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INVESTOR LETTER

Dear Valued Investors,

In 2010, the Malaysian market exceeded almost everyone's expectations. We expected about a 15% return at the beginning of 2010, but the FTSE Bursa Malaysia 100 Index (FBM100) has jumped 19.4% over the course of the year.

In less than two years, the market has fully recovered from its low in March 2009, which was brought on by the global crisis. This is quite remarkable, considering that predictions about the rate of recovery at that time were quite dire. Investors, who stayed invested and continued to invest through the downturn, were rewarded with really good returns.

We hope that with the experience of the Asian financial crisis and this most recent global financial crisis, investors have seen for themselves that markets do bounce back and it is not easy to predict the speed at which they can recover.

We are cautiously optimistic for 2011. In light of the market having gone up two years in a row, our outlook for this year are returns in the low double digits. We expect the US economy to continue to recover, driven by consumer spending and corporate capital expenditures. The Federal Reserve's sustained purchases of bonds will continue to underpin the recovery. Events in Europe are expected to lead to volatility. At some point, we believe bond markets will force Portugal into accepting a bailout. We believe there is a 50-50 chance that Spain will be bailed out as well.

In Asia Pacific ex-Japan, the concern is mainly over inflation and rising interest rates. In China, the recent hikes in bank reserve requirements to 18.5% will not be sufficient to tame inflation. Although higher food prices are currently the main source of inflation, there are signs that input prices are also rising. We expect China to hike interest rates by 1.25% next year. However, this hike is unlikely to derail the economy, especially if it is balanced with the rumored loan quota of Renminbi 6.0-7.0 trillion.

For Bursa Malaysia, conditions seem right for continued market appreciation. The implementation of the Economic Transformation Program (ETP) will lead to the roll out of large projects that will benefit the construction as well as oil and gas sectors, and closer ties with Singapore will benefit projects in the Iskandar Region – all which could lead to a revival in corporate loans growth. We expect earnings growth in the mid-teens and price-to-earnings ratios (PERs) to re-rate to the long-term average of 14.5-15.0 times.

INVESTOR LETTER (*Continued*)

It's also been a busy year for us here at CIMB-Principal Asset Management Berhad ("CIMB-Principal"). We are happy to share that our total assets under management have grown 28% from RM23.1¹ billion to RM29.5 billion a clear sign of clients' confidence. With 66 unit trust funds (23 are Shariah-compliant), including 6 wholesale funds and 2 exchange-traded funds (ETFs), the Company is also one of the largest institutional money managers. Institutional AUM rose 35.3% to RM18.0 billion in December last year, also made further inroads into the region, managing RM1.4 billion for regional clients. The stability of our senior management team, with an average tenure of 5.3 years, has endowed the CIMB-Principal with the flexibility to adapt strategically and innovatively to rapidly-changing circumstances in a competitive regional marketplace.

You may not be aware but back in 2009, CIMB-Principal was the first Malaysian company to implement PAM® for Securities², a world class international portfolio management and accounting system. Last year, we implemented the Factset Attribution System to further enhance our fund managers' expertise. The firm remains ahead of the curve compared to many of its domestic peers, exemplified by the implementation of SWIFT and OMGEO connections for some clients, providing automated trading and settlement services. CIMB-Principal is one of the few fund managers in ASEAN with all these systems in place to better serve our clients and partners.

We thank you for your trust in us. As you continue to regularly invest with us in 2011, it is our promise to be a vigilant steward of your money and help you grow it over time.

Yours sincerely

Campbell Tupling

Chief Executive

CIMB-Principal Asset Management Berhad

¹ End December 2009

² http://www.pfs.com/products/Pages/PFS_Products_PAMsecurities.aspx

MANAGER'S REPORT

What is the investment objective of the Fund?

To achieve medium to long-term growth in both capital and income by investing in permissible Shariah-compliant investments.

Has the fund achieved its objective?

For the period under review, the Fund is in line with its stated objectives as stated under the fund performance review.

What are the fund investment policy and its strategy?

The Fund aims to invest in a diversified portfolio of Shariah-compliant equities and Shariah-compliant fixed income investments. In line with its objective, the investment policy and strategy will be to maintain a balanced portfolio between Shariah-compliant equities and Shariah-compliant fixed income investments in the ratio of 60:40.

The fixed income portion of the Fund is to provide some capital stability to the Fund whilst the equity portion will provide the added return in a rising market.

The investments by the Fund in Shariah-compliant equities shall not exceed 60% of the NAV of the Fund and investments in Shariah-compliant fixed income securities and Shariah-compliant liquid assets shall not be less than 40% of the NAV of the Fund with a minimum credit rating of "BBB3" or "P2" by RAM or equivalent rating by MARC; "BB" by S&P or equivalent rating by Moody's or Fitch.

At least 2% its Fund's NAV will be invested in Shariah-compliant liquid assets.

CIMB-Principal Asset Management (S) Pte Ltd has been appointed to invest and manage the foreign investment of this Fund.

The Fund's policies on investments were carried out in accordance with the Deed and it will continue its operation until terminated in accordance with the investment objective and within the investment restrictions.

Fund category/ type

Balanced (Shariah)/ Growth and Income

How long should you invest for?

Recommended 3 years or more

Indication of short-term risk (low, moderate, high)

Moderate

When was the Fund launched?

08 March 2001

What was the size of the Fund as at 31 March 2011?

RM 167.73 million (123.88 million units)

What is the fund's benchmark?

30% FTSE Bursa Malaysia EMAS Shariah Index + 30% Dow Jones Islamic Asia Pacific ex Japan + 40% CIMB Islamic 1-month General Investment Account

What is the fund distribution policy?

The Manager has the discretion to distribute part or all of the Fund's distributable income. The distribution (if any) may vary from period to period depending on the investment objective and the performance of the Fund.

What was the net income distribution for the period ended 31 March 2011?

2.76 sen per unit on 6 October 2010.

The Fund net asset value per unit before and after the latest distribution was RM0.4623 and RM0.4346 per unit respectively

PERFORMANCE DATA

Details of portfolio composition of the Fund for the last three financial periods are as follows:

	31.03.11	31.03.10	31.03.09
	%	%	%
Quoted Shariah-compliant Investments			
- Trading/Services	13.50	12.69	17.57
- Basic Materials	7.66	7.69	-
- Plantations	6.79	8.55	4.56
- Properties	2.08	1.19	1.33
- Infrastructure project companies	-	0.46	1.31
- Construction	2.25	3.05	3.30
- Second board	-	-	-
- Finance	0.53	0.32	-
- Industrial products	11.11	12.41	13.03
- Consumer products	2.46	3.40	1.33
- Oil & Gas	2.57	2.69	4.17
- Technology	7.03	7.04	2.94
- TSR & Warrants	-	-	-
Unquoted Sukuk	36.33	37.30	37.18
Cash and Other Net Assets	7.69	3.21	13.28
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Performance details of the Fund for the last three financial periods are as follows:

	31.03.11	31.03.10	31.03.09
Net asset value (RM million)	167.47	123.88	104.28
Units in circulation (million)	365.98	277.56	269.28
Net asset value per unit (RM)	0.4576	0.4463	0.3873 *
Highest NAV per unit (RM)	0.4600	0.4732	0.4087
Lowest NAV per unit (RM)	0.4344	0.4290	0.3577 *
Total return (%) ^	6.70	4.61	(5.24)
- Capital growth (%)	0.24	8.85	(5.24)
- Income distribution (%)	6.44	(3.90)	-
Gross distribution per unit (sen)	2.80	3.50	-
Net distribution per unit (sen)	2.76	3.50	-
Date of distribution	6-Oct-10	24-Nov-09	-
Management expense ratio (%)	0.84	0.90	0.86
Portfolio turnover ratio (times) #	0.43	0.52	0.61
Average total return		Total Return	Annualised %
- One Year		9.30	9.30
- Three Years		20.92	6.54
- Five Years		54.78	9.13
- Since Inception		103.33	7.30

* Ex-distribution

(Launch date: 08 March 2001)

The PTR for the financial year under review decreased due to lower trading activities.

PERFORMANCE DATA (CONTINUED)

	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007
Annual total return (%)	9.30	36.54	(18.97)	8.56	17.91

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures ended 31 March 2011 have been verified by Mercer Zainal Consulting Sdn Bhd, Consulting Actuaries (35090-H).

MARKET REVIEW (1 OCTOBER 2010 TO 31 MARCH 2011)

Foreign Equity

The Dow Jones Islamic Asia Pacific-ex Japan Index rose 8% in Ringgit terms during the period under review with Australia, Korea and Taiwan outperforming HK, China, ASEAN and India.

In 4Q2010, countries with a high exposure to technology and material stocks such as Korea, Taiwan and Australia outperformed. And countries with high inflation where policy tightening was likely such as China, India and Indonesia underperformed. Despite tensions in the Korean peninsula, foreign buying of financials and technology stocks pushed the index. The Bank of Korea kept the cash rate unchanged at 2.50% and CPI in November decelerated from October (3.3% YoY vs. 4.1% YoY). Taiwan performed well driven by technology stocks (Korean tech stocks also outperformed the market). At the municipal elections in Taiwan, the ruling KMT kept their control in Taipei, Xinbei and Taichung while the DPP won in Tainan and Kaoshiung. Taiwan's central bank raised rates by 12.5bp and the November CPI ticked up to 1.5% YoY vs. 0.6% YoY in October. Australia did well as commodity prices firmed. The government's recommendations regarding the planned Mineral Resources Rent tax did not surprise negatively and M&A activity was also a support. As expected, the Reserve Bank left the cash rate on hold at 4.75%.

China underperformed as the People's Bank of China continued to tighten policy, raising the minimum reserve ratio requirement (+150bp) and hiking lending rates (+50bp for 1yr loans). This will impact excess liquidity and loan growth. CPI inflation was higher than expected at 5.1% YoY in November (4.4% YoY in October) driven by a sharp jump in food prices. India was affected by corruption allegations at the telecom ministry, selected state-owned banks, financial institutions and property companies weighed on investor sentiment. The Reserve Bank of India raised both the repo and reverse repo rate by 25bp as expected. The Central Bank also cut the SLR by 100 bps to address the liquidity deficit in the banking system. The Central bank also promised Open Market Operations of Rs480 bn over the next month to ease the liquidity situation. Bank Indonesia maintained policy rates at 6.5% despite headline inflation coming in above expectations again at 6.96% YoY in December (6.33% YoY in November).

In 1Q11, the Japan earthquake, tsunami and nuclear incident on 11th March affected sentiment in Asian markets but only temporarily. The Bank of Japan poured liquidity into the financial system and doubled the size of its asset purchase plan to stabilize markets. India and Korea were the best performing markets. Korean corporates in the tech, auto, industrial and shipbuilding space were seen as beneficiaries of the situation in Japan. As expected the Bank of Korea raised the base rate by 25bps to 3.00% as part of its policy normalization cycle since last July. In India, foreigners turned net buyers after being net sellers in Jan and Feb. The RBI hiked the benchmark rate by 25bps as expected. WPI inflation accelerated further in Feb to 8.3% (Jan: 8.2%). While the primary food segment inflation moderated, non-food manufacturing inflation rose further.

China's economy appeared to have settled into a solid growth pace this year, recording an increase of 9.6% yoy in 1Q11 following 9.8% yoy growth in 4Q10. March macro indicators reported stronger than expected growth in industrial production and retail sales, while fixed investment posted a steady growth. The PBoC hiked the Reserve Requirement Ratio for the third time this year by 50bp.

MARKET REVIEW (1 OCTOBER 2010 TO 31 MARCH 2011) (CONTINUED)

The Philippines central bank raised interest rates by 25bps as a preemptive move against higher inflation. Indonesia's CPI in March came in lower than expected with prices declining by 0.32% MoM and core inflation remained muted. Taiwan underperformed the region. Feb export orders came in weaker than expected. Moderation in order growth was broad-based across major markets. Central bank raised interest rate by 12.5bps. The Australian market barely moved but the AUD\$ appreciated 2%. The energy sector did well in anticipation of stronger demand for gas from Japan to replace nuclear.

Local Equity

In 4Q10, the economic indicators released suggested that global economic growth was building momentum and would likely gain pace in the second half of 2011. However, it looked like this could be derailed as a result of rising international commodity and food prices, together with the increase in crude oil prices to more than US\$100/barrel, due to political uncertainty in the Middle East and North Africa. From supply induced inflation, the situation threatened to spill over to a demand-pull inflationary situation that could be more difficult to manage and require more aggressive policy tightening. The pace of tightening may have to be accelerated, given the current high liquidity and low interest rates environment.

Global manufacturing activities picked up for the fifth straight month and to its highest level in more than six years in February, while global services activities grew at its strongest pace in almost five years during the month. Similarly, the Organisation of Economic Cooperation and Development (OECD) composite leading indicator picked up for the fifth straight month by 0.37 to 103.1 in January, suggesting that OECD economic activities would likely pick up pace in the months ahead.

In Malaysia, the market was boosted by sustained positive newsflow on the Government Transformation Programme (GTP), Economic Transformation Programme (ETP) and the 2011 Budget which were all hugely positive for the construction, property and consumer sectors. On the downside, market was hit by news of natural disasters in Japan, Australia and New Zealand, political turmoil in North Africa and the Middle East, Japan debt rating downgrade, monetary tightening in China, debt woes in Europe and reversal of funds flow from the emerging markets back to the developed markets. High oil prices have fuelled concerns about inflation and its adverse impact on future economic growth.

