

# MIDF AMANAH SHARIAH EQUITY FUND

**Quarterly Report (Unaudited)  
As Of 30 April 2024**



**MIDF Amanah Asset Management Berhad**  
**Business Registration No.: 197201000162 (11804-D)**  
**Level 3A, Menara MIDF,**  
**82 Jalan Raja Chulan, 50200 Kuala Lumpur**  
**Tel: 03-2173 8888 Fax: 03-2173 8477**

**MIDF AMANAH ASSET MANAGEMENT BERHAD**

Level 20, Menara MBSB Bank, PJ Sentral  
Lot 12, Persiaran Barat, Seksyen 52  
46200 Petaling Jaya, Selangor Darul Ehsan

30 April 2024

Dear Unit Holder:

**FUND INFORMATION**

Fund Name	MIDF Amanah Shariah Equity Fund
Fund Category	Shariah-Compliant Equity Wholesale Fund
Fund Type	Growth
Investment Objective	The Fund aims to achieve long-term capital growth for investors through investments in a portfolio of Shariah-compliant equities.
Investment Strategy	The Fund aims to invest at least 70% of its Net Asset Value ("NAV") in Shariah-compliant equities listed in Bursa Malaysia that offer long-term growth potential. The remainder of the Fund's NAV not invested in Shariah-compliant equities will be invested in Islamic Deposits and/or Islamic money market instruments up to a limit of 30% of the Fund's NAV.
Performance Benchmark	FTSE Bursa Malaysia Hijrah Index <i>Note: The risk profile of the Fund differs from the risk profile of the benchmark.</i>
Distribution Policy	Annually, depending on the level of income (if any) the Fund generates and at the discretion* of the Manager after deducting all fees, zakat and expenses including management fee and trustee fee. <i>*The Manager has the discretion with due consideration for the best interest of the Fund, to decide on the amount to be distributed to the Unit Holders. If the distribution available is too small or insignificant, the Manager may choose not to distribute the income as the distribution may not be beneficial to the Unit Holders as the total cost to be incurred in such distribution may be higher than the amount available for distribution.</i>

**CURRENT PROFILE OF UNITHOLDINGS BY SIZE**

Size of Holdings	No. Of Accounts	No. Of Units Held
5,000 and below	0	0
5,001 to 10,000	0	0
10,001 to 50,000	1	49,870
50,001 to 500,000	0	0
500,001 and above	2	9,660,556
<b>TOTAL</b>	<b>3</b>	<b>9,710,426</b>

## **PERFORMANCE OF THE FUND**

<b>MIDF Amanah Shariah Equity Fund ("MIDFA-SEF")</b>	<b>As of 30 April 2024</b>	<b>As of 31 January 2024</b>	<b>%</b>
NAV (RM)	8,769,057	10,244,679	(14.40)
NAV per Unit (RM)	0.9031	0.8519	6.01
FTSE Bursa Malaysia Hijrah Index ("FBMHS")	12,776.21	12,040.24	6.11

## **FUND PERFORMANCE REVIEW**

For the Quarter ended 30 April 2024, the NAV per unit of MIDFA-SEF increased by 6.01% while the fund's benchmark FTSE Bursa Malaysia Hijrah Shariah ("FBMHS") Index gained by 6.11%, translating to a marginal underperformance of 0.1% against the benchmark for the period under review.

The key objective of the MIDFA-SEF is to achieve long-term capital growth through investments in Shariah-compliant equities, which the Fund has achieved during the period under review.

The FBMHS Index has been identified as the benchmark for MIDFA-SEF as it is the closest comparable index.

