

**AmConstant 11/11****FUND OBJECTIVE**

The Fund aims to provide consistent return (above the prevailing fixed deposit rate at the Commencement Date of the Fund) in the form of annual income distribution during the tenure of the Fund.

**INVESTORS PROFILE**

The Fund is suitable for investors who:

- seek potentially better returns than bank fixed deposit rates over a 2-year investment period
- seek to participate in a collective investment scheme that provides lower risk than equities
- seek participation in a local bond market

**MARKET BRIEF**

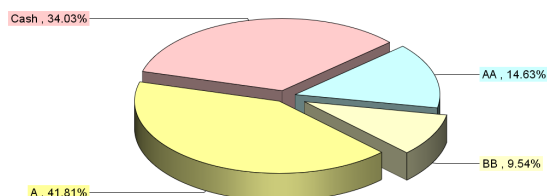
June CPI came in a tad better than market consensus following the electricity tariff hike and removal of diesel subsidies for some commercial vehicles in June. Second round effect of inflation seems to be well contained. This should ease concerns of inflationary pressures gaining momentum in the near term. Last month, we wrote that IEA release of oil stockpile could cap price upside in the short term. Oil prices have gradually moved higher since the announcement by IEA on 23rd June 2011. In recent weeks, prices have stay ranged bound. The price direction will be dictated by economic conditions in emerging markets because these countries tend to be heavy users. In China, the slowdown is still playing out a result of the government's tightening measures to curb inflation. The slowdown in China would undoubtedly affect other countries in the region especially those countries whose exports are dependent on China. Malaysia will not be spared from China's growth moderation. Indeed, recent economic data have been consistent with general economic moderation in Malaysia.

Recently, BNM Governor said that the increased downside risks to growth may not materialize which is different from her MPC statement in July. This recent change in the statement is viewed material from the timing perspective. She further said that current rate is supportive of economic growth and loan growth remains robust. We feel that the OPR direction will be data dependent especially the external environment has begun to weaken. Until the economic moderation begins to reverse, there could be no further rate hike for this year. For now, we maintain the view that BNM will deliver one more rate hike this year in order to bring about a positive real savings rate to pensioners. We will adjust our OPR expectations if future economic data point to further weakness.

Foreign exchange market has gathered a lot of attention in recent weeks leading up to debt ceiling issues in the US and the European debt crisis. Emerging market currencies have been stronger despite negative news flow and risk off trades. We view the currency gains encouraging for good reasons. The fund inflows have spilled over to MGS and short term bills. Already, foreign holdings of MGS for June reached a new high at RM91.6 billion (33% of outstanding MGS). Foreign holdings will be higher again in the coming months which shall lend support to the market.

The Fund's yield and duration stood at 4.64% and 0.39 years. The Fund's exposure to single-A papers stood at 41.81% while liquidity stood at 34.03%.

Since this is a buy-and-hold portfolio, there is no activity for the portfolio during the month.

**RATING COMPOSITION\* as at 31 July 2011**

\* as percentage of NAV. Please note that asset exposure for the Fund is subject to frequent change on a daily basis.

**FUND HISTORICAL PRICE as at 31 July 2011**

Month	1 m	3 m	6 m	9 m	12 m
NAV per unit (RM)	1.0440	1.0356	1.0281	1.0534	1.0428

\*Source : Lipper

The value of units may go down as well as up. Past performance is not indicative of future result.

**LARGEST HOLDINGS\* as at 31 July 2011**

RHB Capital Berhad	19.20%
Berjaya Land Berhad	18.60%
Run Holdings SPV Berhad	9.50%
WCT Berhad	7.10%
Bandar Raya Development Berhad	4.00%
KMCOB Capital Berhad	3.50%
Prai Power Sdn Bhd	2.10%
Alam Maritim Resources Berhad	2.00%

\*as percentage of NAV

**FUND DETAILS as at 31 July 2011**

NAV (31 July 2011)	RM 1.0477
Fund Size (31 July 2011)	RM 254.63 million
Units in Circulation (31 July 2011)	243.03 million
Fund Currency	Ringgit Malaysia
Fund Launched	23 October 2009
Offer Price at Launch	RM 1.0000
Annual Fee	Nil

Trustee Fee	Up to 0.08% p.a. of the NAV of the Fund, subject to minimum fee of RM18,000 p.a.
Initial Charge	2.00% of NAV per unit
Redemption Payment	Withdrawal requests can be made every Wednesday (if Wednesday is a public holiday, the next Business Day) before 4:00 p.m. by completing a transaction form. If the transaction form is accepted, it will be processed at the open of the next Business Day and withdrawal proceeds will be paid within 10 days.
Investment Manager	AmInvestment Management Sdn Bhd
Distribution Frequency	Income distribution is paid at least once every year
Min. Initial Investment	RM 5,000
Min. Additional Investment	RM 5,000

Note: Source of the Fund's information from AmInvestment Services Bhd.

The information contained in this promotional material is general information only and does not take into account your individual objectives, financial situations or needs. You should seek your own financial advice from an appropriately licensed adviser before investing. We recommend that you read and understand the contents of the AmMutual Prospectus for AmConstant 11/11 dated 23 October 2009 that is registered with the Securities Commission, who takes no responsibility for its contents. For copies of the prospectus, visit us at our nearest representative office. You should be aware that investments in unit trust funds carry risks. The specific risks of the Fund are credit risk, interest rate risk and counterparty risk. Unit prices and income distribution, if any, may go down as well as up. Past performance of a fund is not indicative of future performance. Please consider the fees and charges involved before investing. Units will be issued upon receipt of completed application form accompanying the prospectus and subject to terms and conditions therein. AmInvestment Services Berhad does not guarantee any returns on the investments. In the event of any dispute or ambiguity arising out of the other language translation in this leaflet, the English version shall prevail.