

Monthly Fund Fact Sheet as at 31 October 2020

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

NOVEMBER 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 October 2020)

Fund size	RM7,741.496 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 and bonds curve continued to steepen further in October with MGS/GII yields closing between 5-25bps lower, whilst the longer ends 15- and 20-year was pressured and pushing yields by 4-12bps higher. The 3-year and 5-year MGS benchmark rallied the most by 25bps and 24bps, respectively, closed at 1.75% and 2.00% whilst the 10-year MGS benchmark edged higher by 5bps to 2.62%.

Trading activities skewed towards the shorter to middle tenures of MGS/GII as investors pricing in prospects of monetary easing by BNM earlier in October following concern in rising COVID-19 cases locally.

We view that the trading activities for November may continue to maintain at current levels as most market players prefer to stay on the sideline ahead of key events in the early November including the US Presidential election, BNM MPC meeting and Malaysia B

Investment Outlook & Strategy

BNM in its last MPC meeting on 10th September 2020, left the OPR unchanged at 1.75%, citing more signs of recovery in growth outlook. The OPR cut in July fuelled the additional rally in MGS yields hitting all time low and a strong rally particularly along the long-end of the yield curve. We are of the view that Malaysia's rate cut cycle has probably come to the tail end, but the need for fiscal support remains strong. The less dovish policy tone also suggests BNM has no immediate plans for further rate cut in the upcoming MPC meeting in November.

However, the recent increase in COVID-19 cases may increase the odds for another rate cut as early as November unless a good economy recovery holds.

The key focus now will be on Budget 2021 in November to address the delicate economic situation and news updates on the rising of COVID-19 infections nationwide. Although downside risk continues to persist, the reopening of economic activities is expected to provide further catalysts for economic recovery in the coming quarters.

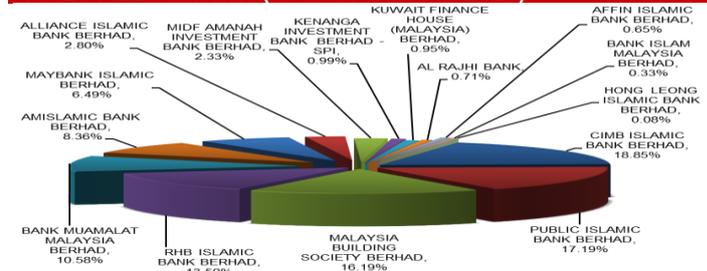
In view of the above, we expect the local sukuk/bond market to remain resilient. Factors supporting the local bond market are driven by abundant liquidity in the financial system; which are likely to keep the overall credit yield curve well anchored and supported.

The Fund will continue investing in short term Islamic deposits.

LARGEST BANKS (as at 31 October 2020)

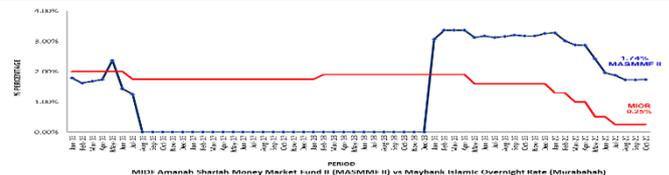
CIMB ISLAMIC BANK BERHAD	18.85%
PUBLIC ISLAMIC BANK BERHAD	17.19%
MALAYSIA BUILDING SOCIETY BERHAD	16.19%
RHB ISLAMIC BANK BERHAD	13.50%
BANK MUAMALAT MALAYSIA BERHAD	10.58%

ASSET ALLOCATION (as at 31 October 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 31 October 2020)



CALENDAR YEAR RETURN % (as at 31 October 2020)

	1M	3M	6M	YTD	1YR	3YRS	5YRS
FUND	0.15	0.43	0.96	1.96	2.50	5.06	5.92

Source: MIDF Amanah's Internal data & Lipper Fund Table (The Edge, 9 November 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 October 2020, the volatility Factor (VF) for this fund is 0.47 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.