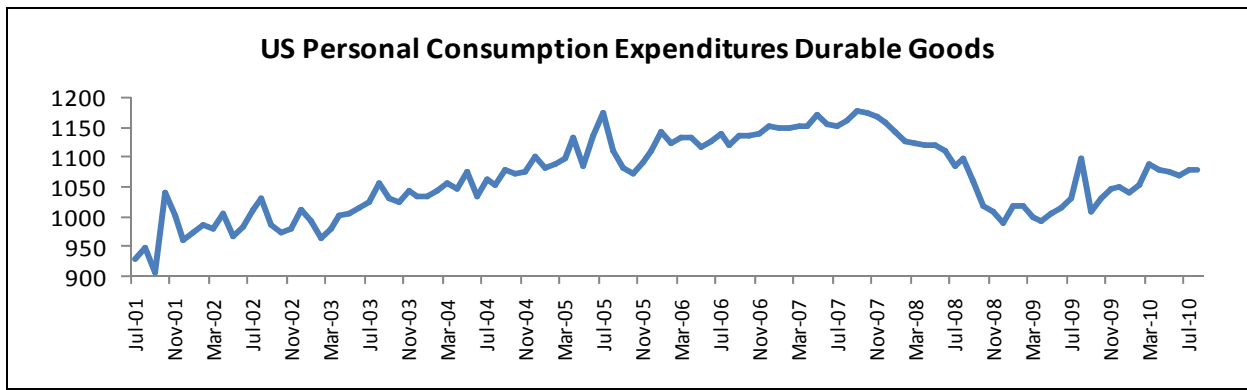


Chart 1: US housing, capex and durable goods spending (Source: Bloomberg)

- Household savings have already moved up to 6% and will not be a drag on consumption going forward (Chart 2).

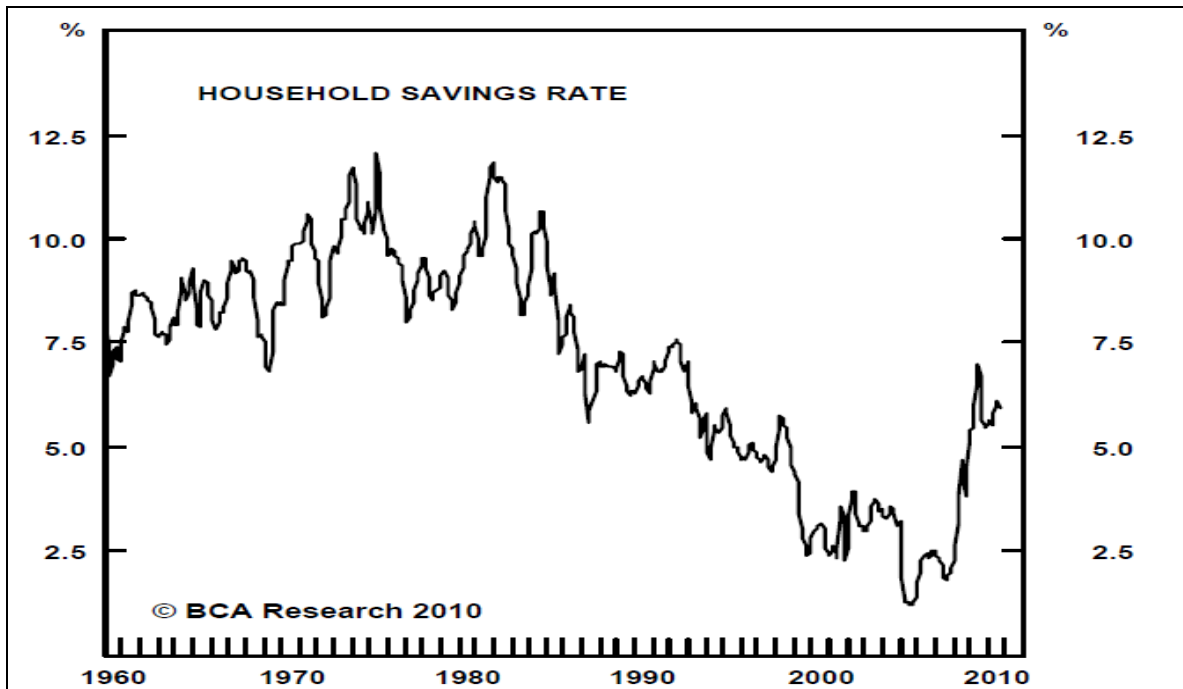


Chart 2: US household savings rate (Source: BCA)

- Borrowing rates won't be rising anytime soon and easy money is here to stay for some time.

As for China, we are still comfortable as macro data announcements have been within expectation (Table 1). Moreover, early rate hikes rarely conclude a market peak. Indeed, markets normally continue their uptrend during the initial stages of rate hikes until it chokes the economy and we believe that this is far from the current scenario. In fact, this would widen China's interest rate spread with the rest of the world, something that investors have been advocating and should be market supportive.

	Period	Survey (%)	Actual (%)	Prior (%)
China GDP Constant Price YoY	9/30/2010	9.5	9.6	10.3
China PPI YoY	9/30/2010	4.1	4.3	4.3
China GDP Constant Price Cumul	9/30/2010	10.5	10.6	11.1
China Purchasing Price YoY	9/30/2010	#N/A N/A	7.1	7.5
China CPI YoY	9/30/2010	3.6	3.6	3.5
China Retail Sales Value YoY	9/30/2010	18.5	18.8	18.4
China Retail Sales Cumulative	9/30/2010	18.3	18.3	18.2
Industrial Production YoY	9/30/2010	14	13.3	13.9
Industrial Production YTD YoY	9/30/2010	16.3	16.3	16.6
China Fixed Assets Investment	9/30/2010	24.6	24.5	24.8
China Leading Index 1996=100	9/30/2010	#N/A N/A	101.81	101.84
China Manufacturing PMI SA	9/30/2010	52.5	53.8	51.7

Table 1: China macro data (Source: Bloomberg)

With regards to country liquidity, we are comfortable going into 2011 as tight monetary policy will not materialize for some time to come. A new round of liquidity creation is in fact appearing (US Fed and Japan BOJ). Very few emerging market countries have tight monetary policy including China (Chart 3). This coupled with the sub-par growth state of the G7 economies and near zero rate policy would act as powerful tools for further market upside subject to valuation and respective countries' internal political environment.

