

Monthly Fund Fact Sheet

MIDF AMANAH STRATEGIC FUND

January 2016

FUND OBJECTIVE

The objective of the fund is to achieve long-term capital growth through investments in smaller, high growth companies.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- Are seeking long term capital growth;
- Are prepared to take on a higher level of risk associated with investment in small-capitalized stocks.

FUND DETAILS (as at December 31, 2015)

Fund size	RM24.64 million
Unit NAV	RM1.1301
Fund Inception	1 June 1970
Financial Year End	15th day of January
Management Fee	1.5% p.a. of NAV
Trustee Fee	0.08% p.a. of NAV
Initial Service Charge	Up to 5.00% of NAV
Redemption Payment Period	Within 10 calendar days
Investment Manager	MIDF Amanah Asset Management Bhd

MANAGER'S COMMENTS

Review

December was a volatile month for markets as the benchmark FBMKLCI index lost over 60 pts in a span of 2 weeks, plummeting to a 10-week low of 1,623 in mid-December on concerns a U.S. rate hike will affect sentiment globally before rebounding by 4% to end the year at 1,693pts due to the year-end window dressing activities and improved investor sentiment once the Fed rate overhang was lifted. For the month, the FBMKLCI edged up 20pts or 1.2% to end the year down 3.9%. The broader markets performance was also in line with the FBMKLCI as the broad base FBM EMAS gained 1.4% M-o-M to 11,794pts while the FBM Small Cap index gained 1.9% M-o-M to 15,944pts. Average daily traded value on Bursa for the month was down 17% M-o-M to RM1.91bn due to the shortened trading month and year-end holidays.

Investment Outlook & Strategy

Our short term investment strategy remains unchanged, we are tactically reducing our asset allocation towards Neutral (75% average) from Overweight until early Q1 2016 should the market run-up spill-over in view of the possibility of window-dressing activities and the January portfolio repositioning effect in addition to the Sarawak and U.S. Presidential Elections in 2016.

However, investors remain jittery and concern over the successor to the outgoing BNM governor, Tan Sri Dato' Sri Dr. Zeti Akhtar Aziz in April 2016. The window of market opportunity remains very fluid and narrow; hence the focus on leading indicators such as market liquidity fund flows over pure economic fundamentals (lagging catalyst) will continue to be very crucial in the current times of uncertainties.

We continue to strongly believe that markets move in cycles and historically periods of downturn are always shorter than upturns. The market's fundamentals still offer opportunities at the right price as equities is still the relatively better asset class to invest in compared to fixed income on the back of flush liquidity and an eventual rising rate environment moving forward.

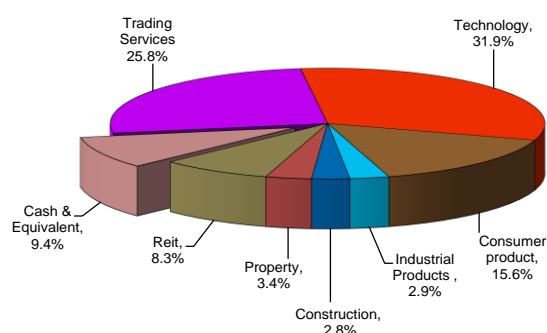
Therefore, the long term investment strategy should reflect such conditions rather than allow our short-term sentiments and emotions to over-rule the logical thought process. As a result of this, reinvestment,

rebalancing and/or switching activities will focus towards; (a) specific small to mid-cap for growth outperformance while timely selective big-cap index-linked stocks for indexation & dividend yield play, (b) undervalued companies with cheap valuations against its historical band/peers, (c) good companies which are currently at the wrong market cycle but will benefit moving forward due to its inflection point of structural or induced recovery, and (d) tactical position in specific thematic plays other than selective defensive-resilient stocks.

LARGEST HOLDINGS (as at December 31, 2015)

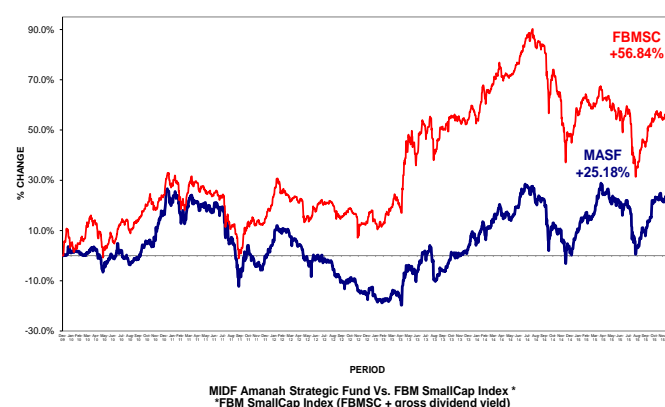
COMPANY	%
YTL HOSP. REIT	8.27
BRAHIM HLDG BHD	7.89
HOVID BHD	7.25
PRESTARIANG BHD	7.05
VITROX CORP. BHD	6.65

ASSET ALLOCATION (as at December 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 December 31, 2015)



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

	3M	6M	1 YR	3YRS	5YRS
FUND	13.81	3.59	23.90	48.44	7.60
FBMSC*	8.04	-0.25	6.04	38.88	26.29

*FBM SmallCap Index (FBMSC + gross dividend yield)

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

(1) Based on the fund's portfolio returns as at 15 December 2015, the volatility Factor (VF) for this fund is 20.10 and is classified as "very high" (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.