

Monthly Fund Fact Sheet as at 31st August 2017

MIDF AMANAH ISLAMIC FUND

September 2017

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 August 31, 2017)

| | |
|---------------------------|----------------------------------|
| Fund size | RM 7.211 million |
| Unit NAV | RM 0.3901 |
| 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

Malaysian markets had a lacklustre month in August as local indices recorded yet another flattish month with the benchmark FBMKLCI trading sideways for most of the month. Markets started the month off positively, touching a high of 1,782 points before dipping to 1,761 points towards the end of the month albeit temporarily before ending the month up 13 points or 0.7% MoM to close at 1,773 points. Despite August being an eventful month for the country with news flows such as the launch of the RM55bn East Coast Rail Link (ECRL) project, stronger 2Q GDP growth of 5.8% and KL hosting the 2017 SEA games, most investors stayed away from the market as the 2Q result season came in weaker than expected, causing valuations to spike higher and difficult to justify. The broader markets underperformed the benchmark as the FBM Emas only rose 0.5% MoM to end the month at 12,610 points while the small cap index fell 3.1% MoM to end the month at 16,747 points as average daily trading value for August declined for the 2nd consecutive month, falling 5% MoM to RM1.9bn.

Investment Outlook & Strategy

We continue to have an overall positive fundamental undertone to the economy and capital market moving forward but have turned more cautious as we move further into the 3Q which historically & seasonally has the poorest market performance in the year, particularly the small-cap stocks as evidenced by its share price corrections / consolidation now outpacing outperformers on a MoM basis. As highlighted in our earlier reports, the anticipated switching activities continues to unfold itself with market interest switching to laggard mid-and big-cap index-linked stocks from small caps. However, any technical sell down pressure for our market may be short-lived and supported as been reiterated at length in our long term view of the market reported previously.

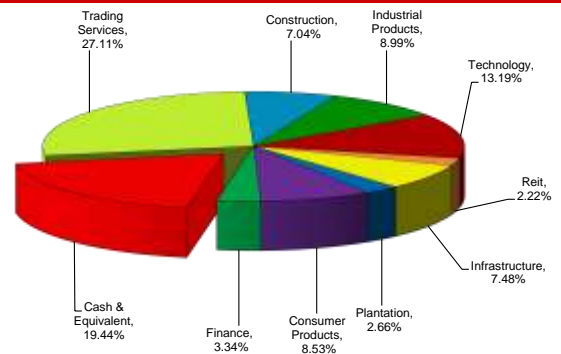
Hence, our tactical strategy now remains unchanged that is focusing on locking-in relative and absolute performance ahead, especially on the small-cap stocks. We continue switching to laggard mid-big cap stocks and look to reduce overall portfolio weightings in anticipation of the market continuing to be caught in a trading range. Our strategy of increasing mid to big-cap exposure is currently in motion, especially among the laggard index-linked stocks and high dividend yielders while reducing small cap exposures particularly those that have substantially outperformed the overall market.

Our long term focus will still be on value / growth driven in high dividend yielders, under-valued, recovery, and thematic plays (E-Commerce, General Election, Green Sustainable Energy, IOT disruptors, Logistics, Penang-Sabah-Sarawak infra, Tech-related, Telco, Tourism, Utilities etc.) that will hopefully shield the portfolio relatively better during market corrections while still favourably positioning the portfolio well for the rest of the year.

LARGEST HOLDINGS (as at August 31, 2017)

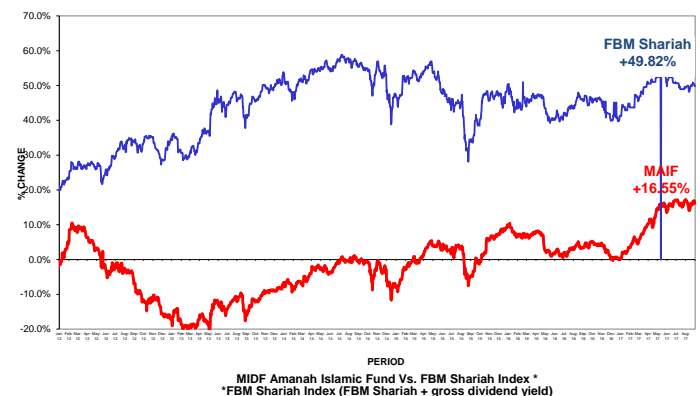
| COMPANY | % |
|-----------------------|-------|
| TENAGA NASIONAL BHD | 5.94% |
| VITROX CORP. BHD | 5.33% |
| PPB GROUP BHD | 4.28% |
| UCHI TECHNOLOGIES BHD | 4.14% |
| TIME DOTCOM BERHAD | 4.12% |

ASSET ALLOCATION (as at August 31, 2017)



*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 August 31, 2017)



CALENDAR YEAR RETURN % (as at August 31, 2017)

| | 3M | 6M | 1YR | 3YRS | 5YRS |
|--------------|------|-------|-------|-------|-------|
| FUND | 2.60 | 11.08 | 12.84 | 17.15 | 25.31 |
| FBM SHARIAH* | 0.01 | 3.44 | 2.97 | -3.56 | 11.86 |

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

Source: Lipper Fund Table (The Edge, September 11, 2017)

(1) Based on the fund's portfolio returns as at 15 August 2017, the volatility Factor (VF) for this fund is 10.83 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.