		Real Interest Rate
China	Base Lending Rate: 1Year	Aug-10 1.75
Hong Kong	Interbank Offered Rate: 3 Months	Aug-10 -2.58
India	SBI Rate: 30 Days	Sep-10 0.88
Indonesia	Treasury Bills: 3 Months	Sep-10 -2.14
Korea	Yield on CD: 91 Days	Sep-10 -0.92
Malaysia	Interbank Rate: 3 Months	Aug-10 0.85
Philippines	Treasury Bill Rate: 91 Days	Sep-10 0.4
Singapore	Interbank Rate: 3 Months	Aug-10 -2.61
Thailand	Interbank Rate: 3 Months	Sep-10 -1.46
Taiwan	Commercial Paper Rate: Secondary Market: 91 to 180 Days	Sep-10 0.19

Table 2: Real interest rate (source: Citigroup)

Asia Pacific ex Japan's valuation is reasonable (Chart 4) and monetary policy is pro-growth. Our recommendation is to ride the momentum for the moment. We believe the next move will be after the next reporting season for further earnings upgrade (Chart 5).

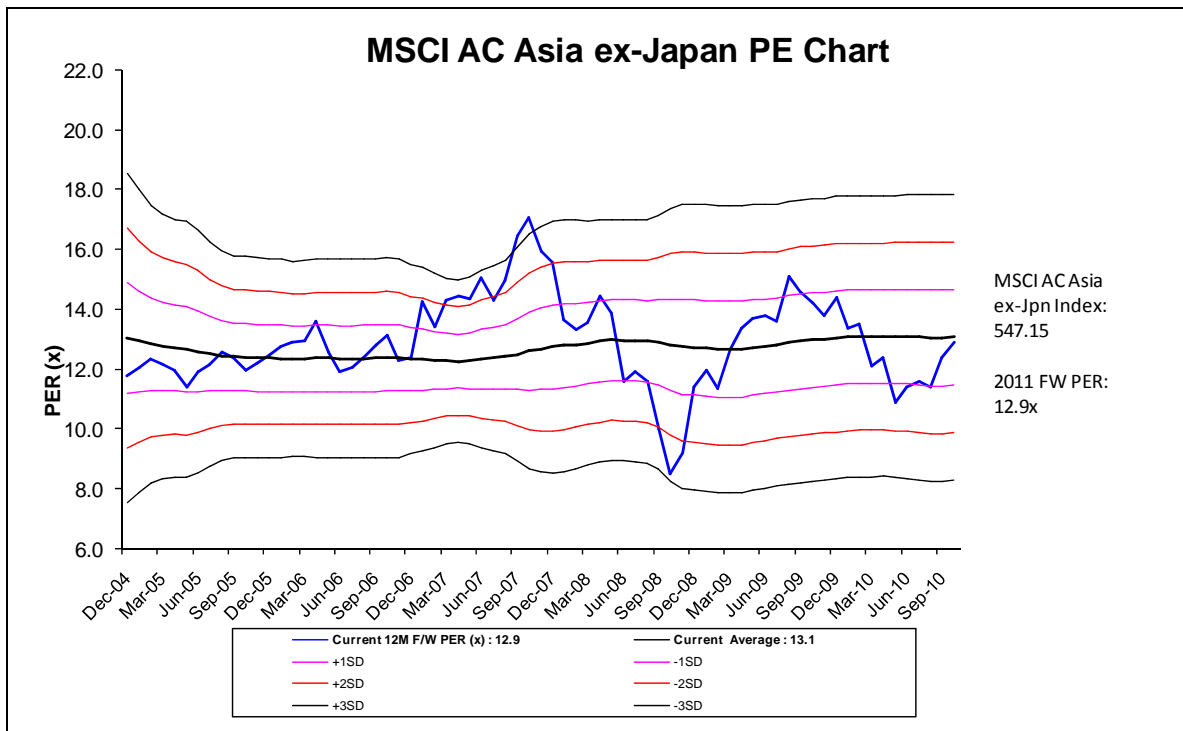


Chart 3: PER of MSCI Asia ex Japan (Source: IBES)

