



Investment Linked Fund Fact Sheets Dec 2012

General Advice Warning

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Past performance is not a reliable indicator of future performance

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MCIS Zurich Investment Linked – ASIAPAC Fund Monthly Report (Dec 2012)

Investment Objective

To achieve steady income stream with potential growth in the Asia Pacific Region over medium to long term. The aim of the Fund is to outperform the S&P Ethical Pan Asia Select Dividend Opportunities Index over periods of five or more years.

Investment Strategy

To invest in Asia Pacific Ethical Dividend Exchange Traded Fund (ETF), managed by CIMB Principal Asset Management where the ETF is listed on the Singapore Stock Exchange.

The ETF focuses on top 40 ethical and high yielding stocks in the Asia Pacific Region excluding India, Taiwan, Japan, New Zealand and Philippines. The fund provides country diversification across the industry that is traded in US Dollar.

Risks

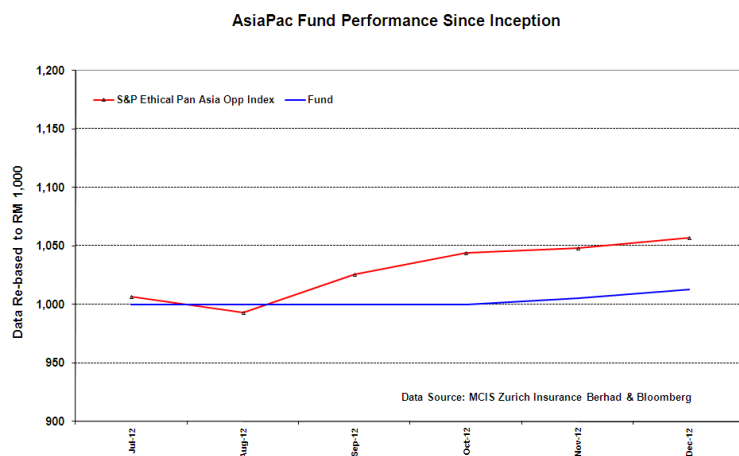
The Fund is considered low risk given the exposure to only one underlying securities with no attempt to select stocks individually or to take defensive positions in declining markets. Risk is managed at the management level, where the asset allocation of the fund to be reviewed on regular basis, and adjusted to commensurate with the Investment Team view on the relative attractiveness of each asset class.

The following factors can potentially affect the value of the Fund; economic and political developments in related countries, foreign exchange fluctuation, illiquid and inefficient securities in the Emerging Markets, and the financial performance of the underlying companies.

The target market is for investors who are seeking regional exposure from investment and at the same time, seeking for medium to long term capital appreciation with moderate market risk.

Fund Performance

For the month ended December 2012, the fund had underperformed the benchmark by 6bps MoM (month on month).



Top Five Holdings

Asia Pacific Ethical Dividend Exchange Traded Fund (ETF)

Fund Information

NAV (31.12.12)	RM0.5065
Fund Size	RM 19.9 million
Inception Date	15-July-2012
Fund Management Fee	0.85% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mciszurich.com.my
Fund Manager	MCIS Zurich Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
ETF	80%	100%	87%
Cash	0%	20%	13%

Performance Table

Period	Fund	Index*
1 month (%)	0.76%	0.82%
3 months (%)	1.30%	3.02%
6 months (%)	-	-
12 months (%)	-	-
2 years (% pa)	-	-
3 years (% pa)	-	-
5 years (% pa)	-	-
Since Inception	2.62%	11.72%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS Zurich and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is S&P Ethical Pan Asia Select Dividend Opportunities sourced from Bloomberg.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

MCIS Zurich Investment Linked - Dividend Fund Monthly Report (Dec 2012)

Investment Objective

To achieve steady income stream with potential for capital growth over medium to long term by focusing mostly on high dividend yielding stocks and money market instruments. The aim of the Fund is to outperform the FBM KLCI Index over periods of five or more years.

Investment Strategy

To invest in a broad selection of companies listed on the Malaysian Stock Exchange. Using a relative value methodology, the fund focuses on undervalued stocks relative to fundamental value, with the aim of achieving an income stream, together with some degree of long-term capital gains.

