

Monthly Fund Fact Sheet

MIDF AMANAH ISLAMIC FUND

January 2015

FUND OBJECTIVE

The objective of the fund is to achieve long-term capital growth through investments which conform with the principles of the Shariah.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- Are seeking long term capital growth, who wish their investments to be in line with Shariah requirements ;
- Can tolerate high level of risks.

FUND DETAILS (as at December 31, 2014)

Fund size	RM 7.20 million
Unit NAV	RM 0.3077
Fund Inception	14 May 1971
Financial Year End	15 th day of June
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

December was another volatile month as the KLCI plummeted to a new 52-week low of 1,671 before rebounding on the back of window dressing activities. Despite Wall Street's continued strength to new all time highs, the KLCI appears to be dancing to its own tune at the moment. For the month, the KLCI plunged 3.3% or 60pts to close at 1,861pts. The broader market underperformed, with the FBM Emas falling 3.8% mom to 12,058pts. Small caps performance was even worst with the FBM Small cap index plunged 8.6% to 15,035pts while the FBM ACE tumbled a hefty 10.5% to 5,653pts. Average daily value traded on Bursa in December decreased 4.6% m-o-m to RM1.89bn.

Investment Outlook & Strategy

The dynamics of the market changed with the falling of oil prices. At a time when investors should be in the mode of re-balancing and re-positioning for next year, many investors are re-looking at their "bigger picture" strategies. Asset classes must be re-weighted and asset allocation should be changed to fit into this new dynamics. The timing of the plunge in oil prices made 2014 year end very precarious and most challenging. We expect more volatility and speed-bumps ahead. The volatility would come from (action) potentially weaker economic data around the world and then encountered by (reaction) the government's move to put in place a fiscal and/or monetary policy. Investors are also looking at the US as the beacon of hope next year and how they will manage their rate hike. Also news flow from OPEC (and all related) will now have a stronger following as compared to previous years.

Domestically, even after a severe sell-down in the market, the market still appears undecided. Market is now far below last year's close, yet there is no strong accumulation and the pace of re-balancing for next year seems trifling. It is not a bad thing if the market closed this year on a weaker note, so that the probability of the market turning a positive y-o-y performance in 2015 is higher. After 5 years of positive growth, a good cleansing of the market excesses should technically be welcomed.

Tactically, our short term view of the market remains cautious but do recognized that there are pocket of opportunities to be made in view of the mass liquidity driven market globally looking for yield enhancing investment returns, despite of the mixed signals/noises emanating from local and global markets alike. Rotational asset and regional play is inevitable. As such, a fluid and dynamic investment strategy on asset allocation and stock specific-centric are crucial.

(1) Based on the fund's portfolio returns as at 15 Dec 2014, the volatility Factor (VF) for this fund is 10.70 and is classified as "very high" (source:Lipper).

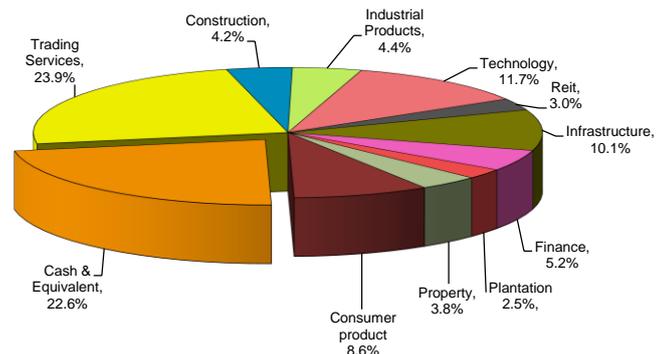
Investors are advised to read and understand the prospectus before investing. Among others, investors should consider the fees and charges. The price units and distributions payable, if any, may go down as well as up. Past performance of the fund should not be taken as indicative of its future performance. A copy of our Master Prospectus dated 1 March 2014 has been registered with the Securities Commission who takes no responsibility of its contents. The prospectus and application form can be obtained at our office. Units will only be issued upon receipt of an application form referred to in and accompanying the prospectus.

On a medium to long term basis, we still believe that the market's fundamentals still remains sound, intact and provides opportunity as the overall global economic and capital market conditions/outlook now continue to improve albeit at a different beat and momentum. In addition, equity will still be a relatively better asset class to invest in compared to fixed income on the back of flush liquidity and eventually rising rate environment. This is so if compared to last 12-24 months ago as the central bankers/policy makers are better prepared with anti-recessionary policies in place.

LARGEST HOLDINGS (as at December 31, 2014)

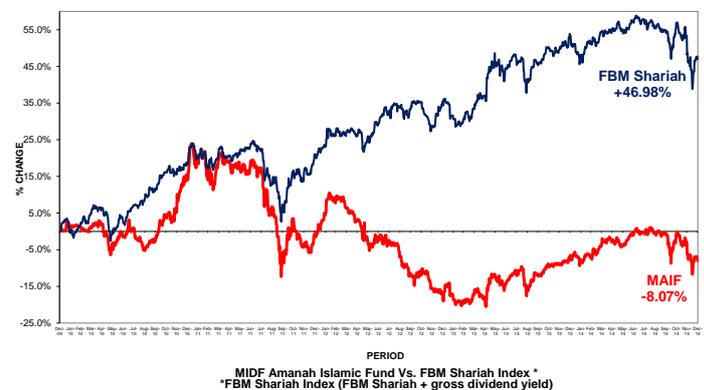
COMPANY	%
GLOBETRONICS TECHNOLOGY BHD	7.17
DIGI.COM BHD	5.96
TELEKOM M'SIA BHD	5.73
PPB GROUP BHD	4.96
CAHYA MATA SARAWAK BHD	4.40

ASSET ALLOCATION (as at December 31, 2014)



*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 December 31, 2014)



CALENDAR YEAR RETURN % (as at December 31, 2014)

	3M	6M	1YR	3YRS	5YRS
FUND	-6.89	-7.75	-0.61	-6.94	-7.89
FBM SHARIAH*	-4.61	-6.87	-3.38	21.42	47.29

*FBM Shariah Index (FBM Shariah + gross dividend yield)

Source: Lipper Fund Table (The Edge, January 12, 2015)