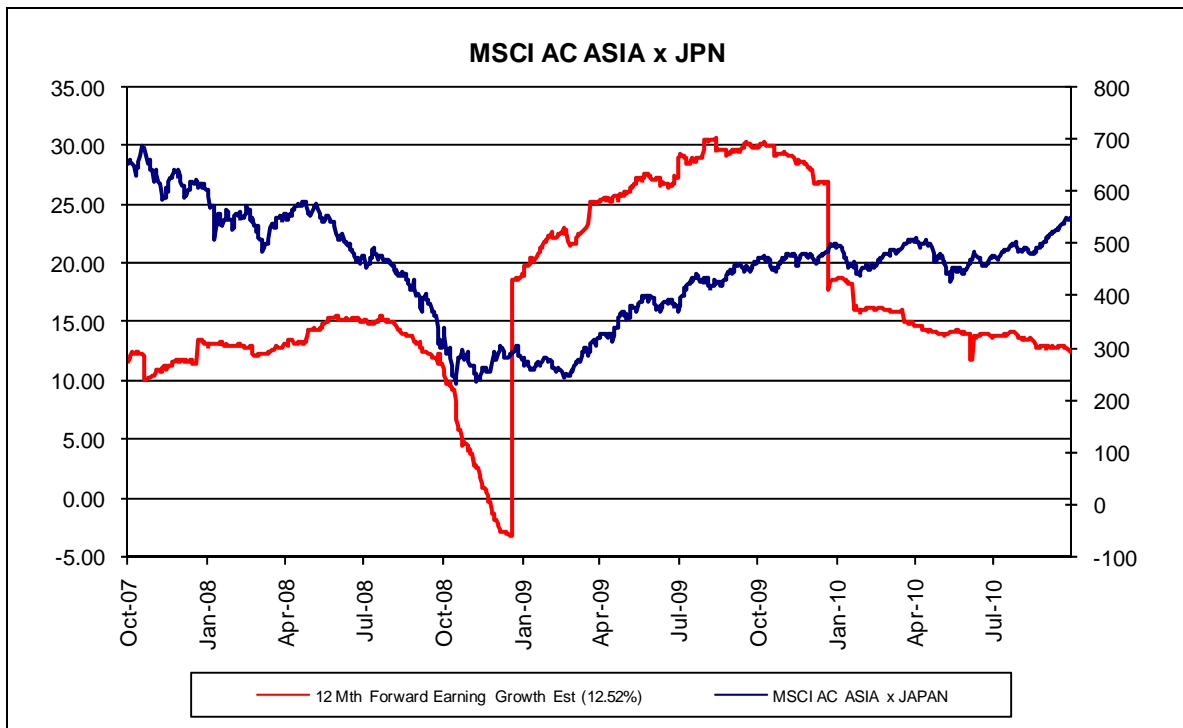


Chart 4: Earnings growth (2011) versus MSCI Asia ex Japan Index (Source: IBES)

Kuala Lumpur
AmInvestment Services Berhad

29 October 2010

FBM KLCI etf (formerly known as FBM30etf)**STATEMENT OF ASSETS AND LIABILITIES (Unaudited)
AS AT 30 SEPTEMBER 2010**

	Note	2010 RM	2009 RM
ASSETS			
Quoted investments	4	4,854,909	4,007,542
Sundry receivables		100,319	9,678
Tax recoverable		7,811	18,931
Cash at banks	14	507	74,644
		<hr/>	<hr/>
Total Assets		4,963,546	4,110,795
		<hr/>	<hr/>
LIABILITIES			
Sundry payables and accrued expenses		30,418	26,936
Amount due to Manager	5	7,476	7,216
Amount due to index provider	6	1,793	2,180
Amount due to Trustee	7	249	242
		<hr/>	<hr/>
Total Liabilities excluding Net Asset Value Attributable to Unitholders		39,936	36,574
		<hr/>	<hr/>
NET ASSET VALUE AS AT 30 SEPTEMBER	8	4,923,610	4,074,221
		<hr/>	<hr/>
UNITS IN CIRCULATION	8(a)	3,344,000	3,344,000
		<hr/>	<hr/>
NET ASSET VALUE PER UNIT – EX DISTRIBUTION	9	147.24 sen	121.84 sen
		<hr/>	<hr/>

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

FBM KLCI etf (formerly known as FBM30etf)**STATEMENT OF INCOME AND EXPENDITURE (Unaudited)
FOR THE PERIOD FROM 1 JULY 2010 TO 30 SEPTEMBER 2010**

	Note	1-7-2010 to 30-9-2010 RM	1-7-2009 to 30-9-2009 RM
INVESTMENT INCOME			
Net unrealised gain on change in value of quoted investments		478,781	280,007
Net realised gain on sale of investments in derivatives		-	310,203
Dividend income		50,968	52,999
Interest income		3	-
Net realised gain/(loss) on sale of quoted investments		13,244	(47,662)
Gross Income		<u>542,996</u>	<u>595,547</u>
EXPENDITURE			
Manager's fee	5	5,891	5,331
Trustee's fee	7	707	713
License fee	6	471	476
Audit fee		1,210	1,008
Tax agent's fee		1,676	1,261
Administrative expenses		2,759	4,122
Total Expenditure		<u>12,714</u>	<u>12,911</u>
NET INCOME BEFORE INCOME TAX		530,282	582,636
LESS: INCOME TAX EXPENSE	10	<u>(20,634)</u>	<u>(4,300)</u>
NET INCOME AFTER INCOME TAX		<u>509,648</u>	<u>578,336</u>
INCOME DISTRIBUTION	12	<u>11,035</u>	<u>25,080</u>
Net income after income tax comprises the following:			
Realised income		30,867	298,329
Unrealised gain		478,781	280,007
		<u>509,648</u>	<u>578,336</u>

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

FBM KLCI etf (formerly known as FBM30etf)**STATEMENT OF CHANGES IN NET ASSET VALUE (Unaudited)
FOR THE PERIOD FROM 1 JULY 2010 TO 30 SEPTEMBER 2010**

	Note	1-7-2010 to 30-9-2010 RM	1-7-2009 to 30-9-2009 RM
Net asset value at beginning of period		4,424,997	4,538,042
Net income for the period		509,648	578,336
Distribution/loss equalisation		-	75,264
Amount paid from units redeemed net of equalisation	8(a)	-	(1,092,341)
Net income distribution	12	<u>(11,035)</u>	<u>(25,080)</u>
Net asset value at end of period		<u>4,923,610</u>	<u>4,074,221</u>

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

FBM KLCI etf (formerly known as FBM30etf)**CASH FLOW STATEMENT (Unaudited)
FOR THE PERIOD FROM 1 JULY 2010 TO 30 SEPTEMBER 2010**

