

Monthly Fund Fact Sheet

MIDF AMANAH SHARIAH MONEY MARKET FUND

June 2015

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 May 31, 2015)

Fund size	RM 109.92 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 NAV
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

Malaysian Government Securities ("MGS") posted losses driven by the sell-off in the global bond market. Market players were seen staying on the sidelines ahead of some economic data releases, providing little support to the local government bond market. BNM held two auctions during the month, the new GII 3 years benchmark and the new MGS 20-years benchmark, which garnered bid-to-cover ("btc") ratio of 2.60 times and 2.72 times respectively. The strong btc in both auction reflected continued demand in the new papers.

As at closed, the 3-, 7-, 10-, 15-years and 20-years closed ended higher by 3 to 9 basis points ("bps") at 3.33% (Apr 2014: 3.27%), 3.77% (3.74%), 3.89% (4.04%) and 4.25% (4.15%) whilst the 5-year was a tad lower at 3.57% (3.59%). Similarly, the Government Investment Issues also traded higher with the 3-, 5-, 7- and 10-years closed at 3.46% (3.42%), 3.70% (3.68%), 3.90% (3.84%), 4.00% (3.98%), whilst the 15-year closed a tad lower at 4.18% (4.17%).

Investment Outlook & Strategy

Despite lingering concerns over oil prices, the current macro environment; 1) accommodative OPR outlook, 2) subdued global growth and 3) benign inflation appears supportive for bond dynamics. However, we expect a sideways range bound movement in the local government bond market due to lack of pertinent macro data and market direction may be negatively influenced if the Feds hike interest rate sooner than expected. We expect investors will remain cautious amidst the upcoming FOMC meeting schedules that will be a key focus with expectation of stronger macroeconomic data release and FED expectation on interest rate hike. Nonetheless, IMF cautioned that the Feds should consider delaying rates increase to a later date in 2015 for signs of more sustained job growth and inflation outlook. Meanwhile, foreign ownership in MGS stood at 47% in April from 45.7% in March, due to the possibility of the redirection of flows from matured BNM notes. We believe the redirected flows may have contributed about 3-5 percentage points since the discontinuation of BNM new issue.

Aside, as widely expected, BNM held the Overnight Policy Rate steady at 3.25%, citing the stance of monetary policy remains accommodative and supportive for growth. Malaysia's growth is expected to remain on

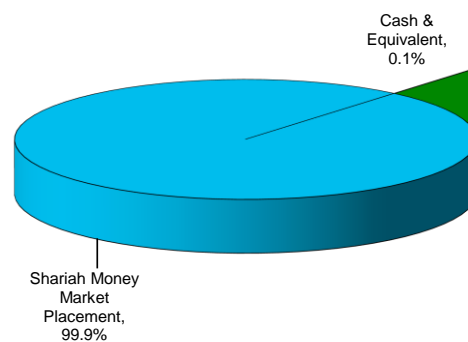
steady path aided by domestic demand, whilst inflation will be contained even with the GST, as commodity prices remain low. We opined the OPR will stay at 3.25% for the rest of 2015.

In view of the above, we remain cautious but continue to take an overweight stance on selected corporate bonds (especially from the primary market) vis-à-vis a more volatile government bond market, while tactically managing duration and pro-actively realigning the asset allocation in line with market movements.

LARGEST HOLDINGS (as at May 31, 2015)

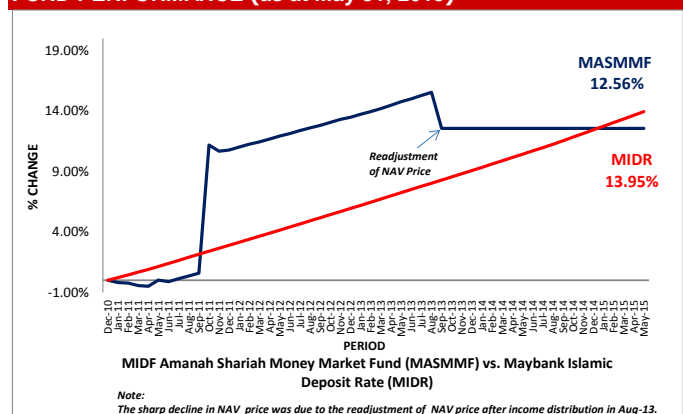
	%
SHARIAH MONEY MARKET PLACEMENT	99.90
CASH	0.10

ASSET ALLOCATION (as at May 31, 2015)



*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 May 31, 2015)



CALENDAR YEAR RETURN % (as at May 31, 2015)

	3M	6M	1YR	3YRS	5YRS
FUND	0.58	1.37	3.00	7.26	-

Source: Lipper Fund Table (The Edge, June 8, 2015)

(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 May 2015, the volatility Factor (VF) for this fund is 0.69 and is classified as "very low" (source:Lipper).