

CIMB-Principal Income Plus Balanced Fund

Available under the EPF Members Investment Scheme.

INVESTMENT VOLATILITY[^]



FUND INFORMATION

Location Kuala Lumpur, Malaysia
Domicile Malaysia
Fund Currency Ringgit Malaysia
Fund Size RM172.81 million
Fund Unit 501.21 million units

Fund Launch 12 March 1998
Fund Inception 12 March 1998

Benchmark 40% FBM 100 Index
 + 60% CIMB Bank 1-Month
 Fixed Deposit Rate

Dealing Daily (as per Bursa Malaysia trading day)
Application Fee Up to 5.0%
Management Fee 1.85% p.a.
Trustee Fee 0.08% p.a.

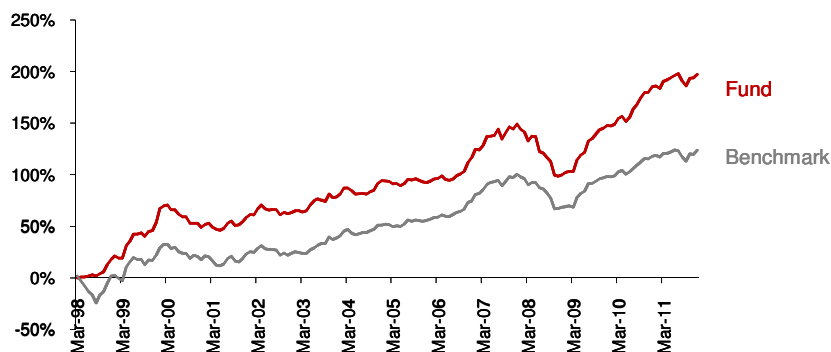
Unit NAV RM0.3447

Currency **ISIN Code** **Bloomberg Ticker**
 RM MYU1000AG004 COMINPI MK

FUND OBJECTIVE

The objective of the Fund is to provide capital growth over the medium to long term as well as income distributions.

FUND PERFORMANCE in RM*



Cumulative Performance (%)

	YTD	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
Fund	4.29	1.20	3.95	0.32	4.29	48.72	37.19	197.52
Benchmark	2.75	1.91	4.98	-0.07	2.75	33.01	28.24	123.94

Calendar Year Performance (%)

	2011	2010	2009	2008	2007	2006	2005
Fund	4.29	15.07	23.92	-19.80	15.01	12.65	-1.00
Benchmark	2.75	9.93	17.76	-16.02	14.81	12.20	3.10

Most Recent Fund Distributions

	2011	2010	2009	2009	2008	2008
	Jun	Dec	Dec	Jun	Dec	Jun
Gross (Sen/Unit)	0.57	1.01	0.68	0.32	0.54	0.50

*March 1998 to December 2011, Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested. Source: Management Co.

CIMB-PRINCIPAL AWARDS AND ACCOLADES



**Asset Management
Company of the Year,
Southeast Asia.**



**Best Asset Manager in
Southeast Asia.**

CIMB-Principal Asset Management Berhad

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[^]Based on the fund's portfolio returns as at 15 December 2011, the Volatility Factor (VF) for this fund is 5.56 and is classified as "Low" (source: Lipper). "Low" includes funds with VF that are above 3.775 but not more than 10.830. The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

We recommend that you read and understand the contents of the Master Prospectus Issue No. 15 dated 30 June 2011, its Supplemental Master Prospectus dated 30 September 2011 and its Second Supplemental Master Prospectus dated 9 December 2011, which have been duly registered with the Securities Commission Malaysia, before investing and that you keep the said Prospectuses for your record. Any issue of units to which the Prospectuses relate will only be made upon receipt of the completed application form referred to in and accompanying the Prospectuses, subject to the terms and conditions therein. Investments in the Fund are exposed to credit/default risk, interest rate risk, counterparty risk, company specific risk, stock specific risk, country risk and currency risk. You can obtain copies of the Prospectuses from the head office of CIMB-Principal Asset Management Berhad or from any of our approved distributors. There are fees and charges involved in investing in the funds. We suggest that you consider these fees and charges carefully prior to making an investment. Unit prices and income distributions, if any, may fall or rise. Past performance is not reflective of future performance and income distributions are not guaranteed. You are also advised to read and understand the contents of the Unit Trust Loan Financing Risk Disclosure Statement before deciding to borrow to purchase units. This leaflet will be expired by 29 June 2012. All performance figures have been verified by Mercer (Malaysia) Sdn Bhd (253344-U).

FUND MANAGER'S REPORT

The Fund gained 1.20% in December, underperforming its benchmark by 0.71%. YTD, the Fund added 4.29% while the benchmark rose 2.75%. During the month, the portfolio was weighed down by cash drag and underperformance by both Equity and Fixed Income. The underperformance from Equity came mainly from under-weighting IOI Corporation and Public Bank. The sector which contributed the most for fixed income was the Banking sector.

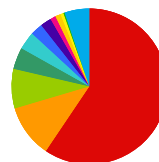
We expect the start of 2012 to be a continuation of where 2011 left off, with caution and shifting in risk budgeting by institutions. We are not changing our strategy and maintaining asset allocation and risk for the portfolio.

In light of uncertain market conditions, we have added dividend plays to the portfolio. We remain cautious and continue to favor a combination of stocks that offer dividends and growth with resilient earnings. For fixed income, the European debt crisis will continue to influence MGS flows against the backdrop of a choppy trading environment. Bank Negara Malaysia is expected to keep the OPR at 3.00% in January's MPC meeting. Our strategy remains to overweight corporate bonds vs MGS with focus on primary issues. We will also be extending the duration of the portfolio.

PORTFOLIO ANALYSIS
ASSET ALLOCATION

Equities	35.34%
Fixed Income Securities	59.49%
Cash	5.17%

Total	100.00%
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SECTOR BREAKDOWN


Bonds	59.49%
Trading / Services	10.96%
Finance	8.21%
Plantation	4.51%
Mutual Fund	3.68%
IPC	2.54%
Indrials Products	2.27%
Construction	1.15%
Consumer	1.11%
Properties	0.62%
REIT	0.29%
Cash	5.17%

Total	100.00%
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RISK STATISTICS

Beta	0.94
Information Ratio	1.38
Sharpe Ratio	1.92
	3 years monthly data

TOP HOLDINGS

1	OCBC Bank Malaysia Berhad	4.20%	04/11/2015	4.09%
2	CIMB-Principal Asean Equity Fund			3.68%
3	Special Power Vehicle	20.42%	17/05/2019	3.63%
4	Konsortium Lebuh Utara Timur	6.67%	27/10/2023	3.39%
5	Ranhill Powertron Sdn Bhd	7.10%	26/06/15	3.21%
6	OSK Investment Bank Berhad	7.15%	25/05/2015	3.14%
7	Diversified Venue Sdn Bhd	6.10%	30/12/2013	3.03%
8	IJM Corporation Berhad	5.20%	23/10/2014	3.00%
9	United Overseas Bank Malaysia Berhad	4.88%	30/03/2015	2.99%
10	Bank Muamalat Malaysia Berhad	5.15%	15/06/2021	2.98%
	Total			33.13%