Fixed Income

The trading volume for MGS/GII dropped significantly in 4Q2010 registering trading volume of RM96.9 billion as compared with RM120.5 billion recorded in the previous quarter. The drop in volume was attributed to the year end factor as well as shorter trading days due to the festive holidays celebrated such as Hari Raya Haji, Deepavali and Christmas. Overall, the MGS yield curve bearish steepened over the 4Q2010 and may have been impacted by the monetary policy tightening to curb inflationary pressure by several regional central banks and the release of the MGS/GII auction calendar for 2011 which skewed towards the mid to long end of the curve, resulting in market players shortening its duration in favour of shorter dated government securities.

For the first quarter of 2011, the domestic sovereign bond market was affected by a myriad of major events. The year began with the Malaysian government bonds yields closing lower in view of the oncoming supply and potential inflationary pressure in 2011. Trading was further depressed by the tightening monetary policy measures of Thailand, South Korea and India and spurring speculation that BNM could raise the policy rate. However, fear of rate hike was subdued after BNM maintained a dovish outlook at its January meeting and kept the OPR at 2.75%.

Trading volume fell in February with selling seen on the short end of the curve. Sentiment was pressured amidst inflationary worries across Asia and surging global crude oil prices arising from the geopolitical conditions in the Middle East.

MARKET REVIEW (1 OCTOBER 2010 TO 31 MARCH 2011) (CONTINUED)

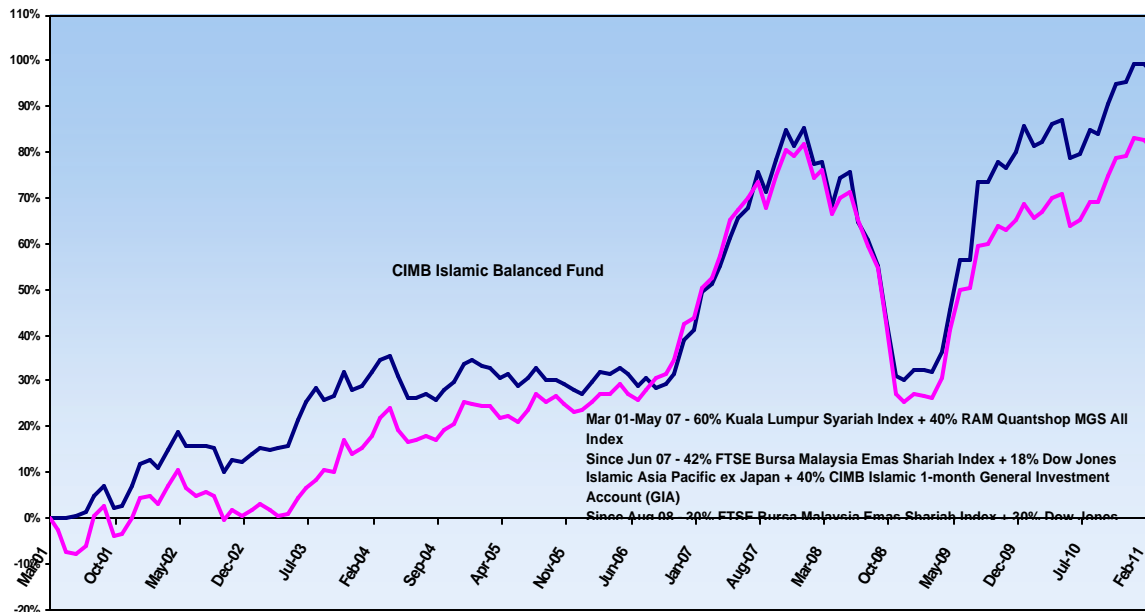
Exacerbating debt crisis in Europe, rating downgrades on Greece, Spain and Portugal, ongoing turmoil in North Africa and Middle East and the aftermath of Japan’s earthquake induced a flight to quality in the month of March. However, towards the end of the month, we saw a general selling in the MGS market with yields increasing across the board as the initial shock of external negatives dissipated. As expected, in the March MPC meeting BNM maintained its OPR at 2.75% and raised the statutory reserve ratio (“SRR”) by 100bps to 2% with effect from 1st April 2011 as a preemptive measure to manage liquidity conditions.

FUND PERFORMANCE

	6 Month to 31.03.2011	1 Year to 31.03.2011	3 years to 31.03.2011	5 years to 31.03.2011	Since Inception to 31.03.2011
Income (%)	6.44	6.44	26.12	35.57	72.15
Capital (%)	0.24	2.69	(4.12)	14.18	18.11
Total Return (%)	6.70	9.30	20.92	54.78	103.33
Benchmark (%)	5.77	8.57	11.11	45.34	84.77
Average Total Return (%)	N/A	9.30	6.54	9.13	7.30

For the 6-month period ended 31st March 2011, the Fund grew 6.70% compared to its benchmark which gained 5.77%. Hence, the Fund outperformed its benchmark by 0.93% for the period, primarily due to outperformance from local equities and fixed income.

In terms of ranking, the Fund ranked 13th (out of 19 funds) in the “Islamic Mixed Asset” category for the 6-month period ended 31st March 2011 (source: Lipper).



FUND PERFORMANCE (CONTINUED)

Changes in Net Asset Value (“NAV”)

	31.03.2011	31.03.2010	% changes
Net Asset Value (“NAV”) (RM Million)	167.47	123.88	35.19
NAV/unit (RM)	0.4576	0.4463	2.53

The Fund’s NAV rose by 35.19% from RM123.88 million to RM167.47 million for the period ended 31 March 2011.

Performance data represents the combined income and capital return as a result of holding units in the fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. 1 year financial year ended 31 March 2011 performance figures have been verified by Mercer Zainal Consulting Sdn Bhd, a Consulting Actuaries (35090-H).

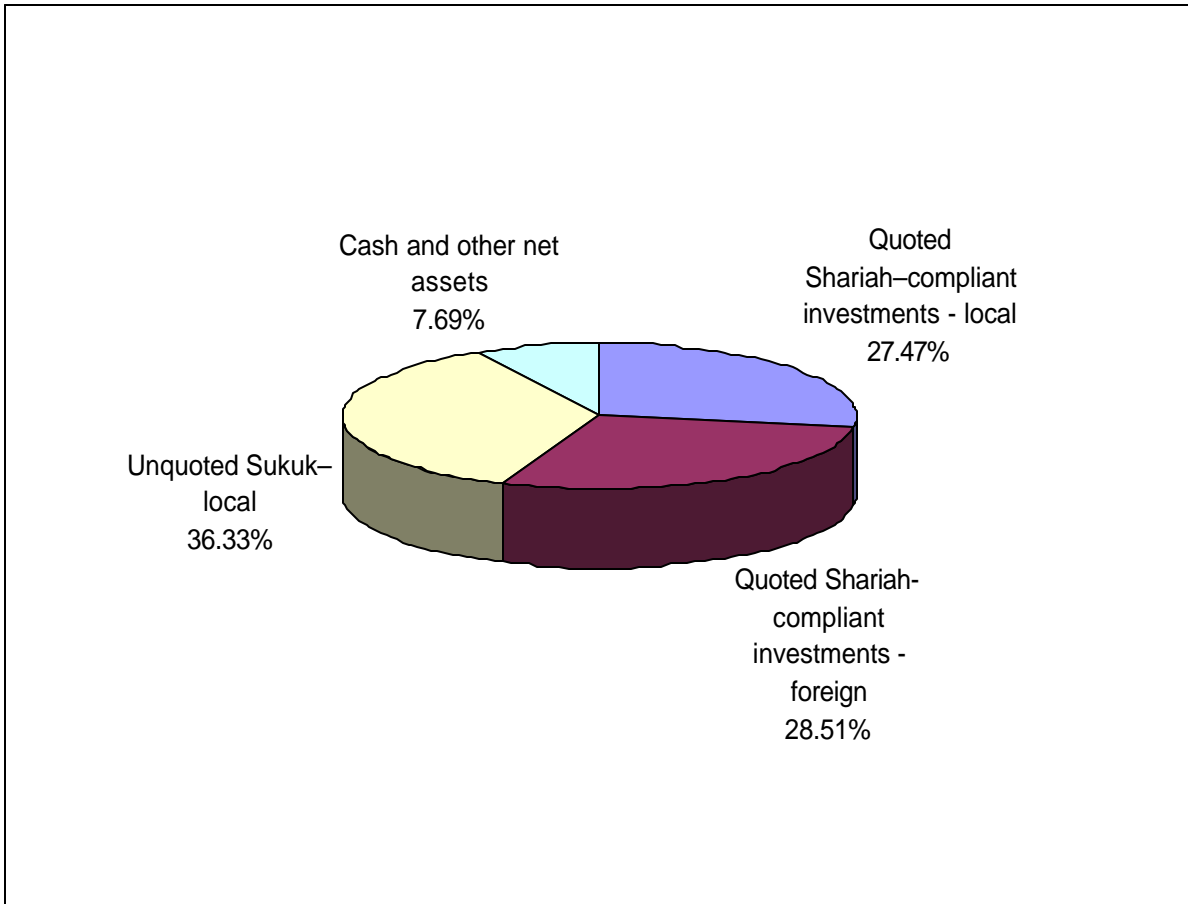
PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31 March 2011	31 M arch 2010
Quoted Shariah-compliant investments - local	27.47	29.83
Quoted Shariah-compliant investments - foreign	28.51	29.66
Unquoted Sukuk– local	36.33	37.30
Cash and other net assets	7.69	3.21
TOTAL	100.00	100.00

The local equity portion of the fund remained highly invested for most of the period under review in order for the fund to participate in the local market rally.

During the period under review, the asset allocation for fixed income reduced slightly from 37.30% to 36.33%. Liquidity is maintained for the Fund to take advantage of primary issues as well as to facilitate any redemption.



MARKET OUTLOOK

Foreign Equity

Global liquidity conditions continue to be buoyed by loose monetary policy pursued by US and Japan as well as carry trades funded by USD and JPY.

What happens when QE2 ends in June? US Federal Reserve has committed to keeping its balance sheet size constant by reinvesting proceeds from maturing bonds. Interest rates will stay low for an extended period of time, as long as inflation expectation and core inflation stay benign. This is in line with its mandate to pursue price stability and full employment for the US economy. With Fed Funds rate kept at zero, US bond yield and money supply should remain fairly stable.

In Asia, China continues to grow strongly in excess of its 7% potential growth rate in its 12th 5-yr plan. Total Social Financing (bank loan + off-balance sheet financing + bond and equity issuance) has become the People’s Bank of China’s measure of domestic liquidity conditions. This measure indicated that monetary tightening had remained moderate.

Our view remains unchanged - Asian economies are to grow firmly with inflation moderating this year.

Local Equity

Our basic view that 2011 will provide unspectacular but solid returns to equity investors remains. The main supportive factors include reasonable valuations, strong corporate sector profitability, and a favorable global and emerging market growth outlook. Of these, corporate sector profitability could be impacted by somewhat tighter margins. Producer Price Indices have been running higher than Consumer Price Indices, which could impact corporate profitability through narrower operating margins. This impact would be especially felt if top-line growth slows due to weaker consumption demand as consumers adjust to high oil prices.

MARKET OUTLOOK (CONTINUED)

The US recovery should continue to show strong traction in most areas with the exception of the housing sector which remains weak. We expect negative volatility in Developed Markets coming from two different sources. First, the European Central Bank is leaning towards hiking interest rates to combat rising core inflation in Germany. However, this threatens to de-stabilise the floundering nations of Greece, Portugal and Ireland, which are facing high refinancing rates for their bonds. This higher probability of short term volatility and dislocations in the European markets will make these markets unattractive relative to other regions. That said, we are expecting that markets will be able to differentiate between the different European Union economies, their prospects, and be able to invest accordingly. The weakest link will be the Euro, which ensure some contagion effect should any of the weaker economies fail.

The second source of uncertainty comes from the fallout of the Japanese disaster. The loss in power generating capacity has led to rolling blackouts across the nation. Industries will be crippled in the short term and be unable to ramp up production volumes. Continual downtime due to aftershocks will disrupt business recovery. Other nuclear plants on the grid are subject to auto shutdown during earthquakes, and need checks before starting up again. Estimates of the energy supply shortfall range from 25-30%. Already natural gas futures are up, over speculation that Japan will switch back to more traditional energy sources, ignoring the fact that a natural gas power plant takes 3 to 4 years to be built.

The economic impact to Asia will emanate largely from Japan. Components disruption will likely hit in May, as certain Japanese manufacturers run out of inventory. This is especially crucial for high tech components, like fuel sensors for automobiles and touch screen components used in iPads and smart phones. It will be difficult to find immediate replacement suppliers as in some of these cases, the Japanese companies supply close to 100% of global demand. This will mean two things. First, the supply disruption will mean less manufactured goods in the short term. This is deflationary in nature, as consumption spending will be delayed from lack of supply. Second, commodities demand, e.g. iron ore, could be dampened as the component shortage will impact production of the final product. If true, this will have a positive impact on Asia, as this could lower core inflation and assist central bankers in managing inflation.

On the debate between developed and emerging markets (of which Asia ex-Japan forms 80%), structural strengths still favor emerging markets. Rate hikes in several of them over the past 6 months will likely slow down the pace of further tightening. These adjustments will stand the large Emerging Markets in good stead and grant them better ability to maneuver policy depending upon underlying developments. EM equity flows, which have been negative so far this year, are also likely to benefit from these moves.

Malaysia continues to be an oasis of stability for investors. The markets continue to focus on the ETP and GTP rollout details as construction projects are being announced. Corporate profits are on track, with minimal revisions and far fewer surprises. Banks continue to raise cheap funding to bolster balance sheets to meet and exceed Basel III requirements. Politics continue to be background noise, but in increasingly strident volume. The crescendo was reached at the release of another video allegedly implicating an opposition politician. Sarawak's state elections held in mid-April is seen by markets as a barometer for public opinion going forward as the influx of new voter voting patterns can be valuable pointers for the next general elections strategy.

