

Monthly Fund Fact Sheet

MIDF AMANAH ISLAMIC FUND

July 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 June 30, 2016)

Fund size	RM 6.88 million
Unit NAV	RM 0.3416
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

June was a very volatile month as the benchmark index started the month strongly after the Ringgit appreciated against the greenback but took a turn south due to uncertainties in the run up to the FOMC meeting in mid-June. Markets subsequently rebounded but the major surprise came towards the end of the month when Britain voted to leave the EU in a referendum that saw knee jerk reaction in local markets. The shock was however rather short-lived as buying momentum kicked in due to the 2nd quarter window dressing activities that saw the index gain 28.08 points or 1.73% to end the month at 1,654.08. The broader market underperformed the KLCI, with the FBM Emas up only 1.2% MoM to 11,530pts while the FBM Small cap index declined 1.2% MoM to 15,091pts. Average daily value traded on Bursa in June declined 16% MoM to RM1.8bn.

Investment Outlook & Strategy

Our Tactical short term strategy remains unchanged, i.e. over-weight the small to mid-cap space in anticipation of rotational plays switching away from big-cap index linked stocks that has outperformed the general market over the past few months but have now started to give those gains back. Once short term event driven sentiment factors like Brexit and the Fed's decision on its interest rate stance rolls over, the focus will be back on global equities as the window of clarity is further extended towards the year-end. As such, we should objectively recognize 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.

Hence, our stance is to accumulate on market weakness and lock-in profits once market gains momentum. Any upside surprises in earnings improvement due to the low-base effect in 2H 2016, better than expected economic numbers, further stabilization of the Ringgit and Crude Oil prices, 1MDB's risk of default resolved and positive global developments will augur well for the market. The Window of market opportunity remains very fluid and narrow. As such, the focus on market liquidity fund flows leading indicators will continue to take precedence over pure economic fundamentals in the short term.

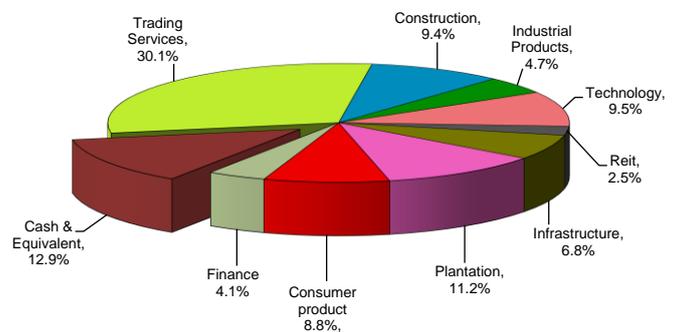
The long term investment strategy should reflect such conditions rather than allow our short-term sentiments and emotions to over-rule the logical thought process. Hence, the focus will remain on long term outperformance at the expense of short term gains. As a result of this, reinvestment, rebalancing and/or switching activities will focus towards; (a) specific small to mid-cap for growth outperformance while timely selective big-cap index-linked 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 June 30, 2016)

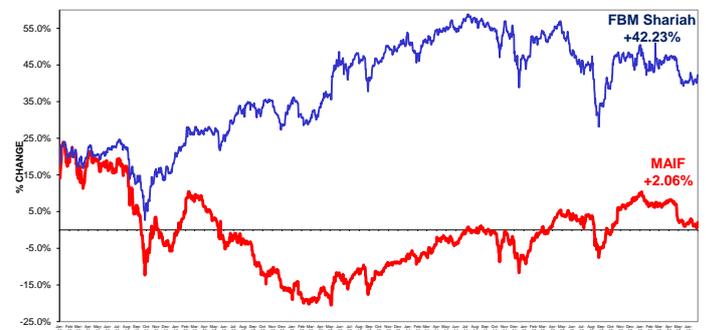
COMPANY	%
KULIM (M) BHD	5.95
VITROX CORP. BHD	5.48
GDEX EXPRESS CARRIER BHD	5.37
TELEKOM M'SIA BHD	4.92
HOCK SENG LEE BHD	4.44

ASSET ALLOCATION (as at June 30, 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 June 30, 2016)



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

CALENDAR YEAR RETURN % (as at June 30, 2016)

FUND	3M	6M	1YR	3YRS	5YRS
FBM SHARIAH*	-2.89	-5.45	-2.63	-1.53	14.65

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

Source: Lipper Fund Table (The Edge, July 11, 2016)

(1) Based on the fund's portfolio returns as at 15 Jun 2016, the volatility Factor (VF) for this fund is 10.81 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.