

Monthly Fund Fact Sheet

MIDF AMANAH ISLAMIC FUND

March 2014

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 February 28, 2014)

Fund size	RM 7.76 million
Unit NAV	RM 0.3110
Fund Inception	14 May 1971
Financial Year End	15 th day of June
Management Fee	1.5% p.a. of NAV
Trustee Fee	0.1% 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

In February, the KLCI ended the month 1.8% higher at 1,836pts. The broader market slightly underperformed the KLCI as the FBM Emas gained 1.7% to 12,670pts. Small caps significantly outperformed as the FBM Small cap surged 5.3% to 16,522pts while the FBM ACE rallied 9.2% to 6,444pts. Average daily value traded on Bursa in Feb increased 15% to RM2.29bn (RM2.0bn).

Investment Outlook & Strategy

The continuous positive economic data from the U.S., Eurozone and China (although this view is at risk if a credit crunch occurs as a result of insolvency among its shadow banking participants) will provide a positive sentiment for the equity market. The new Fed Chair Janet Yellen is set to continue her predecessor's (Bernanke) policies of QE tapering while maintaining its accommodative monetary stance if and when necessary. In Malaysia, the foreign bond holding is at 45.1% (MGS alone) as of January 2014 and foreign equity holdings were at lower end of 23.6% as of November 2013 (vs. 20.5% post QE 1). There's a less likely risk of a total sell-down as what the Malaysian equity market has seen in May and August of 2013 as there's still ample liquidity among the domestic institutional and retail investors and the mid to long term upward trend is still intact on the basis of a global recovery. Valuation for the KLCI seems toppish however if you were to exclude some of the overvalued IPOs that have been indicted into the index coupled with the private investment initiatives (MRT, O&G, SCORE, and other developments), improvement in the fiscal deficit and better export growth can be the main catalysts for the economy and the market to move forward.

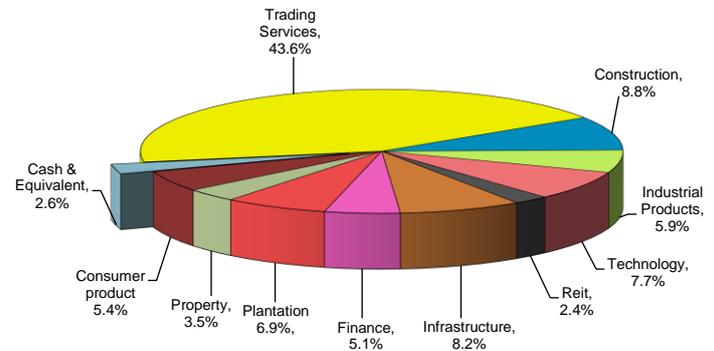
Confluence of positive factors / catalyst internally and globally will remain crucial and is still expected to drive market sentiments. The challenge is now having the right dynamic equity asset allocation and stock picking strategy with the right potential winners moving forward as the market becomes more challenging and trends relatively / erratically higher vis-à-vis on valuation basis, which we suspect will still be in the small to mid-cap space and laggard stocks or sectors. Tactically, we will continue to do some rotational / rebalancing of our portfolios in order to ensure that the portfolio is well position to benefit from any key thematic or market drivers moving forward. Ideally, we will strive to continue to ride our winners, only top-slicing for prudent management of realised profits, and dispose of / switch underperformers (which may involve some realised losses) with

potential outperformers to manage the downside / capital preservation and overall integrity of the portfolio.

LARGEST HOLDINGS (as at February 28, 2014)

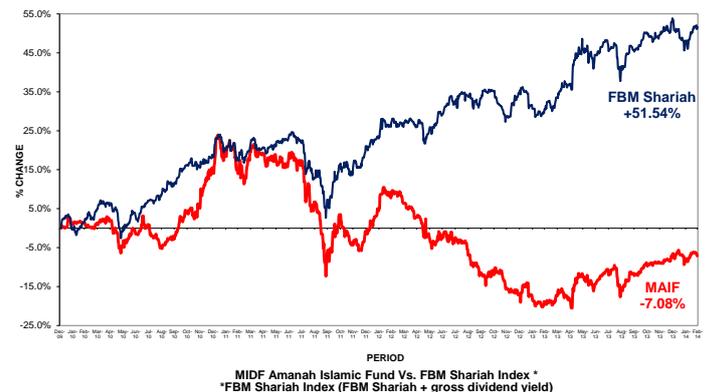
COMPANY	%
GLOBETRONICS TECHNOLOGY BHD	7.66
TELEKOM M'SIA BHD	6.21
PETRONAS DAGANGAN BHD	5.93
PPB GROUP BHD	5.44
BIMB HLDG BHD	5.05

ASSET ALLOCATION (as at February 28, 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 February 28, 2014)



CALENDAR YEAR RETURN % (as at February 28, 2014)

	3M	6M	1YR	3YRS	5YRS
FUND	2.10	12.80	15.06	-18.74	10.36
FBM SHARIAH*	1.54	10.01	16.12	28.93	111.87

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

Source: Lipper Fund Table (The Edge, March 10, 2014)

(1) Based on the fund's portfolio returns as at 15 Feb 2014, the volatility Factor (VF) for this fund is 15.45 and is classified as "very high" (source:Lipper).