Fixed Income

We expect MGS yield curve to flatten in response to BNM's hawkish Monetary Policy Statement that will result to short end of the curve adjusting to the higher OPR rate and resilient long end of the curves remain steady due to high demand. On the Corporate Bond market, we continue to foresee a strong demand for quality AA-rated bonds. Since a lower supply of AA-rated bonds is expected, investors may have to scramble for the said rating class from the secondary market for better yield pick up.

INVESTMENT STRATEGYForeign Equity

We remain bullish on Asian equities given current benign liquidity conditions and positive earnings momentum. The better than expected US results season led the Asian equity market higher driven by stocks with earnings upgrades. The equity strategy is to stay focused on stocks with significant upward revision as well as positive surprises. Our portfolios are overweight in growth stocks rather than cyclical and defensive stocks. Following our research efforts, we have identified and invested in several Asian companies that will benefit from structural changes in the aftermath of the Japan crisis, principally in the technology, industrial and material sectors. We continue to like companies that have technological leadership or brand franchises which allow them to benefit from structural growth trends like smart phones, consumer spending and offshore marine.

We are overweight Korea, underweight Indonesia and India. Sector-wise, we are overweight industrials, and underweight utilities, financials and telecommunication.

Local Equity

We expect the Malaysian market to remain flattish for the next 1 to 2 months as markets pause after the rebound in valuation. The Malaysian market PER is 15X. On a price-to-book calculation, the market looks fairly valued at 2.4X. However, if the ETP and GTP rollout is accelerated, we may see upward revisions to market ranges and a possible rally. For our portfolios, we remain fairly invested in the markets, paying careful attention to risk and volatility, and modifying these parameters through stock picking.

Fixed Income

For fixed income, we will also take opportunity to lock in some gains on over valued AA rated corporate sukuk and reinvest in new issues. We will continue to maintain our strategy with an overweight in the corporate debt segment with neutral portfolio duration target to be defensive against volatility.

UNIT HOLDING STATISTICS

Breakdown of unit holdings by size as at 31 March 2011 are as follows:

Size of unit holding	No. of unit holders	No. of units held	% of units held
5,000 and below	33,036	6,566,876	1.79
5,001 to 10,000	2,506	18,676,123	5.10
10,001 to 50,000	6,440	150,626,121	41.16
50,001 to 500,000	1,677	168,150,292	45.95
500,001 and above	14	21,962,246	6.00
Total	46,673	365,981,658	100.00

SOFT COMMISSIONS AND REBATES

Dealings on investments of the Fund through brokers or dealers will be on terms which are best available for the Fund. Any rebates from brokers or dealers will be directed to the account of the Fund.

The Investment Manager may from time to time receive and retain soft commissions in the form of subscription for real-time services or advisory services that assist in the decision-making process relating to the Fund's investments from brokers or dealers.

During the financial period under review, the management company did not receive any rebates and soft commissions from brokers or dealers.

STATEMENT BY MANAGER TO THE UNITHOLDERS OF CIMB ISLAMIC BALANCED FUND

We, being the Directors of CIMB-Principal Asset Management Berhad, do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 16 to 64 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the state of financial position of the Fund as at 31 March 2011 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the six months financial period ended on that date in accordance with Financial Reporting Standards in Malaysia and the Securities Commission's Guidelines on Unit Trust Funds.

For and on behalf of the Manager

CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD (Company No.: 304078-K)

JOHN CAMPBELL TUPLING
Chief Executive Officer / Director

DATUK NORIPAH KAMSO
Director

Kuala Lumpur
31 May 2011

**TRUSTEE'S REPORT TO THE UNITHOLDERS OF
CIMB ISLAMIC BALANCED FUND**

We, Universal Trustee (Malaysia) Berhad, being the Trustee for CIMB Islamic Balanced Fund ("the Fund"), are of the opinion that CIMB-Principal Asset Management Berhad ("the Manager"), acting in the capacity of Manager of the Fund, have fulfilled their duties in the following manner for the six months financial period ended 31 March 2011:

- (a) the Fund is being managed in accordance with the limitations imposed on the investment powers of the Manager and the Trustee under the Deed, the Securities Commission's Guidelines on the Unit Trust Funds, the Capital Market and Services Act 2007 and other applicable laws during the six months financial period ended 31 March 2011;
- (b) valuation/pricing is carried out in accordance with the Deed and any regulatory requirements;
- (c) creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirements; and
- (d) The distribution of 2.80 sen per unit (gross) for the six months financial period ended 31 March 2011 is consistent with the objective of the Fund.

For and on behalf of the Trustee
UNIVERSAL TRUSTEE (MALAYSIA) BERHAD

LIEW KOK WAH
Chief Executive Officer

Kuala Lumpur
31 May 2011

**SHARIAH ADVISER'S REPORT TO THE UNITHOLDERS OF
CIMB ISLAMIC BALANCED FUND**

We have acted as the Shariah Adviser of CIMB Islamic Balanced Fund. Our responsibility is to ensure that the procedures and processes employed by CIMB-Principal Asset Management Berhad are in accordance with Shariah.

In our opinion, CIMB-Principal Asset Management Berhad has managed and administered CIMB Islamic Balanced Fund in accordance with Shariah and complied with applicable guidelines, rulings or decisions issued by the Securities Commission pertaining to Shariah matters for the financial period from 1 October 2010 to 31 March 2011.

In addition, we also confirm that the investment portfolio of CIMB Islamic Balanced Fund comprises securities which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission ("SACSC"). As for the securities which are not certified by the SACSC, we have reviewed the said securities and opine that these securities are designated as Shariah-compliant.

For and on behalf of Shariah Adviser
CIMB ISLAMIC BANK BERHAD

ABDUL GHANI ENDUT
Head, Shariah Department / Designated Person Responsible for Shariah Advisory

Kuala Lumpur
31 May 2011

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTH ENDED 31 MARCH 2011**

	Note	01.10.2010 to 31.03.2011 RM	01.10.2009 to 31.03.2010 RM
NET INVESTMENT INCOME/(LOSS) (SHARIAH-COMPLIANT)			
Dividend income	4	615,397	691,029
Profit income	5	1,643,723	1,158,282
Net realised gain/(loss) on sale of financial assets at fair value through profit or loss	11	3,482,138	4,977,891
Unrealised capital gain on financial assets at fair value through profit or loss	11	5,798,002	-
Amortisation of premium, net accretion of discounts	6	-	(139,149)
Net foreign currency exchange gain/(loss)		(244,010)	-
Tax refund		1,170	-
		-----	-----
		11,296,420	6,688,053
		-----	-----
EXPENSES			
Management fee	7	1,173,511	959,847
Trustee and custodian fees	8	112,624	99,354
Audit fee		3,550	-
Tax agent's fee		27,714	24,546
Transaction cost		174,373	
Other expenses		35,355	288,719
		-----	-----
		1,527,127	1,372,466
		-----	-----
NET PROFIT BEFORE TAXATION		9,769,293	5,315,587
TAXATION	10	-	(255,944)
		-----	-----
NET PROFIT AFTER TAXATION REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		9,769,293	5,059,643
		-----	-----
Net profit after taxation is made up as follows:			
Realised amount		3,132,367	(3,573,149)
Unrealised amount		6,636,926	(1,146,755)
		-----	-----
		9,769,293	(4,719,904)
		-----	-----

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

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2011

		01.10.2010 to 31.03.2011	01.10.2009 to 31.09.2010	01.10.2008 to 31.09.2009
	Note	RM	RM	RM
INVESTMENTS				
Financial assets at fair value				
through profit or loss	11	155,887,007	-	-
Quoted investments	12	-	72,090,424	76,744,433
Unquoted sukuk	13	-	46,456,600	38,346,240
		-----	-----	-----
		155,887,007	118,547,024	115,090,673
		-----	-----	-----
LIQUID ASSETS				
Deposits with licensed financial institutions		7,579,816	7,705,000	8,100,000
Bank balance in a licensed bank		5,112,309	3,810,047	2,519,229
		-----	-----	-----
	14	12,692,125	11,515,047	10,619,229
		-----	-----	-----
OTHER ASSETS				
Amount due from stockbrokers		1,265,262	41,659	1,492,761
Amount due from Manager		723,920	5,392,672	26,386
Dividend receivables		114,398	99,541	71,089
Profit income receivable from unquoted sukuk		-	850,626	721,163
Profit income receivable from Shariah-compliant deposits with licensed financial institution		-	841	688
Tax recoverable		197,773	174,742	382,284
		-----	-----	-----
		2,301,353	6,560,081	2,694,371
		-----	-----	-----
TOTAL ASSETS		170,880,485	136,622,152	128,404,273
		-----	-----	-----

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

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2011 (CONTINUED)

		01.10.2010 to 31.03.2011	01.10.2009 to 31.09.2010	01.10.2008 to 31.09.2009
Note	RM	RM	RM	
LIABILITIES				
Amount due to stockbrokers		2,515,260	1,382,767	-
Amount due to Manager		606,666	651,610	364,338
Amount due to dealer		-	3,775,991	-
Accrued management fee		208,332	147,811	157,530
Amount due to Trustee		13,889	9,854	10,502
Other payables and accruals		65,108	82,019	24,268
		-----	-----	-----
TOTAL LIABILITIES		3,409,255	6,050,052	556,638
		-----	-----	-----
NET ASSET VALUE OF THE FUND	18	167,471,230	130,572,100	127,847,635
EQUITY				
Unitholders' capital		127,474,218	91,812,448	86,507,780
Retained Earnings		39,997,012	27,175,670	26,322,682
Fair Value reserve		-	11,583,982	15,017,173
		-----	-----	-----
		167,471,230	130,572,100	127,847,635
		=====	=====	=====
NUMBER UNITS IN CIRCULATION	18	365,981,658	286,294,135	275,241,673
NET ASSET VALUE PER UNIT RM)		0.4576	0.4561	0.4645

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

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD 31 MARCH 2011**

	Note	Unitholders' Capital RM	Retained Earnings RM	Fair Value Reserve RM	Total RM
Balance as at 1 October 2010, as previously stated		-	-	-	-
Prior year adjustment for adoption of amendments to FRS 132	24(a)	91,812,448	27,175,670	11,583,982	130,572,100
Balance as at 1Jan 2010, restated after adoption of amendments to FRS 132		91,812,448	27,175,670	11,583,982	130,572,100
Adjustment for adoption of FRS 139	24(b)	-	11,583,982	(11,583,982)	-
Balance as at 1Jan 2010, restated after adoption of FRS 139		91,812,448	38,759,652	-	130,572,100
Movement in unitholders' contribution:					
Creation of units from distribution	18	7,988,042	-	-	7,988,042
Creation of units from application	18	68,507,184	-	-	68,507,184
Cancellation of units	18	(40,833,456)	-	-	(40,833,456)
Total comprehensive income for the financial year		-	9,769,293	-	9,769,293
Distribution for the financial year (Gross/net:2.80 sen/ 2.76 sen)	9	-	(8,531,933)	-	(8,531,933)
Balance as at 31 March 2011		127,474,218	39,997,012	-	167,471,230

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

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD 31 MARCH 2011 (CONTINUED)**

	Note	Unitholders' Capital RM	Retained Earnings RM	Fair Value Reserve RM	Total RM
Balance as at 1 October 2009 as previously stated		-	-	-	-
Prior year adjustment for adoption of amendments to FRS 132	24(a)	86,507,780	26,322,683	15,017,173	127,847,635
Balance as at 1 Jan 2009, restated after adoption of amendments to FRS 132		86,507,780	26,322,683	15,017,173	127,847,635
Movement in unitholders' contribution:					
Creation of units from distribution	18	9,559,087	-	-	9,559,087
Creation of units from application	18	29,166,335	-	-	29,166,335
Cancellation of units	18	(33,420,754)	-	-	(33,420,754)
Total comprehensive income for the financial year		-	10,632,536	-	10,632,536
Distribution for the financial year (Gross/net : 2.50 sen)	9		(9,779,549)		(9,779,549)
Change in fair value reserve		-	-	(3,433,191)	(3,433,191)
Balance as at 30 September 2010, restated		91,812,448	27,175,670	11,583,982	130,572,100

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

**UNAUDITED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2011**

	01.10.2010 to 31.03.2011	01.10.2009 to 31.03.2010
Note	RM	RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of Shariah-compliant securities	51,798,530	61,485,932
Proceeds from sale of unquoted sukuk	1,042,115	7,701,200
Purchase of Shariah-compliant investments	(65,000,126)	(48,519,845)
Purchase of unquoted sukuk	(19,171,536)	(18,482,975)
Dividends received	582,816	636,971
Profit income received from Shariah-compliant deposits with licensed financial institutions	197,692	67,628
Profit income received from unquoted sukuk	1,559,884	1,026,989
Management fees paid	(1,112,990)	(942,279)
Trustee and custodian fees paid	(108,589)	(98,183)
Payments for other fees and expenses	(83,529)	(361,360)
Realised foreign exchange loss	(270,454)	-
Tax refund	1,170	-
Other income	(11)	-
Net cash outflow from operating and investing activities	(30,565,028)	2,514,078
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	73,175,936	9,093,596
Payments for cancellation of units	(40,878,400)	(16,692,728)
Distribution	(543,890)	(220,462)
Net cash inflow from financing activities	31,753,646	(7,819,594)
Net increase in cash and cash equivalents	1,188,618	(5,305,516)
Effects of foreign exchange	(11,540)	(917,812)
Cash and cash equivalents at the beginning of the financial period	11,515,047	10,619,231
Cash and cash equivalents at the end of the financial period	14 <u>12,692,125</u>	<u>4,395,903</u>

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

**NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTH FINANCIAL PERIOD ENDED 31 MARCH 2011**

1 THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITY

CIMB Islamic Balanced Fund (“the Fund”) is governed by a Master Deed dated 15 May 2008, a Fourth Supplemental Master Deed dated 25 June 2008, a Supplemental Master Deed dated 14 July 2008 and a Seventh Supplemental Master Deed dated 19 November 2008 (collectively referred to as “the Deeds”), made between, inter alia, CIMB-Principal Asset Management Berhad (the “Manager”) and Universal Trustee (Malaysia) Berhad (the “Trustee”).