Risks

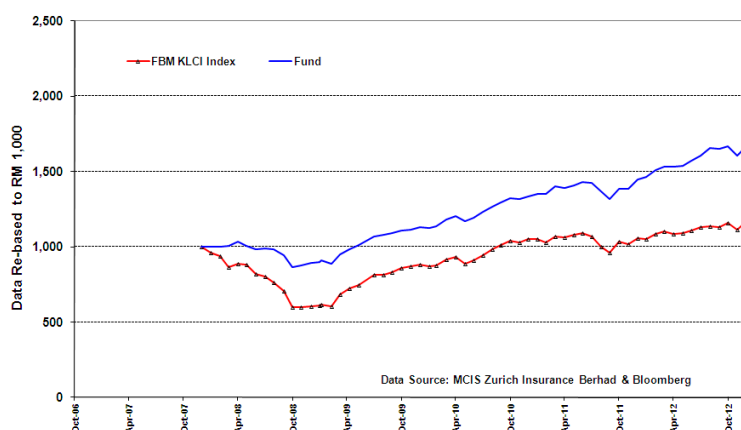
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended December 2012, the fund had underperformed the benchmark by 102bps MoM (month on month). The lower performance shown was mainly driven by lower exposure of outperforming stocks in the portfolio.

Dividend Fund Performance Since Inception



Top Five Holdings

Telekom Malaysia Berhad
Petronas Gas Berhad
Public Bank Berhad
Sime Darby Berhad
Maxis Berhad

Fund Information

NAV (31.12.12)	RM0.7919
Fund Size	RM 47.6 million
Inception Date	21-Jan-08
Fund Management Fee	1.5% p.a.
Pricing	Daily
	Major Newspaper, or
Price Quote	http://www.mciszurich.com.my
Fund Manager	MCIS Zurich Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	81%
Cash	0%	20%	19%

Performance Table

Period	Fund	Index*
1 month (%)	3.83%	4.85%
3 months (%)	1.01%	3.19%
6 months (%)	6.01%	5.62%
12 months (%)	15.24%	10.34%
2 years (% pa)	11.74%	5.45%
3 years (% pa)	13.89%	9.89%
5 years (% pa)	10.76%	3.17%
Since Inception	10.76%	3.17%
Yield #	2.93%	3.53%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS Zurich and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is FBM KLCI sourced from Bloomberg. # Yield data is sourced from Bloomberg, and MCIS Zurich.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

MCIS Zurich Investment Linked - Equity Fund Monthly Report (Dec 2012)

Investment Objective

The objective of the Equity Fund is to achieve capital growth over the medium to long term by focusing on high quality equities listed on the FBM KLCI Index. The aim of the Equity Fund is to outperform the Index over periods of five or more years.

Investment Strategy

To invest in a broad selection of companies listed on the Malaysian Stock Exchange. Using a relative value methodology, the fund focuses on the stocks whose shares appear undervalued relative to fundamental value, with the aim of achieving long term growth in capital value.

Risks

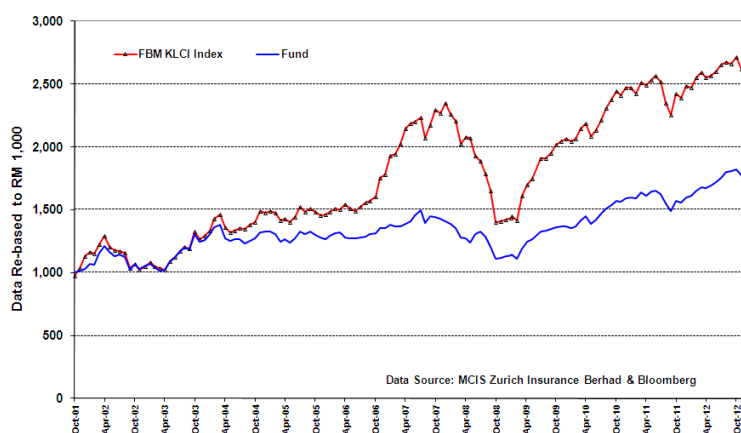
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended December 2012, the fund had underperformed the benchmark by 227bps MoM (month on month). The lower performance shown was mainly due higher exposure of underperforming stocks in the portfolio.

