

Monthly Fund Fact Sheet as at 30th April 2018

MIDF AMANAH DYNAMIC FUND

May 2018

FUND OBJECTIVE

The objective of the fund is to achieve long-term capital growth through investments in equities with superior growth prospects.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- Are seeking long term capital growth;
- Can tolerate a high level of risks associated with stock market investments.

FUND DETAILS (as at April 30, 2018)

| | |
|---------------------------|----------------------------------|
| Fund Size | RM 2.377 million |
| Unit NAV | RM 0.8588 |
| Fund Inception | 5 May 1976 |
| Financial Year End | 15 th day of March |
| Management Fee | 1.5% p.a. of NAV |
| Trustee Fee | 0.08% p.a. of NAV |
| Initial Service Charge | Up to 5.00% of NAV |
| Redemption Payment Period | Within 10 calendar days |
| Investment Manager | MIDF Amanah Asset Management Bhd |

MANAGER'S COMMENTS

Review

April saw an eventful month as performance of equity markets was rather volatile yet sideways. Trade tensions between U.S. and China were averted for now amid President Xi's speech at the Boao Forum by promising investors on future prospects which managed to soothe market players. However, jitters filled markets again as coalition of U.S., France and the U.K. attacked and destroyed President al-Assad's chemical weapons facilities. Market players were concerned on possible geopolitical confrontation with Russia and Iran, both of which were supporting President Assad with military forces. As a result of possible Syrian war worry and lower supply count, crude oil prices skyrocketed. The spike in oil drove up market expectations of future inflation and led to U.S. Treasuries yields exceeding 3.00% mark which was additionally caused by an anticipated increased supply in Treasury bills to fund President Trump's tax cuts. Meanwhile, Q1 earnings season in the U.S. mostly beat estimates. Nonetheless, market players were not too enthusiastic with the outperformance which was further plagued by weakness in Tech and Consumer stocks. Stock market indices responded lacklustredly with the Dow Jones index rangy. On a separate note, North Korea's Supreme Leader Kim Jong Un offered market good news as he agreed to cultivate diplomatic ties whilst ending his multi-year nuclear and missile tests programme. Shifting the focus back domestically, all eyes were on the election announcements with Parliament dissolution on 7th April followed by GE14 polling to be held on 9th May. Aside from that, Bursa Malaysia implemented intraday short-selling framework for all investors on 16 April and the combination of both spurred excitement for the performance of our local bourse. The FBM KLCI started the month of April at 1,858 points but activity was volatile and choppy with the index witnessing a low of 1,815 before bouncing to a record high of 1,895 on 19 April amid the excitement and later retreat to close at 1,870 points. Our benchmark FBM KLCI managed to bounce a tad by 7 points or 0.4% on a MoM basis. Albeit minimally, it brought about a second consecutive month of gains as our domestic markets observed net foreign buying of RM1.5bn in April.

The broader market continued to be weaker compared to the benchmark KLCI whereby FBM Emas declined by -0.1% MoM for the month of April to close at 13,034 points. The small caps also underperformed vis-à-vis the benchmark KLCI as the FBM Small Cap index fell by -1.9% MoM ending the month at levels of 14,580 points. Overall basis, average daily trading value for April came in at RM2.358bn, falling -4.5% MoM as investors stayed on the sides amid uncertainties surrounding GE14.

Investment Outlook & Strategy

We continue to remain cautious and watchful as global and domestic equity markets were tested again by the spike in U.S. Treasury yields with 10-year yields challenging the all-important 3.00% handle. Nonetheless, major markets seemed to have found support for the time being as largely the U.S-China trade war concerns were averted for now coupled with other good

news including North Korea's progress of complete denuclearization and reaching a peace treaty with South Korea. As for our domestic market, optimism came about upon the election announcements with the local bourse reaching record high which was also buoyed by rising crude oil prices of late. The short-term outlook for the local bourse will be very much dependent on the GE14 outcome of which the expectation of continuation of investors' friendly policies will help instill foreign investors' confidence and provide much needed support for the market to trend upwards. 1Q2018 domestic earnings results in the coming month will also be of focus for investors.

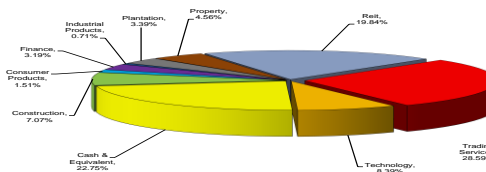
Overall view of the market remains with a continued overweight in equities even during the occasional current market sell down which has loomed the markets off-and-on over the past quarter. A market rebound by 1st half of 2018 including post GE14 period is still very much anticipated particularly if better results are seen for the incumbent in the upcoming GE14. Nonetheless, uncertainties continue to create a volatile and weak market for the time being. Our current short term Tactical Strategy is to cut-losses on underperforming stocks whilst accumulating during times of pullback particularly on undervalued and over-sold stocks. Meanwhile, rebalancing also includes switching to heavily weighted index-linked stocks and selected distressed stocks in the Tech and Construction/Infra space that were sold down indiscriminately. Our average equity asset allocation remains at 85% - 95%.

Nevertheless, our long term focus continues to be in value/growth/defensive driven, high dividend yielders, under-valued, recovery and thematic plays (Banking/Takaful Insurance, Construction/Infra, E-Commerce, Renewable Energy, Technology, IOT, Logistics, REITs, Telco, Tourism & Utilities) that will favourably position the respective portfolios well for the year. Having said that, the priority is to lock in ROI ahead as much as possible on market strength whilst protecting capital via downside risk management.

LARGEST HOLDINGS (as at April 30, 2018)

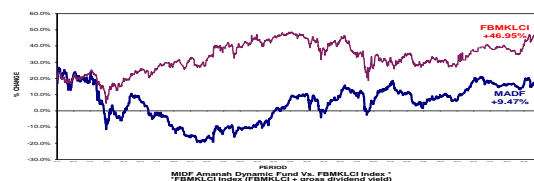
| COMPANY | % |
|-----------------------------------|-------|
| AIRASIA BHD | 9.56% |
| PAVILION REAL ESTATE INVESTMENT | 7.18% |
| ECONPILE HLDG BHD | 7.07% |
| TENAGA NASIONAL BHD | 6.93% |
| AXIS REAL ESTATE INVESTMENT TRUST | 6.74% |

ASSET ALLOCATION (as at April 30, 2018)



*as percentage of NAV. Please note that asset exposures for the funds are subject to frequent change on a daily basis.

FUND PERFORMANCE (as at April 30, 2018)



CALENDAR YEAR RETURN (as at April 30, 2018)

| | 3M | 6M | 1YR | 3YRS | 5YRS |
|----------|-------|-------|-------|-------|-------|
| FUND | -8.13 | -6.71 | -8.93 | -3.94 | 35.31 |
| FBMKLCI* | -1.53 | 5.80 | 4.73 | 0.79 | 8.68 |

*FBMKLCI Index (FBMKLCI + gross dividend yield)
Source: Lipper Fund Table (The Edge, May 14, 2018)

(1) Based on the fund's portfolio returns as at 15 April 2018, the volatility Factor (VF) for this fund is 11.50 and is classified as "very high" (source:Lipper).

(2) Volatility Factor (VF) is subjected to monthly changes and Volatility Class (VC) will be revised every six months.

(3) The portfolio composition may change overtime, therefore there is no guarantee that the VF and VC to remain constant.