

PressRelease

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AmIttikal declares income distribution for unitholders

AmIslamic Funds Management's AmIttikal has declared on 15 March 2010 an interim income distribution of 1.0 sen per unit for financial year ending September 2010 for its unitholders. The income distribution represented a yield of 1.89% investment return based on the net asset value (NAV) per unit of RM0.53 as at 30 September 2009.

Being an Islamic equity fund, AmIttikal is designed as a medium to long-term investment with the objective of producing a "halal" income and to a lesser extent capital growth. The fund has active tactical asset allocation which gives it the flexibility to take on a defensive position with debt securities during market uncertainties.

As at 28 February 2010, AmIttikal delivered a one-year return of 32.4%,* outperforming the fund's benchmark** by 25.3%.

Encik Mohd Fauzi Mohd Tahir, Executive Director/Head of Equities, AmIslamic Funds Management Sdn Bhd views the market as merely going through a correction, not being a renewed bear market.

"Moving forward, there are risks at this juncture. We view that equity prices are likely to go higher after a period of volatility, provided the United States economic recovery does not stall, a massive real estate bubble burst with devastating consequences does not occur in China and the Greek debt crisis does not spiral out of control leading to contagion effects on Portugal, Spain and Ireland," he said.

"The catalyst will be earnings revision momentum continuity as valuations are at neutral levels now. However, earnings revision for fiscal year 2010 has been positive and encouraging so far. Earnings revision alone does not in itself drive markets. However, our base case is premised on a global economic recovery and continuity (although it will be sub-par) and hence we believe that earnings delivery for 2010 will be achieved and price performance will follow earnings growth expectation for fiscal year 2011 without any price per earnings," he continued.

There are 47 unit trust funds marketed under the brand name of AmMutual (for conventional funds) and AmIslamic Funds Management (for Shariah funds). The total assets under the management of AmMutual and AmIslamic Funds Management funds, together with two exchange-traded funds and discretionary mandates, were RM20 billion as at 28 February 2010.

Source:

* Lipper Hindsight as at 28 February 2010

** Maybank 12 months Islamic General Investment Account plus 3% spread

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