

## Monthly Fund Fact Sheet July 2010

### MIDF AMANAH ISLAMIC FUND (Formerly known as AUTB Dana Bakti)

#### FUND OBJECTIVE

The objective of the fund is to achieve long-term capital growth through investments which conform with the principles of the Shariah.

#### THE FUND IS SUITABLE FOR INVESTORS WHO:

- Are seeking long term capital growth, who wish their investments to be in line with Shariah requirements ;
- Can tolerate high level of risks.

#### MANAGER'S COMMENTS

##### Review

The market recovers this month as the KLCI rebounded strongly back to near its year highs. The release of the 10<sup>th</sup> Malaysia Plan on June 10 and the higher-than-expected development expenditure, particularly for construction jobs, helped lift market sentiment despite distraction from the World Cup competition. Global market volatility remained high during the month, however as recurring fears about the global recovery weighed down on markets towards the end of June. For the month, the KLCI gained 29 points or 2.3% to close at 1,314 points. The broader market's performance was stronger than the KLCI with the FBM Emas rising 2.5% to 8,863. Smaller caps underperformed as seen by the FBM Small Cap which gained 2.2% to 10,759 points and FBM ACE which appreciated only 1.1% to 3,801 points.

##### Investment Outlook & Strategy

GDP growth is projected to increase by 6% p.a in the 10MP, driven mainly by the foreign FDI and private consumption which will be challenging. BNM is likely to increase OPR rates in the upcoming meeting as it seeks to normalize the local interest rate environment to pre-empt future inflationary pressures from subsidy reduction. Inflationary expectations will increase with the gradual abolishment of subsidies and also the introduction of the pending GST. The latest Tenth Malaysia Plan is commendable but it will not be easy to shunt the economy up the path of higher value-added and thus, higher income economy. The gradual reduction in budget deficit to 2.8% of GDP from 5% estimated for this year will also reduce government's debt level to 49.9% in 2015 and this can help to increase investors' confidence towards government's fiscal discipline. External developments from European debt crisis, US mixed economic signal, and also China's policy tightening will continue to dominate the direction of the local equity market. Market volatility is expected to pick up in H2 given negative sovereign debt developments in Europe but underpinned by liquidity-driven domestic themes. The earnings momentum has peaked with the recent reported 1Q2010 earnings produced more in-line expectations and quarterly growth has declined from 10% in 4Q2009 to 4% in 1Q2010. Further government policies announcement will build hope and keep the market excited, especially towards year end. Market is currently trading fairly with the backdrop of volatile development from Europe, US and policy tightening in China.

The investment landscape has become more volatile, but opportunity still presents. Further market strength, will warrant profit taking while any sharp correction will be present a good opportunity to accumulate stocks with strong fundamentals, proven track record, healthy balance sheet and attractively valued for long term growth.

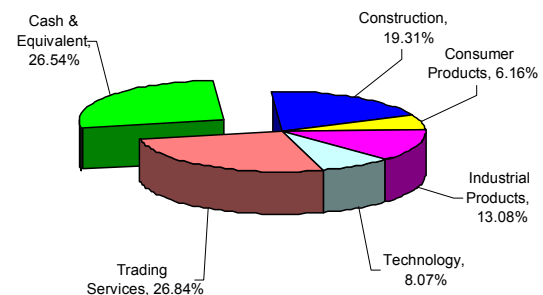
#### FUND DETAILS (as at June 30, 2010)

Fund size	RM14.74 million
Unit NAV	RM 0.3295
Fund Inception	14 May 1971
Financial Year End	15 <sup>th</sup> day of June
Management Fee	1.5% p.a. of NAV
Trustee Fee	0.1% 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

#### LARGEST HOLDINGS (as at June 30, 2010)

COMPANY	%
NOTION VTEC BERHAD	8.07%
DIALOG GROUP BERHAD	8.59%
WCT ENGINEERING BERHAD	7.16%
QL RESOURCES BHD	6.16%
GAMUDA BERHAD	6.06%

#### SECTOR ALLOCATION (as at June 30, 2010)\*



\*as percentage of NAV. Please note that asset exposures for the funds are subject to frequent change on a daily basis.

#### CALENDAR YEAR RETURN % (as at June 30, 2010)

FUND	3M	6M	1YR	3YRS	5YRS
FUND	-2.86	-1.46	3.13	-18.33	8.62
FBM SHARIAH*	-2.86	2.16	17.69	-6.55	49.40

\*FBM Shariah Index (FBM Shariah + gross dividend yield)

Source: Lipper Fund Table

(Published in the Edge dated July 12, 2010)

(1) Based on the fund's portfolio returns as at June 15, 2010, the volatility Factor (VF) for this fund is 13.3 and is classified as "moderate" (source:Lipper).

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. A copy of our Master Prospectus dated 1 January 2010 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 on receipt of an application form referred to in and accompanying the prospectus.