## **PERFORMANCE DATA**

		<b>As of 30 April 2024</b>	<b>As of 31 January 2024</b>
NAV	[RM]	8,769,057	10,244,679
Units in Circulation	[Units]	9,710,426	12,025,426
NAV per Unit	[RM]	0.9031	0.8519
Highest NAV*	[RM]	0.9031	0.8594
Lowest NAV*	[RM]	0.8492	0.8320
Total return:			
- Capital Growth	[%]	6.01	1.76
- Income Distribution		NIL	NIL

## **QUARTERLY TOTAL RETURN OF THE FUND**

<b>As At 30 April 2024 (Quarter Ended From 01.02.2024 To 30.04.2024)</b>	<b>★The Fund (%)</b>	<b># FBMHS (%)</b>
3 Months	6.01	6.11

★ Source: Internal Data

# Source: Bloomberg

## **MARKET REVIEW**

In the first quarter of 2024, global stock markets registered strong gains, boosted by a resilient US economy and ongoing enthusiasm around Artificial Intelligence. Expectations of interest rate cuts also contributed to the rise in share prices, although the cuts might not happen as quickly as expected.

Malaysian markets showed strength, with FBM Mid 70 leading the pack with an impressive 11% return, outperforming the benchmark FBM KLCI which gained 5.6%. Most local indices ended the quarter with mid-single digit returns, except for FBM ACE which declined by 8%. On a monthly basis, FBM Mid 70 continued to perform well, followed by FBM Small Cap and FBM ACE. However, FBM KLCI ended March in the red with a negative return of -1%.

In terms of sectoral performances, Bursa Malaysia Utilities (+16.94%), Property (+16.90%), Energy (16.46%), and Construction (+16.28%) performed well in the 1Q24, while FBM Consumer (+3.14%), Healthcare (+2.07%), and Technology (+2.04%) sectors were the laggards, but still recording positive gains. In March, Property (+9.33%) and Construction (+5.63%) were the top performers, while Consumer and Telco were at the end of the spectrum.

## **INVESTMENT OUTLOOK AND STRATEGY**

Wrapping up the first quarter of 2024, we remain cautiously optimistic about the local markets with expectations that the FBM KLCI will finish the year above 1,600 points. Starting off with a commendable footing, most indices performed well, posting returns between 5% to 7%, although we saw some outliers where FBM Mid 70 and FBM ACE had returns of 11% and -8% respectively. The FBM KLCI closed the first quarter at 1,530.60 points, with a potential 5% increase from the current level.

Our confidence stems from policy improvements, the anticipated weakening of the US Dollar, and an upward trend in corporate earnings. Recent earnings results (4Q2023) released in late February were generally positive, registering year-on-year (YoY) improvement and a stable quarter-on-quarter (QoQ). The stable political environment is crucial for attracting foreign investors, and we expect it to boost foreign investor confidence, continuing the strong foreign direct investment trend seen in 2023.

Our local markets offer compelling investment opportunities, trading at a consensus CY25 PER of 12.8x versus its 5-year historical average of 17.6x. Any pullbacks in the market could provide bargain-hunt and opportunities to accumulate. Amongst our top sector recommendations are Technology and Energy. With the AI, 5G, IoT, and data center advancements, we are confident in the technology sector. We expect the semiconductor industry to benefit from a rebound in chip demand driven by advanced technologies and electric vehicles. Similarly, the Energy sector could benefit from improved global economic growth, efforts by OPEC+1 to stabilize oil prices, and geopolitical uncertainties in the Middle East. These views complement our optimism in the Utilities, Property, and Construction sectors.

Our earlier positioning in sector winners such as Construction, Property and Energy with overweight exposure of between 5% to 8% has contributed positively to fund performance in 1Q2024. Our strategy focus will continue to build on a sector and thematic-driven approach, followed by bottom-up stock selection to capitalize on market trends and opportunities. We advocate for a strategic asset allocation within the range of 80% - 85% to ensure a balanced and diversified portfolio. We'll remain flexible in our tactical asset allocation to manage portfolio risks and navigate macroeconomic changes. In the fixed-income market, we anticipate easing inflation to offer trading opportunities within high-grade and government papers for the medium term. Our focus is on building a resilient long-term portfolio that generates reasonable passive income.

### **KEY MARKET RISKS**

- Heightened geopolitical risks such as the long-drawn Ukraine-Russia and Gaza's conflict, may derail global recovery and negatively affect investors' sentiment.
- Deteriorating relationship between the US and China over Taiwan and Tech War.
- Later than expected interest rate cut in developed markets, especially in the US and Europe.
- Prolonged weakening of Ringgit due to economic uncertainties will further aggravate capital outflows.
- Worse than-expected economic performance in China may hamper global economic recovery and induce investors to shy away from risky assets.