The Fund invests in a diversified portfolio of approved Shariah-compliant fixed income securities consisting primarily of Sukuk aimed to provide a steady stream of income. All investments will be subject to the Securities Commission’s (“SC”) Guidelines on Unit Trust Funds, SC requirements, the Deed, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

The Manager, a company incorporated in Malaysia, is a subsidiary of CIMB Group Sdn Bhd and regards Bumiputra-Commerce Holdings Berhad as its ultimate holding company. Its principal activities are the management of unit trusts and fund management activities.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with Financial Reporting Standards (“FRS”) in Malaysia and the SC Guidelines on Unit Trust Funds.

The preparation of financial statements in conformity with the FRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(m).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

- (i) Standards, amendments and interpretations to published standards that are applicable and effective
- FRS 8 "Operating Segments" (effective from 1 July 2009) replaces FRS 1142004 Segment Reporting. The new standard requires a 'management approach', under which segment information is reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The improvement to FRS 8 (effective from 1 January 2010) clarifies that entities that do not provide information about segment assets to the chief operating decision-maker will no longer need to report this information. Prior year comparatives must be restated.
 - FRS 7 "Financial instruments: Disclosures" (effective from 1 January 2010) provides information to users of financial statements about an entity's exposure to risks and how the entity manages those risks. The improvement to FRS 7 clarifies that entities must not present total interest income and expense as a net amount within finance costs on the face of the Income Statement. This standard does not have any impact on the classification and valuation of the Fund's financial statements.
 - The revised FRS 101 "Presentation of financial statements" (effective from 1 January 2010) prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity. 'Non-owner changes in equity' are to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period.

- FRS 107 "Statement of cash flows" (effective from 1 January 2010) clarifies that only expenditure resulting in a recognised asset can be categorised as a cash flow from investing activities.
- FRS 110 "Events after the balance sheet date" (effective from 1 January 2010) reinforces existing guidance that a dividend declared after the reporting date is not a liability of an entity at that date given that there is no obligation at that time.
- FRS 118 "Revenue" (effective from 1 January 2010) provides more guidance when determining whether an entity is acting as a 'principal' or as an 'agent'. This standard does not have material impact on the classification and valuation of the Fund's financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

- (i) Standards, amendments and interpretations to published standards that are applicable and effective (continued)

- Amendment FRS 132 “Financial Instruments: Presentation”

In the previous financial year, the Fund had classified its puttable instruments as liabilities in accordance with FRS 132, 'Financial instruments: Presentation'. However, the FRS 132 (amendment), 'Financial instruments: Presentation', and FRS 101 (amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2010) (the 'amendment') requires puttable financial instruments that meet the definition of a financial liability to be classified as equity where certain strict criteria are met.

Those criteria include: (i) the puttable instruments must entitle the holder to a pro-rata share of net assets; (ii) the puttable instruments must be the most subordinated class and that class's features must be identical; (iii) there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and (iv) the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer. As a result, the prior year financial statements are restated from amounts previously reported to conform to the amendment. The amendment has been applied retrospectively.

The effects as a result of adoption of the amendment on the statement of financial position for the prior periods are set out in Note 19(a).

- FRS 139 “Financial Instruments: Recognition and Measurement”

In the previous financial year, unrealised gains or losses from the derivative financial instrument are recognised in the statement of financial position as receivables and payables while the corresponding effect are transferred to the fair value reserve included in the capital and reserves attributable to equity holders of the fund.

However, the FRS 139 (new standard) 'Financial Instruments: Recognition and Measurement' (effective 1 January 2010) (the 'standard') requires the Fund to recognise all investments in its balance sheet as assets and shall measure them at fair value (except for a derivative that is linked to and that must be settled by delivery of an unquoted equity instrument whose fair value cannot be measured reliably) at the beginning of the financial period in which this standard is initially applied. The unrealised gains or losses transferred to the fair value reserve in the previous financial period shall be recognised as an adjustment of the balance of retained earnings at the beginning of the financial period in which this Standard is initially applied (other than for a derivative that is a designated hedging instrument).

The effects as a result of adoption of the new standard on the opening balances of the statement of financial position at the beginning of the financial year are set out in Note 19(b).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(i) Standards, amendments and interpretations to published standards that are applicable and effective (continued)

- Amendments to FRS 7 "Financial instruments: Disclosures" and FRS 1 "First-time adoption of financial reporting standards" (effective from 1 January 2011) require enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The Fund will apply this standard when effective.

The Fund has applied the transitional provision which exempts entities from disclosing the possible impact arising from the initial application of this amendment on the financial statements of the Fund.

- IC Interpretation 17 "Distribution of non-cash assets to owners" (effective from 1 July 2010) provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. FRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable.

(b) Financial assets at fair value through profit or loss

Classification

The Fund designates its Shariah-compliant investment in quoted securities and unquoted Sukuk as financial assets at fair value through profit or loss at inception.

Financial assets are designated at fair value through profit or loss when they are managed and their performance evaluated on a fair value basis.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Fund commits to purchase or sell the asset. Shariah-compliant investments are initially recognised at fair value. Transaction costs are expensed in the Statement of Comprehensive Income.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Gains or losses from changes in the fair value of the Shariah-compliant investments are presented in the Statement of Comprehensive Income within net gain or loss on financial assets at fair value through profit or loss in the period which they arise.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets at fair value through profit or loss (continued)

Recognition and measurement (continued)

Unquoted Sukuk denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by a bond pricing agency (“BPA”) registered with the SC as per the SC Guidelines on Unit Trust Funds. Where such quotation are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income securities differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- (i) records its basis for using non-BPA price;
- (ii) obtains necessary internal approvals to use the non-BPA price; and
- (iii) keeps an audit trail of all decisions and basis for adopting the market yield.

(c) Income recognition

Profit income earned from Shariah-compliant deposits and unquoted sukuk are recognised on the accrual basis (taking into account the effective yield of the asset).

Realised gain or loss on disposal of Shariah-compliant investments is calculated based on difference between the net disposal proceeds and the carrying amount of Shariah-compliant investments, determined on cost adjusted for accretion of discount or amortisation of premium.

(d) Creation and cancellation of units

The Fund issues cancellable units, which are cancelled at the holder’s option and are classified as equity. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund’s net asset value. The outstanding units are carried at the redemption amount that is payable at the statement of financial position date if the holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at the holder’s option at prices based on the Fund’s net asset value per unit at the time of creation or cancellation. The Fund’s net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

(e) Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and deposits held in highly liquid Shariah-compliant investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

(f) Taxation

Current tax expense is determined according to Malaysian tax laws and includes all taxes based upon the taxable profits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(g) Amount due from/to stockbrokers**

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective profit method, less provision for impairment for amounts due from brokers. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from brokers is impaired. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, profit income is recognised using the profit rate used to discount the future cash flows for the purpose of measuring the impairment loss.

The effective profit method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the profit income or profit expense over the relevant period. The effective profit rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective profit rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective profit rate, transaction costs and all other premiums or discounts.

(h) Distribution

Proposed distributions to unitholders are recognised in the Statement of Changes in Equity upon approval by the Board of Directors of the Manager.

(i) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia, which is the Fund's functional and presentation currency.

(j) Proceeds and payments on creation and cancellation of units

The net asset value per unit is computed for each dealing day. The price at which units are created or cancelled is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day. Units in the Fund are classified as equity in the Statement of Financial Position and are stated at fair value representing the price at which unitholders can redeem the units from the Fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Segmental information

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographic segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Investment Committee of the Fund's manager that undertakes strategic decisions for the Fund.

(l) Financial instruments

Financial instruments comprise of financial assets and financial liabilities. Fair value is the amount at which a financial asset could be exchanged or a financial liability settled, between knowledgeable and willing parties in an arm's length transaction. The information presented herein represents the estimates of fair values as at the date of the Statement of Financial Position

Financial instruments as at 31 March 2011 are as follows:

	Loans and Receivables RM	Financial assets at fair value through profit or loss RM	Total RM
Financial assets at fair value through profit or loss (Note 11)	-	155,887,007	155,887,007
Cash and cash equivalents (Note 14)	12,692,125	-	12,692,125
Amount due from stockbrokers	1,265,262	-	1,265,262
Amount due from Manager	723,920	-	723,920
Others	312,171	-	312,171
	14,993,478	155,887,007	170,880,485

All current liabilities are financial liabilities which are carried at amortised cost.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(m) Critical accounting estimates and judgments in applying accounting policies**

The preparation of financial statements in conformity with FRS and the SC Guidelines on Unit Trust Funds requires the use of estimates and assumptions that affect the reported amount of assets and liabilities at the statement of financial position date, and the reported amount of income and expenses during the reported financial year. Although these estimates are based on the Manager's best knowledge of current events and actions, actual results may differ from those estimates.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the asset and liability within the next financial year is outlined below.

(i) Estimate of fair value of unquoted fixed income securities

The Fund uses significant judgement in determining whether a Shariah-compliant investment is impaired. The Fund evaluates, among other factors, the durations and extent to which the fair value of the Shariah-compliant investment is less than cost, and the financial health and near-term business outlook for the investee, including factors such as industry and sector performance, macroeconomic factors and speculation.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC valuation guidelines.

Unquoted Sukuk are valued using fair value prices quoted by the BPA. Where the manager is of the view that the price quoted by BPA for a specific unquoted fixed income security differs from the market price by more than 20 basis points, the manager may use the market price, provided that the manager records its basis for using a non-BPA price, obtains necessary internal approvals to use the non-BPA price, and keeps an audit trail of all decisions and basis for adopting the use of non-BPA price. This is allowed for under the SC Guidelines on Unit Trust Funds.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The investment objective of the Fund is to gain higher than average income over the medium to long-term by investing in a diversified portfolio consisting principally of Sukuk, Certificates of Deposits, short-term money market instruments and other permissible investments under Shariah.

The Fund is exposed to a variety of risks which include market risk inclusive of price risk, interest rate risk, currency fluctuation risk, credit risk, liquidity risk, single issuer risk, reclassification of Shariah status risk arising from the financial instruments it holds, non-compliance and capital risk.

Financial risk management is carried out through internal control process adopted by the Manager and adherence to the investment restrictions as stipulated by the SC Guidelines on Unit Trust Funds.

(a) Market risk

(i) Price risk

Price risk is the risk that the fair value of a Shariah-compliant investment in unquoted Sukuk will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk).

The price risk is managed through diversification and selection of securities and other financial instruments within specified limits according to the Deed.

At 31 March 2011, the Fund's overall exposures to price risk were as follows:

	2011
	RM
Unquoted Sukuk designated at fair value through profit or loss	155,887,007

The table below summarises the sensitivity of the Fund's net asset value to movements in prices of unquoted Sukuk as at 31 March 2011. The analysis is based on the assumptions that the price of the unquoted Sukuk fluctuates by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the unquoted Sukuk, having regard to the historical volatility of the prices.

<u>Unquoted Fixed Income Securities</u>		
% Change in price	Market Value RM	Impact on net asset value RM
-5%	148,092,657	(7,794,350)
0%	155,887,007	-
5%	163,681,357	7,794,350
	-----	-----

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(ii) Interest rate risk

The Fund is exposed to interest rate risk. Changes in interest rates will affect the value of the investments and its returns. To manage the risk, investments will be concentrated in investment grade issues by financial institutions and companies determined by the Manager.

Interest rate risk is a general economic indicator that will have an impact on the management of the Fund regardless of whether it is a Shariah-compliant fund or otherwise. It does not in any way suggest that this Fund will invest in conventional financial instruments. All investments carried out for the Fund including placements and deposits are in accordance with Shariah.

This risk is crucial in a Sukuk fund since Sukuk portfolio management depends on forecasting interest rate movements. Prices of Sukuk move inversely to interest rate movements therefore as interest rates rise, the prices of Sukuk decrease and vice versa. Furthermore, Sukuk with longer maturity and lower yield coupon rates are more susceptible to interest rate movements.

Investors should note that Sukuk (such as the Sukuk held by the Fund) and money market instruments are subject to interest rate fluctuations. Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to make payments of profit and principal, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

The Fund also holds a limited amount of cash and cash equivalents that expose the Fund to cash flow interest rate risk.

The table below summarizes the sensitivity of the Fund's net asset value to movements in prices of unquoted Sukuk and profit income from deposits with licensed financial institutions held by the Fund as at 31 March 2011 as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate fluctuates by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the interest rate, having regard to the historical volatility of the interest rate.

% Change in	Impact on net asset value	
	Unquoted fixed income securities designated at fair value through profit or loss	Deposits with licensed financial institutions
interest rate	RM	RM
-5%	(72,344)	(984)
0%	-	-
5%	72,344	984
	-----	-----

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk

Credit risk refers to the ability of an issuer or a counter party to make timely payments of profit, principals and proceeds from realisation of Shariah-compliant investments.

The credit risk arising from placements of deposits in licensed financial institutions is managed by ensuring that the Fund will only place Shariah-compliant deposits in reputable licensed financial institutions.

For the unquoted fixed income securities, the Manager regularly review the ratings assigned to the Issuer so that the necessary steps can be taken if the ratings fall below those prescribed by the SC.

