Monthly Fund Fact Sheet as at 31st August 2018

MIDF AMANAH SHARIAH EQUITY FUND

September 2018

FUND OBJECTIVE

The objective of the fund is to achieve long-term capital growth for investors through investments in a portfolio of Shariah-compliant equities.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- Are seeking long term capital growth, who wish their investments to be in line with Shariah principles ;
- Can tolerate high level of risks.

FUND DETAILS (as at August 31, 2018)

Fund size	RM 11.801 million
Unit NAV	RM 0.9417
Fund Inception	5 July 2017
Financial Year End	31st day of July
Management Fee	1.5% p.a. of NAV
Trustee Fee	0.05% p.a. of NAV
Initial Service Charge	0.00% of NAV
Redemption Payment Period	Within 10 calendar days
Investment Manager	MIDF Amanah Asset Management Bhd

MANAGER'S COMMENTS

Review

August was a decent month for both regional and local equity markets as the benchmark FBMHS index recorded its 2nd consecutive month of positive close following the sharp market pull back in May. The index added 58.8 points or 0.4% to close at 14,367 points and briefly surged passed the 14,500 psychological level just before pulling back towards month end. Despite improved domestic political stability, foreigners remained net sellers to the tune of RM97.4m although this marks the 4th consecutive month of decline in foreign selling. The year-to-date foreign outflows of RM8.6bn is approximately 83% of total inflows seen in 2017 as the Ringgit lost further ground , declining another 1.07% against the greenback in August. The broader market underperformed the benchmark as the FBM Emas shariah index declined 0.03% MoM to close at 12,807 points while small caps also underperformed with the FBM small cap shariah index declining 1.9% MoM to end the month at 12,887 points as most of the 2Q earnings came in below expectations.

Investment Outlook & Strategy

Despite ongoing trade spats between U.S. and China however, recent release of economic numbers witnessed strong U.S.' 2Q2018 GDP growth rate at a solid 4.1% YoY. Inflation levels were also healthy in U.S. and China at 2.9% YoY and 2.1% YoY respectively. The strong economic numbers, U.S. and E.U. reaching a truce on trade issues and robust U.S. 2Q earnings season helped the Dow climbed steadily and stayed supported. Notwithstanding, prolonged trade tensions coupled with turmoil in Emerging Markets such as Turkey and Argentina will add to market volatility hence, caution is inevitable. Locally, our 2Q earnings results were disappointingly soft and lacked fresh impetus but benchmark FBMKLCI was well supported for most of the month. This was amid the domestic liquidity factor which spurred local buying. Considering the local equity market has been historically weaker in the 3Q, we stay cautious in the meantime. Focus will be on the upcoming Budget 2019 in November on policies and fiscal spending where a possible re-rating on the market is likely leading to a possible run-up. That combined with stable fundamentals carved out by PH government overtime will hopefully provide much needed support for the market to trend upwards.

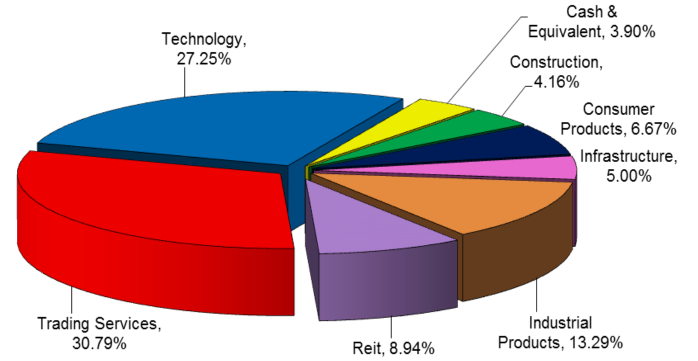
Our Tactical Strategy in the short-term is to cut-losses on underperforming stocks whilst securing profits on performing ones for capital protection. We will also accumulate during times of pullback particularly on fundamentally good counters as well as undervalued stocks. Meanwhile, rebalancing also includes switching to heavily weighted index-linked stocks and selected distressed stocks that were sold down indiscriminately. We remain invested in high dividend-yielding stocks for passive/recurring income during market downturn which will buffer portfolio downside. Our average equity asset allocation is at 80% - 85%.

Long term focus would be on value/growth/defensive driven, high dividend yielders, under-valued, recovery and thematic plays (Technology, Consumer, Gloves, Healthcare, E-Commerce, Renewable Energy, IOT, Construction/Infrastructure, Takaful Insurance, REITs, Telco, Tourism & Utilities) that will favourably position the respective portfolios well for the remainder of the year. Priority is to mend the portfolio back to health whilst improving its overall market value and relative performance against benchmark.

LARGEST HOLDINGS (as at August 31, 2018)

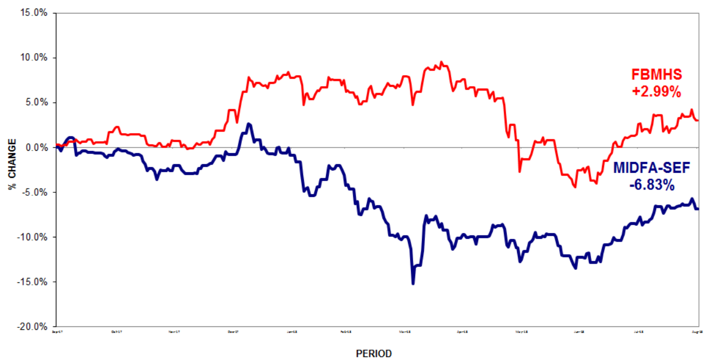
COMPANY	%
TENAGA NASIONAL BHD	8.24%
VITROX CORPORATION BHD	7.55%
QL RESOURCES BHD	6.67%
HARTALEGA HLDGS BHD	5.90%
INARI AMERTRON BHD	5.45%

ASSET ALLOCATION (as at August 31, 2018)



*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, 2018)



MIDF Amanah Shariah Equity Fund Vs. FBM Hijrah Shariah*
*FBM Hijrah Shariah Index (FBMHS + gross dividend yield)

CALENDAR YEAR RETURN % (as at August 31, 2018)

	3M	6M	1YR	3YRS	5YRS
FUND	6.53	-2.83	-6.83	-	-
FBMHS*	4.64	-3.17	2.99	9.41	9.64

*FBM Hijrah Shariah (FBMHS + gross dividend yield)

Source: Lipper Fund Table (The Edge, September 10, 2018)

(1) Based on the fund's portfolio returns as at 15 August 2018, the volatility Factor (VF) for this fund is N/A and is classified as "N/A" (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.

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 market risk, stock specific risk and liquidity risk. A copy of our Master Prospectus dated 1 March 2017 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.