

Monthly Fund Fact Sheet as at 30 November 2020

MIDF AMANAH SHARIAH MONEY MARKET FUND II (formerly known as MIDF AMANAH MONEY MARKET FUND)

DECEMBER 2020

FUND OBJECTIVE

The objective of the fund is to provide investors with a regular income stream over a short to medium term that complies with Shariah principles 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 30 November 2020)

Fund size	RM7,445.700 million
Unit NAV	RM 0.5000
Fund Inception	24 January 1984
Financial Year End	15 th day of November
Management Fee	0.1% p.a. of NAV
Trustee Fee	Up to 0.02% 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

Local government sukuk/bonds curve shifted higher reversing previous month's gains closing by 13 basis points (bps) to 29 bps in November. The 5-years MGS benchmark yields surged 20 bps to 2.20% whilst the 10-years MGS benchmark yields rose 14 bps to 2.75% from previous month's closing. Secondary trading volume fell by 13% to RM 51.4 billion in November compared to prior month's RM59.3 billion driven by fiscal deficit concerns due to higher-than-expected fiscal deficit of 6% of GDP. As well, the ruling government's ability to push through the National Budget 2021 in Parliament also added further pressure to the government sukuk/bond yields higher. Investors were seen shifting their interests towards the short-end and belly of the curve following the reversal of the yield curve.

On the other hand, foreign holdings of overall MYR sukuk/bonds rose by 0.9% to RM1.93 billion for the 7th consecutive month. Net inflows increased by RM1.8 billion from RM173.2 billion to RM175.0 billion whereas total MYR Government bonds (i.e. MGS+GII+SPK) holdings similarly saw net inflows of RM2.67 billion to RM198.4 billion amid a jump in net issuances of +RM7.5 billion for the month (Oct: net issuances of +RM2.76 billion). As of end November 2020, foreign holdings of MGS stood at 40.1% (Oct: 40.3%, Sept: 38.8%, Aug: 39.2%).

Investment Outlook & Strategy

BNM in its 6th and final monetary policy committee (MPC) meeting on 3rd November; left the OPR unchanged at 1.75%. The tone of monetary policy statement was upbeat; moving gradually away from its earlier downbeat outlook.

The decision to hold the policy status was driven by massive fiscal support especially the wage subsidy and extension of loan repayment moratoriums on a targeted basis until next year, where both of these are key supports to employment and production output. Though, OPR cut expectation has diminished but downside growth risks triggered by the resurgence of Covid-19 cases remain.

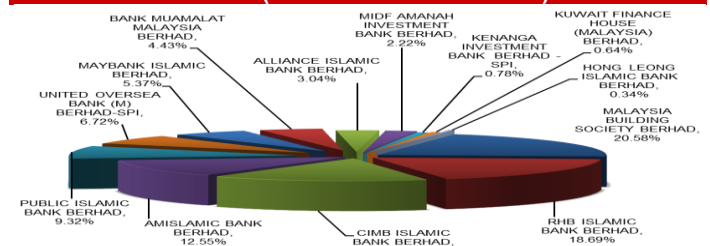
We expect a modestly weaker MGS in the coming quarters amid a gradual rebound in the global and domestic economies. The sukuk/bond yield curve is likely to continue to steepen as short-end sukuk/bonds and policy interest rates are expected to remain low but longer tenors are likely to price in the growth and inflation rebound and on-going GII and MGS supply demand concerns. The 10-years MGS likely to range slightly higher between 2.70% - 2.90% with support pegged at 2.90% levels.

The Fund will continue investing in short term Islamic deposits.

LARGEST BANKS (as at 30 November 2020)

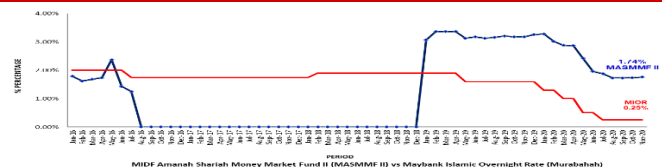
MALAYSIA BUILDING SOCIETY BERHAD	20.58%
RHB ISLAMIC BANK BERHAD	18.69%
CIMB ISLAMIC BANK BERHAD	15.32%
AMISLAMIC BANK BERHAD	12.55%
PUBLIC ISLAMIC BANK BERHAD	9.32%

ASSET ALLOCATION (as at 30 November 2020)



*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 30 November 2020)



CALENDAR YEAR RETURN % (as at 30 November 2020)

	1M	3M	6M	YTD	1YR	3YRS	5YRS
FUND	0.15	0.44	0.90	2.11	2.38	5.21	5.98

Source: MIDF Amanah's Internal data & Lipper Fund Table (The Edge, 13 December 2020)

(1) MIDF Amanah Bond Fund has been converted to MIDF Amanah Money Market Fund on 1 January 2011, subsequently the name was changed to MIDF Amanah Shariah Money Market Fund II on 22 May 2018 due to conversion of fund from conventional to Islamic.

(2) Based on the fund's portfolio returns as at 10 November 2020, the volatility Factor (VF) for this fund is 0.46 and is classified as "very low" (source:Lipper).

(3) Volatility Factor (VF) is subjected to monthly changes and Volatility Class (VC) will be revised every six months.

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

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. Investment in the funds are subjected to credit risk, interest rate risk & reinvestment risk. A copy of our Master Prospectus dated 1 March 2017, 1st Supplementary Master Prospectus dated 26 July 2017, 2nd Supplementary Master Prospectus dated 22 May 2019, 3rd Supplementary Master Prospectus dated 9 March 2020 and 4th Supplementary Master Prospectus dated 5 October 2020 have 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.