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Malaysia's First Equity and Bond ETFs declare Income Distributions

Malaysia's first exchange-traded funds¹ ("ETFs"), namely FTSE Bursa Malaysia KLCI etf ("FBM KLCI etf") and ABF Malaysia Bond Index Fund ("ABF Malaysia") have respectively declared interim income distributions of 0.50 sen per unit and 1.75 sen per unit for their financial year ending 31 December 2013. FBM KLCI etf and ABF Malaysia are both managed by AmInvest which has been at the forefront in market innovation, pioneering and managing notable "firsts" in the market across a broad spectrum of asset classes.

FBM KLCI etf, listed on Bursa Malaysia, is designed to follow the performance of its benchmark index, FTSE Bursa Malaysia KLCI (FBM KLCI). The benchmark index can be seen as representing the barometer of our local stock market, which comprises stocks of Malaysia's top 30 largest companies in terms of market capitalisation. Thus, investors can get easy access and exposure to a diversified portfolio of Malaysian large cap and blue chip stocks simply by investing into a single unit of FBM KLCI etf.

FBM KLCI etf's performance for the past year reflects a gain of 13.78%², while since launch in 2007, the Fund has given returns of 48.39%³, or annualised returns of 6.75%³ each year.

ABF Malaysia, listed on Bursa Malaysia, follows the performance of Markit iBoxx®ABF Malaysia Bond Index. ABF Malaysia effectively buys into a portfolio of mainly Malaysian government bonds. The Fund gained 3.12%⁴ over one year, while since its launch in 2005, the Fund has provided returns of 34.60%⁵, which translates to 3.81%⁵ annually.

"Many Malaysian investors are not aware of the existence of ETFs and how it can be beneficial to their investment portfolio. ETFs with exposure to a broad-based market make diversification and asset allocation easy for investors. Compared to actively managed funds that generally have the objective of outperforming their respective benchmarks, ETFs have lower management fees, thus effectively making it cheaper for investors to invest into ETFs. As most investors do not have the experience or sophisticated knowledge to succeed in today's market volatility, ETFs would meet the basic objective of investing on autopilot," said Datin Maznah Mahbob, Chief Executive Officer, AmInvest.

AmInvest has been acknowledged for its capabilities on the Asian and international front. Earlier this year, AmInvest clinched the most prestigious award in the Malaysian funds management industry at The Edge-Lipper Malaysia Fund Awards 2013, the Best Overall Fund Group⁶ award. This award recognises AmInvest's consistent outperformance across asset classes. Recently, AmInvest received top honours as Investment Management Company of the Year for Malaysia from World Finance⁷ for the second consecutive year and Asset Management Company of the Year from The Asset⁸ for the fourth consecutive year.

For further details on FBM KLCI etf and ABF Malaysia Bond Index Fund, please visit www.fbmklcietf.com.my or www.abfmy1.com.my.

Sources

- 1 Bursa Malaysia, extracted from <http://www.bursamalaysia.com/market/securities/equities/products/exchange-traded-funds-etfs/>, data extracted 24 June 2013
- 2 Lipper Investment Management, for the period 19 June 2012 to 19 June 2013, based on total returns, income reinvested, data extracted 24 June 2013
- 3 Lipper Investment Management, for the period 7 June 2006 to 19 June 2013, based on total returns, income reinvested, data extracted 24 June 2013
- 4 Lipper Investment Management, for the period 20 June 2012 to 20 June 2013, based on total returns, income reinvested, data extracted 24 June 2013
- 5 Lipper Investment Management, for the period 13 July 2005 to 20 June 2013, based on total returns, income reinvested, data extracted 24 June 2013
- 6 The Edge-Lipper Malaysia Fund Awards 2013, February 2013
- 7 World Finance Investment Management Awards 2013, May 2013
- 8 The Asset Triple A Asset Servicing, Fund Management and Investor Awards 2013, May 2013

About AmInvest

AmInvest is the new brand for the funds management business of AMMB Holdings Berhad which manages both conventional and Shariah-compliant funds. It is one of the leading fund management houses in Malaysia and has approximately RM34.4 billion assets under management (AUM) as at 30 June 2013. *

To date, AmInvest manages 82 unit trust funds encompassing both conventional funds and Shariah-compliant funds.**

AmInvest has an award-winning track record spanning more than three decades which includes Best Overall Fund Group by The Edge Lipper Malaysia Fund Awards 2013.

* *Lipper Investment Management, AmInvestment Services Berhad, AmInvestment Management Sdn Bhd and AmIslamic Funds Management Sdn Bhd as at 30 June 2013*

** *AmInvestment Services Berhad as at 30 June 2013*

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