

BIMB i DIVIDEND FUND

UNAUDITED INTERIM REPORT FOR THE
6 MONTHS PERIOD ENDED 30 APRIL 2016

*LAPORAN INTERIM TIDAK DIAUDIT BAGI
TEMPOH 6 BULAN BERAKHIR 30 APRIL 2016*

BIMB INVESTMENT
A BANK ISLAM
SUBSIDIARY

MANAGER:
BIMB INVESTMENT MANAGEMENT BERHAD (276246-X)

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1.0 Manager's Report

Dear Unit Holders,

We are pleased to present the Manager's report of BIMB *i* Dividend Fund for the 6 months period ended 30 April 2016.

1.1 Fund Name/ Fund Type/ Fund Category/ Fund Investment Objective/ Fund Performance Benchmark/ Fund Distribution Policy

Fund Name	BIMB <i>i</i> Dividend Fund
Fund Type	Income and Growth
Fund Category	Equity
Fund Investment Objective	<p>This Fund aims to primarily provide investors with a combination of steady and recurring income and capital growth in the medium to long term* through investments in Shariah-compliant dividend yielding equities, which historically offered solid performance and is generally less volatile when compared to the broader equity market.</p> <p><i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
Fund Performance Benchmark	<p>The Fund will be measured against an absolute return benchmark of 6% per annum. This is not a guaranteed return and it is only a measurement of the Fund's performance. The Fund may or may not achieve 6% per annum growth rate in any particular financial year but targets to achieve this growth rate through long term.</p>
Fund Distribution Policy	<p>The Manager will declare annual distributions (subject to the availability of income).</p>

Note:

*"medium to long term" in this context refers to three (3) years or more.

1.2 Performance review for BIMB *i* Dividend Fund

BIMB *i* Dividend Fund registered a return of -6.51% as a result of unfavorable market conditions that affected the Fund's general stock holdings. The FBM Shariah Index on the other hand registered a return of -1.48%. During the period under review, the Fund's high weightage on the telecommunications sector had negatively impacted its performance as price competition among peers within the sector heightened. Apart from that, the Fund's legacy Oil & Gas stocks was also impacted by high selling pressure from foreign investors ahead of Capex cut by Petronas in early 2016.

The selected performance measure for BIMB *i* Dividend Fund is based on an absolute return benchmark of 6% per annum. This is not a guaranteed return and serves only as a measurement of the Fund's performance. The Fund may or may not achieve the aforesaid 6% per annum benchmark rate in any particular financial year but targets to achieve this growth rate in the longer term.

Our strategy has consistently been to remain focused on companies that can pay out sustainable dividend and have potential capital growth over the medium to long-term. Investments in high dividend-yielding companies would be based on both historical and upcoming dividend payouts.

For the period under review, BIMB *i* Dividend Fund did not declare any distribution. As at 30 April 2016, the Net Asset Value (NAV) of the Fund was RM 188,260,530 whereas the NAV per unit of the Fund stood at RM0.2067.

There were no significant changes to the state of affairs of the Fund and no circumstances that had materially affected the interest of unit holders that had taken place up to the date of this report.

1.2.1 Total return and average total return

	BIMB <i>i</i> Dividend Fund		Benchmark	
	Total Return (%)	Average Total Return (%)	Total Return (%)	Average Total Return (%)
6-month Period*	-6.51	-13.02	2.96	5.92
1-Year Period	-13.03	-13.03	6.00	6.00
3-Year Period	-9.87	3.29	19.10	6.36

*Indicative annualised return

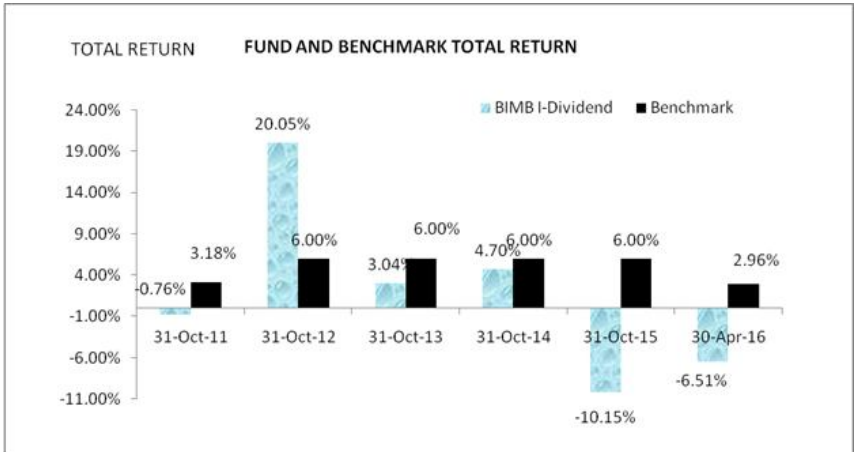
1.2.2 Total return for the last 4 financial years

