

## Monthly Fund Fact Sheet

### MIDF AMANAH ISLAMIC FUND

January 2016

#### FUND OBJECTIVE

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

#### 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, 2015)

Fund size	RM 8.13 million
Unit NAV	RM 0.3684
Fund Inception	14 May 1971
Financial Year End	15 <sup>th</sup> 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 a volatile month for markets as the benchmark FBMKLCI index lost over 60 pts in a span of 2 weeks, plummeting to a 10-week low of 1,623 in mid-December on concerns a U.S. rate hike will affect sentiment globally before rebounding by 4% to end the year at 1,693pts due to the year-end window dressing activities and improved investor sentiment once the Fed rate overhang was lifted. For the month, the FBMKLCI edged up 20pts or 1.2% to end the year down 3.9%. The broader markets performance was also in line with the FBMKLCI as the broad base FBM EMAS gained 1.4% M-o-M to 11,794pts while the FBM Small Cap index gained 1.9% M-o-M to 15,944pts. Average daily traded value on Bursa for the month was down 17% M-o-M to RM1.91bn due to the shortened trading month and year-end holidays.

##### Investment Outlook & Strategy

Our short term investment strategy remains unchanged, we are tactically reducing our asset allocation towards Neutral (75% average) from Overweight until early Q1 2016 should the market run-up spills-over in view of the possibility of window-dressing activities and the January portfolio repositioning effect in addition to the Sarawak and U.S. Presidential Elections in 2016.

However, investors remain jittery and concern over the successor to the outgoing BNM governor, Tan Sri Dato' Sri Dr. Zeti Akthar Aziz in April 2016. The window of market opportunity remains very fluid and narrow; hence the focus on leading indicators such as market liquidity fund flows over pure economic fundamentals (lagging catalyst) will continue to be very crucial in the current times of uncertainties.

We continue to strongly believe that markets move in cycles and historically periods of downturn are always shorter than upturns. The market's fundamentals still offer opportunities at the right price as equities is still the relatively better asset class to invest in compared to fixed income on the back of flush liquidity and an eventual rising rate environment moving forward.

Therefore, the long term investment strategy should reflect such conditions rather than allow our short-term sentiments and emotions to over-rule the logical thought process. As a result of this, reinvestment, rebalancing and/or switching activities will focus towards; (a) specific small to mid-cap for growth outperformance while timely selective big-cap index-linked

(1) Based on the fund's portfolio returns as at 15 December 2015, the volatility Factor (VF) for this fund is 11.09 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.

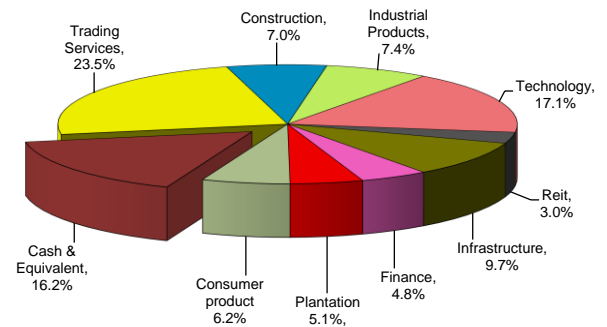
(3) The portfolio composition may change overtime, therefore there is no guarantee that the VF and VC to remain constant.

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 stocks.

#### LARGEST HOLDINGS (as at December 31, 2015)

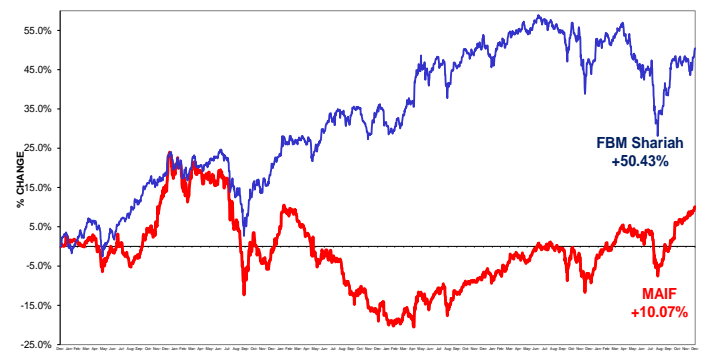
COMPANY	%
GLOBETRONICS TECHNOLOGY BHD	8.00
TIME DOTCOM BERHAD	5.72
PRESTARIANG BHD	5.12
CAHYA MATA SARAWAK BHD	5.05
TELEKOM M'SIA BHD	5.00

#### ASSET ALLOCATION (as at December 31, 2015)



\*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, 2015)



PERIOD  
MIDF Amanah Islamic Fund Vs. FBM Shariah Index \*  
\*FBM Shariah Index (FBM Shariah + gross dividend yield)

#### CALENDAR YEAR RETURN % (as at December 31, 2015)

	3M	6M	1YR	3YRS	5YRS
FUND	10.86	6.63	19.73	33.00	-3.51
FBM SHARIAH*	7.24	2.98	2.35	11.11	27.27

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

Source: Lipper Fund Table (The Edge, January 11, 2015)