Equity Fund Performance Since Inception



Top Five Holdings

Tenaga Nasional Bhd
Public Bank Berhad
Malayan Banking Berhad
Sime Darby Berhad
Petronas Dagangan Berhad

Fund Information

NAV (31.12.12)	RM0.9097
Fund Size	RM 8.0 million
Inception Date	15-Oct-01
Fund Management Fee	1.40% p.a.
Pricing	Daily
	Major Newspaper, or
Price Quote	http://www.mciszurich.com.my
Fund Manager	MCIS Zurich Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	85%
Cash	0%	20%	15%

Performance Table

Period	Fund	Index*
1 month (%)	2.58%	4.85%
3 months (%)	0.80%	3.19%
6 months (%)	5.74%	5.62%
12 months (%)	13.80%	10.34%
2 years (% pa)	7.02%	5.45%
3 years (% pa)	9.90%	9.89%
5 years (% pa)	5.23%	3.17%
Since Inception	5.46%	9.39%
Yield #	2.79%	3.53%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS Zurich and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is FBM KLCI sourced from Bloomberg. # Yield data is sourced from Bloomberg, and MCIS Zurich.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

MCIS Zurich Investment Linked - Jati Fund Monthly Report (Dec 2012)

Investment Objective

The Jati Fund is invested in accordance with Shariah principles in Shariah sanctioned equities, money market instruments, and fixed income investments. The aim is to provide security and income, while maintaining and potentially increasing the value of capital over the medium to long-term. The Jati Fund is not a takaful product.

Investment Strategy

To invest in a broad selection of Shariah approved securities listed on the Malaysian Stock Exchange. Using a relative value methodology it looks to buy stocks whose shares appear undervalued relative to fundamental value, with the aim of achieving an income stream, together with some degree of long-term capital gains.

Risks

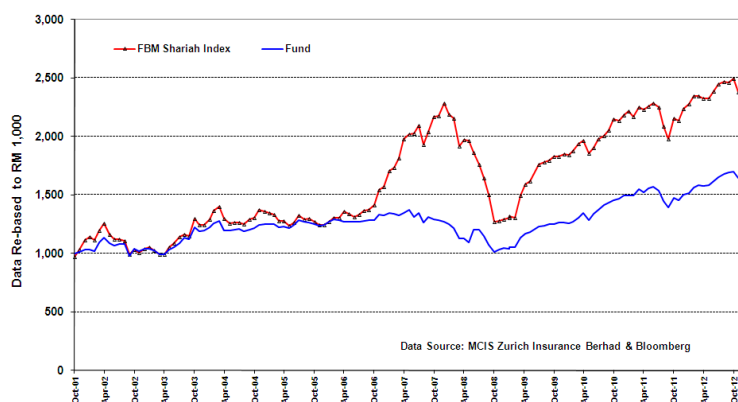
The Fund is considered high risk given the exposure to equity securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended December 2012, the fund had underperformed the benchmark by 85bps MoM (month on month). The lower performance shown was mainly driven by lower exposure of outperforming stocks in the portfolio.

Jati Fund Performance Since Inception



Top Five Holdings

Axiata Berhad
Telekom Malaysia Berhad
Sime Darby Berhad
MyETF Dow Jones Islamic Market Malaysia Titans 25
Tenaga Nasional Bhd

Fund Information

NAV (31.12.12)	RM0.8578
Fund Size	RM 8.4 million
Inception Date	15-Oct-01
Fund Management Fee	1.35% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mciszurich.com.my
Fund Manager	MCIS Zurich Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	80%	100%	80%
Cash	0%	20%	20%