### **CHANGES IN INVESTMENT TEAM**

There is no change in the Investment team for the period under review.

## FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2024

### To the unit holders of MIDF AMANAH SHARIAH EQUITY FUND ("the Fund")

We hereby confirm the following:

- 1 To the best of our knowledge, after having made all reasonable enquiries, **MIDF AMANAH ASSET MANAGEMENT BERHAD** has operated and managed the Fund during the period covered by these financial statements in accordance with Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
- 2 The assets of the Fund comprise of instruments that have been classified as Shariah-compliant.

For **MBSB BANK BERHAD**



**MOHD BAHRODDIN BADRI**  
Chairman, Shariah Committee  
MBSB Bank Berhad

Date: 22 July 2024

**MIDF AMANAH SHARIAH EQUITY FUND**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE NINE MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2024**

	Individual Quarter		Cumulative Quarters	
	3 Months Ended		9 Months Ended	
	30 Apr 2024	30 Apr 2023	30 Apr 2024	30 Apr 2023
	RM	RM	RM	RM
<b>INVESTMENT INCOME</b>				
Dividend income	71,859	66,188	168,469	188,320
Profit income from Islamic deposits with financial institutions	16,565	15,489	47,272	40,661
Net gain/(loss) from financial assets at fair value through profit or loss ("FVTPL")	490,007	(253,401)	714,482	780,337
	<u>578,431</u>	<u>(171,724)</u>	<u>930,223</u>	<u>1,009,318</u>
<b>EXPENSES</b>				
Manager's fee	(35,091)	(37,489)	(112,157)	(109,103)
Trustee's fee	(1,170)	(1,250)	(3,739)	(3,637)
Auditors' remuneration	(1,722)	(1,707)	(5,242)	(5,236)
Brokerage fees	(6,502)	(14,619)	(31,419)	(51,652)
Tax agent's fee	(728)	(734)	(2,217)	(2,041)
Administrative expenses	(5,207)	(12,798)	(20,566)	(40,755)
	<u>(50,420)</u>	<u>(68,597)</u>	<u>(175,340)</u>	<u>(212,424)</u>
<b>Net income/(loss) before tax</b>	528,011	(240,321)	754,883	796,894
Income tax expense	-	-	-	-
<b>Net income/(loss) after tax representing total comprehensive income/(loss) for the financial period</b>	<u>528,011</u>	<u>(240,321)</u>	<u>754,883</u>	<u>796,894</u>
Net income/(loss) after tax is made up of the following:				
Net realised gain/(loss)	54,113	528,585	(71,838)	(330,870)
Net unrealised gain/(loss)	473,898	(768,906)	826,721	1,127,764
	<u>528,011</u>	<u>(240,321)</u>	<u>754,883</u>	<u>796,894</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**MIDF AMANAH SHARIAH EQUITY FUND**

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 30 APRIL 2024**

	Note	30 Apr 2024 RM	31 Jul 2023 RM
<b>ASSETS</b>			
Financial assets at FVTPL		6,926,662	7,345,109
Islamic deposits with financial institutions		1,849,773	2,685,427
Other receivables		6,036	3,782
Cash at bank		10,144	7,790
<b>TOTAL ASSETS</b>		<u>8,792,615</u>	<u>10,042,108</u>
<b>LIABILITIES</b>			
Due to Manager		10,553	12,615
Due to Trustee		352	449
Other payable		12,653	11,237
<b>TOTAL LIABILITIES</b>		<u>23,558</u>	<u>24,301</u>
<b>EQUITY</b>			
Unit holders' capital	1 (a)	10,120,967	12,124,600
Accumulated losses	1 (b) & (c)	<u>(1,351,910)</u>	<u>(2,106,793)</u>
<b>TOTAL EQUITY, REPRESENTING NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>8,769,057</u>	<u>10,017,807</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>8,792,615</u>	<u>10,042,108</u>
<b>UNITS IN CIRCULATION</b>	1 (a)	<u>9,710,426</u>	<u>12,025,426</u>
<b>NAV PER UNIT (RM)</b>		<u>0.9031</u>	<u>0.8331</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



