

## Monthly Fund Fact Sheet as at 30<sup>th</sup> September 2017

### MIDF AMANAH STRATEGIC FUND

October 2017

#### 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 September 30, 2017)

Fund size	RM 22.688 million
Unit NAV	RM 1.2486
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

September was a month of 2 halves with markets on an upward trajectory in the 1<sup>st</sup> half followed by a descent in the 2<sup>nd</sup>. The benchmark FBMKLCI got off to a good start gaining 16 points to hit a quarterly high of 1,789 points early on which was near levels last seen back in June 2017. Markets was however unable to hold on to those gains and gave back most of it after the U.S. Federal Reserve hinted on the possibility of one more rate hike towards the year end coupled with the escalating tensions over the Korean peninsula resulted in the benchmark index ending the month at 1,756 points or down 1% MoM.

The broader market outperformed the benchmark as the FBM Emas only fell 0.6% MoM to end the month at 12,531 points while small caps was the top performer, gaining 1.2% MoM to end the month at 16,950 points as investors started to return to the market as evidenced by the average daily trading value that rose 30% MoM to RM2.5bn for the month of September.

##### Investment Outlook & Strategy

We maintain our cautious stance on the overall market given the steep valuations despite the generally encouraging fundamental undertone of the economy and capital markets moving forward. The anticipated switching activities will continue to unfold itself with market interest switching to mid-and big-cap index-linked stocks from small caps. However, any sharp technical sell down in the market would be a good opportunity to accumulate fundamentally strong small-mid cap stocks.

Hence, our tactical strategy will be to reduce exposure in small-cap stocks while increasing mid-big caps exposure, particularly laggard index-linked stocks while also reducing overall portfolio weightings in order to capitalise on the market upswing which is expected to be led by mid-big cap index-linked stocks before retracing towards its trading range.

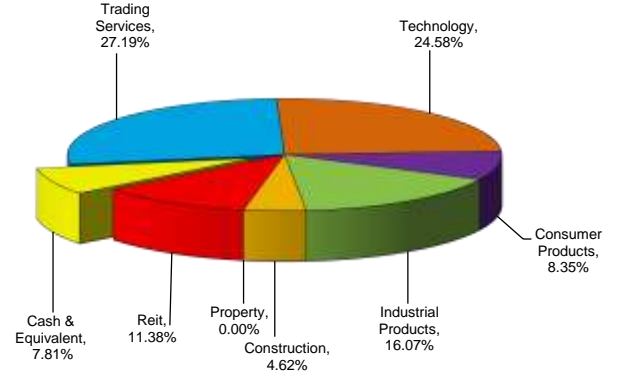
Our long term strategy will continue to focus on a combination of value / growth as well as high dividend yielders. For thematic plays, we like the following space; E-Commerce, General Election, Green Sustainable Energy, IOT disruptors, Logistics, Penang-Sabah-Sarawak infra, Tech-related, Telco, Tourism, Utilities etc. that will shield the portfolio

relatively better during market corrections while still favourably positioning the portfolio well for the rest of the year.

#### LARGEST HOLDINGS (as at September 30, 2017)

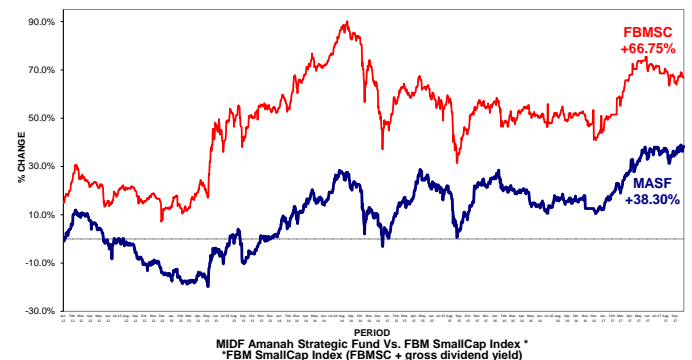
COMPANY	%
FOUNDPAC GROUP BHD	8.40%
VITROX CORP. BHD	8.18%
PERAK TRANSIT BHD	7.35%
YTL HOSP. REIT	6.08%
PRESTARIANG BHD	5.65%

#### ASSET ALLOCATION (as at September 30, 2017)



\*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 September 30, 2017)



#### CALENDAR YEAR RETURN % (as at September 30, 2017)

	3M	6M	1YR	3YRS	5YRS
FUND	0.19	8.26	17.45	12.99	53.48
FBMSC	-1.54	11.59	12.20	-9.42	45.21

\*FBM SmallCap Index (FBMSC + gross dividend yield)

Source: Lipper Fund Table (The Edge, October 9, 2017)

(1) Based on the fund's portfolio returns as at 15 September 2017, the volatility factor (VF) for this fund is 16.88 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.