Performance Table

Period	Fund	Index*
1 month (%)	4.29%	5.14%
3 months (%)	1.24%	1.58%
6 months (%)	5.93%	4.70%
12 months (%)	14.21%	11.85%
2 years (% pa)	7.08%	7.02%
3 years (% pa)	10.64%	10.63%
5 years (% pa)	6.15%	1.81%
Since Inception	4.91%	8.49%
Yield #	2.26%	3.56%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS Zurich and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is FBMS Index sourced from Bloomberg. # Yield data is sourced from Bloomberg, and MCIS Zurich.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

MCIS Zurich Investment Linked - Balanced Fund Monthly Report (Dec 2012)

Investment Objective

The objective of the Balanced Fund is to provide security and income, while maintaining and potentially increasing the value of capital over the medium to long-term, through exposure across a range of asset classes. The Fund aims to outperform the performance benchmark over periods of three or more years.

Investment Strategy

To invest in Malaysian equities and fixed income securities, including government bonds and corporate debt securities. The asset allocation is reviewed on a regular basis, and is adjusted commensurate with our view on the relative attractiveness of each asset class.

Risks

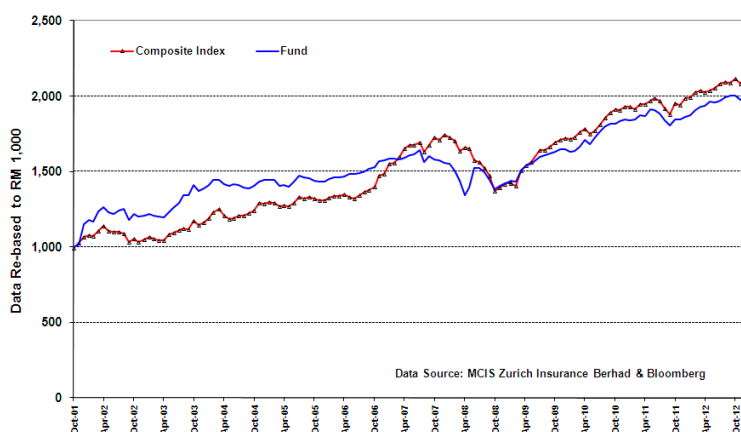
The Fund is considered medium risk given the mixed exposure of equity securities, fixed income and cash. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, industry and economy development, social and political factors, and the liquidity of the underlying assets. Additionally, levels of interest rates, and credit downgrades of defaults can affect the value of fixed income securities

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended December 2012, the fund had underperformed the benchmark by 125bps MoM (month on month). The lower performance shown was mainly driven by lower exposure of outperforming securities in the portfolio.

Balanced Fund Performance Since Inception



Top Five Holdings

CIMB Subordinated Debt (Bond)
Projek Lebuhraya Usahasama Berhad (Bond)
Bank Pembangunan Malaysia Berhad (Bond)
Kuala Lumpur Kepong Berhad (Bond)
Maybank Berhad (Equity)

Fund Information

NAV (31.12.12)	RM1.0017
Fund Size	RM6.5 million
Inception Date	15-Oct-01
Fund Management Fee	1.25% p.a.
Pricing	Daily
	Major Newspaper, or
Price Quote	http://www.mciszurich.com.my
Fund Manager	MCIS Zurich Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Malaysian Equity	40%	60%	39%
Fixed Income	40%	60%	42%
Cash	0%	20%	19%

Performance Table

Period	Fund	Index*
1 month (%)	1.36%	2.61%
3 months (%)	0.12%	2.24%
6 months (%)	2.41%	3.80%
12 months (%)	7.58%	7.38%
2 years (% pa)	4.27%	5.18%
3 years (% pa)	6.78%	7.44%
5 years (% pa)	5.14%	4.14%
Since Inception	6.37%	6.97%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS Zurich and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is composite of 50% FBM KLCI Index, and 50% HSBC Malaysia All Bond FBM KLCI Index. Index data sourced from Bloomberg.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

The NAV per unit of the Fund is the total market value of assets in the Fund divided by the total number of units of the Fund. Transaction costs, taxes and applicable fees are provided for in the net asset value.

