

Monthly Fund Fact Sheet

MIDF AMANAH DYNAMIC FUND

August 2016

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 July 31, 2016)

Fund Size	RM 2.49 million
Unit NAV	RM0.8375
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

July was a flattish month as the benchmark index ended the month 1 point lower at 1,653 points. The FBMKLCI started off the month fairly decently and was gradually climbing up in line with the performances of regional markets and managed to hit a month high of 1,670 points albeit temporarily before giving up all those gains after investors sentiment was affected with the announcement by the US Department of Justice on 1MDB emerged in the U.S. The broader market and small caps both outperformed the FBMKLCI, with the FBM Emas gaining 0.5% MoM to 11,585pts while the FBM Small Cap index finished the month up 1.6% at 15,332pts.

Investment Outlook & Strategy

We remain steadfast on our tactical strategy of being Over-Weigh in equities (85% - 95%), especially in the fundamentally undervalued, under-researched growth potentially small to mid-cap space as the extended low interest rate environment will be very conducive for global equities over other asset classes.

As reiterated previously, once short term event driven sentiment factors like Brexit and Fed's decision on its interest rate stance rolls over, focus will be back on global equities as window of clarity is further extended towards year-end. As such, objectively we should recognized that a potential follow-through market run-up in the next few months after a fallout is possible in view of the liquidity driven factors and evolving market developments as covered earlier. Hence, our stance is to accumulate on market weakness and lock-in profits ahead once market gains momentum.

Any upside surprise of earnings improvement due to low-base effect in 2H 2016, surprising economic numbers, further stabilization of Ringgit and Crude Oil, a surprise interest rate cut to boost the economy, 1MDB risk of default resolved and positive global developments will augur well for the market. Window of market opportunity remains very fluid and narrow. As such, focus on leading indicators of market liquidity fund flows will continue to complement over pure economic fundamentals in the short term.

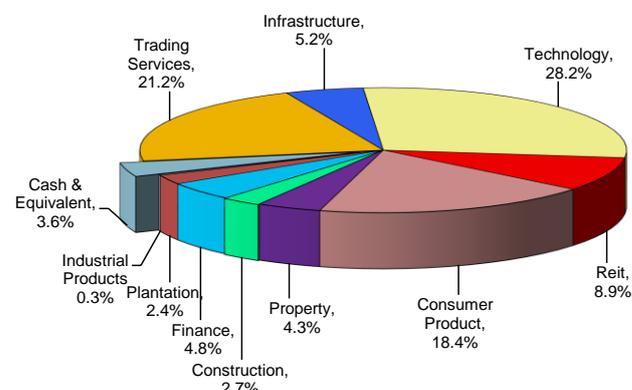
Despite our cautious outlook, we continue to believe that long-term prospect for equity investment will be superior. There are pockets of opportunity in technology, consumer and services sector that are able to generate above average return. Hence, our focus will remain on the long term outperformance of selected stocks and we will rebalance and refine our portfolios based on this unique strategy which has proven to yield the desired results. Among others, we will focus towards; (a) specific small to mid-cap for growth outperformance while timely selective big-cap

index-linked stocks for indexation & dividend yield play, (b) under-valued companies with cheap valuations against its historical band/peers, (c) good companies which are currently at the wrong market cycle but will benefit moving forward due to its inflection point of structural or induced recovery, and (d) tactical position in specific thematic plays, other than selective defensive-resilient led stocks.

LARGEST HOLDINGS (as at July 31, 2016)

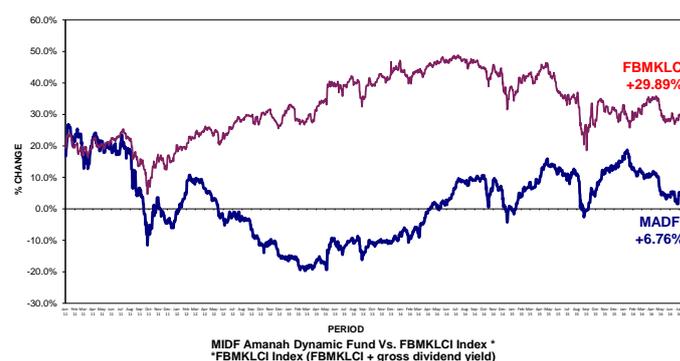
COMPANY	%
YTL HOSP. REIT	8.85
VITROX CORP. BHD	7.78
KAREX BHD	7.21
KESM INDUSTRIES BHD	6.32
INARI AMERTRON BHD	5.61

ASSET ALLOCATION (as at July 31, 2016)



*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 July 31, 2016)



CALENDAR YEAR RETURN (as at July 31, 2016)

	3M	6M	1YR	3YRS	5YRS
FUND	1.17	-5.24	-3.75	17.89	-10.26
FBMKLCI*	-1.16	-0.87	-2.69	-8.09	6.74

*FBMKLCI Index (FBMKLCI +gross dividend yield)

Source: Lipper Fund Table (The Edge, August 8, 2016)

(1) Based on the fund's portfolio returns as at 15 July 2016, the volatility Factor (VF) for this fund is 12.41 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.