	Note	1-7-2010 to 30-9-2010 RM	1-7-2009 to 30-9-2009 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES			
Dividend received		18,286	41,321
Proceeds from sale of quoted investments		27,185	32,173
Interest received		3	-
Proceeds from sale of derivatives		-	1,017,078
License fee paid		(440)	-
Trustee's fee paid		(675)	(708)
Manager's fee paid		(5,622)	(5,282)
Payments for other administrative expenses		(482)	(6,601)
Purchase of quoted investments		<u>(70,539)</u>	<u>(77,741)</u>
Net Cash (Used In)/Generated From Operating And Investing Activities		<u>(32,284)</u>	<u>1,000,240</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution paid		(11,035)	(25,080)
Payments for cancellation of units		<u>-</u>	<u>(972,794)</u>
Net Cash Used In Financing Activities		<u>(11,035)</u>	<u>(997,874)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(43,319)	2,366
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		<u>43,826</u>	<u>72,278</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	14	<u><u>507</u></u>	<u><u>74,644</u></u>

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

FBM KLCI etf (formerly known as FBM30etf)

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

FBM KLCI etf (formerly known as 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.

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.

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 KLCI (formerly was 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 historical cost convention modified by the revaluation of investments in accordance with applicable Financial Reporting Standards and the Securities Commission’s Guidelines on Exchange Traded Funds in Malaysia.

The Fund has adopted FRS 8 Operating Segments for financial period beginning on or after 1 July 2009. The Fund only has one reporting segment as disclosed in Note 16.

The Fund has not adopted the following FRSs, amendments to FRSs, IC Interpretations, TR and SOP which have effective date as follows:

		Effective for financial periods beginning on or after
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations (revised)	1 July 2010
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 101	Presentation of Financial Statements (revised in 2009)	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 127	Consolidated and Separate Financial Statements	1 July 2010

(Forward)

**Effective for
financial periods
beginning on or after**

FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2010
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1	Additional Exemption for First-time Adopters	1 January 2011
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010 and 1 July 2010
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2010 and 1 July 2010
Amendments to FRS 7	Financial Instruments: Disclosures	1 January 2010
Amendments to FRS 7	Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 8	Operating Segments	1 January 2010
Amendments to FRS 107	Statements of Cash Flows	1 January 2010
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendments to FRS 110	Events After the Reporting Period	1 January 2010
Amendments to FRS 116	Property, Plant and Equipment	1 January 2010
Amendments to FRS 117	Leases	1 January 2010
Amendments to FRS 118	Revenue	1 January 2010
Amendments to FRS 119	Employee Benefits	1 January 2010
Amendments to FRS 120	Accounting for Government Grants and Disclosures of Government Assistance	1 January 2010
Amendments to FRS 123	Borrowing Costs	1 January 2010
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010 and 1 July 2010
Amendments to FRS 128	Investments in Associates	1 January 2010
Amendments to FRS 129	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendments to FRS 131	Interests in Joint Ventures	1 January 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendments to FRS 132	Classification of Rights Issues	1 March 2010

(Forward)

		Effective for financial periods beginning on or after
Amendments to FRS 134	Interim Financial Reporting	1 January 2010
Amendments to FRS 136	Impairment of Assets	1 January 2010
Amendments to FRS 138	Intangible Assets	1 January 2010 and 1 July 2010
Amendments to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010 and 1 July 2010
Amendments to FRS 140	Investment Property	1 January 2010
IC Interpretation 4	Determining whether an Arrangement Contains a Lease	1 January 2011
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
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 12	Service Concession Arrangements	1 July 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
IC Interpretation 15	Agreements for the Construction of Real Estate	1 January 2012
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18	Transfer of Assets from Customers	1 January 2011
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010 and 1 July 2010
TR i-3	Presentation of Financial Statements of Islamic Financial Institutions	1 January 2010
TR i-4	Shariah Compliant Sale Contracts	1 January 2011
SOP i-1	Financial Reporting from an Islamic Perspective	1 January 2010

Other than FRS 7, FRS 101 (revised in 2009) FRS 132 and FRS 139, the other FRSs, amendments to FRSs, IC Interpretations, TR and SOP are either not applicable or are expected not to have any significant impact on the financial statements of the Fund upon their initial application.

The Fund is exempted from disclosing the possible impact to the financial statements upon the initial application of FRS 7 and FRS 139.

The adoption of FRS 101 (revised in 2009) will have the following impacts to the financial statements of the Fund upon its initial application:

- Entity to present, in a statement of changes in net asset value, all owner changes in equity. All non-owner changes in equity (i.e. comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in net asset value.
- When entity restated its comparative figures in financial statements or retrospectively applies a new accounting policy, a statement of financial position must be presented as at the beginning of the earliest comparative period in a complete set of financial statements.
- Entities must disclose amount reclassified to profit or loss that were previously recognised in other comprehensive income and the income tax relating to each component of other comprehensive income, either in the statement of comprehensive income or in the notes;
- New terminologies will replace ‘statement of assets and liabilities’ with ‘statement of financial position’, and ‘cash flow statement’ with ‘statement of cash flows’.

Amendments to FRS 132: Financial Instruments: Presentation and FRS 101: Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation:

- These amendments require entities to classify puttable financial instruments as equity, if the instruments have certain particular features and meet certain conditions.
- The unitholders’ contribution has the features and meets the conditions for classification as equity. Consequently, upon adoption of the Amendments to FRS 132, unitholders’ contribution which is currently classified as financial liabilities will be reclassified as equity.

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

Current tax is the expected amount of income tax payable in respect of the taxable income for the financial year/period and is measured using the tax rates that have been enacted at the balance sheet date.

The tax effects of transactions are recognised, using the 'balance sheet' method and all taxable temporary differences are recognised. As at 30 September 2010, 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 issues 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 that 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 goods or services received.