MCIS Zurich Investment Linked - Income Fund Monthly Report (Dec 2012)

Investment Objective

The objective of the Income Fund is to provide investors with security of income by investing in a mix of fixed income and fixed deposit securities. The aim of the Fund is to outperform the HSBC Malaysia Local Currency All Bond Total Return Index.

Investment Strategy

To invest into underlying asset classes as per the Asset Allocation Ranges. The asset allocation is reviewed on a regular basis, and is adjusted commensurate with our view on the relative attractiveness of each asset class. The Fund invests in cash and fixed income securities including government bonds and corporate debt securities.

Risks

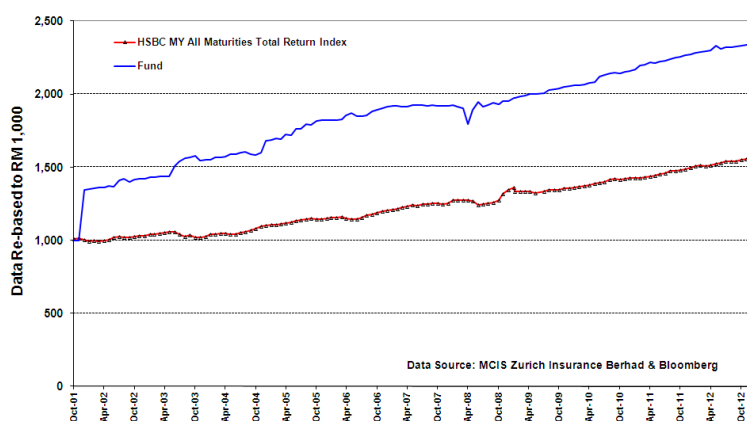
The Fund is considered lower risk given the exposure to cash and fixed income securities. The following factors can potentially affect the value of the Fund; consumer sentiment, financial performance of the underlying companies, the performance of the industry and economy, and the share market in general, social and political factors, and the liquidity of the underlying assets. Additionally, levels of interest rates, and credit downgrades or defaults can affect the value of fixed income securities.

The target market is clients wanting the surety of insurance protection, with an element of potential upside investment exposure.

Fund Performance

For the month ended December 2012, the fund had underperformed the benchmark by 20bps MoM (month on month). The lower performance shown was mainly driven by higher exposure of underperforming securities in the portfolio.

Income Fund Performance Since Inception



Top Five Holdings

Cagamas Berhad
Projek Lebuhraya Usahasama Berhad
CIMB Berhad
Telekom Berhad
Bank Pembangunan Malaysia Berhad

Fund Information

NAV (31.12.12)	RM1.1710
Fund Size	RM 22.3 million
Inception Date	15-Oct-01
Fund Management Fee	0.5% p.a.
Pricing	Daily
Price Quote	Major Newspaper, or http://www.mciszurich.com.my
Fund Manager	MCIS Zurich Insurance Berhad
Exceptional Circumstances	Refer to your Policy Document

Asset Allocation Ranges

Asset Class	Min	Max	Current Actual
Fixed Income	75%	100%	92%
Cash	0%	25%	8%

Performance Table

Period	Fund	Index*
1 month (%)	0.16%	0.36%
3 months (%)	0.72%	1.19%
6 months (%)	1.40%	1.92%
12 months (%)	3.18%	4.34%
2 years (% pa)	4.14%	4.61%
3 years (% pa)	4.43%	4.78%
5 years (% pa)	4.03%	4.50%
Since Inception	7.86%	4.03%

Notice: Past performance is not indicative of future performance, and the performance of the Fund is not guaranteed.

The Fund returns are calculated by MCIS Zurich and based on the value of the NAV, and for periods greater than 12-months are annualised numbers. Actual returns of the Fund are on a net basis (gross of tax and net of fees) and based on the performance of the Fund, and not the returns earned on the actual premiums/ contributions paid for the product.

* Index is HSBC Malaysia All Bond FBM KLCI Index, sourced from Bloomberg.

Other Charges: Switching Fee, you are entitled to four free switches per policy year. Additional switches within the same year will be charged at 1% of the value of units switched, subject to a maximum of RM 50; and all taxes, duties and other charges incurred in the purchase, sale, valuation and maintenance of the investments of the Fund.

