

FUND INFORMATION

Location	Kuala Lumpur, Malaysia
Domicile	Malaysia
Fund Currency	Ringgit Malaysia
Fund Size	RM63.26 million
Fund Unit	59.809 million units

Fund Launch	24 January 2011
Fund Inception	10 March 2011

Benchmark 60% 12-month KLIBOR (Kuala Lumpur Interbank Offered Rate) at the Commencement Date + 40% 12-month LIBOR (London Interbank Offered Rate)

Dealing Daily (as per Bursa Malaysia trading day)

Application Fee:

Institutional Unit Trust Advisers	3.0%
CIMB Wealth Advisors Berhad	3.0%

Management Fee Nil

Trustee Fee 0.08% p.a. (min RM18,000 p.a.)

Unit NAV RM1.0577

Currency	ISIN Code	Bloomberg Ticker
RM	N/A	CIMBPSI MK

FUND OBJECTIVE

The Fund is a close-ended fund that aims to provide regular income and capital preservation through investments in predominantly bonds and other fixed and floating rate securities.

FUND STRATEGY

The Fund seeks to achieve its investment objective by investing between 70% to 98% (both inclusive) of its NAV in a diversified portfolio of bonds and other fixed and floating rate securities issued by governments, government agencies, supranational organizations and corporate issuers. The Fund may also invest in structured products and/or derivatives such as forward contracts, options, futures contracts or swap agreements, which the underlying are related/linked to the above mentioned securities. At least 2% of the Fund's NAV are maintained in the form of liquid assets such as money market instruments and/or bank deposits for liquidity and ancillary purposes.

The Fund may invest in investment grade securities and high yield securities, subject to a maximum of 40% of its NAV in securities rated below Baa by Moody's or equivalently rated by S&P or Fitch. The investment universe of the Fund includes, but not limited to listed and OTC securities from the following countries: Korea, Hong Kong SAR, India, Singapore, Taiwan, Malaysia, Thailand, the Philippines, Indonesia, China, Australia, New Zealand, Bahrain, the United Arab Emirates, Qatar and Vietnam.

Whilst the Manager will generally adopt a buy-and-hold strategy for the Fund whereby the securities purchased will be held for the tenure of the Fund or to maturity of the securities, the Manager will also have the flexibility to dispose and/or acquire securities if the Manager is of the opinion that by doing so is in the best interest of the Fund.

In compliance with the SC Guidelines, the fund's historical performance has been removed from the fund fact sheet and will be re-included only after the fund has been inception for more than 1 year.

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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We recommend that you read and understand the contents of the CIMB-Principal Strategic Income Bond Fund Prospectus dated 24 January 2011 which has been duly registered with the Securities Commission, before investing and that you keep the said Master Prospectus for your record. Any issue of units to which the Master Prospectus relates will only be made upon receipt of the completed application form referred to in and accompanying the Master Prospectus, subject to the terms and conditions therein. Investments in the Fund are exposed to Interest rate risk, liquidity risk, credit/default risk, counterparty risk, redemption risk, country risk and currency risk. You can obtain a copy of the Master Prospectus 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 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. All performance figures have been verified by Mercer (Malaysia) Sdn Bhd (253344-U).

FUND MANAGER'S REPORT

The Fund's performance for the month of December was 0.38% compared to the benchmark 60% 12-month KLIBOR + 40% 12-month LIBOR of 0.18%.

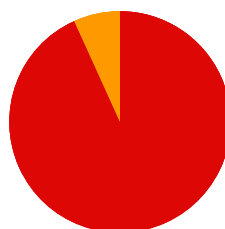
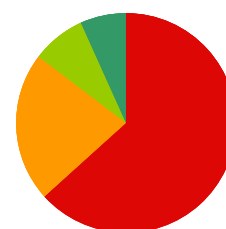
US economic data releases during the month were mixed, pointing to an improvement in its economic growth. Meanwhile, G3 yield curves steepened earlier in the month, after the announcement of coordinated moves by six central banks to cut dollar funding rate to ease funding strains. The sudden flush of liquidity did its bit to restore demand at recent European government debt auctions (such as in Italy and Spain), helping government bond yields to moderate slightly from their record highs.

Economic data releases during the month clearly pointed to slowing growth in the Asian region. Recovery momentum for post-earthquake in Japan seemed to fade and demand for Asian goods from the traditional large markets of Europe, US and Japan moderated as they struggle at home with sovereign debt and fiscal issues. Major economies like India, China, Thailand and South Korea are among those facing the brunt, having to revise down growth forecasts as global manufacturing activities slowed.

We maintain the Buy & Hold strategy in line with our Fund's objectives.

PORTFOLIO ANALYSIS
ASSET ALLOCATION

Fixed Income Securities	93.24%
Cash	6.76%
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Total	100.00%

SECTOR BREAKDOWN

COUNTRY ALLOCATION


Total	100.00%	Total	100.00%
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TOP HOLDINGS*

1	WCT Berhad	2.50%	27/12/2013	Malaysia	15.36%
2	Adira Dinamika Multi Finance	9.60%	27/05/2014	Indonesia	12.23%
3	PT Bank Danamon Indonesia	8.75%	09/12/2013	Indonesia	9.77%
4	Tresor Assets Berhad	8.85%	25/06/2015	Malaysia	8.93%
5	OSK Investment Bank Berhad	7.15%	25/05/2015	Malaysia	8.57%
6	New Pantai Expressway Sdn Bhd	5.55%	31/10/2014	Malaysia	8.24%
7	IJM Corporation Berhad	5.20%	23/10/2014	Malaysia	8.18%
8	Padiberas Nasional Berhad	4.55%	20/01/2014	Malaysia	8.00%
9	Australia & NZ Banking Group	6.25%	17/02/2014	Australia	7.91%
10	Jimah Energy Ventures Sdn Bhd	7.80%	12/05/2014	Malaysia	6.04%
Total					93.24%

*Of the target fund.