Receivables

Sundry receivables are carried at anticipated realisable values.

Unitholders' Contribution

Trust units are classified as unitholders' contribution. Cash distributions on trust units are recognised in net asset value attributable to unitholders in the financial year/period in which they are declared.

Financial Assets and Liabilities

Financial assets and financial liabilities carried on the statement of assets and liabilities include cash at banks, Shariah compliant investments, including Islamic deposits and placements with licensed institutions, payables and net asset value attributable to unitholders. 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 income/profit on Islamic fixed income instruments, dividends, gains and losses relating to financial instruments classified as assets, are disclosed in the respective accounting policies.

4. QUOTED INVESTMENTS

	2010	2009
	RM	RM
At cost:		
Shares quoted in Malaysia	<u>4,263,468</u>	<u>4,222,532</u>
At valuation:		
Shares quoted in Malaysia	<u>4,854,909</u>	<u>4,007,542</u>

Details of quoted investments as at 30 September 2010 are as follows:

Securities quoted in Malaysia	Number of units	Market value RM	Purchase cost RM	Market value as a percentage of net asset value %
Name of Company				
Construction				
Gamuda Berhad	14,500	56,260	54,728	1.14
YTL Corporation Berhad	9,874	74,055	74,724	1.51
	<u>24,374</u>	<u>130,315</u>	<u>129,452</u>	<u>2.65</u>
Consumer Products				
British American Tobacco (M) Berhad	1,500	72,720	62,582	1.48
PPB Group Berhad	6,500	111,800	54,641	2.27
UMW Holdings Berhad	8,800	59,576	60,573	1.21
	<u>16,800</u>	<u>244,096</u>	<u>177,796</u>	<u>4.96</u>
Finance				
AMMB Holdings Berhad	24,600	145,878	98,809	2.96
CIMB Group Holdings Berhad	59,800	488,566	332,639	9.92
Hong Leong Bank Berhad	6,500	59,215	42,054	1.20
Hong Leong Financial Group Berhad	3,100	28,086	26,793	0.57
Malayan Banking Berhad	57,815	508,772	428,320	10.34
Public Bank Berhad	38,400	482,304	376,130	9.80
RHB Capital Berhad	3,800	27,474	19,353	0.56
	<u>194,015</u>	<u>1,740,295</u>	<u>1,324,098</u>	<u>35.35</u>
Industrial Products				
PETRONAS Gas Berhad	6,200	67,580	65,072	1.37
Infrastructure				
DiGi.Com Berhad	6,300	153,090	146,505	3.11
YTL Power International Berhad	29,871	68,405	67,440	1.39
	<u>36,171</u>	<u>221,495</u>	<u>213,945</u>	<u>4.50</u>

(Forward)

Securities quoted in Malaysia	Number of units	Market value RM	Purchase cost RM	Market value as a percentage of net asset value %
Name of Company				
Plantation				
IOI Corporation Berhad	54,385	297,486	310,894	6.04
Kuala Lumpur Kepong Berhad	5,800	98,600	79,253	2.00
	<u>60,185</u>	<u>396,086</u>	<u>390,147</u>	<u>8.04</u>
Trading/Service				
Axiata Group Berhad	68,900	301,782	270,766	6.13
Berjaya Sports Toto Berhad	10,228	42,548	48,296	0.86
Genting Berhad	30,100	298,592	238,297	6.06
Genting Malaysia Berhad	30,900	104,751	113,070	2.13
MISC Berhad	19,440	169,906	180,496	3.45
Malaysian Airline System Berhad	9,400	21,902	20,287	0.45
Maxis Berhad	24,500	131,075	132,343	2.66
MMC Corporation Berhad	12,100	36,300	37,566	0.74
PETRONAS Dagangan Berhad	3,000	33,000	24,538	0.67
PLUS Expressways Berhad	21,000	87,570	67,980	1.78
Sime Darby Berhad	48,989	416,406	406,532	8.46
Telekom Malaysia Berhad	29,200	99,864	60,406	2.03
Tenaga Nasional Berhad	35,300	311,346	362,381	6.32
	<u>343,057</u>	<u>2,055,042</u>	<u>1,962,958</u>	<u>41.74</u>
Total quoted investments	<u><u>680,802</u></u>	<u><u>4,854,909</u></u>	<u><u>4,263,468</u></u>	<u><u>98.61</u></u>

5. **AMOUNT DUE TO MANAGER**

	2010	2009
	RM	RM
Manager's fee payable	(2,076)	(2,016)
Application fee payable to Manager	(5,400)	(5,200)
	<u>(7,476)</u>	<u>(7,216)</u>

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% per annum of the net asset value of the Fund, calculated on a daily basis, for the financial period from 1 July 2010 to 30 September 2010 (0.50% for the financial period from 1 July 2009 to 30 September 2009).

6. **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% per annum of the net asset value of the Fund, calculated on a daily basis, for the financial period from 1 July 2010 to 30 September 2010 (0.04% for the financial period from 1 July 2009 to 30 September 2009).

7. **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% per annum of the net asset value of the Fund, calculated on a daily basis, for the financial period from 1 July 2010 to 30 September 2010 (0.06% for the financial period from 1 July 2009 to 30 September 2009).

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

Net asset value attributable to unitholders is represented by:

		2010	2009
		RM	RM
Unitholders' contribution	(a)	4,339,300	4,339,300
Accumulated income/(loss)	(b)	584,310	(265,079)
		<u>4,923,610</u>	<u>4,074,221</u>

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

	1-7-2010 to 30-9-2010		1-7-2009 to 30-9-2009	
	Number of units	RM	Number of units	RM
At beginning of the period	3,344,000	4,339,300	650,000	5,431,641
Created from unit split (Note 14)	-	-	3,530,000	-
Released during the period	-	-	(836,000)	(1,092,341)
At end of period	<u>3,344,000</u>	<u>4,339,300</u>	<u>3,344,000</u>	<u>4,339,300</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 September 2010 and 30 September 2009. Holdings by parties related to the Manager as at 30 September 2010 were 1,447,500 units valued at RM2,131,299 (1,219,923 units valued at RM1,486,354 as at 30 September 2009).