The following table sets out the credit risk concentrations and counterparties of the Fund:

As at 31.03.2011	Quoted Shariah- compliant investments	Unquoted sukuk	Cash balance and Shariah- compliant deposits	Dividend receivables	Amount due from stockbrokers	Other assets	Total
	RM	RM	RM	RM	RM	RM	RM
Construction	1,112,957	-	-	-	-	-	1,112,957
Consumer Products	9,371,193	-	-	-	435,935	-	9,807,128
Finance Industrial Products	1,557,704	-	12,692,125	-	-	-	14,249,829
	30,780,886	-	-	2,340	-	-	30,783,226
Basic Material	15,590,931	-	-	-	-	-	15,590,931
Oil & Gas	8,628,839	-	-	-	-	-	8,628,839
Properties	1,628,925	-	-	-	-	-	1,628,925
Technology Trading / Services	9,345,377	-	-	112,058	829,327	-	10,286,762
Sukuk	15,883,820	-	-	-	-	-	15,883,820
-AA2	-	9,372,828	-	-	-	-	9,372,828
-AA3	-	36,268,860	-	-	-	-	36,268,860
-B+	-	1,208,467	-	-	-	-	1,208,467
-A1	-	3,440,051	-	-	-	-	3,440,051
-A	-	930,992	-	-	-	-	930,992
-A3	-	1,014,093	-	-	-	-	1,014,093
-AA1	-	2,398,652	-	-	-	-	2,398,652
-AA	-	1,055,735	-	-	-	-	1,055,735
-MARC-1	-	6,296,697	-	-	-	-	6,296,697
Others	-	-	-	-	-	921,693	921,693
	93,900,632	61,986,375	12,692,125	114,398	1,265,262	921,693	170,880,485

All financial assets of the Fund as at 31 March 2011 are neither past due nor impaired.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk

Liquidity risk is the risk that investments cannot be readily sold at or near its actual value without taking a significant discount. This will result in lower net asset value of the Fund. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unitholders. Liquid assets comprise cash, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month RM
Amount due to stockbrokers	2,515,260
Amount due to Manager	606,666
Accrued management fee	208,332
Amount due to Trustee	13,889
Other payables and accruals	65,108

Contractual cash out flows	3,409,255

(d) Single issuer risk

Any major price fluctuation of a particular security invested by the Fund may affect the Fund's net asset value and thus the prices of units.

The single issuer risk is managed by adhering to the investment limits as specified in the SC Guidelines on Unit Trust Funds.

(e) Non-compliance risk

Non-compliance risk arises when the Manager and others associated with the Fund do not follow the rules set out in the Fund's constitution, or the law that govern the Fund, or act fraudulently or dishonestly. It also includes the risk of the Manager not complying with internal control procedures. The non-compliance may expose the Fund to higher risks which may result in a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the manager.

(f) Capital risk management

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of shareholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(g) Reclassification of Shariah status risk

The risk refers to the risk that the currently held Shariah-compliant securities in the portfolio of Shariah-compliant funds may be reclassified to be Shariah non-compliant in the periodic review of the securities by the relevant Shariah adviser. If this occurs, the value of the Fund may be adversely affected where the Manager will take the necessary steps to dispose off such securities in accordance with the advice from the Shariah Adviser.

4. DIVIDEND INCOME

	01.10.2010 to 31.03.2011 RM	01.10.2009 to 31.03.2010 RM
Dividend income from investments in:		
- Local Equities	362,707	168,984
- Foreign Equities	252,690	522,045
	----- 615,397	----- 691,029

5. PROFIT INCOME

	01.10.2010 to 31.03.2011 RM	01.10.2009 to 31.03.2010 RM
Profit income from deposits with Shariah-compliant licensed financial institutions	196,839	66,941
Profit income from unquoted Sukuk	1,446,884	1,091,341
	----- 1,643,723	----- 1,158,282

6. NET AMORTISATION OF PREMIUM

	01.10.2010 to 31.03.2011 RM	01.10.2009 to 31.03.2010 RM
Accretion of discounts, net of amortisation of premiums		
- Realised	-	1,007,606
- Unrealised	-	(1,146,755)
	----- -	----- (139,149)

7. MANAGEMENT FEE

In accordance with Clause 24(1) of the Master Deed dated 15 May 2008, the Manager is entitled to a maximum management fee of 1.50% (2010: 1.50%) per annum calculated daily based on the net asset value of the Fund.

For the financial year ended 31 March 2011, the management fee is recognised at a rate of 1.50% (2010: 1.50%) per annum.

8. TRUSTEE'S FEE

In accordance with Clause 24(2) of the Master Deed dated 15 May 2008, the Trustee is entitled to a maximum fee of 0.20% (2010: 0.20%) per annum calculated daily based on the net asset value of the Fund, subject to a minimum fee of RM35,000 (2010: RM35,000) per annum.

The foreign custodian fee ranges from a minimum of 0.04% per annum to a maximum of 0.38% per annum on the net asset value of the respective foreign portfolio, depending on the country invested, and is charged monthly in arrears and subject to a minimum fee of USD500 (2010: USD500) per month.

For the financial year ended 31 March 2011 the trustee and foreign custodian fees are recognised at a rate of 0.10% (2010: 0.10%) and 0.04% to 0.38% (2010: 0.04% to 0.38%) per annum respectively.

9. FINANCE COST - DISTRIBUTION

	2011 RM	2010 RM
Non-taxable income	9,707,359	13,581,675
Taxable income	511,793	-
Income equalisation	(1,190,312)	(3,007,329)
	-----	-----
	9,028,840	10,574,346
Less:		
Expenses	(368,959)	(794,797)
Taxation	(127,948)	-
	-----	-----
Net distribution amount	8,531,933	9,779,549
	-----	-----
Final distribution on 6 October 2010		
Net distribution per unit (sen)	2.76	3.50
Gross distribution per unit (sen)	2.80	3.50
	-----	-----

9. FINANCE COST – DISTRIBUTION (CONTINUED)

Net distribution above is sourced from previous year's realised income. Gross distribution is derived using total income less total expenses.

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

Income equalisation represents the average amount of distributable income included in the creation and cancellation prices of units. It is computed as at each date of creation and cancellation of units. For the purposes of determining amount available for distribution, income equalisation is included in the computation of realised gain or income available for distribution.

10. TAXATION

	01.10.2010	01.10.2009
	to	to
	31.03.2011	31.03.2010
	RM	RM
Current taxation:		
- Malaysian tax	-	-
- Foreign tax	-	255,994
	-----	-----
	-	255,994
	-----	-----

The numerical reconciliation between net profit before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	01.10.2010	01.10.2009
	to	to
	31.03.2011	31.03.2010
	RM	RM
Net income before taxation	9,769,293	5,315,587
	-----	-----
Taxation at Malaysian statutory rate of 25% (2010: 25%)	2,442,323	1,328,897
Tax effects of:		
Income not subject to tax	(540,018)	(254,783)
Net realised (gain)/loss on sale of investments not (subject to tax)/ deductible for tax purposes	(2,215,439)	(1,244,473)
Expenses not deductible for tax purposes	39,232	38,606
Restriction on tax deductible expenses for unit trust funds	269,061	216,461
Effect of foreign tax on foreign taxable income	-	171,286
Underprovision in prior financial years	4,841	-
	-----	-----
Taxation	-	255,994
	-----	-----

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2011 RM
Designated at fair value at fair value through profit or loss	
- Quoted securities (Note (i))	93,900,632
- Unquoted fixed income securities (Note (ii))	61,986,375

	155,887,007

Net gain on assets at fair value through profit or loss	
- Realised	3,482,138
- Unrealised	5,798,002

	9,280,140

(i) Quoted securities

EQUITY SECURITIES - FOREIGN

Name of counter	Nominal value	Carrying cost	Fair value	Percentage of net asset value
As at 31 March 2011	RM	RM	RM	%
UNITED STATES				
Consumer Services				
CTRIIP.COM-ADR	8,400	1,041,959	1,054,017	0.63
	8,400	1,041,959	1,054,017	0.63
INDIA				
Basic Materials				
Sterlite Industries (India) Lt	90,134	1,010,016	1,061,496	0.63
	90,134	1,010,016	1,061,496	0.63
Industrials				
MUNDRA PORT	106,131	928,995	983,290	0.59
Larsen & Toubro Limited	4,769	576,214	534,122	0.32
	110,900	1,505,209	1,517,412	0.91
Oil & Gas				
Reliance Industries Ltd	22,587	1,651,429	1,606,590	0.96
	22,587	1,651,429	1,606,590	0.96
Technology				
Infosys Technologies Limited	8,319	1,209,408	1,828,185	1.09
	8,319	1,209,408	1,828,185	1.09

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(i) Quoted securities (continued)

EQUITY SECURITIES – FOREIGN (continued)

Name of counter	Nominal value	Carrying cost	Fair value	Percentage of net asset value
As at 31 March 2011	RM	RM	RM	%
INDONESIA				
Basic Materials				
Tambang Batubara Bukit Asam	138,500	(16,651,620)	1,009,831	0.60
	138,500	(16,651,620)	1,009,831	0.60
Industrials				
United Tractors Tbk Pt	133,500	(10,137,542)	1,005,821	0.60
Semen Gresik Persero Tbk	378,000	(8,919,151)	1,194,299	0.71
	511,500	(19,056,693)	2,200,120	1.31
SINGAPORE				
Consumer Products				
Osim International Ltd	132,000	402,406	509,750	0.30
Golden Agri-Resources Ltd	221,000	278,586	365,763	0.22
Singapore Airlines Limited	29,000	983,338	951,573	0.57
	382,000	1,664,330	1,827,086	1.09
Industrial Products				
Sembcorp Marine Limited	73,000	980,290	1,022,571	0.61
Keppel Corporation Limited	35,000	714,490	1,032,597	0.62
	108,000	1,694,780	2,055,168	1.23
SOUTH KOREA				
Basic Materials				
OCI Company Limited	1,160	210,986	1,579,642	0.94
Posco	588	473,867	818,545	0.49
	1,748	684,853	2,398,187	1.43
Consumer Goods				
Hyundai Mobis	2,299	835,610	2,075,506	1.24
	2,299	835,610	2,075,506	1.24
Technology				
Samsung Electronics Co Ltd	1,003	1,782,200	2,576,859	1.54
	1,003	1,782,200	2,576,859	1.54

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(i) Quoted securities (continued)

EQUITY SECURITIES – FOREIGN (continued)

Name of counter	Nominal value	Carrying cost	Fair value	Percentage of net asset value
As at 31 March 2011	RM	RM	RM	%
THAILAND				
Basic Materials				
Banpu Public Company Ltd - NVDR	13,000	979,332	990,600	0.59
	13,000	979,332	990,600	0.59
AUSTRALIA				
Basic Materials				
Alumina Limited	67,980	510,973	522,947	0.32
BlueScope Steel Limited	91,977	619,955	568,052	0.34
BHP Billiton Ltd	18,570	2,028,578	2,703,751	1.61
Incitec Pivot Ltd	49,962	534,762	676,503	0.40
	228,489	3,694,268	4,471,253	2.67
Health Care				
CSL Limited	7,878	767,183	880,219	0.53
	7,878	767,183	880,219	0.53
Industrials				
Brambles Limited	46,264	1,025,623	1,024,279	0.61
Seek Limited	46,094	1,026,224	974,390	0.58
	92,358	2,051,847	1,998,669	1.19
Telecommunications				
Telstra Corp Limited	84,016	742,306	740,889	0.44
	84,016	742,306	740,889	0.44
HONG KONG				
Basic Materials				
Yanzhou Coal Mining Com Ltd	126,000	1,186,357	1,386,383	0.83
	126,000	1,186,357	1,386,383	0.83
Consumer Goods				
Belle International Holdings L	212,000	1,160,198	1,175,389	0.70
Sa Sa Intl Hldg Ltd	774,000	1,174,994	1,194,697	0.71
MTR Corporation Limited	48,500	545,867	543,076	0.31
	1,034,500	2,881,059	2,913,162	1.72
Industrial Products				
COSCO Pacific Ltd	213,000	1,156,056	1,219,028	0.73
	213,000	1,156,056	1,219,028	0.73
Oil & Gas				
PetroChina Company Limited	362,000	1,444,096	1,657,983	0.99
CNOOC Limited	137,000	798,896	1,044,006	0.62
	499,000	2,242,992	2,701,989	1.61
Trading and Services				
China Mobile Limited	51,500	1,670,937	1,434,662	0.86
	51,500	1,670,937	1,434,662	0.86

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(i) Quoted securities (continued)

EQUITY SECURITIES – FOREIGN (continued)

Name of counter As at 31 March 2011	Nominal value RM	Carrying cost RM	Fair value RM	Percentage of net asset value %
TAIWAN				
Basic Materials				
Formosa Plastics Corporation	73,000	597,729	776,705	0.47
Nan Ya Plastics Corporation	85,000	583,805	757,585	0.45
	158,000	1,181,534	1,534,290	0.92
Industrial Products				
Hon Hai Precision Industry Co.	82,960	913,185	878,412	0.52
	82,960	913,185	878,412	0.52
Technology				
High Tech Computer Corp	18,400	973,303	2,175,248	1.29
Taiwan Semiconductor Manufactu	211,700	1,327,430	1,536,451	0.93
	230,100	2,300,733	3,711,699	2.22
Trading and Services				
Chunghwa Telecom Co Ltd	81,600	701,767	768,385	0.48
Gintech Energy Corporation	103,000	965,866	990,015	0.59
	184,600	1,667,633	1,758,400	1.07
TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN	4,390,791	806,903	47,830,112	28.56

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(i) Quoted securities (continued)

