

## Monthly Fund Fact Sheet

### MIDF AMANAH SHARIAH MONEY MARKET FUND

September 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 August 31, 2015)

Fund size	RM 101.63 million
Unit NAV	RM 0.5000
Fund Inception	1 April 2004
Financial Year End	15 <sup>th</sup> 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

Local bond market saw choppy trading momentum as the bond yields continued shifting higher clouded by concerns over soft Ringgit performance, benign oil prices and China's growth prospects appearing less sanguine. The bond yields curve bearish flattened with the 10-/3-year spread widening by 23bps to 107bps. Market sentiment remained jittery, resulting in some offshore players to off-load risk and reduced MYR assets. The 5y benchmark MGS auction also drew poor demand as bid-to-cover ratio was low at 1.742 times with little foreign participation at an average yield of 3.899%. Meanwhile, despite the spike in the bond yields, the 10y benchmark MGS reopening auction garnered stronger than expected demand with bid-to-cover ratio of 2.03 times at an average yield of 4.453%.

On monthly basis, the MGS closed higher across all tenor by 9 to 37bps with the 3-, 5-, 7-, 10- and 15-years at 3.31 (Jul 2015: 3.22), 3.88% (3.62%), 4.31% (3.95%), 4.39% (4.06%) and 4.65% (4.28%) respectively. Similarly, the Government Investment Issues ("GII") also traded higher across all tenor by 27 to 42 bps with the 3-, 5-, 7-, 10 and 15-years at 3.76% (Jul 2015: 3.49%), 4.17% (3.75%), 4.37% (3.99%) and 4.69% (4.30%) respectively.

##### Investment Outlook & Strategy

The global economic recovery continues at a patchy and uneven pace. Weaker oil has given rise to domestic fiscal concern. Given the fragile domestic growth outlook and financial market uncertainties, the 2H15 growth outlook is likely to stay around 4.70% (1H15: +5.25%). Overall growth continues to be underpinned by domestic demand. However, we expect demand to normalize by end of 2015 as impact on GST gradually fades as business and consumer spending a breather post GST.

In the local bond market, we expect that the trading sentiments will continue to be influenced by the oil prices movement as well as the impact on the Ringgit performance. Meanwhile, MGS foreign holdings continue to ease further to 46% in August from 47.8% in July 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 Aug 2015, the volatility Factor (VF) for this fund is 0.69 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 2015 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.

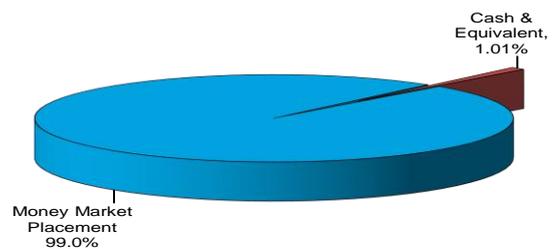
Total foreign holdings fell to RM197.8 million the lowest level since June 2015, and as compared to RM206.8 billion in July 2015, purely attributed a large tranche of MGS maturity in August. During the same period, the Ringgit has weakened considerably against the USD by 9.4% to 4.1925 and foreign reserves decline to USD94.7 billion in August from USD 96.7 billion in prior month. We foresee that the continue prospect of FX volatilities to persist further which will pave the way for further higher bond yields. Meanwhile, OPR is expected to be held steady for the rest of the year. Assessment of growth will be a close watch whilst inflation expectations are expected to be well contained amid benign and declining oil prices.

The Fund will continue investing in short term Islamic deposits.

#### LARGEST HOLDINGS (as at August 31, 2015)

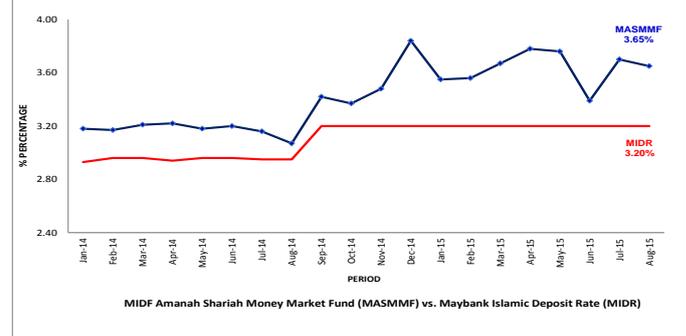
	%
MONEY MARKET PLACEMENT	99.0
CASH	1.01

#### ASSET ALLOCATION (as at August 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 August 31, 2015)



\*Note: Effective 1st Sept 2013, the NAV price of the fund is maintained at RM1.00. As such, the performance of the fund against the relative benchmark has been represented by its fund yield.

#### CALENDAR YEAR RETURN % (as at August 31, 2015)

	3M	6M	1YR	3YRS	5YRS
FUND	0.85	1.43	3.28	7.53	-

Source: Lipper Fund Table (DigitalEdge Weekly, September 7, 2015)