

Monthly Fund Fact Sheet

MIDF AMANAH SHARIAH MONEY MARKET FUND

July 2016

FUND OBJECTIVE

The objective of the fund is to provide investors with a regular income stream over the short to medium term that complies with Shariah requirements whilst maintaining capital stability.

THE FUND IS SUITABLE FOR INVESTORS WHO:

Who seek regular income that complies with Shariah requirements with capital stability; have short to medium-term investment horizon; and have low risk tolerance.

FUND DETAILS (as at June 30, 2016)

Fund size	RM70.09 million
Unit NAV	RM 0.5000
Fund Inception	1 April 2004
Financial Year End	15 th day of October
Management Fee	0.2% p.a. of the NAV of the Fund
Trustee Fee	Up to 0.05% p.a. of NAV subject to a minimum fee of RM18,000 p.a.
Initial Service Charge	Nil
Redemption Payment Period	Within 10 calendar days
Investment Manager	MIDF Amanah Asset Management Bhd

MANAGER'S COMMENTS

Review

In the local front, demand for ringgit government bonds gained traction supported by the Fed's move to hold interest rate steady. The local government bonds staged a strong rally with the 5-/3-year spread narrowed by 7bps from 33bps to 26bps while the 10-/3-year spread narrowed 5 bps from 68 bps to 63 bps.

Trading volume improved as bargain hunting from offshore players seen emerging due to dampened outlook for a Brexit with poll showing increased probabilities for UK to remain. Trading was skewed towards the short and mid-end of the curve, suggesting cherry picking from offshore players.

During the month of June, the re-opening of GII 10-year with an issuance of RM3.5 billion registered a strong book-to-cover ratio of 2.308x reversing the weaker book-to-cover ratio of 1.42x seen in the previous MGS 5-year tender. The average yield of G9/26 was at 4.049%.

As of closed, the overall MGS traded lower by 1 to 11 bps with the 3-, 5-, 7-, 10- and 15-years at 3.24%, 3.49%, 3.75%, 3.89% and 4.17%, respectively. Similarly, the overall GII also closed lower by 1 to 5 bps with the 3-, 5-, 7-, 10- and 15-years traded at 3.21%, 3.65%, 3.89%, 4.05% and 4.40%.

Investment Outlook & Strategy

The latest MPC statement cites weak global economic developments and volatile financial markets as the main potential risks. Structural issues and geopolitical uncertainties are likely to continue to constraint global economic growth. Despite the affirmation of slower growth and moderate inflation targets, BNM continues to hold its OPR steady at 3.25%. BNM stated that the OPR at the current levels remains accommodative and supportive of economic activity. Nonetheless, BNM remains wary citing downside risks in the global economic and financial environment. The statements seems to imply that if external recovery does not materialize or worsen instead, and hinders Malaysia's growth prospects, then there may be need to ease monetary policy.

Meanwhile, market players will be watching closely developments from the referendum meeting. Should UK remains with the EU, this could influence markets to shift towards a more risk on mode, potentially infusing renewed demand for EM Asian local currency bonds as well as ringgit government bonds.

Given the stronger government bond market, we take the opportunity to realized profits whilst continue to take an overweight stance on selected corporate bonds vis-à-vis a more volatile government bond market and pro-actively realigning the asset allocation in line with market movements.

The Fund will continue investing in short term Islamic deposits.

LARGEST HOLDINGS (as at June 30, 2016)

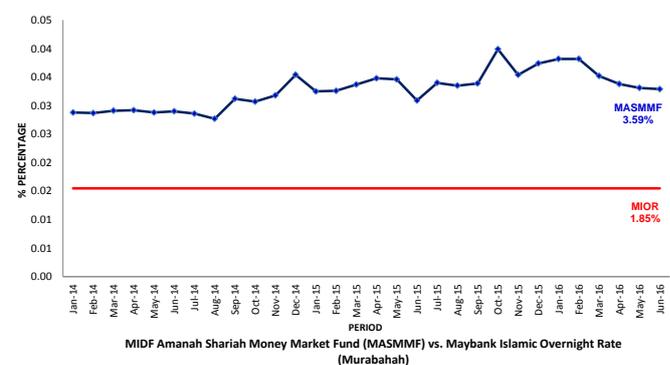
MONEY MARKET PLACEMENT	100.00%
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ASSET ALLOCATION (as at June 30, 2016)



*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 June 30, 2016)



CALENDAR YEAR RETURN % (as at June 30, 2016)

	3M	6M	1YR	3YRS	5YRS
FUND	0.57	1.52	3.38	8.47	24.87

Source: Lipper Fund Table (The Edge, July 11, 2016)

(1) MIDF Amanah Islamic Bond Fund has been converted to MIDF Amanah Shariah Money Market Fund on 1 January, 2011.
 (2) Based on the fund's portfolio returns as at 15 Jun 2016, the volatility Factor (VF) for this fund is 0.70 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, and reinvestment risk. A copy of our Master Prospectus dated 1 March 2016 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.