Financial Years	Total Return	
	BIMB / Dividend Fund (%)	Benchmark (%)
31 October 2015	-10.15	6.00
31 October 2014	4.70	6.00
31 October 2013	3.04	6.00
31 October 2012	20.05	6.00

1.2.3 Income distribution for the last 4 financial years

Financial Years	Income Distribution		Benchmark per annum (%)
	Distribution (sen)/ unit	Distribution Yield per annum (%)	
31 October 2015	1.25	4.81	6.00
31 October 2014	1.87	7.02	6.00
31 October 2013	2.15	7.70	6.00
31 October 2012	1.90	7.66	6.00

Figure 1: Movement of the Fund versus the Benchmark



Note:

Data Source : BIMB Investment Management Berhad

Data verified by : Novagni Analytics & Advisory Sdn. Bhd.

(formerly known as Perkasa Normandy Managers Sdn.Bhd)

Benchmark : Absolute return of 6% per annum

Notes:

1. **Total Return** of the Fund has been verified by Novagni Analytics & Advisory Sdn. Bhd.
2. **Average Total return** is derived by this formula:

$$\frac{\text{Total Return}}{\text{Number of Years under Review}}$$

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

1.3 Economic and Market Review

Economy

a) Global

- US Gross Domestic Product (GDP) grew 0.5% in the first quarter of 2016 compared to 1.4% in fourth quarter 2015 as consumer spending weakened coupled with a stronger US dollar gain since late 2015. This continues to undercut exports causing business spending to contract. The US GDP growth is at its slowest pace since 2009.
- US headline inflation rate increased to 1.1 % in April 2016 from 0.5% in November 2015 led by gains in fuel prices and rents.
- US unemployment rate remains unchanged at 5.0% in April 2016 compared to November 2015 as businesses continued the pace of robust hiring.
- There were no further interest rate hikes by the US Federal Reserve during its meeting in March and April, citing global economic uncertainties as the reason to pause interest rate hike temporarily.
- Euro zone's GDP grew by 0.5% in the first quarter of 2016 compared to 0.3% in the fourth quarter 2015 after improved economic data from France and Spain reveals a stronger economic recovery momentum for the period.
- Euro zone's inflation rate was at 0.0% in March 2016 compared to 0.1% in November 2015 prompting the ECB to release a new round of economic stimulus to the single currency economic region.
- Euro zone's unemployment rate fell to 10.2% in March 2016 from 10.5% in November 2015. This is the lowest unemployment rate recorded since August 2011 where the Czech Republic (4.1 percent) and Germany (4.2 percent) represent the lowest unemployment rate within the Euro zone.
- China's GDP growth was 6.7% in the first quarter of 2016, its slowest rate in seven years as the world second largest economy continues to slowdown due to its structural and over capacity problems faced by its industrial sector.

(Source: Bloomberg, Eurostats, RHB Investment Bank and Maybank Investment Bank)

b) Local

- Malaysia's GDP growth was 4.2% in the first quarter of 2016 as external headwinds take effect on the domestic economy. Albeit at a slower pace, expansion in the services, manufacturing and construction sector has supported domestic growth while private sector spending was weaker during the quarter.
- Malaysia's annual inflation rate declined to 2.1% in April 2016 from 2.6% in November 2015 due to a decline in transport cost as retail fuel prices were cut by 4.9% in early March 2016.
- Bank Negara Malaysia decided to maintain the Overnight Policy Rate (OPR) at 3.25% at the Monetary Policy Committee (MPC) meeting on 9 March 2016. The monetary policy will remain accommodative and supportive to the domestic economy as heightened risks in the global economic environment persist.
- Bank Negara Malaysia's (BNM) international reserves improved to US\$97.0bn as at 30 April 2016 from USD94.6 billion as at 30 November 2015. The reserves position is sufficient to finance 7.9 months of retained imports and is 1.1 times the short-term external debt.