(b) **ACCUMULATED INCOME/(LOSS)**

	Note	1-7-2010 to 30-9-2010 RM	1-7-2009 to 30-9-2009 RM
At beginning of period		85,697	(893,599)
Net income for the period		509,648	578,336
Distribution/Loss equalisation	11	-	75,264
Income distribution	12	<u>(11,035)</u>	<u>(25,080)</u>
At end of period		<u>584,310</u>	<u>(265,079)</u>

9. **NET ASSET VALUE PER UNIT – EX DISTRIBUTION**

The net asset value per unit (ex distribution) is calculated by dividing the net assets of RM4,923,610 by 3,344,000 units in issue as at 30 September 2010 (RM4,074,221 by 3,344,000 units as at 30 September 2009).

10. 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 expenses applicable to net income before income tax at the statutory income tax rate to income tax expenses at the effective income tax rate of the Fund is as follows:

	1-7-2010 to 30-9-2010 RM	1-7-2009 to 30-9-2009 RM
Net income before income tax	<u>530,282</u>	<u>582,636</u>
Taxation at Malaysian statutory rate of 25%	132,600	145,700
Tax effect of:		
Income not subject to tax	(130,300)	(144,300)
Permitted expenses not deductible for tax purposes	2,200	2,700
Non-permitted expenses for tax purposes	800	1,000
Over-provision of tax in previous year	<u>15,334</u>	<u>(800)</u>
Tax expense for the financial period	<u>20,634</u>	<u>4,300</u>

11. 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 the Trustee.

12. INCOME DISTRIBUTION

Distribution to unitholders is from the following sources:

	1-7-2010 to 30-9-2010 RM	1-7-2009 to 30-9-2009 RM
Accumulated loss brought forward - realised	-	(3,852)
Net realised gain on sale of quoted investments	9,154	30,999
Interest income	2	-
Distribution/loss equalisation	-	8,886
Gross dividend income from shares quoted in Malaysia	<u>35,227</u>	<u>6,258</u>
	44,383	42,291
Less: Expenses	(12,714)	(12,911)
Taxation	<u>(20,634)</u>	<u>(4,300)</u>
Total amount of distribution	<u><u>11,035</u></u>	<u><u>25,080</u></u>

The distribution above has been proposed before taking into account the net unrealised gain for the financial period of RM478,781 (RM280,007 for financial period from 1 July 2009 to 30 September 2009) and net unrealised gain brought forward of RM112,660 (unrealised loss RM494,998 for financial period from 1 July 2009 to 30 September 2009) which are carried forward to the next financial period.

	1-7-2010 to 30-9-2010		1-7-2009 to 30-9-2009	
	Date of distribution	RM	Date of distribution	RM
GROSS				
Interim distribution				
- 0.3646 sen per unit (0.7793 in financial quarter ended 30 September 2009)	9 August 2010	<u>12,191</u>	14 August 2009	<u>32,573</u>
NET				
Interim distribution				
- 0.3300 sen per unit (0.6000 in financial quarter ended 30 September 2009)	9 August 2010	<u>11,035</u>	14 August 2009	<u>25,080</u>

13. UNIT SPLIT

The Fund undertook a unit split exercise involving a subdivision of every existing unit into 6.43 units on 6 July 2009, details as follows:

	1-7-2010 to 30-9-2010		1-7-2009 to 30-9-2009	
	RM	RM	NAV per unit before unit split on 6 July 2009 RM	NAV per unit after unit split on 6 July 2009 RM
Unit split involving subdivision of every unit into 6.43 units	-	-	7.0639	1.0986

14. CASH AND CASH EQUIVALENTS

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

	2010 RM	2009 RM
Cash at banks	507	74,644

15. MANAGEMENT EXPENSE RATIO AND PORTFOLIO TURNOVER RATIO

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

	1-7-2010 to 30-9-2010 % p.a.	1-7-2009 to 30-9-2009 % p.a.
Manager's fee	0.50	0.45
Trustee's fee	0.06	0.06
License's fee	0.04	0.04
Trust administrative expenses	0.48	0.54
Total MER	1.08	1.09

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 from 1 July 2009 to 30 September 2009 (0.01 times for the financial period from 1 July 2009 to 30 September 2009).

16. 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
2010				
Revenue				
Segment income representing segment results	542,993	3	-	542,996
Assets				
Investments	4,854,909	-	-	4,854,909
Amount due from broker	69,760	-	-	69,760
Dividend receivables	30,559	-	-	30,559
	<u>4,955,228</u>	<u>-</u>	<u>-</u>	<u>4,955,228</u>
2009				
Revenue				
Segment income representing segment results	285,344	-	310,203	595,547
Assets				
Investments	4,007,542	-	-	4,007,542
Dividend receivables	19,119	-	-	19,119
	<u>4,026,661</u>	<u>-</u>	<u>-</u>	<u>4,026,661</u>

There is no segment liabilities as at 30 September 2010 and 30 September 2009

17. TRANSACTIONS WITH BROKERS AND FINANCIAL INSTITUTIONS

Details of transactions with brokers and financial institutions for the financial period from 1 July 2010 to 30 September 2010 are as follows:

Financial institutions/ Brokers	Transaction value		Brokerage fee, stamp duty and clearing fee paid	
	RM	%	RM	%
AmInvestment Bank Berhad*	<u>98,302</u>	<u>100.00</u>	<u>1,114</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.