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Equity Market Review and Outlook

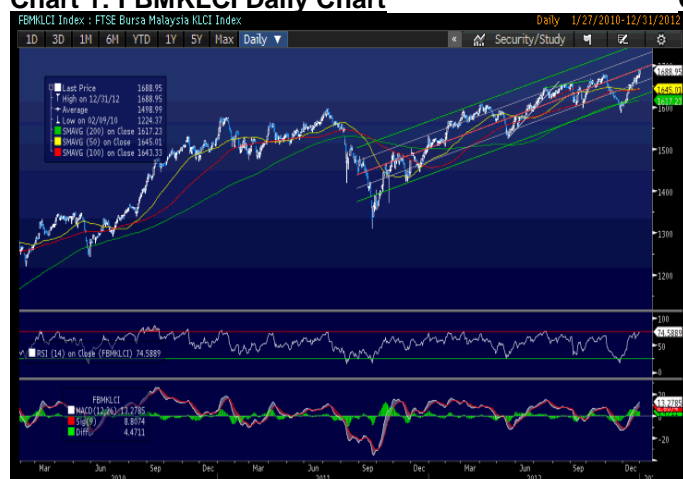
Market Review

As expected, the month of December proved to be an excellent month for the equity market due to window dressing activities. The FBM KLCI finished 2012 with an all-time high of 1,688.95pts, an increase of 4.8% MoM. The broader market underperformed the FBM KLCI as the FBM EMAS rose by a smaller 4.2% to 11,438pts. Meanwhile, the average daily volume for December decreased by 23.8% mom to 807.0mil shares compared to 1,059.4mil shares in November. Within 6 months, average daily volume was 1,061.6 shares.

According to MIDF Equities Research, foreign funds bought more than RM13.50bil of Malaysian equities in 2012, which was 7.1 times the net inflow of RM1.9bil in 2011.

On the local economic front, headline inflation rate remained stable at 1.3% YoY in November, unchanged from the previous two months, after growing at +1.4% in July-August. This was largely due to both the prices of food & non-alcoholic beverages and the core inflation rate remaining stable during the month.

Chart 1: FBMKLCI Daily Chart



Source: Bloomberg

Chart 2: FBMKLCI Monthly Pattern and Cycle Analysis



Source: Bloomberg

Market Outlook & Strategy

Historically, January is a good month for the FBM KLCI with average returns over the past 30+ years of 2.2%. This is mainly due to 1) the January effect, 2) roadshows by broker houses to promote stocks and 3) investors taking new positions for the year. We believe this pattern should hold true for this year too and would recommend to gradually taking profit into strength.

On the global market concern, although Congress approved a deal to avoid the fiscal cliff, we believe issues related to budget problems are far from resolved. Debt ceiling and automatic spending cut are the two major issues that could continue to cast a shadow of uncertainty. As such, we remain cautious on the global outlook in 1Q13.

The new high of FBMKLCI above 1, 679, suggesting that wave is still ongoing. The next potential resistance is around the 1,700 levels. Due to the multiple bearish divergence signals on its indicators, current rally is likely at its tail end. Further upside is possible but we are cautious.

Given the mixed outlook, we maintain our minimum exposure of the equity market. We continue to be defensive and focusing more on high dividend yield stocks as a cushion to any negative returns on the market.

