

Monthly Fund Fact Sheet

MIDF AMANAH ISLAMIC FUND

June 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 May 31, 2016)

Fund size	RM 6.92 million
Unit NAV	RM 0.3413
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

May was yet another poor month for local bourses with the famous "Sell in May and go away" adage holding true as foreign selling saw the benchmark index close lower for the month. As a result of the foreign sell down, the Ringgit weakened further against the USD and fell below the RM4/USD level to end the month at RM4.13 to the greenback. The FBMKLCI ended the month 47pts or 2.8% lower to close at 1,626pts while the broad based FBMEMAS and FBM Small cap index both outperformed the KLCI, down 2.1% M-o-M to 11,391pts and 1.0% M-o-M to 15,274pts respectively. Despite the weak markets, volume improved with average daily value traded on Bursa for the month of May rising 6% M-o-M to RM2.15bn.

Investment Outlook & Strategy

Our Tactical short term strategy remains unchanged, i.e. Over-Weighted in 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. Most of the negative factors undermining global markets currently have progressively dissipated. As such, we should objectively recognize that a potential follow-through market run-up in the next few months is possible in view of the liquidity driven factors and evolving market developments. Hence, our stance is to lock-in profits ahead once market gains momentum.

Any upside surprises in earnings improvement due to the low-base effect, better than expected economic numbers, further stabilization of the Ringgit and Crude Oil prices, a surprise interest rate cut to boost the economy, 1MDB 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, we prefer to focus on leading indicators such as market liquidity fund flows that will continue to precede over pure economic fundamentals in the short term.

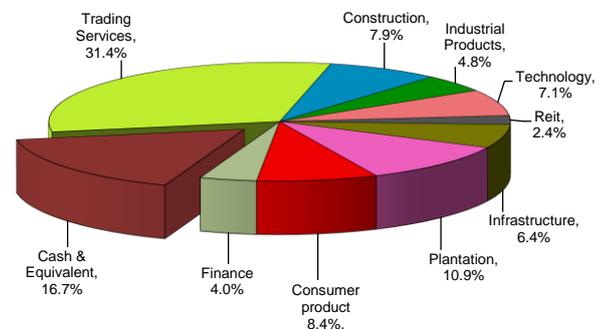
Our long term investment strategy should reflect such conditions rather than allow our short-term sentiment and emotions to be over-ruled by the logical thought process. Hence, our focus will remain on long term outperformance at the expense of short term gains. As a result of this, reinvestment, rebalancing and/or switching activities will focus towards a combination of factors, such as; (a) specific small to mid-cap for growth outperformance , (b) selective big-cap index-linked stocks for indexation &

dividend yield play, (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 May 31, 2016)

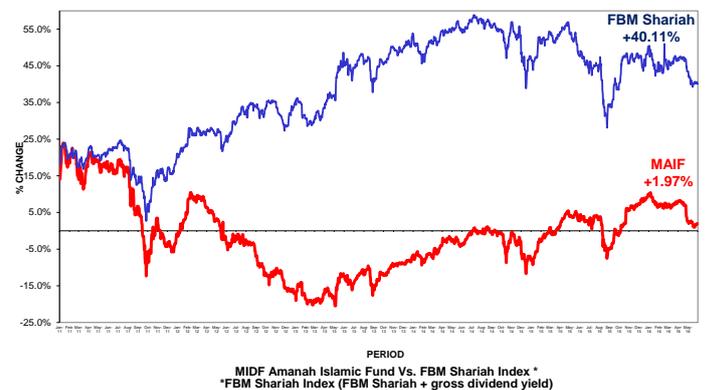
COMPANY	%
TELEKOM M'SIA BHD	5.83
KULIM (M) BHD	5.82
VITROX CORP. BHD	5.28
GDEX EXPRESS CARRIER BHD	4.99
PRESTARIANG BHD	4.91

ASSET ALLOCATION (as at May 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 May 31, 2016)



CALENDAR YEAR RETURN % (as at May 31, 2016)

	3M	6M	1YR	3YRS	5YRS
FUND	-4.30	-4.99	-0.84	16.31	-14.33
FBM SHARIAH*	-3.15	-5.35	-5.43	-3.11	15.35

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

Source: Lipper Fund Table (The Edge, June 6, 2016)

(1) Based on the fund's portfolio returns as at 15 May 2016, the volatility Factor (VF) for this fund is 11.54 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.