

Monthly Fund Fact Sheet

MIDF AMANAH MONEY MARKET FUND

January 2015

FUND OBJECTIVE

The objective of the fund is to provide investors with a regular income stream over a short to medium term while maintaining capital stability.

THE FUND IS SUITABLE FOR INVESTORS WHO:

Have either a short or medium term investment horizon; desire a stream of income; and have low risk tolerance.

FUND DETAILS (as at December 31, 2014)

Fund size	RM0.74 million
Unit NAV	RM 0.5000
Fund Inception	24 January 1984
Financial Year End	15 th day of November
Management Fee	0.5% p.a. of NAV
Trustee Fee	Up to 0.05% p.a. of NAV
Initial Service Charge	Nil
Redemption Payment Period	Within 10 calendar days
Investment Manager	MIDF Amanah Asset Management Bhd

MANAGER'S COMMENTS

Review

Malaysian Government Securities ("MGS") traded mostly weaker as Ringgit weakness continued to impact investor sentiment and the local currency was hammered further after the release of a weaker exports.

Ringgit remained under pressure from volatile global oil prices, resulted in sovereign bonds to weakened further particularly along the bellies of the curve. The weaker sentiment also reflected the regional sell-down in bonds as risk appetite waned.

Results of the 7-year MGS benchmark auction also dampened sentiment printed a weak bid-to-cover ratio of 1.32 times, averaging at 4.277%. BNM also conducted reopening tender of the 10-year GII benchmark early of the month, which came in an average yield of 4.162% with bid-to-cover ratio of 1.62 times. As at closing, the 3-, 5-, 7-, 10-, 15- and 20-years closed by 15 to 46 bps at 3.74% (Nov 2014: 3.59%), 3.90% (3.75%), 4.24% (3.78%), 4.26% (3.86%), 4.43% (4.14%) and 4.40% (4.25%) respectively.

Outlook

Malaysia economy outlook remains encouraging supported by robust domestic demand and an improving global backdrop that should support exports and investments. The full-year GDP growth for 2014 was revised to 6.0% from 5.5% whilst growth for 2015 is projected to be around 5.0% - 6.0%, with exports will be the key factor determining the final growth rate. Meanwhile, net external demand was the main driver of the headline with exports growth up 8.8% y-o-y exceeding the growth of imports of 3.9%. On the inflation front, inflation is expected to remain relatively stable for the rest of the year and likely to be around 3.4% for 2014 (2.1% in 2013). Domestic spending is expected to remain weak on the back of tariff hikes and implementation of GST in 2Q2015. The one-off net impact of GST to headline inflation is expected to be from 1.5% to 1.9% increase in 2015. This will likely cause inflation to hit 3.5% to 3.9% in 2015.

We expect the local bond market to trade on wider range amid poorer liquidity as market players would have close their position for the year. The bond yield movement will likely be mixed, after the sell-down of the short tenor bonds recently. Any impact from interest rate outlook is currently off the table as most economists expect BNM to hold the OPR at 3.25% in 2015. However, reversal in the UST yields would still be negatives for the market. Meanwhile, the PDS market is expected to be well supported and encouraging especially from the new issuances that will provide more attractive levels. Meantime, the foreign ownership of MGS reduced slightly to 44.5% in Nov-14 from 45.9% in Oct-14 due to foreigners shredding their position.

(1) MIDF Amanah Bond Fund has been converted to MIDF Amanah Money Market Fund on 1 January 2011.

(2) Based on the fund's portfolio returns as at 15 Dec 2014, the volatility Factor (VF) for this fund is 0.53 and is classified as "very low" (source:Lipper).

Investors are advised to read and understand the prospectus before investing. Among others, investors should consider the fees and charges. The price units and distributions payable, if any, may go down as well as up. Past performance of the fund should not be taken as indicative of its future performance. A copy of our Master Prospectus dated 1 March 2014 has been registered with the Securities Commission who takes no responsibility of its contents. The prospectus and application form can be obtained at our office. Units will only be issued upon receipt of an application form referred to in and accompanying the prospectus.

In view of the above, we expect that the market players will continue to take an overweight stance on corporate bonds (especially from the primary market) vis-à-vis a more volatile government bond market, while tactically managing duration and pro-actively realigning the asset allocation in line with market movements.

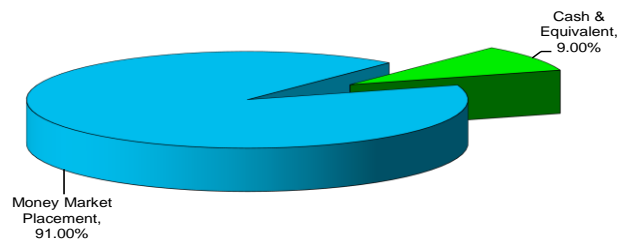
Strategy

The Fund will continue investing in quality short term money market instruments.

LARGEST HOLDINGS (as at December 31, 2014)

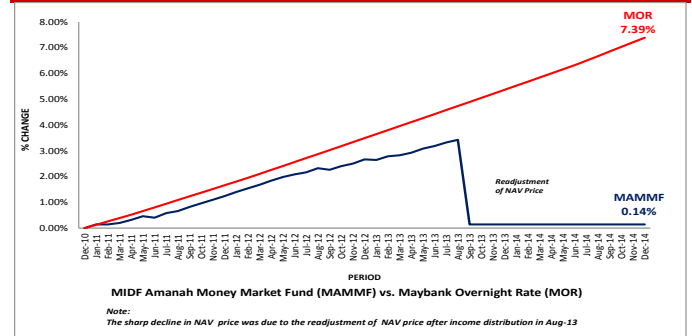
MONEY MARKET PLACEMENT	91.00%
CASH	9.00%

ASSET ALLOCATION (as at December 31, 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 December 31, 2014)



CALENDAR YEAR RETURN % (as at December 31, 2014)

	3M	6M	1YR	3YRS	5YRS
FUND	0.89	0.89	0.89	3.07	-

Source: Lipper Fund Table (The Edge, January 12, 2015)