

Monthly Fund Fact Sheet as at 31 May 2020

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

JUNE 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 31 May 2020)

Fund size	RM3,386.567 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

For the month of May, the local government sukuk/bonds yields dropped following the BNM's OPR cut by 50bps from 2.50% to 2.00%. MGS curve shifted about 3-13bps lower after the OPR cut, with the 3-year moving the most. The 5-year MGS declined 3bps at 2.48% while the 10-year MGS declined by 10bps to 2.79%. Although the 50bps rate cut was already mostly priced in, we think there is still room for the yields to fall further.

On overall, trading activities for local government sukuk/bonds in May was lower driven by the reduced trading days to make way for few public holidays including Hari Raya celebration. Heavy volumes trades were dominated by the 10y MGS benchmark. We view that trading activities to pick up in June especially in the longer tenure space as investors' appetite now is towards the high yielding space.

On month-on-month basis, MGS 3-, 5-, 7-, 10- and 20-year except 15-years closed 3bps to 13bps lower at 2.40%, 2.51%, 2.67%, 2.89%, 3.09% and 3.38%, whilst 15-years closed 8bps higher to 3.17%. Meanwhile, GII traded mixed with 3-, 5- and 10-years closed lower at 2.32%, 2.49% and 2.75%, whilst 7-, 15- and 20-years closed higher at 2.71%, 3.25% and 3.45%, respective

Investment Outlook & Strategy

The current macro backdrop continues to provide positive vibes for fixed income investments. Ample domestic liquidity as well as measures provided by BNM are expected to anchor demand for local government sukuk/bonds further.

We view demand for local government sukuk/bonds to remain positive from the recent measures by BNM on MGS/GII to be included for Statutory Reserve Requirement (SRR) compliance which be extended to banking institutions, previously allowed for Principal Dealers.

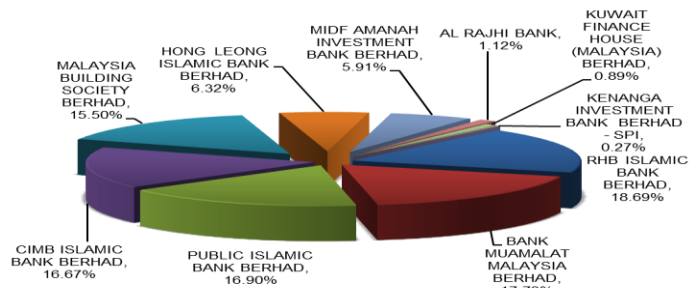
Given the current landscape, we opine sentiments to remain fragile as investors are staying cautious as global and domestic backdrop remain uncertain. However, further flattening of COVID-19 curve is expected to infuse better market optimism and hence improved demand for sukuk/bonds market. We expect the local government sukuk/bond curve to flatten as investors may continue to extend duration for better yield pick-up.

The Fund will continue investing in short term Islamic deposits.

LARGEST BANKS (as at 31 May 2020)

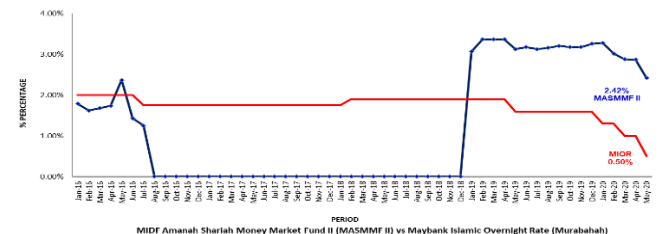
RHB ISLAMIC BANK BERHAD	18.69%
BANK MUAMALAT MALAYSIA BERHAD	17.73%
PUBLIC ISLAMIC BANK BERHAD	16.90%
CIMB ISLAMIC BANK BERHAD	16.67%
MALAYSIA BUILDING SOCIETY BERHAD	15.50%

ASSET ALLOCATION (as at 31 May 2019)



*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 31 May 2020)



CALENDAR YEAR RETURN % (as at 31 May 2020)

	1M	3M	6M	YTD	1YR	3YRS	5YRS
FUND	0.20	0.68	1.48	1.21	3.06	4.17	5.45

Source: MIDF Amanah's Internal data & Lipper Fund Table (The Edge, 8 June 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 May 2020, the volatility Factor (VF) for this fund is 0.49 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 and 3rd Supplementary Master Prospectus dated 9 March 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.