EQUITY SECURITIES - LOCAL

Name of counter	Nominal value	Carrying cost	Fair value	Percentage of net asset value
As at 31 March 2011	RM	RM	RM	%
Basic Materials				
Petronas Chemicals Group Bhd	378,300	2,117,904	2,738,892	1.64
	378,300	2,117,904	2,738,892	1.64
Construction				
Malaysia Marine And Heavy Engineering Bhd	36,700	190,241	250,661	0.15
YTL Corporation Bhd	115,900	888,538	862,296	0.51
	152,600	1,078,779	1,112,957	0.66
Consumer Goods				
Genting Plantations Berhad	48,200	308,160	385,600	0.23
IJM Plantations Bhd	154,200	461,775	454,890	0.28
Airasia Berhad	245,700	493,355	660,933	0.39
	448,100	1,263,290	1,501,423	0.90
Financials				
Bank Islam Malaysia Bhd	547,600	790,124	881,636	0.53
Faber Group Berhad	318,900	704,281	676,068	0.40
	866,500	1,494,405	1,557,704	0.93
Technology				
Time Dotcom Bhd	1,437,000	895,868	1,228,635	0.73
	1,437,000	895,868	1,228,635	0.73
Oil & Gas				
Dialog Group Berhad	780,314	1,036,289	1,810,328	1.08
Kencana Petroleum Berhad	470,050	607,699	1,231,531	0.74
Sapura Crest Petroleum Berhad	340,000	558,313	1,278,401	0.76
	1,590,364	2,202,301	4,320,260	2.58
Properties				
SP Setia Berhad -Warrant 21/01/2013	378,900	735,350	700,964	0.42
Mah Sing Group Berhad	297,600	545,009	744,000	0.44
SP Setia Berhad -A	29,200	169,282	183,960	0.11
	705,700	1,449,641	1,628,924	0.97
Trading / Services				
Axiata Group Berhad	1,077,500	3,231,682	5,161,225	3.08
Digi.com Berhad	70,500	1,836,122	2,016,300	1.21
Telekom Malaysia Berhad	196,600	762,398	794,264	0.47
Petronas Dagangan Berhad	37,700	500,445	622,050	0.37
Pos Malaysia Berhad	365,400	1,195,813	1,271,592	0.76
Tenaga Nasional Berhad	192,675	1,182,315	1,204,219	0.72
	1,940,375	8,708,775	11,069,650	6.61

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(i) Quoted securities (continued)

EQUITY SECURITIES – LOCAL (continued)

Name of counter	Nominal value	Carrying cost	Fair value	Percentage of net asset value
	RM	RM	RM	%
As at 31 March 2011				
Industrial Products				
Kossan Rubber Industries	280,700	994,372	954,380	0.57
Latexx Partners Berhad	93,700	251,191	257,675	0.15
Perisai Petroleum Teknologi Be	1,296,700	789,312	1,063,294	0.63
Petronas Gas Berhad	131,100	1,490,724	1,499,784	0.89
Supermax Corp Bhd	80,400	353,960	346,524	0.21
Top Glove Corp Bhd	126,000	672,296	677,880	0.40
UEM Land Berhad	444,866	909,407	1,258,971	0.75
Gamuda Berhad	229,800	564,077	887,028	0.53
IJM Corporation Berhad	122,500	545,490	785,225	0.47
IJM Land Berhad	220,000	339,607	605,000	0.36
IOI Corporation Berhad	555,753	2,564,809	3,201,137	1.91
KNM Group Bhd	78,000	206,821	215,280	0.13
Kuala Lumpur Kepong Berhad	70,000	856,050	1,484,000	0.89
Malaysian Resources Corp Bhd	565,000	828,682	1,243,000	0.74
Sime Darby Berhad	635,947	5,064,018	5,869,791	3.50
YTL Cement Bhd	25,800	122,643	125,646	0.08
YTL Power International Bhd	190,200	462,090	437,460	0.28
	5,146,466	17,015,549	20,912,075	12.49
TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS - LOCAL	12,665,405	36,226,512	46,070,520	27.51
TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS	17,056,196	37,033,415	93,900,632	56.07
UNREALISED GAIN/LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
-LOCAL INVESTMENTS		9,844,008		
-FOREIGN INVESTMENTS		47,047,298		
EFFECT OF UNREALISED FOREIGN EXCHANGE DIFFERENCES		(24,089)		
TOTAL FAIR VALUE OF LOCAL AND FOREIGN QUOTED SHARIAH-COMPLIANT INVESTMENTS		93,900,632		

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(ii) Unquoted fixed income securities

Name of issuer	Nominal value	Carrying cost	Fair value	Percentage of net asset value
As at 31 March 2011	RM	RM	RM	%
Amlslamic Bank Bhd 4.30% 20/09/2017	2,000,000	2,021,375	2,021,827	1.21
Bank Muamalat Malaysia 6.25% 05/09/2016	1,000,000	1,005,024	1,014,093	0.61
Chemical Company Malaysia Berh 5.95% 28/11/11	1,500,000	1,539,403	1,549,821	0.93
Diversified Venue Sdn Bhd 6.10% 30/12/2013	1,000,000	1,048,493	1,055,734	0.63
Encorp Systembilt Sdn Bhd 0% 03/01/2017	2,000,000	1,543,860	1,547,800	0.92
Encorp Systembilt Sdn Bhd Due 3/7/2011 JJ3	1,000,000	989,639	991,400	0.59
Gamuda Berhad 5.25% 01/04/2015	2,000,000	2,114,929	2,122,300	1.27
Gamuda Berhad 4.59% Due 24/1/2013 JJ24	4,000,000	4,017,098	4,078,195	2.44
Jimah Energy Ventures SB 8.75% 11/05/2018	3,000,000	3,730,365	3,791,819	2.26
Jimah Energy Ventures SB 8.3% Due 11/11/2016 MN12	4,000,000	4,608,807	4,843,998	2.89
Jimah Energy Ventures SB 8.4% Due 12/5/2017 MN12	5,000,000	5,746,766	6,129,431	3.66
Jimah Energy Ventures SB 8.55% Due 12/5/2017 MN12	2,000,000	2,259,478	2,468,733	1.47
Kesas Sdn Bhd 7.7% Due 11/10/2012 AO11	1,000,000	1,079,342	1,086,085	0.65
Kesas Sdn Bhd 7.95% Due 11/10/2013 AO11	3,000,000	3,277,296	3,359,598	2.01
Konsortium Lebuhraya Utara Timur 6.97% 28/10/2025	2,000,000	2,124,123	2,258,197	1.35
Konsortium Lebuhraya Bwh-Kulim 4% 15/01/2018	2,000,000	1,837,773	1,954,058	1.17
Lebuhraya Kajang-Seremban 2% Due 12/6/2019 JD12	3,000,000	1,480,753	1,491,518	0.89

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(ii) Unquoted fixed income securities (continued)

Name of issuer As at 31 March 2011	Nominal value RM	Carrying cost RM	Fair value RM	Percentage of net asset value %
Lebuhraya Kajang -Seremban 5.35% Due 10/6/2016 JD13	1,500,000	1,424,503	1,198,231	0.72
Malakoff Corp Berhad 6.182% Due 28/4/2017 AO30	1,000,000	1,035,115	1,092,183	0.65
Malakoff Corp Berhad 6.682% Due 29/4/2022 AO30	1,000,000	1,062,232	1,102,893	0.66
Penang Bridge Sdn Bhd 8.35% Due 30/8/2012 FA29	3,000,000	3,231,997	3,218,222	1.92
Puncak Niaga M Sdn Bhd 5% Due 27/10/2011 AO27	1,000,000	1,016,309	1,018,129	0.61
Puncak Niaga M Sdn Bhd 5.4% Due 25/10/2013 AO27	1,000,000	995,258	998,543	0.60
Ranhill Powertron Sdn Bhd 6.6% Due 27/6/2013 JD27	1,250,000	1,346,010	1,345,848	0.80
Ranhill Powertron Sdn Bhd 7.10% 26/06/15	2,000,000	2,191,455	2,269,559	1.36
Syarikat Bekalan Air Selangor 5% Due 30/9/2013 MS30	3,500,000	3,464,308	3,440,051	2.05
Syarikat Pengeluar Air Sungai 5.65% Due 28/11/2014 MN29	1,000,000	1,054,068	930,992	0.55
Talam Corporation Berhad 0% 28/06/19	3,318,142	690,618	1,208,467	0.72
Teknologi Tenaga Perlis 9% Due 11/9/2015 MS13	2,000,000	2,393,642	2,398,652	1.43
TOTAL UNQUOTED SUKUK	61,068,142	60,330,039	61,986,374	37.01
FAIR VALUE RESERVE		1,656,335		
TOTAL FAIR VALUE OF UNQUOTED SUKUK		61,986,374		

12. QUOTED INVESTMENTS

SHARIAH-COMPLIANT SECURITIES – FOREIGN

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 30 September 2010				
AUSTRALIA				
Basic Materials				
BHP Billiton Ltd	23,620	2,418,637	2,747,237	2.10
Incitec Pivot Ltd	34,200	332,188	367,008	0.28
Newcrest Mining Ltd	3,600	348,370	426,894	0.33
	-----	-----	-----	-----
	61,420	3,099,195	3,541,139	2.71
	-----	-----	-----	-----
Health Care				
CSL Limited	5,600	511,860	553,241	0.42
	-----	-----	-----	-----
Industrials				
Leighton Holdings Ltd	3,700	367,447	365,645	0.28
Seek Ltd	34,000	769,386	760,213	0.58
	-----	-----	-----	-----
	37,700	1,136,833	1,125,858	0.86
	-----	-----	-----	-----
Oil & Gas				
Caltex Australia Ltd	13,230	393,167	474,170	0.37
Woodside Petroleum Ltd	5,710	721,425	748,958	0.57
	-----	-----	-----	-----
	18,940	1,114,592	1,223,128	0.94
	-----	-----	-----	-----
Telecommunications				
Telstra Corporation Ltd	82,000	728,590	642,200	0.49
	-----	-----	-----	-----
Utilities				
AGL Energy Ltd	8,700	341,944	420,518	0.32
	-----	-----	-----	-----
TOTAL AUSTRALIA SHARIAH- COMPLIANT SECURITIES	214,360	6,933,014	7,506,084	5.74
	-----	-----	-----	-----

12. QUOTED INVESTMENTS (CONTINUED)

SHARIAH-COMPLIANT SECURITIES – FOREIGN (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 30 September 2010				
HONG KONG				
Basic Materials				
China Coal Energy Company Ltd	95,000	445,263	484,992	0.37
Consumer Products				
Anta Sports Products Ltd	53,000	336,876	378,889	0.29
Belle International Holdings Ltd	62,000	333,729	384,066	0.29
Li & Fung Ltd	22,000	354,287	381,815	0.29
Yue Yuen Industrial Holdings Ltd	34,000	393,919	388,654	0.30
	171,000	1,418,811	1,533,424	1.17
Consumer Services				
Golden Eagle Retail Group Ltd	49,000	349,003	428,613	0.33
MTR Corporation Ltd	29,000	327,162	338,417	0.26
	78,000	676,165	767,030	0.59
Industrials				
COSCO Pacific Ltd	77,000	375,733	357,586	0.27
Oil & Gas				
CNOOC Ltd	103,000	544,773	615,930	0.47
Telecommunications				
China Mobile Ltd	46,000	1,663,788	1,453,109	1.11
Utilities				
China WindPower Group Ltd	1,120,000	350,925	391,875	0.30
TOTAL HONG KONG SHARIAH - COMPLIANT SECURITIES	1,690,000	5,475,458	5,603,946	4.29

12. QUOTED INVESTMENTS (CONTINUED)

SHARIAH-COMPLIANT SECURITIES – FOREIGN (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 30 September 2010				
INDIA				
Consumer Products				
Bajaj Auto Ltd	3,780	375,974	381,712	0.29
Maruti Suzuki India Ltd	7,000	663,262	692,929	0.53
	10,780	1,039,236	1,074,641	0.82
Health Care				
Dr Reddy's Laboratories Ltd	4,110	334,904	407,074	0.31
Industrials				
Crompton Greaves Ltd	50,200	902,714	1,078,421	0.83
Larsen & Toubro Ltd	7,029	858,157	991,450	0.76
	57,229	1,760,871	2,069,871	1.59
Oil & Gas				
Reliance Industries Ltd	14,190	1,102,975	962,424	0.74
Technology				
Infosys Technologies Ltd	5,530	619,414	1,158,919	0.89
Telecommunications				
Bharti Airtel Ltd	17,000	332,703	427,802	0.33
TOTAL INDIA SHARIAH-COMPLIANT SECURITIES	108,839	5,190,103	6,100,731	4.68

12. QUOTED INVESTMENTS (CONTINUED)

SHARIAH-COMPLIANT SECURITIES – FOREIGN (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 30 September 2010				
INDONESIA				
Basic Materials				
Timah Tbk Pt	752,000	721,570	820,552	0.63
Industrials				
Semen Gresik Persero Tbk Pt	108,000	336,127	370,371	0.28
SINGAPORE				
Consumer Products				
Golden Agri-Resources Ltd	730,000	869,046	976,212	0.75
Consumer Services				
SMRT Corporation Ltd	142,000	706,830	682,950	0.52
Industrials				
Keppel Corporation Limited	17,000	347,272	358,156	0.27
TOTAL INDONESIA SHARIAH-COMPLIANT SECURITIES	860,000	1,057,697	1,190,923	0.91
SOUTH KOREA				
Basic Materials				
Posco	265	338,668	370,087	0.28
Consumer Products				
Amorepacific Corporation	287	713,335	890,173	0.68
Hyundai Mobis	1,640	774,626	1,140,736	0.88
	1,927	1,487,961	2,030,909	1.56
Industrials				
Hyundai Engineering & Construction Co Ltd	1,940	382,710	380,669	0.29
Samsung Electro-Mechanics Co Ltd	890	298,947	299,894	0.23
Samsung SDI Co Ltd	1,542	684,895	651,054	0.50
	4,372	1,366,552	1,331,617	1.02

