



# PRU *bond fund*

**July 2011**

## Objective

Seeks to provide investors with a steady stream of income returns by investing principally in a portfolio of investment-grade fixed-income securities with exposure in non-investment grade fixed-income securities which yield above average returns.

## Investor Profile

- seek a steady income stream
- have a low to medium risk tolerance
- medium term investment horizon

## Investment Strategy

Invest in a portfolio of fixed income securities.

## FUND DETAILS (as at 30 June 2011)

Launch Date	: 29 May 2001
Unit NAV	: RM0.6199
Fund Size	: RM100,710,451.50
Annual Management Fee	: 1.0% of NAV
Annual Trustee Fee	: 0.08% of NAV subject to a minimum of RM30,000 p.a
Initial Service Charge	: NIL
Distribution Frequency	: It is intended that the Fund will distribute income at least once a year, subject to availability of income
Redemption Payment Period	: 10 days
Fund Manager	: Prudential Fund Management
Minimum Initial Investment (Lump Sum)	: RM1000*
(Regular)	: RM500*
Minimum Subsequent Investment	
(Lump Sum & Regular)	: RM100*

\* or such amount we may from time to time decide

## MANAGER'S COMMENTS

May Consumer Price Index (CPI) hit a two-year high at 3.3% yoy, driven mainly by an increase in the prices of food and non alcoholic beverages.

There were two sovereign bond auctions in June. RM4billion of 10 year MGS garnered a bid-to-cover ratio of 2.35 times at an average yield of 3.97% whilst the RM2 billion of 20 year MGS auction garnered a better bid-to-cover ratio of 2.52 times at an average yield of 4.23%.

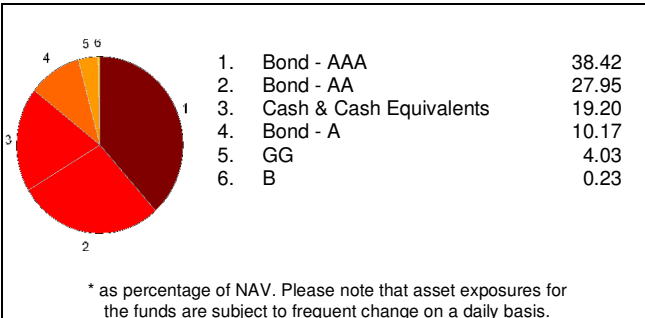
Month-on-month, 3-, 5- and 10-year sovereign bond yields fell across all tenors by 6bps, 5bps and 7bps to close at 3.24%, 3.51% and 3.93% respectively.

Trading in corporate bonds remains largely in selected quasi-government, AAA-rated and AA-rated bonds.

## INCOME DISTRIBUTION HISTORY

Date of Distribution	Gross Distribution per unit (RM)	Distribution Yield (%)
06.12.2007	0.0200	3.33
20.11.2006	0.0200	3.46

## SECTOR ALLOCATION\*(as at 30 June 2011)



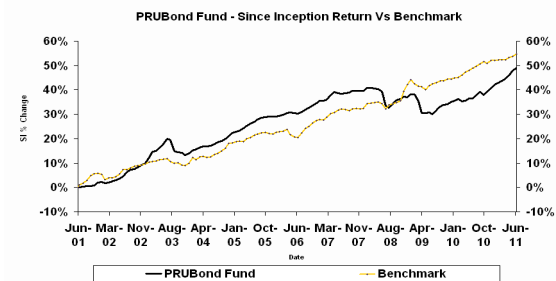
## LARGEST HOLDINGS\* (as at 30 June 2011)

Special Port Vehicle Bhd	25.07
Malakoff Corporation Bhd	7.09
Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd	5.60
ADCB Finance (Cayman) Ltd	5.17
RHB Bank Bhd	5.16
AM Bank Bhd	5.15
Export-Import Bank of Korea	5.11
Pengurusan Air Spv Bhd	4.03
Jimah Energy Ventures Sdn Bhd	3.57
Ample Zone Bhd	3.08

\*as percentage of NAV

## FUND PERFORMANCE

**Total returns of the following period ended 30 June 2011**  
Cumulative return over the period (%)



	1mth	6mths	1yr	3yrs	5yrs
Fund	0.67%	4.78%	9.08%	11.79%	14.31%
B'mark*	0.58%	1.70%	3.98%	17.08%	28.44%

\* RAM qs MGS (Medium)

Performance figures are sourced from Lipper Hindsight 5 and RAM quant shop MGS Bond Index, 30 June 2011

We recommend that you read and understand the Prudential Master Prospectus before investing. To invest, obtain a current Master Prospectus & Application Form from the head office of Prudential Fund Management Berhad or any approved distributor. A copy of the Prudential Master Prospectus dated 15 July 2010 and Supplemental Master Prospectus dated 1 October 2010 have been registered and lodged with the Securities Commission, who takes no responsibility for its contents. There are fees and expenses involved in investing in the funds. We suggest that you consider these charges carefully prior to making an investment. Past performance and income distributions are not guaranteed and may not be reflective of future performance and income distributions. Unit prices and income distributions, if any, may fall and rise. In the event that there is a discrepancy of information between the fact sheet and the prospectus, the information in the Prospectus shall prevail.