

Money Market Review

To recap, Bank Negara Malaysia (BNM) lowered the Overnight Policy Rate (OPR) by 25bps on 7 July, to a record low of 1.75% (year-to-date reduction of 125bps). In its policy statement, BNM highlighted that the reduction in OPR is intended to provide additional policy stimulus to accelerate the pace of economic recovery.

Meanwhile, the international reserves of BNM amounted to USD104.3 billion as at 14 August 2020. The reserves position is sufficient to finance 8.5 months of retained imports and is 1.1 times total short-term external debt.

Money Market Outlook

While BNM expects the domestic economy to gradually recover, the pace and strength of the recovery remain subject to downside risks emanating from both domestic and external factors. Meanwhile, average headline inflation is likely to be negative for the full year 2020, primarily reflecting substantially lower global crude oil prices.

Given muted inflationary pressures and continued uncertainties ahead, BNM is widely anticipated to remain accommodative to support domestic growth, with the central bank assuring that it would utilize its policy levers as appropriate to create enabling conditions for sustainable economic recovery.

Money Market Fund Strategy

The Fund will continue to invest in Shariah-based deposits. The investment strategy will involve actively managing the maturities of each investment to the extent possible to enhance the returns of the Fund. The Fund will also be actively managed to meet potential liquidity requirements of the Fund.

FUND OBJECTIVE

Aims to provide investors with a regular income stream that comply with Shariah requirements whilst maintaining capital stability.

Fund Category/Type

Money Market (Islamic) / Income

Launch Date

09 November 2007

Trustee

CIMB Islamic Trustee Berhad

Benchmark

Maybank Overnight Repo Rate*

*Maybank Overnight Repo Rate has been renamed as Maybank Islamic Overnight Deposit Rate effective 23 September 2019

Designated Fund Manager

Lee Sook Yee

Sales Charge

Nil

Annual Management Fee

0.50% p.a.

Annual Trustee Fee

0.02% p.a.

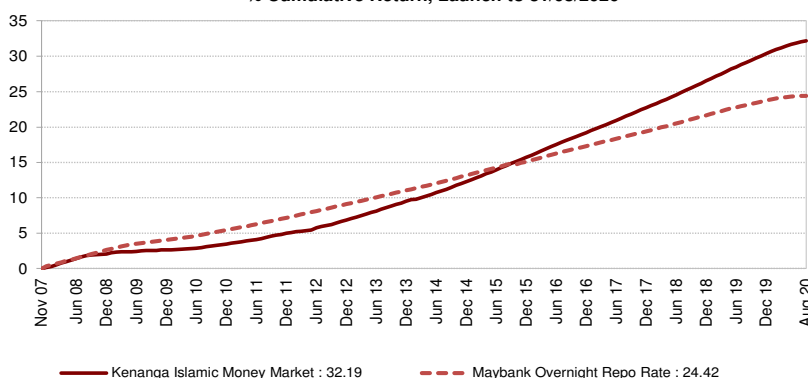
Redemption Charge

Nil

All fees and charges payable to the Manager and the Trustee are subject to the goods and services tax /sales and services tax/other taxes of similar nature as may be imposed by the government or other authorities from time to time.

FUND PERFORMANCE (%)

% Cumulative Return, Launch to 31/08/2020



Source: Novagni Analytics and Advisory

CUMULATIVE FUND PERFORMANCE (%) #

Period	Fund	Benchmark
1 month	0.12	0.02
6 months	0.97	0.31
1 year	2.38	1.08
3 years	8.76	4.83
5 years	15.43	8.81
Since Launch	32.19	24.42

Source : Lipper, 31 August 2020

CALENDAR YEAR FUND PERFORMANCE (%) #

Period	Fund	Benchmark
2019	3.02	1.72
2018	3.11	1.91
2017	2.97	1.77
2016	3.00	1.92
2015	3.06	2.02

FUND SIZE *

RM 358.19 million

NAV PER UNIT *

RM 0.5094

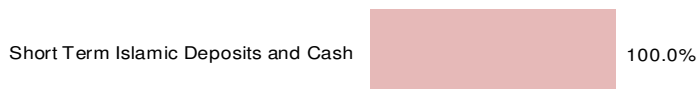
HISTORICAL FUND PRICE *

	Since Inception	Date
Highest	RM 0.5440	25-Sep-13
Lowest	RM 0.4999	19-Nov-07

ASSET ALLOCATION (% NAV) *



SECTOR ALLOCATION (% NAV) *



TOP MONEY MARKET PLACEMENTS (% NAV) *

Rank	Entity	Allocation (%)
1	CIMB ISLAMIC BANK BHD	19.96%
2	AMISLAMIC BANK BHD	18.49%
3	KUWAIT FINANCE HOUSE	12.79%
4	KENANGA INVESTMENT BANK BHD	12.68%
5	MBSB BANK BHD	11.51%

* Source: Kenanga Investors Berhad, 31 August 2020

DISTRIBUTION HISTORY *

Gross Distribution			
Date	RM	Yield (%)	Unit Split
24-Aug-20	0.06 sen	0.12%	-
20-Jul-20	0.06 sen	0.12%	-
24-Jun-20	0.06 sen	0.12%	-

Based on the fund's portfolio returns as at 10 August 2020, the Volatility Factor (VF) for this fund is 0.12 and is classified as "Very Low". (Source: Lipper). "Very Low" includes funds with VF that are 0.000 and less than or equal to 3.56 (source: Lipper). The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC. The Master Prospectus dated 29 March 2019 and the Supplemental Prospectus (if any), its Product Highlights Sheets ("PHS") or Supplemental Disclosure Document ("SDD") (if any) have been registered with the Securities Commission Malaysia, who takes no responsibility for its contents. The fund fact sheet has not been reviewed by the SC. A copy of the Master Prospectus, Supplemental Prospectus (if any), SDD (if any) and the PHS are obtainable at our offices. Application for Units can only be made on receipt of application form referred to in and accompanying the Master Prospectus and/or Supplemental Prospectus (if any), SDD (if any) and PHS. Investors are advised to read and understand the Master Prospectus, its PHS and any other relevant product disclosure documents involved before investing. Investors are also advised to consider the fees and charges before investing. Unit prices and distributions may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV. Where a unit split is declared, investors should note that the value of their investment in Malaysian Ringgit will remain unchanged after the distribution of the additional units. A Fund's track record does not guarantee its future performance. Investors are advised to read and understand the contents of the unit trust loan financing risk disclosure statement before deciding to borrow to purchase units. "Cooling-Off Period" or "Cooling-Off Right" is not applicable to EPF Member Investment Scheme (EPF MIS). Kenanga Investors Berhad is committed to preventing Conflict of Interest between its various businesses and activities and between its clients/directors/shareholders and employees by having in place procedures and measures for identifying and properly managing any apparent, potential and perceived Conflict of Interest by making disclosures to Clients, where appropriate. The Manager wishes to highlight the specific risks of the Fund are credit and default risk, interest rate risk and reinvestment risk.