12. QUOTED INVESTMENTS (CONTINUED)

SHARIAH-COMPLIANT SECURITIES – FOREIGN (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 30 September 2010				
SOUTH KOREA (CONTINUED)				
Technology				
LG. Display Co Ltd	2,810	288,951	299,647	0.23
Samsung Electronics Co Ltd	1,086	1,903,434	2,283,804	1.75
	3,896	2,192,385	2,583,451	1.98
TOTAL SOUTH KOREA SHARIAH-COMPLIANT SECURITIES	10,460	5,385,566	6,316,064	4.84
TAIWAN				
Basic Materials				
Formosa Plastics Corporation	48,000	339,321	363,742	0.28
Nan Ya Plastics Corporation	55,000	337,577	371,686	0.28
Taiwan Fertilizer Co Ltd	69,000	571,239	665,359	0.51
	172,000	1,248,137	1,400,787	1.07
Industrials				
Hon Hai Precision Industry Co Ltd	57,960	637,997	672,858	0.52
Technology				
HTC Corporation	12,400	655,921	868,610	0.67
MediaTek Incorporation	8,777	372,839	380,687	0.29
Taiwan Semiconductor Manufacturing Co Ltd	146,700	839,440	898,626	0.69
	167,877	1,868,200	2,147,923	1.65
Telecommunications				
Chunghwa Telecom Co Ltd	57,000	365,203	394,212	0.30
TOTAL TAIWAN SHARIAH- COMPLIANT SECURITIES	454,837	4,119,537	4,615,780	3.54

12. QUOTED INVESTMENTS (CONTINUED)

SHARIAH-COMPLIANT SECURITIES – FOREIGN (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 30 September 2010				
THAILAND				
Telecommunications				
Advanced Info Service PCL	56,300	516,320	544,477	0.41
Oil & Gas				
PTT Exploration & Production PCL	24,600	359,839	385,659	0.30
TOTAL THAILAND SHARIAH- COMPLIANT SECURITIES	80,900	876,159	930,136	0.71
TOTAL QUOTED INVESTMENTS - FOREIGN	4,308,396	30,960,682	34,280,982	26.25

12. QUOTED INVESTMENTS (CONTINUED)

SHARIAH-COMPLIANT SECURITIES – LOCAL

Name of counter	Quantity Units	Aggregate cost RM	Percentage Market value RM	of net asset value %
As at 30 September 2010				
Construction				
Gamuda Berhad	270,000	662,753	1,047,600	0.80
IJM Corporation Berhad	185,000	661,325	960,150	0.74
Malaysian Resources Corporation Berhad	565,000	828,682	1,186,500	0.91
WCT Berhad	179,500	470,880	547,475	0.42
YTL Corporation Berhad	49,100	382,887	368,250	0.28
	1,248,600	3,006,527	4,109,975	3.15
Consumer Products				
PPB Group Berhad	49,300	637,853	847,960	0.65
Tan Chong Motor Holdings Berhad	96,500	491,325	575,140	0.44
UMW Holdings Berhad	84,600	575,140	572,742	0.44
	230,400	1,704,318	1,995,842	1.53
Finance				
BIMB Holdings Berhad	111,100	145,778	136,653	0.10
Industrial Products				
Kossan Rubber Industries Berhad	185,000	689,785	549,450	0.42
Lafarge Malayan Cement Berhad	42,200	263,320	332,958	0.25
Lion Industries Corporation Berhad	80,000	106,861	142,400	0.11
Perisai Petroleum Teknologi Berhad	1,575,000	958,716	795,375	0.61
Scomi Group Berhad	1,182,100	574,235	484,661	0.37
Supermax Corporation Berhad	102,500	257,551	388,475	0.30
	3,166,800	2,850,468	2,693,319	2.06
Infrastructure Project Companies				
Digi.com Berhad	27,500	681,678	668,250	0.51
Time Dotcom Berhad	899,200	502,443	553,008	0.43
	926,700	1,184,121	1,221,258	0.94
Plantation				
Genting Plantations Berhad	77,100	395,198	595,212	0.46
IOI Corporation Berhad	492,553	2,075,408	2,694,265	2.06
Kuala Lumpur Kepong Berhad	101,500	1,031,380	1,725,500	1.32
	671,153	3,501,986	5,014,977	3.84

12. QUOTED INVESTMENTS (CONTINUED)

SHARIAH-COMPLIANT SECURITIES – LOCAL (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 30 September 2010				
Properties				
Eastern and Oriental Berhad	420,200	433,948	495,836	0.38
IJM Land Berhad	220,000	339,607	528,000	0.40
Mah Sing Group Berhad	157,600	290,209	288,408	0.22
UEM Land Holdings Berhad	317,600	445,222	743,184	0.57
	1,115,400	1,508,986	2,055,428	1.57
Technology				
JCY International Berhad	458,300	771,143	456,009	0.35
Trading & Services				
Airasia Berhad	177,500	241,107	399,375	0.31
Alam Maritim Resources Berhad	410,000	318,256	438,700	0.34
Axiata Group Berhad	924,300	2,469,127	4,048,434	3.10
Dialog Group Berhad	517,514	532,284	579,616	0.44
Faber Group Berhad	123,900	301,641	398,958	0.31
Kencana Petroleum Berhad	655,050	813,153	1,087,383	0.83
KPJ Healthcare Berhad	160,400	465,664	558,192	0.43
Maxis Berhad	105,000	549,998	561,750	0.43
Media Chinese International Ltd	526,100	448,736	457,707	0.35
MMC Corporation Berhad	142,500	271,687	427,500	0.33
Parkson Holdings Berhad	95,075	385,837	553,336	0.42
PLUS Expressways Berhad	194,400	771,897	810,648	0.62
QSR Brands Berhad	217,700	1,057,839	1,075,438	0.82
SapuraCrest Petroleum Berhad	495,000	794,274	1,183,050	0.91
Sime Darby Berhad	457,747	3,505,925	3,890,850	2.98
Telekom Malaysia Berhad	65,000	226,325	222,300	0.17
Tenaga Nasional Berhad	389,200	2,959,323	3,432,744	2.63
	5,656,386	16,113,073	20,125,981	15.42
TOTAL QUOTED INVESTMENTS - LOCAL	13,584,839	30,786,400	37,809,442	28.96
TOTAL QUOTED INVESTMENTS	17,893,235	61,747,082	72,090,424	55.21
FAIR VALUE RESERVE:				
- LOCAL QUOTED INVESTMENTS		7,023,042		
- FOREIGN QUOTED INVESTMENTS		3,912,865		
ADD: UNREALISED FOREIGN EXCHANGE LOSS		(592,565)		
TOTAL MARKET VALUE OF LOCAL AND FOREIGN QUOTED INVESTMENTS		72,090,424		

13. UNQUOTED SUKUK

Name of issuer	Nominal value RM	Carrying cost RM	Fair value RM	Percentage of net asset value %
As at 30 September 2010				
Bank Muamalat Malaysia Berhad 6.25% 05/09/2016 (A3)	1,000,000	1,001,730	1,015,000	0.78
Chemical Company of Malaysia Berhad 5.95% 28/11/2011 (AA3)	1,500,000	1,514,925	1,530,150	1.17
Diversified Venue Sdn Bhd 6.10% 30/12/2013 (AA is)	1,000,000	1,056,531	1,058,000	0.81
Encorp Systembilt Sdn Bhd 0.00% 03/07/2011 (AA2)	1,000,000	969,874	973,800	0.75
Gamuda Bhd 4.59% 24/01/2013 (AA3)	4,000,000	3,979,027	4,043,600	3.10
Jimah Energy Ventures Sdn Bhd 8.75% 11/05/2018 (AA3)	3,000,000	3,674,700	3,687,600	2.82
Jimah Energy Ventures Sdn Bhd 8.30% 11/11/2016 (AA3)	4,000,000	4,538,018	4,719,600	3.61
Jimah Energy Ventures Sdn Bhd 8.40% 12/05/2017 (AA3)	5,000,000	5,623,425	5,965,500	4.57
Jimah Energy Ventures Sdn Bhd 8.55% 12/05/2017 (AA3)	2,000,000	2,206,057	2,403,000	1.84
Kesas Sdn Bhd 7.70% 11/10/2012 (AA3)	1,000,000	1,056,370	1,060,300	0.81
Kesas Sdn Bhd 7.95% 11/10/2013 (AA3)	3,000,000	3,194,545	3,266,700	2.50
Konsortium Lebuhraya Butterworth-Kulim Sdn Bhd 4.00% 15/01/2018 (AA3)	2,000,000	1,810,414	1,861,600	1.43
Lebuhraya Kajang-Seremban Sdn Bhd 5.35% 12/06/2016 (AA3)	1,000,000	1,011,709	964,300	0.74
Malakoff Corporation Berhad 6.182% 28/04/2017 (AA3)	1,000,000	1,009,647	1,051,200	0.81
Malakoff Corporation Berhad 6.682% 29/04/2022 (AA3)	1,000,000	1,035,095	1,037,700	0.79
Penang Bridge Sdn Bhd 8.35% 30/08/2012 (AA2)	3,000,000	3,238,956	3,256,200	2.49
Ranhill Powertron Sdn Bhd 7.10% 26/06/15 (AA1)	2,000,000	2,170,638	2,198,800	1.68
Syarikat Bekalan Air Selangor Sdn Bhd 5.00% 30/09/2013 (A+id)	2,000,000	1,995,898	1,946,400	1.49
Syarikat Pengeluar Air Sungai Selangor Sdn Bhd 5.65% 28/11/2014 (A id)	1,000,000	1,039,324	898,900	0.69
Talam Corporation Berhad 0.00% 28/06/2019 (B+)	3,318,142	689,756	1,095,650	0.84
Teknologi Tenaga Perlis Consortium Sdn Bhd 9.00% 11/09/2015 (AA1)	2,000,000	2,421,489	2,422,600	1.86
TOTAL UNQUOTED SUKUK	44,818,142	45,238,128	46,456,600	35.58
FAIR VALUE RESERVE		1,218,472		
		46,456,600		

14. CASH AND CASH EQUIVALENTS

	01.10.2010 to 31.03.2011 RM	01.10.2009 to 30.09.2010 RM
Deposits with licensed financial institutions	7,579,816	7,705,000
Bank balance in licensed banks	5,112,309	3,810,047
	-----	-----
	12,692,125	11,515,047
	-----	-----

The currency exposure profile of cash and cash equivalents is as follows:

	01.10.2010 to 31.03.2011 RM	01.10.2009 to 30.09.2010 RM
- Ringgit Malaysia	64,545	7,851,282
- Australian Dollar	(10,139)	394,702
- Hong Kong Dollar	35,995	70,533
- Indonesian Rupiah	(787)	-
- Indian Rupee	(7,081)	3,156
- Korean Won	3,290	25,760
- Philippines Peso	-	4
- Singapore Dollar	37,299	35,057
- Thailand Baht	(2,157)	-
- Taiwan Dollar	512,703	447,619
- US Dollar	4,478,641	2,686,934
	-----	-----
	5,112,309	11,515,047
	-----	-----

The effective weighted average profit rates per annum of deposits with licensed financial institutions are as follows:

	01.10.2010 to 31.03.2011 %	01.10.2009 to 30.09.2010 %
Deposits with licensed financial institutions	2.68	2.65
	-----	-----

Deposits with licensed financial institutions have an average maturity of 0 days (2010: 2 days).

15. AMOUNT DUE FROM STOCKBROKERS

01.10.2010 **01.10.2009**
to
31.03.2011 **30.09.2010**

RM

RM

The currency exposure profile of amount due from stockbrokers is as follows:

- Ringgit Malaysia	1,265,262	41,659
	-----	-----
	1,265,262	41,659
	-----	-----

16. DIVIDENDS RECEIVABLE

01.10.2010 **01.10.2009**
to
31.03.2011 **30.09.2010**

RM

RM

The currency exposure profile of dividends receivable is as follows:

- Ringgit Malaysia	2,340	75,833
- Australian Dollar	38,605	9,685
- Hong Kong Dollar	8,494	5,842
- Korean Won	40,855	-
- Singapore Dollar	3,171	-
- Thailand Baht	7,589	-
- Taiwan Dollar	-	8,181
- US Dollar	13,344	-
	-----	-----
	114,398	99,541
	-----	-----

17. AMOUNT DUE TO STOCKBROKERS

01.10.2010 **01.10.2009**
to
31.03.2011 **30.09.2010**

RM

RM

The currency exposure profile of amount due to stockbrokers is as follows:

- Ringgit Malaysia	418,660	1,382,767
- Australian Dollar	511,466	-
- Indonesian Rupiah	543,072	-
- US Dollar	1,042,062	-
	-----	-----
	2,515,260	1,382,767
	-----	-----

18. NUMBER OF UNITS IN CIRCULATION AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	31.03 2011		30.09.2010	
	No. of units	RM	No. of units	RM
At beginning of the financial year	286,294,135	130,572,100	275,241,673	127,847,635
Creation arising from distribution	18,380,219	7,988,042	21,974,912	9,559,087
Creation arising from applications	152,719,082	68,507,184	64,296,848	29,166,335
Cancellation of units	(91,411,778)	(40,833,456)	(75,219,298)	(33,420,754)
Distribution paid	-	(8,531,933)	-	-
Total comprehensive income for the financial period	-	9,769,293	-	(385,488)
Net change in fair value reserve	-	-	-	(2,194,715)
	-----	-----	-----	-----
At end of the financial year	365,981,658	167,471,230	286,294,135	130,572,100
	-----	-----	-----	-----
Approved size of Fund	1,000,000,000		1,000,000,000	
	-----	-----	-----	-----

As at 31 March 2011, the number of units not yet issued is 634,018,342 (2010: 713,705,865)

19. MANAGEMENT EXPENSE RATIO (“MER”)

	01.10.2010	01.10.2009
	to	to
	31.03.2011	31.03.2010
	%	%
MER	0.84	0.90
	-----	-----

MER is derived from the following calculation:

$$\text{MER} = \frac{(A + B + C + D + E + F)}{G} \times 100$$

- A = Management fee
- B = Trustee’s fee
- C = Auditors’ remuneration
- D = Tax agent’s fee
- E = Transactions costs
- F = Other expenses
- G = Average net asset value of the Fund calculation on a daily basis

The average net asset value of the Fund for the financial year calculated on daily basis is RM 157,157,108 (2010: RM 124,733,473).