Fixed Income Review and Outlook

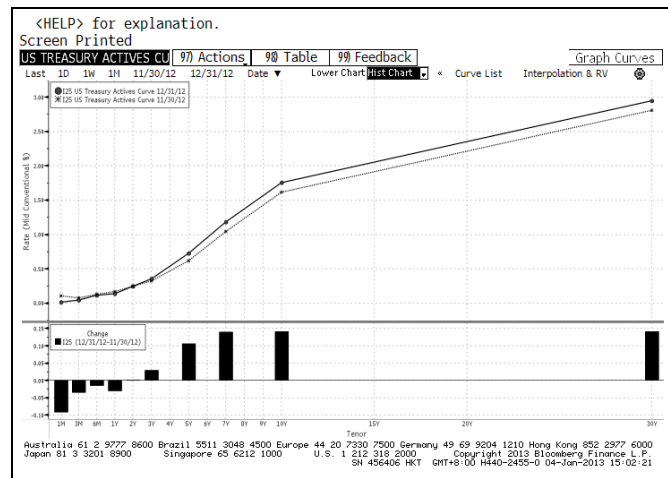
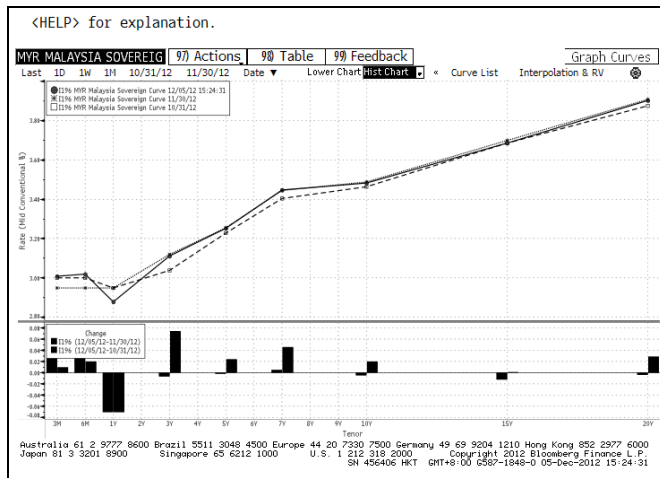
Malaysian Government Bonds posted gains in December 2012, partially reversing the prior month's losses along the bellies of the yield curve. Along the shorter dated 3-year MGS, there was apparently very firm trading with the benchmark ending the year at 2.99% or just a tad lower than the existing Overnight Policy Rate (OPR) at 3.00%.

The gains along the MGS space came amidst a mixed set of domestic economic data releases. Malaysia's exports reversed to decline by 3.2% YoY in October from +2.6% YoY in September, partly deflated by a high base effect as exports rose to its highest level in October 2011. Elsewhere, headline inflation held steady at +1.3% YoY in November 2012, for the third month in a row, partly aided by high-base effects a year-ago. Core inflation slowed to 1.0% from 1.1% in October, allaying worries about demand price pressures. During the period January- November 2012, headline inflation remained low at 1.7% against 3.2% in the same period a year ago.

The month of December saw two bond auctions from the government. These include a RM2.0 billion reopening of the 15-year GII which saw firm demand with a bid-to-cover ratio of 2.145 times and yield of 3.866%. Bank Negara also conducted the final govovies auction of 2012 with the RM3.5 billion sale of the 7-year MGS 3/20. Bid-to-cover was a firm 2.077 times whilst yield averaged 3.476%.

US Treasuries weakened on heightened inflationary prospects post the final FOMC meeting of 2012 and raised hopes that US leaders in the White House and Capitol Hill will strike a deal to avert the fiscal cliff situation by end December 2012. Treasuries were additionally pressured as macro numbers were increasingly bullish. According to the Labor Department, non-farm payrolls in November rose by 146k in contrast to an increase of just 85k in an earlier consensus. Meanwhile, the unemployment rate in November remained below 8.0% at 7.7%. Late in the month, the US 3Q2012 GDP growth was revised higher to 3.1% from +2.8% in an earlier estimate.

At the FOMC meeting, the Fed decided to implement a new bond buying program worth \$45 billion per month of longer-term Treasuries. The Fed will also maintain its existing program to buy \$40 billion a month of mortgage-backed securities. Policymakers added they will hold rates close to zero whilst unemployment remains above 6.5%, but as long as inflation does not exceed 2.5%.



Market Outlook & Strategy

Based on the last Monetary Policy Committee (MPC) in November and the new government securities auction calendar for 2013 in December, we would conclude that the current dynamics are still supportive to the Malaysian bond market. We are still maintaining our strategy of buying into dips of MGS or PDS, as fundamentally, growth momentum in most economies have remained uneven and sporadic.