18. 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 risks, careful selection of stocks for investment coupled with stringent compliance to investment restrictions as stipulated by the Capital Market and Services Act 2007, 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/bond/unit prices can rise or fall for a number of reasons including industry trends, economic factors and changes in the investees' operations, management and financial performance as well as market perceptions on a particular investee.

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.

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 in value.

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 a sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellation of units by unitholders. Liquid assets comprise deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 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 single issuer is diversified and 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 the Fund may cause considerable losses to the Fund that in turn may affect the net asset value of the Fund.

Stock Risk

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

19. 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 values for the amount due 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.

Additional Information

Board of Directors of the Manager

The Board of Directors, of which one-third are independent members, exercise ultimate control over the operations of the Company. For the financial period under review, 3 board meetings were held.

Details of the Directors of the management company are set out as below:

Name: Harinder Pal Singh		
Age	:	48
Nationality	:	Malaysia
Qualification	:	Bachelors Degree in Accounting from University Malaya
Executive/Non-Executive Director	:	Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	:	Non-Independent of AmInvestment Services Berhad
Working Experience	:	<p>Bank Negara Malaysia Senior Administrative Officer, Insurance Inspection Department (1986 – 1993)</p> <p>Securities Commission Assistant Manager, Market Surveillance Department (1993 – 1995)</p> <p>AmSecurities Sdn Bhd Seconded to PT Arab-Malaysian Capital Indonesia as Director of Operations (1995 – 1998)</p> <p>AmMerchant Bank Berhad Manager, Corporate Services (1998 – 2000)</p> <p>AmInvestment Services Berhad Manager, Client Service & Operations (July 2001 – June 2002) Senior Manager, Client Service & Operation (July 2002 – 2003) Head, Sales Services (2003-Dec 2006) Acting Principal Officer / Director of Operations (present) Director (September 2008 - present)</p>
Occupation	:	Director of Operations and Principal Officer of AmInvestment Services Berhad
Date of appointment	:	8 December 2006
Directorship of other public companies	:	None
Number of board meetings attended in the financial period	:	2
Member of any other board committee	:	Investment Committee of AmInvestment Services Berhad

Date of appointment to the investment committee	:	18 January 2007
Number of investment committee meetings attended in the financial period	:	3
Family relationship with any director	:	None
Conflict of interest with the Fund	:	None
List of convictions for offences within the past 10 years (if any)	:	None

Name: Kok Tuck Cheong		
Age	:	59
Nationality	:	Malaysian
Qualification	:	Bachelor of Science (Honours) in Commerce and Accounting and Master of Science in Financial Managerial Control from University of Southampton.
Executive/Non-Executive Director	:	Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	:	Non-Independent Director of AmInvestment Services Berhad
Working Experience	:	He started his career with AmMerchant Bank Berhad in the Treasury Department before joining the Banking and Corporate Finance Department and later the Investment Department where he served in various positions. He was appointed as General Manager, Banking in January 1989 and later served as Senior General Manager until his appointment as Executive Director in September 2000.
Occupation	:	Managing Director and Chief Executive Officer of AmInvestment Bank Berhad
Date of appointment	:	9 November 2001
Directorship of other public companies	:	AmInvestment Bank Berhad and AmInvestment Group Berhad
Number of board meetings attended in the financial period	:	2
Member of any other board committee	:	-
Date of appointment to the investment committee	:	-
Number of investment committee meetings attended in the financial period	:	-
Family relationship with any director	:	None
Conflict of interest with the Fund	:	None
List of convictions for offences within the past 10 years (if any)	:	None

Name: Datin Maznah Mahbob		
Age	:	51
Nationality	:	Malaysian
Qualification	:	A graduate of the Institute of Chartered Secretaries and Administrators (UK) and holds the Capital Markets Services Representative License
Executive/Non-Executive Director	:	Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	:	Non-Independent Director of AmInvestment Services Berhad
Working Experience	:	Datin Maznah has been in the funds management industry since 1987, in a fund management role, before assuming the CEO responsibility in 2002. Prior to this, she was in the Corporate Finance Department of AmInvestment Bank for 3 years.
Occupation	:	Chief Executive Officer of the Funds Management Division of AmInvestment Bank Group and Chief Executive Officer/Executive Director of AmInvestment Management Sdn Bhd.
Date of appointment	:	29 December 2005
Directorship of other public companies	:	None
Number of board meetings attended in the financial period	:	2
Member of any other board committee	:	-
Date of appointment to the investment committee	:	-
Number of investment committee meetings attended in the financial period	:	2
Family relationship with any director	:	None
Conflict of interest with the Fund	:	None
List of convictions for offences within the past 10 years (if any)	:	None

Name: Professor Dr. Annuar Md. Nasir		
Age	:	52
Nationality	:	Malaysian
Qualification	:	Doctor of Philosophy from University Putra Malaysia
Executive/Non-Executive Director	:	Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	:	Independent Director of AmInvestment Services Berhad
Working Experience	:	University Putra Malaysia Serdang Dean (February 2006-Present) Deputy Dean (September 2002 – January 2006) Professor (March 2000-Present) Associate Professor (March 1993 – March 2000) University Pertanian Malaysia Tutor (1981 – 1984)
Occupation	:	Professor and Dean Faculty of Economics and Management of University Putra Malaysia
Date of appointment	:	8 April 2003
Directorship of other public companies	:	None
Number of board meetings attended in the financial period	:	2
Member of any other board committee	:	Investment Committee of AmInvestment Services Berhad
Date of appointment to the investment committee for ABF Malaysia Bond Index Fund	:	18 January 2010
Number of investment committee meetings attended in the financial period	:	3
Family relationship with any director	:	None
Conflict of interest with the Fund	:	None
List of convictions for offences within the past 10 years (if any)	:	None

