

Aims to provide steady and attractive income and moderate growth in the medium to long term by investing in a portfolio of Malaysian and foreign securities.

This Fund is suitable for investors who are seeking a steady and attractive income stream and a moderate level of growth in the medium to long term.

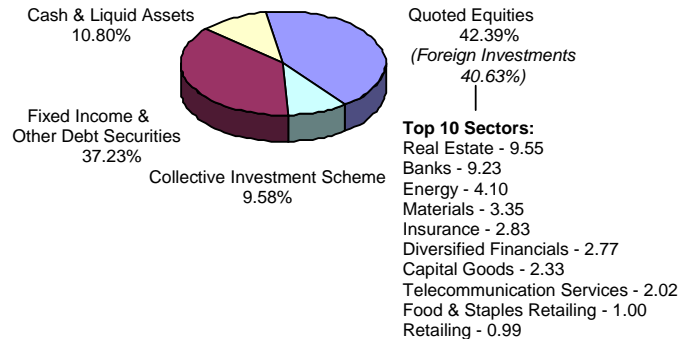
MANAGER'S COMMENTS

- The equity allocation of Pacific AsiaPac Income Fund increased to 50.11% from 48.27% in the previous month. Rising fears of a US recession and higher inflation created a volatile environment for Asia Pacific stock markets during the month. While most Asia Pacific stock markets ended lower, both Korea and Thailand, saw encouraging general elections results that boosted stock market performance in the following days.
- The fixed income allocation decreased to 39.09% from 41.15% in the previous month mainly due to net inflow of funds during the period. External financial market woes have kept local trading activities on a cautious mode and further re-pricing of risks. Going forward, inflation expectations will remain the dominant influence on bond prices. Upon stabilisation of fund flows, fixed income weightings accretion exercise will target short duration corporate bonds, as the Manager believes a return to normal pricing of risk is inevitable.
- For the financial year ended 31 December 2007, Pacific AsiaPac Income Fund declared a net distribution of 2.5 sen per unit.

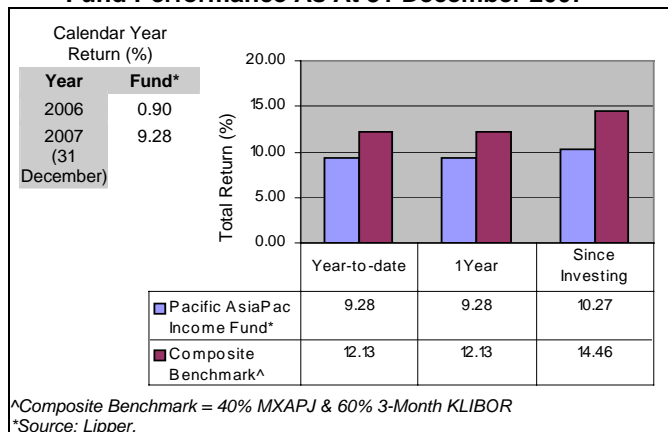
Fund Size (31 December 2007) : RM278 million (556 million units)
 NAV Per Unit (31 December 2007) : RM0.5251cd
 Fund Currency : Ringgit Malaysia
 Fund Inception : 28 November 2006
 Domicile : Malaysia
 Management Fee : 1.50% p.a. of NAV
 Trustee Fee : 0.08% p.a. of NAV
 Dealing : Daily
 Application Fee : 5.00% of NAV per unit
 Redemption Payment Period : 10 days*
 Investment Manager : Pacific Mutual Fund Bhd

* You will be paid within 10 days from the date Pacific Mutual receives the repurchase request.

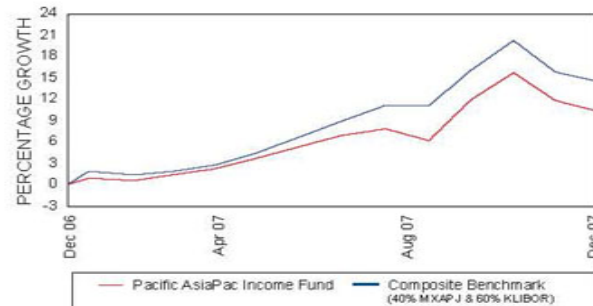
Asset Allocation As At 31 December 2007



Fund Performance As At 31 December 2007



Fund Performance Vs Benchmark (since 28 November 2006 –31 December 2007)*



Jan 97 to Dec 07, performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

*Source: Lipper.

Top 5 Holdings As At 31 December 2007 (% of NAV)

Rio Tinto Limited (AU)	2.04
China Merchants Bank Co., Ltd (HK)	1.61
QBE Insurance Group Limited (AU)	1.57
Commonwealth Bank of Australia (AU)	1.55
Sun Hung Kai Properties Limited (HK)	1.54