

## Monthly Fund Fact Sheet

### MIDF AMANAH ISLAMIC FUND

June 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 May 31, 2015)

Fund size	RM 7.83 million
Unit NAV	RM 0.3446
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

Month of May was a difficult month for Malaysia as the KLCI was sold down below the 1,800pt psychological support on the back of weak corporate results and heightened political concerns. The tabling of the 11th Malaysia Plan (11MP) on May 21 failed to stem selling pressure, let alone excite the market. The 11MP was considered as a relatively non-event and as expected, the focus was mainly on reaffirming various construction projects.

For the month, the KLCI fell 3.9% or 71pts to close at 1,748pts. The broader market outperformed the KLCI, with the FBM Emas declined by 3.5% m-o-m to 12,097pts. Small caps were mixed, with the FBM Small cap index falling only 3% to 16,041pts while the FBM ACE plunged 6.3% m-o-m to 6,549pts. Average daily value traded on Bursa in May was flat m-o-m at RM2.11bn.

##### Investment Outlook & Strategy

The US market was weaker during the month and that spilled over to the rest of the world. As mentioned last month market risk was higher on the downside, at this juncture that still holds true. Not much has changed as investors continue to scrutinize economic data to gauge the economic health and act as a guide to piece together strategy for the months ahead. What is for certain is that market clarity is not too forth-coming, therefore further volatility should be expected. News-flow from the US and the Fed's moves this year continues to be monitored closely, and new policies (may they be on interest or QE or pump-priming) by central banks and impact on their countries are also being analysed meticulously.

Whilst the current market sentiment spells doom and gloom, we view that this will be a short term liquidity driven market correction event as investors lock in profits or worst cut losses, restructure portfolio and try to remain liquid in order to preserve capital and performance.

On the contrary, we view this as an opportune time to reposition your portfolio and cherry pick investment in anticipation for a rebound towards late Q3 as we were ahead of the curve in anticipating a market correction, which we started to realise profits and reduced equity allocation in April.

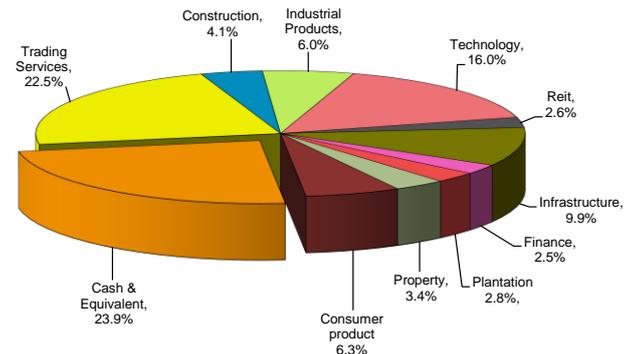
Focus on leading indicators of market liquidity fund flows over pure economic fundamentals (lagging catalyst) continues to be very crucial at current times of uncertainties. As such, a fluid and dynamic investment strategy on asset allocation and stock specific-centric remains.

Our medium to long term view, however, still remains positive from a financial market's perspective. We believe that the market's fundamentals still offer opportunities 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 eventual 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 / expansionary policies in place. Therefore, long term investment strategy should reflect such conditions rather than allow our short-term sentiments and emotions over-ruled the logical thought process.

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

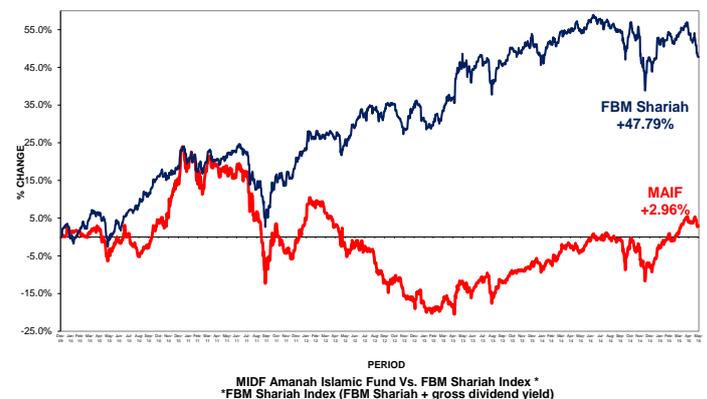
COMPANY	%
GLOBETRONICS TECHNOLOGY BHD	8.36
CAHYA MATA SARAWAK BHD	6.04
TELEKOM M'SIA BHD	5.58
DIGI.COM BHD	4.99
TIME DOTCOM BERHAD	4.92

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



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

	3M	6M	1YR	3YRS	5YRS
FUND	2.10	6.00	6.79	4.93	7.86
FBM SHARIAH*	-4.15	-3.53	-4.74	18.28	49.08

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

Source: Lipper Fund Table (The Edge, June 8, 2015)

(1) Based on the fund's portfolio returns as at 15 May 2015, the volatility Factor (VF) for this fund is 10.79 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 2015 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.