

Monthly Fund Fact Sheet

MIDF AMANAH ISLAMIC FUND

March 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 February 29, 2016)

Fund size	RM 7.93 million
Unit NAV	RM 0.3566
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

February was a fairly quiet month for local markets due to the shortened trading month as a result of the festive holidays. Markets were in consolidation phase as the benchmark FBMKLCI traded in a narrow range throughout the month while the Ringgit and Crude oil prices trended sideways. The FBMKLCI ended the month 13pts or 0.8% lower to close at 1,654.75 while broader markets like the FBM Emas and FBM Small Cap Index both outperformed the benchmark ending the month down 0.6% and gaining 0.5% M-o-M respectively. Bucking the trend was the FBM ACE market that ended the month 3.64% lower at 5,702pts while average daily value traded on Bursa for the month of February fell 14% M-o-M to RM1.84bn as investors largely remained on the sidelines.

Investment Outlook & Strategy

We remain cautious and it is reflected in our short term investment strategy which remains unchanged, i.e we do recognize that a potential market run-up in the next few months is possible in view of the liquidity driven factors and evolving market developments. As such, our tactical stance is to lock-in profits early by end Q1 to early Q2 with Asset Allocation reducing towards Neutral (75% average) from an Overweight position. Any upside surprise in earnings due to the low-base effect, better than expected economic numbers, Sarawak Election, U.S. Presidential Election and positive global developments will augur well for markets. However, some downside risk may arise if investors' particularly foreigners lose confidence in the successor to the current outgoing BNM governor, Tan Sri Dato' Sri Dr. Zeti Akthar Aziz that's due in April 2016. The window of market opportunity remains very fluid and narrow. As such, we will continue to focus on leading indicators like market liquidity fund flows over pure economic fundamentals (lagging catalyst) as it is very crucial in the current times of uncertainties.

2016 will still be a stock specific, bottoms-up, trading market and will likely be a very challenging year. Nevertheless, we still 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 will still be the relatively better asset class to invest in compared to fixed income on the back of flush liquidity and an eventual rising rate environment globally moving forward.

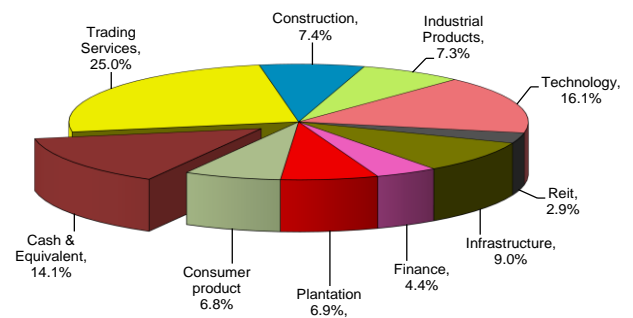
Therefore, the long term investment strategy should reflect such conditions rather than allow our short-term sentiments and emotions to over-shadow

the logical thought process. As a result of this, reinvestment, rebalancing and/or switching activities will focus towards; (a) specific small to mid-caps 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 positioning in specific thematic plays, other than the selective defensive-resilient led stocks.

LARGEST HOLDINGS (as at February 29, 2016)

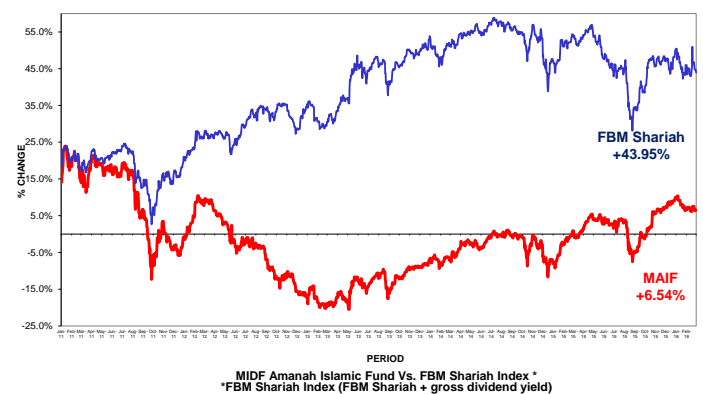
COMPANY	%
GLOBETRONICS TECHNOLOGY BHD	5.55
TIME DOTCOM BERHAD	5.30
CAHYA MATA SARAWAK BHD	5.04
PRESTARIANG BHD	5.00
TELEKOM M'SIA BHD	4.99

ASSET ALLOCATION (as at February 29, 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 February 29, 2016)



CALENDAR YEAR RETURN % (as at February 29, 2016)

	3M	6M	1YR	3YRS	5YRS
FUND	-0.28	13.66	6.11	32.66	-7.43
FBM SHARIAH*	-3.03	8.91	-6.76	11.19	22.33

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

Source: Lipper Fund Table (The Edge, March 7, 2016)

(1) Based on the fund's portfolio returns as at 15 February 2016, the volatility Factor (VF) for this fund is 11.16 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.