Name: Dato' Dr. Mahani Zainal Abidin		
Age	:	56
Nationality	:	Malaysian
Qualification	:	Doctor of Philosophy in Development Economics from University of London.
Executive/Non-Executive Director	:	Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	:	Independent Director of AmInvestment Services Berhad Independent Director of AmIslamic Bank Berhad
Working Experience	:	Prime Minister's Department, Malaysia Head, Special Consultancy Team on Globalisation National Economic Action Council (April 2001 – July 2005) BHLB Unit Trust Member of Investment Panel (April 1999 – June 2004) Employee Provident Fund, Malaya Board Member (June 1998 – 2001)
Occupation	:	Chief Executive, Institute of Strategic and International Studies (ISIS) Malaysia.
Date of appointment	:	May 2007
Directorship of other public companies	:	-
Number of board meetings attended in the financial period	:	2
Member of any other board committee	:	Investment Committee of AmInvestment Services Berhad
Date of appointment to the investment committee for ABF Malaysia Bond Index Fund	:	18 January 2007
Number of investment committee meetings attended in the financial period	:	2
Family relationship with any director	:	None
Conflict of interest with the Fund	:	None
List of convictions for offences within the past 10 years (if any)	:	None

Name: Lee Siang Korn @ Lee Siang Chin		
Age	:	62
Nationality	:	Malaysian
Qualification	:	Fellow of the Institute of Chartered Accountants in England and Wales (July 1972) Member of the Malaysian Association of Certified Public Accountants (June 1975)
Executive/Non-Executive Director	:	Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	:	Independent Director of AmInvestment Services Berhad
Working Experience	:	Surf88.Com Sdn.Bhd Chairman and Founding shareholder (1999-2004) Arab-Malaysian Securities Sdn. Bhd. Managing Director (1986-1999) Arab-Malaysian Merchant Bank Berhad General Manager, Corporate Finance (1983-1986)
Occupation	:	Director AmInvestment Services Berhad
Date of appointment	:	20 December 2006
Directorship of other public companies	:	Star Publication (Malaysia) Berhad UniAsia Life Assurance Berhad
Number of board meetings attended in the financial period	:	2
Member of any other board committee	:	Investment Committee of AmInvestment Services Berhad
Date of appointment to the investment committee for ABF Malaysia Bond Index Fund	:	18 January 2007
Number of investment committee meetings attended in the financial period	:	3
Family relationship with any director	:	None
Conflict of interest with the Fund	:	None
List of convictions for offences within the past 10 years (if any)	:	None

Material Litigation

For the financial year under review, Manager of the Fund is not engaged in any material litigation and arbitration, including those pending or threatened, and any facts likely to give any proceedings, which might materially affect the business/financial position of the Manager and of its delegates. The Fund also is not engaged in any material litigation and arbitration, including those pending or threatened, and any facts likely to give any proceedings, which might materially affect the Fund.

Investment Manager

We have appointed AmInvestment Management Sdn Bhd, a licensed fund manager approved by SC on 4 March 1997, to implement the Fund's investment strategy on behalf of us to achieve the objectives of the Fund. AmInvestment Management is a wholly owned subsidiary of AmInvestment Group Berhad. AmInvestment Management has been in the fund management industry since 1982.

Unitholders

List of the unit holders having the largest number of units:

NAME	Number of Units Held	Units Held (in %)
AMINVESTMENT BANK BERHAD	1,411,360.00	42.206%
A.A. ANTHONY SECURITIES SDN. BHD.	257,200.00	7.691%
HSBC BANK MALAYSIA BERHAD	210,000.00	6.280%
KAF-SEAGROATT & CAMPBELL SECURITIES SDN BHD	128,600.00	3.846%
MALACCA SECURITIES SDN BHD	100,000.00	2.990%
CIMB INVESTMENT BANK BERHAD	64,300.00	1.923%
HWANGDBS INVESTMENT BANK BERHAD	51,440.00	1.538%
JF APEX SECURITIES BERHAD	44,000.00	1.316%
CIMB INVESTMENT BANK BERHAD	33,000.00	0.987%
INNOSABAH SECURITIES BERHAD	32,150.00	0.961%
CIMB INVESTMENT BANK BERHAD	32,150.00	0.961%
RHB INVESTMENT BANK BERHAD	32,150.00	0.961%
KENANGA INVESTMENT BANK BERHAD	32,150.00	0.961%
OSK INVESTMENT BANK BERHAD	30,000.00	0.897%
(Forward)		

NAME	Number of Units Held	Units Held (in %)
PUBLIC INVESTMENT BANK BERHAD	30,000.00	0.897%
ALLIANCE INVESTMENT BANK BERHAD	28,935.00	0.865%
MAYBANK INVESTMENT BANK BERHAD	25,720.00	0.769%
MAYBANK INVESTMENT BANK BERHAD	25,720.00	0.769%
MERCURY SECURITIES SDN BHD	25,720.00	0.769%
KENANGA INVESTMENT BANK BERHAD	25,720.00	0.769%
AFFIN INVESTMENT BANK BERHAD	25,720.00	0.769%
CIMB INVESTMENT BANK BERHAD	20,500.00	0.613%
MAYBANK INVESTMENT BANK BERHAD	19,290.00	0.577%
HWANGDBS INVESTMENT BANK BERHAD	19,290.00	0.577%
MAYBANK INVESTMENT BANK BERHAD	16,075.00	0.481%
HONG LEONG INVESTMENT BANK BERHAD	15,432.00	0.461%
PM SECURITIES SDN. BHD.	15,000.00	0.449%
KENANGA INVESTMENT BANK BERHAD	15,000.00	0.449%
HONG LEONG INVESTMENT BANK BERHAD	14,900.00	0.446%