20. PORTFOLIO TURNOVER RATIO (“PTR”)

	01.10.2010	01.10.2009
	to	to
	31.03.2011	31.03.2010
	%	%
PTR (times)	0.43	0.52
	-----	-----

PTR is based on the following calculation:

(Total acquisition for the financial period + total disposal for the financial period) ÷ 2

Average net asset value of the Fund for the financial period calculated on a daily basis

Where:

total acquisition for the financial year = RM 52,799,609 (2010: 67,886,114)
total disposal for the financial year = RM 27,238,667 (2010: 61,945,045)

21. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The related parties and their relationship with the Fund are as follows:

<u>Related parties</u>	<u>Relationship</u>
CIMB-Principal Asset Management Berhad	The Manager
CIMB Group Sdn Bhd	Holding company of the Manager
CIMB Group Holdings Berhad ("CIMB")	Ultimate holding company of the Manager
Subsidiaries and associates of CIMB as disclosed in its financial statements	Subsidiary and associated companies of the ultimate holding company of the Manager

Unit held by the Manager and parties related to the Manager

Manager	No. of units	2011 RM	No. of units	2010 RM
CIMB-Principal Asset Management Berhad (The units are held beneficially by the Manager for booking purposes)	104,921	33,974	345,589	158,406
	-----	-----	-----	-----

The above units were transacted at the prevailing market price.

The units are held beneficially by the Manager for bookings purpose. Other than the above, there were no units held by Directors or parties related to the Manager.

**21. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER
(CONTINUED)**

In addition to related party disclosure mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on terms and conditions obtained in transactions with unrelated parties unless otherwise stated. Profit rates on fixed and short-term deposits were at normal commercial rates.

	01.10.2010 to 31.03.2011	01.10.2009 to 31.03.2010
	RM	RM
<u>Significant related party transactions</u>		
Profit and Hibah from Shariah-compliant deposits:		
- CIMB Islamic Bank Berhad	38,014	22,186
	-----	-----
<u>Significant related party balances</u>		
Deposits with licensed financial institution:		
- CIMB Islamic Bank Berhad	2,000,296	1,470,000
	-----	-----

22. TRANSACTIONS WITH BROKERS / DEALERS

Transactions entered into by the Fund by value of trades for the financial year ended 31 March 2011 are as follows:

Brokers / dealers	Values of trade RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage %
Morgan Stanley	2,633,031,295	42.23	11,104,009	19.26
Samsung Securities Co Ltd KR	1,382,716,024	22.18	4,962,720	8.61
J.P. Morgan Sec Singapore	1,089,907,758	17.48	7,804,728	13.54
CLSA Ltd. HK	308,046,773	4.94	1,217,995	2.11
RHB Bank Islamic Bhd	202,610,000	3.25	1,007,470	-
CIMB Islamic Bank #	151,136,000	2.42	133,118	-
Hong Leong Islamic Bank Berhad	117,625,000	1.89	48,225	-
Malayan Banking Bhd-Islamic	44,510,000	0.71	125,749	-
Bank Muamalat Malaysia Berhad	43,202,000	0.69	22,298	-
Bank Islam Malaysia Berhad	34,940,000	0.56	29,729	-
Others	227,136,573	3.65	31,185,128	56.48
	<hr/> 6,234,861,423	100.00	<hr/> 57,641,169	<hr/> 100.00

22. TRANSACTIONS WITH BROKERS / DEALERS (CONTINUED)

Transactions entered into by the Fund by value of trades for the financial year ended 31 March 2010 are as follows:

Brokers / dealers	Values of trade RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage %
CLSA Ltd (Hong Kong)	12,873,548	1.66	41,138	14.29
CIMB Investment Bank Bhd #	10,935,789	1.41	32,388	11.25
CIMB Bank Bhd - Treasury #	9,766,965	1.26	-	-
JPMorgan Securities Singapore	8,383,025	1.08	23,566	8.19
Austock Securities Limited	8,112,125	1.05	24,336	8.46
KAF Investment Bank Berhad	7,334,324	0.95	-	-
Macquarie Securities Singapore	7,011,522	0.91	21,682	7.53
AmInvestment Bank Berhad	5,489,286	0.71	12,691	4.41
Citigroup Glo Mkts Singapore Pte Ltd	5,105,249	0.66	12,348	4.29
Maybank Securities	4,760,176	0.61	10,720	3.72
Others	694,505,602	89.70	108,956	37.86
	<u>774,277,611</u>	<u>100.00</u>	<u>287,825</u>	<u>100.00</u>

Included in transactions by the Fund are trades conducted on normal terms with CIMB Islamic Bank, CIMB Investment Bank Bhd, CIMB Bank Bhd, companies related to the Manager amounting to RM 151,136,000, RM nil, RM nil (2010: nil, RM 10,935,789, RM 9,766,965).

23. SEGMENT INFORMATION

The Investment Committee of the Manager makes the strategic resource allocations on behalf of the Fund. The Fund has determined the operating segments based on the reports reviewed by this committee that are used to make strategic decisions.

The committee is responsible for the Fund's entire portfolio and considers the business as two sub-portfolio, consisting of a quoted investments portfolio, which focuses on equity and equity-related securities, and a debt portfolio, which focuses on unquoted fixed income securities.

The reportable operating segment derives its income by seeking investments to achieve targeted returns consummate with an acceptable level of risk within the portfolio. These returns consist of profit income, dividend income and gains on the appreciation in the value of investments.

There were no changes in the reportable operating segment during the financial year.

The segment information provided to the Investment Committee for the reportable operating segment is as follows:

For the six months ended 31 March 2011:

	Quoted investments sub-portfolio	Unquoted sukuk sub- portfolio	Total
	RM	RM	RM
Dividend income	615,396	-	615,396
Profit income	-	1,446,884	1,446,884
Net realised gain on sale of financial assets at fair value through profit or loss	3,481,283	855	3,482,138
Net unrealised gain on sale of financial assets at fair value through profit or loss	5,360,140	437,862	5,798,002
Net foreign currency exchange gain	(244,010)		(244,010)
Transaction costs	(174,373)	-	(174,373)
Total segment income	9,038,436	1,885,601	10,924,037

For the six months ended 31 March 2010:

	Quoted investments sub-portfolio	Unquoted sukuk sub- portfolio	Total
	RM	RM	RM
Dividend income	691,029	-	691,029
Profit income	-	1,091,341	1,091,341
Net realised gain on sale of financial assets at fair value through profit or loss	4,977,891	-	4,977,891
Net unrealised gain on sale of financial assets at fair value through profit or loss	-	-	-
Net foreign currency exchange gain	(917,812)	917,812	-
Net amortization of premium	1,007,606	(1,146,755)	(139,149)
Total segment income	5,758,714	862,398	6,621,112

24. SEGMENT INFORMATION

The Fund's management fee, trustee's fees and other expenses are not considered to be segment expenses.

A reconciliation of total segmental income to the total comprehensive income is provided as follows:

	01.10.2010 to 31.03.2011 RM	01.10.2009 to 31.03.2010 RM
Total segmental income	10,924,037	6,621,112
Profit income from deposits with licensed financial institutions	196,840	66,941
Tax refund	1,170	-
Other fees and expenses	(1,352,754)	(1,372,466)
Net profit before taxation	9,769,293	5,315,587
Taxation	-	(255,944)
Net profit after taxation and total comprehensive income	<u>9,769,293</u>	<u>5,059,643</u>

Reportable operating segment's assets and liabilities are reconciled to total assets and total liabilities as follows:

	01.10.2010 to 31.03.2011 RM	01.10.2009 to 30.09.2010 RM
Total segment assets	157,152,269	119,538,850
Cash and cash equivalents	12,692,125	11,515,047
Amount due from manager	723,920	-
Profit income receivable	114,398	-
Tax recoverable	197,773	-
Other receivable	-	5,568,255
Total assets	<u>170,880,485</u>	<u>136,622,152</u>
Total segment liabilities	2,515,260	5,158,758
Amount due to manager	606,666	651,610
Amount due to trustee	13,889	9,854
Accrued management fee	208,332	147,811
Other payables and accrued expenses	65,108	82,019
Total liabilities	<u>3,409,255</u>	<u>6,050,052</u>

The Fund's other receivables and other payables and accrued expenses are not considered to be segment assets and segment liabilities respectively and are managed by the administration function

24. CHANGES IN ACCOUNTING POLICIES

(a) Amendment FRS 132 “Financial Instruments: Presentation”

In the previous financial year, the Fund had classified its puttable instruments as liabilities and distribution to unitholders of the puttable instruments as finance costs in accordance with FRS 132, 'Financial instruments: Presentation'. However, the FRS 132 (amendment), 'Financial instruments: Presentation', and FRS 101 (amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2010) (the 'amendment') requires puttable financial instruments that meet the definition of a financial liability to be classified as equity where certain strict criteria are met. As a result, distribution to unitholders of these puttable instruments shall be debited by the entity directly to equity.

Those criteria include: (i) the puttable instruments must entitle the holder to a pro-rata share of net assets; (ii) the puttable instruments must be the most subordinated class and that class's features must be identical; (iii) there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and (iv) the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer. As a result, the prior year financial statements are restated from amounts previously reported to conform with the amendment. The amendment has been applied retrospectively.

The effects as a result of adoption of the amendment on the statement of financial position and statement of comprehensive income for the prior periods are set out below.

	As previously stated	Adjustment	As restated
<u>1 October 2009</u>			
Statement of Financial Position			
Financial liability	127,847,635	(127,847,635)	-
Unitholders' capital	-	86,507,780	86,507,780
Retained earnings	-	26,322,682	26,322,682
Fair value reserve	-	15,017,173	15,017,173
	-	127,847,635	127,847,635

	As previously stated	Adjustment	As restated
<u>1 October 2010</u>			
Statement of Financial Position			
Financial liability	130,572,100	(130,572,100)	-
Unitholders' capital	-	91,812,448	91,812,448
Retained earnings	-	27,175,670	27,175,670
Fair value reserve	-	11,583,982	11,583,982
	-	130,572,100	130,572,100

24. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(a) Amendment FRS 132 “Financial Instruments: Presentation” (continued)

Effect of changes in accounting policy on the statement of financial position as at 31 March 2011 and statement of comprehensive income for the six months financial year ended 31 March 2011 are set out below.

	Previous accounting policy	Change in accounting policy	Revised accounting policy
	RM	RM	RM
Statement of financial position			
Financial liability	167,471,230	(167,471,230)	-
Unitholders' capital	-	127,474,219	127,474,219
Retained earnings	-	39,997,011	39,997,011
Fair value reserve	-	-	-
	-	167,471,230	167,471,230

(b) FRS 139 “Financial Instruments: Recognition and Measurement”

In the previous financial year, unrealised gains or losses from the financial instruments are recognised in the statement of financial position as investments while the corresponding effect are transferred to the fair value reserve included in the capital and reserves attributable to equity holders of the fund.

However, the FRS 139 (new standard) ‘Financial Instruments: Recognition and Measurement’ (effective 1 January 2010) (the ‘standard’) requires the Fund to recognise all investments in its statement of financial position as assets and shall measure them at fair value (except for a derivative that is linked to and that must be settled by delivery of an unquoted equity instrument whose fair value cannot be measured reliably) at the beginning of the financial period in which this standard is initially applied. The unrealised gains or losses transferred to the fair value reserve in the previous financial period shall be recognised as an adjustment of the balance of retained earnings at the beginning of the financial period in which this Standard is initially applied (other than for a derivative that is a designated hedging instrument).

The effects as a result of adoption of the new standard on the opening balances of the statement of financial position at the beginning of the financial period are set out below:

<u>1 March 2010</u>	As restated after adoption of amendments to FRS 132 (Note 23(a)) RM	Adjustment RM	As restated RM
Unitholders' capital	91,812,448	-	91,812,448
Retained earnings	27,175,670	11,583,982	38,759,652
Fair value reserve	11,583,982	(11,583,982)	-
	130,572,100	-	130,572,100

24. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) FRS 139 “Financial Instruments: Recognition and Measurement” (continued)

Effect of changes in accounting policy on the statement of financial position as at 31 January 2011 and statement of comprehensive income for the financial year ended 31 January 2011 are set out below.

	Previous accounting policy RM	Changes in accounting policy RM	Revised accounting policy RM
Statement of Financial Position			
Financial assets through profit or loss	-	155,887,007	155,887,007
Unquoted fixed income securities	61,986,374	(61,986,374)	-
Quoted investments	93,900,632	(93,900,632)	-
Deposits with licensed financial positions	7,527,000	52,817	7,579,817
Profit income receivable from unquoted fixed income securities	1,057,632	(1,057,632)	-
Profit income receivable from deposits with licensed financial institutions	52,817	(52,817)	-
Fair value reserve	56,891,306	(56,891,306)	-
Statement of Comprehensive Income			
Profit income from unquoted fixed income securities	1,645,735	(198,851)	1,446,884
Net realised gain on financial assets at fair value through profit and loss	-	3,482,138	3,482,138
Net unrealised gain on financial assets at fair value through profit and loss	-	5,798,002	5,798,002
Net accretion of discount	(198,851)	198,851	-
Total comprehensive income for the financial year	489,153	9,280,140	9,769,293

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