**MIDF AMANAH SHARIAH EQUITY FUND****UNAUDITED STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2024**

	<b>Unit holders' capital Note 1 (a) RM</b>	<b>Accummulated losses Note 1 (b) &amp; (c) RM</b>	<b>Total equity RM</b>
As at 1 August 2022	12,124,600	(2,780,245)	9,344,355
Total comprehensive income for the financial period	-	796,894	796,894
As at 30 April 2023	<u>12,124,600</u>	<u>(1,983,351)</u>	<u>10,141,249</u>
As at 1 August 2023	12,124,600	(2,106,793)	10,017,807
Total comprehensive income for the financial period	-	754,883	754,883
Cancellation of units	<u>(2,003,633)</u>	<u>-</u>	<u>(2,003,633)</u>
As at 30 April 2024	<u>10,120,967</u>	<u>(1,351,910)</u>	<u>8,769,057</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**MIDF AMANAH SHARIAH EQUITY FUND**

**UNAUDITED STATEMENT OF CASH FLOW  
FOR THE NINE MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2024**

	Individual Quarter 3 Months Ended		Cumulative Quarters 9 Months Ended	
	30 Apr 2024 RM	30 Apr 2023 RM	30 Apr 2024 RM	30 Apr 2023 RM
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>				
Proceeds from sale of investments	2,075,869	3,039,550	7,286,567	10,888,922
Purchase of investments	(907,846)	(3,001,751)	(6,202,661)	(10,438,087)
Dividend received	77,501	71,516	165,819	188,950
Income from Islamic deposits received	16,674	15,101	47,668	40,384
Manager's fee paid	(37,557)	(37,756)	(114,219)	(107,968)
Trustee's fee paid	(1,281)	(1,258)	(3,836)	(3,599)
Audit fee paid	(7,000)	(7,000)	(7,000)	(7,000)
Payment for other fees and expenses	(1,457)	(1,448)	(2,005)	(2,352)
Net cash generated from operating and investing activities	1,214,903	76,954	1,170,333	559,250
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Cash payment for units cancelled, representing net cash used in financing activity	(2,003,633)	-	(2,003,633)	-
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(788,730)	76,954	(833,300)	559,250
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	2,648,647	2,636,185	2,693,217	2,153,889
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	1,859,917	2,713,139	1,859,917	2,713,139
Cash and cash equivalents comprise:				
Cash at bank	10,144	17,591	10,144	17,591
Islamic deposits with financial institutions	1,849,773	2,695,548	1,849,773	2,695,548
	1,859,917	2,713,139	1,859,917	2,713,139

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**MIDF AMANAH SHARIAH EQUITY FUND**

**NOTES TO THE FINANCIAL STATEMENTS  
AS AT 30 APRIL 2024**

**1. TOTAL EQUITY**

	Note	30 Apr 2024 RM	31 Jul 2023 RM
Unit holders' capital	(a)	10,120,967	12,124,600
Accumulated losses			
- Realised and distributable	(b)	(2,127,461)	(2,055,623)
- Unrealised reserve and non-distributable	(c)	775,551	(51,170)
Total equity		<u>8,769,057</u>	<u>10,017,807</u>

**(a) Unit holder's capital**

	30 Apr 2024		31 Jul 2023	
	No of units	Amount RM	No of units	Amount RM
As at the beginning of the financial period/year	12,025,426	12,124,600	12,025,426	12,124,600
Cancellation of units	<u>(2,315,000)</u>	<u>(2,003,633)</u>	-	-
As at the end of the financial period/year	<u>9,710,426</u>	<u>10,120,967</u>	<u>12,025,426</u>	<u>12,124,600</u>

