

Monthly Fund Fact Sheet

MIDF AMANAH ISLAMIC FUND

October 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 September 30, 2015)

Fund size	RM 7.32 million
Unit NAV	RM 0.3314
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

September was another volatile month for Malaysia as the benchmark FBMKLCI began the month strongly, rebounding from the lows in August on the back of stability returning to regional markets in addition to news that the Federal government will be allocating RM20bn to ValueCap to buy up undervalued stocks in the local market but gave up much of those gains towards month end when the Federal Reserve kept interest rates unchanged at the FOMC meeting. At months close, the FBMKLCI only edged up 8pts or 0.5% to close at 1,621pts while the broader market outperformed the FBMKLCI with the FBM Emas gaining 2% MoM to 11,202pts as the small caps also outperformed, with both the FBM Small cap and FBM ACE index rising 5.8% and 11.3% MoM to close at 14,564pts and 5,505pts respectively. Average daily value traded on Bursa for the month of September rose 3% mom to RM2.14bn.

Investment Outlook & Strategy

U.S. markets have recovered from a dip late last month but continue to trade in negative territory on a year-to-date basis. Although the overall economic data has been somewhat positive, external developments are weighing in on markets. All eyes will be on the upcoming Fed meeting to see if interest rates will be hiked although it's increasingly likely that a hike will be postponed but many globally still prefer a hike to end the months of speculation and uncertainty. As long as interest rates stay flat, it will continue to affect sentiment and we should expect more volatility ahead with the concern lingering over the horizon.

The classic advice of "Buy Low Sell High" and sticking with it has paid off. Ironically, this is not practiced often enough due to "Greed and Fear" of the market's herd instinct mentality. Keeping a cool head and grounded strategy focusing on fundamentals and looking beyond current headwinds to capitalize on current misfortunes into opportunities for the longer term has benefited our investment portfolios. History has once again proven right that there is always a silver lining no matter how bad the conditions may be despite investors' sense of despair for the state of economic affairs in Malaysia. Would the herd instinct mentality now start to steer towards "A glass half full" or would a more convincing market catalyst be needed.

However, we are tactically turning net sellers and expecting a market pullback as we don't think the run-up is sustainable till year-end as reflected from our SD PER valuation model. Equity Asset Allocation will remain slightly above Neutral to take advantage of possible market correction in the offing. Focus on leading indicators of market liquidity fund flows over pure economic fundamentals (lagging catalyst) will continue to be very crucial in current times of uncertainties.

Nevertheless, we strongly believe that markets move in cycles and historically periods of downturn were always shorter than upturns. The

(1) Based on the fund's portfolio returns as at 15 September 2015, the volatility Factor (VF) for this fund is 11.01 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.

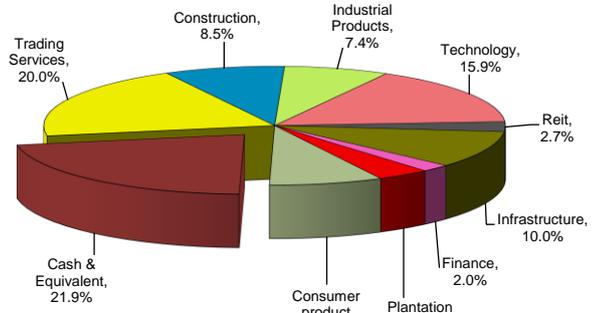
(3) The portfolio composition may change overtime, therefore there is no guarantee that the VF and VC to remain constant.

market's fundamentals still offer opportunities at the right price as equity will still be a relatively better asset class to invest in compared to fixed income on the back of flush liquidity and an eventual rising rate environment moving forward. Therefore, 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.

LARGEST HOLDINGS (as at September 30, 2015)

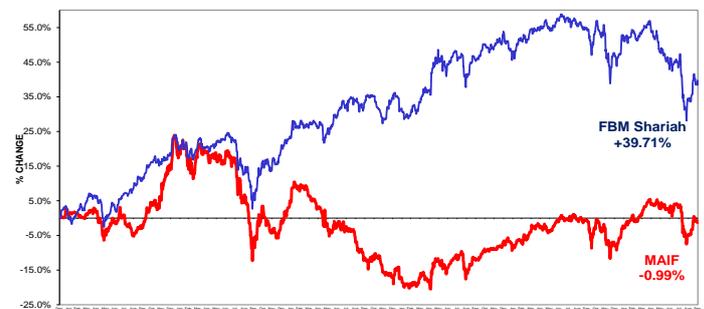
COMPANY	%
GLOBETRONICS TECHNOLOGY BHD	8.54
CAHYA MATA SARAWAK BHD	5.63
TIME DOTCOM BERHAD	5.52
TELEKOM M'SIA BHD	5.47
PPB GROUP BHD	5.27

ASSET ALLOCATION (as at September 30, 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 September 30, 2015)



CALENDAR YEAR RETURN % (as at September 30, 2015)

	3M	6M	1YR	3YRS	5YRS
FUND	-3.15	-1.69	-0.39	11.56	2.28
FBM SHARIAH*	-3.59	-8.96	-9.85	6.16	26.24

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

Source: Lipper Fund Table (The Edge, October 5, 2015)