

## **PressRelease**

14 April 2009

AmInvestment Bank Group launches its bond fund, AmConstant Extra  
AmInvestment Bank Group's Funds Management Division recently launched AmMutual's latest close-ended bond fund, AmConstant Extra.

AmConstant Extra aims to provide consistent returns above the prevailing fixed deposit rate at the Commencement Date of the investment of the Fund as well as regular income during the tenure of the Fund.

The Fund will be investing up to 99% of the Fund's net asset value in Malaysian Government Securities, local bonds carrying a minimum "BBB" rating by Rating Agency Malaysia Berhad (RAM) or its Malaysian Rating Corporation Berhad (MARC) equivalent at the time of investment, foreign bonds and USD convertible bonds which are rated or unrated and other permissible investments allowed under the Deed. The Fund will hold a minimum of 1% in liquid assets to meet liquidity requirements.

The Fund adopts a buy and hold strategy whereby instruments purchased will be held until the Maturity Date, or before maturity at the Put Date or the Call Date, where appropriate. This strategy aims to minimize volatility while preserving the Fund's capital, provided investors hold the units until maturity. The Fund has an early termination feature where it may be terminated at the Manager's discretion when it reaches a total return of 30%.

"This new close-ended bond fund, AmConstant Extra is the fourth fund under the AmConstant series. The launch is timely amidst the declining interest rates. When interest rates drop, close-ended bond funds lock-in potentially higher returns compared to the falling fixed deposit rates when held till maturity," said Datin Maznah Mahbob, Chief Executive Officer, Funds Management Division, AmInvestment Bank Group.

The Fund is suitable for investors seeking potentially better returns than bank fixed deposit rates over a three-year investment period, and to participate in a collective investment scheme that provides lower risk than equities. It is also for investors seeking for exposure to offshore bonds and convertibles that potentially offer higher yield than onshore bonds. Last but not least, the Fund is for investors who want to preserve their capital by investing in fixed income investments and are risk averse.

AmConstant Extra has an approved fund size of 200 million units. The Fund is offered to the public at the price of RM1.00 per unit, during the offer period of 45 days, from 1 April to 15 May 2009. The minimum and subsequent investment amount is RM5,000.

This Fund is sold across different distribution channels. They are AmBank branches, AmBank Wealth Management, AmPrivate Banking and our authorised Institutional Unit Trust Advisers (IUTAs) which include HSBC, Standard Chartered Bank, CIMB Bank and EON Bank.

### **About AmMutual**

To date, there are 44 unit trust funds marketed under our retail brand, AmMutual and two exchange-traded funds under AmInvestment Bank Group. These funds include Malaysia's series of \*firsts in the unit trust industry, such as the first cash

management trust, the first bond and equity exchange-traded fund, the first global Islamic equity fund, the first agribusiness fund as well as the first precious metals fund.

The total assets under the management of AmMutual funds, together with two exchange-traded funds and discretionary mandates, were RM16 billion as at 31 March 2009.

\* Source : Lipper-Hindsight as at 31 March 2009.

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