**(b) Realised and distributable**

	30 Apr 2024 RM	31 Jul 2023 RM
As at beginning of the financial period/year	(2,055,623)	(1,722,710)
Net realised loss	<u>(71,838)</u>	<u>(332,913)</u>
As at the end of the financial period/year	<u>(2,127,461)</u>	<u>(2,055,623)</u>

**(c) Unrealised reserve and non-distributable**

	30 Apr 2024 RM	31 Jul 2023 RM
As at beginning of the financial period/year	(51,170)	(1,057,535)
Net unrealised income attributable to investments	<u>826,721</u>	<u>1,006,365</u>
As at the end of the financial period/year	<u>775,551</u>	<u>(51,170)</u>

## CORPORATE INFORMATION

<b>MANAGER</b>	MIDF Amanah Asset Management Berhad Registration No: 197201000162 (11804-D)
<b>REGISTERED OFFICE</b>	Level 25, Menara MBSB Bank, PJ Sentral Lot 12, Persiaran Barat, Seksyen 52 46200 Petaling Jaya, Selangor Tel: 03 – 2173 8888
<b>BUSINESS OFFICE</b>	Level 20, Menara MBSB Bank, PJ Sentral Lot 12, Persiaran Barat, Seksyen 52 46200 Petaling Jaya, Selangor Tel: 03 - 2173 8488 (Customer Service Line) Fax: 03 - 2173 8555 E-mail: <a href="mailto:_midfamanah@midf.com.my">_midfamanah@midf.com.my</a> Website: <a href="http://www.midf.com.my/index.php/en/what-we-do-en/asset-management">www.midf.com.my/index.php/en/what-we-do-en/asset-management</a>
<b>TRUSTEE</b>	AmanahRaya Trustees Berhad (766894-T) Tingkat 14, Wisma AmanahRaya, No. 2 Jalan Ampang, 50508 Kuala Lumpur
<b>BOARD OF DIRECTORS</b>	Hasnah Omar – Chairman Tai Keat Chai Hasman Yusri Yusoff Shan Kamahl Mohammad Dato' Azlan Shahrin (appointed effective 15 November 2023 and resigned w.e.f 15 July 2024) Dato' Seri Diraja Nur Julie Gwee Ariff (appointed effective 15 November 2023) Datuk (Dr.) Joseph Dominic Silva (resigned effective 15 November 2023) Norziana Mohd Inon (resigned effective 5 July 2023)
<b>OVERSIGHT COMMITTEE MEMBERS</b>	Hasman Yusri Yusoff - Chairman Tai Keat Chai Sheikh Shahrudin Sheikh Salim
<b>BOARD AUDIT AND RISK MANAGEMENT COMMITTEE MEMBERS</b>	Tai Keat Chai – Chairman Hasman Yusri Yusoff Norziana Mohd Inon (resigned effective 5 July 2023)
<b>COMPANY SECRETARY</b>	Nor Azita Sarip (MAICSA 7048861) Nor'adilah Mohd Arshad (LS 10098) (appointed effective 1 January 2024) Hadidah Amin (LS 10683) (resigned effective 1 January 2024) Lailatul Mardhiyah Said Abdullah (LS 10110) (resigned effective 28 April 2023)
<b>AUDITOR</b>	Ernst & Young PLT Level 23A, Menara Milenium, Jalan Damanlela Pusat Bandar Damansara 50490 Kuala Lumpur
<b>TAX ADVISER</b>	Ernst & Young Tax Consultants Sdn Bhd Level 23A, Menara Milenium, Jalan Damanlela Pusat Bandar Damansara 50490 Kuala Lumpur
<b>SHARIAH ADVISER</b>	MBSB Bank Berhad (Registration No.: 200501033981 (716122-P)) Level 25, Menara MBSB Bank, PJ Sentral Lot 12, Persiaran Barat, Seksyen 52 46200 Petaling Jaya, Selangor
<b>PRINCIPAL BANKERS</b>	Malayan Banking Berhad (3813-K) Menara Maybank, Jalan Tun Perak, 50050 Kuala Lumpur  OCBC Bank (Malaysia) Berhad (295400-W) 18th Floor, Menara OCBC 18 Jalan Tun Perak 50050 Kuala Lumpur