(Source: Bloomberg, Bank Negara Malaysia and Department of Statistics, Malaysia)

Market Review

FTSE Bursa Malaysia Emas Shariah Index ("FBM Shariah") commenced the period under review at 12,392.83 points on 1 November 2015 before it reached 12,894.94 points on 30 December 2015. It touched the lowest of 12,105.60 on 21 January 2016 before it closed at 12,208.99 points on 29 April 2016. For the period under review, the FBM Shariah declined by 183.84 points or -1.48%. Meanwhile, the FBM KLCI was up marginally by 5.74 points or 0.34% to close at 1,672.72 points. During the period under review, among the key factors that contributed to the movement of the index are highlighted below:

- The local bourse buoyed in November due to Brent Oil breaching USD50 per barrel, coupled with the announcement of the proposed sale of Edra Global Energy power assets to China's state-owned firm, China General Nuclear Power Corp (CGN).
- Market reversed into a decline towards end of November as more US job data supports the case of a rate hike in December. On 16 December 2015, the Federal Reserve raised interest rate by 0.25 percent points, for the first time in seven years. US and Asian stock markets closed higher as uncertainty in the global markets are removed. The Federal Reserve's move was also greeted positively in Europe, with the major indices advancing by up to 3%.

- In January, global equities tumbled on fears of China's economic slowdown as the Chinese Caixin PMI had further gone into contraction. During the month, crude oil price was volatile after Saudi Arabia disengaged diplomatic ties with Iran.
- General sentiment on Bursa Malaysia was lifted in February as Qatar, Saudi Arabia, Russia and Venezuela announced their decision to freeze oil production output. WTi oil price recovered during the month from USD26.05 to USD 33.75. During the month, Bank of Japan adopted negative interest rate for the first time ever to revive its ailing economy.
- The general market continued its uptick in March and April as the Sarawak State assembly was dissolved, paving way for a state election to be held on 7 May, 2016. The Ringgit strengthened to RM3.85/USD at its peak before retracing to below RM4.00/USD after news that 1MDB had defaulted on one of its bond interest payments that also sparked a market sell down on FBM KLCI to below 1,700pts.

(Source: Bloomberg, Bank Negara Malaysia and Department of Statistics, Malaysia)

1.4 Market Outlook and Strategy

- The equity market outlook is expected to be volatile in 2016. Factors that may predominantly influence the global equity markets include the oil price movement, new era of US interest rate hikes, China's economic slowdown, the Yuan devaluation and global recession fears among others. However, the domestic market should be able to withstand external shocks as it is supported by ample domestic liquidity and strong buying support of local funds.
- Global economy continues to expand in moderation, albeit in a challenging environment. Growth across economies has been uneven, while the US recovery path is on track, the Euro zone, Japan and China's growth remains weak. In Asia, growth is being sustained by the continued expansion in domestic demand and exports.
- For Malaysia, while domestic demand has continued to support growth, corporate earnings may impose downside risks due to subdued consumer sentiment and fragile global macroeconomics. Going forward, domestic demand will remain the key driver of growth. While the moderating global growth and low oil prices will affect the macro development prospects, the Malaysian economy is still projected to grow between 4.0% to 5.0% for 2016.
- The strategy is to invest in companies with good earnings visibility, strong balance sheet, reasonable valuation and good growth prospects and high dividend yields. We have a long term approach to investment. We invest in stocks with the objective to outperform the benchmark.

1.5 Asset Allocation as at 30 April 2016 and as at 31 October 2015, 2014 and 2013

BIMB i Dividend Fund	As at 30.4.2016 (%)	As at 31.10.2015 (%)	As at 31.10.2014 (%)	As at 31.10.2013 (%)
Investment In Quoted Securities				
Construction	2.9	3.6	4.9	18.8
Consumer Products	4.2	2.6	3.6	0.7
Finance	2.3	2.8	4.2	-
Industrial Products	16.0	1.7	11.0	2.5
Infrastructure	7.0	10.6	3.0	0.5
Plantation	3.6	9.6	7.6	3.3
Properties	15.5	13.9	6.4	23.5
REITs	-	0.1	-	3.5
Technology	9.9	0.5	0.7	-
Trading and Services	36.0	44.7	51.0	33.1
Warrant	0.4	0.3	0.5	3.3
	97.8	90.4	92.9	89.2
CASH AND SHORT TERM INVESTMENTS:	2.2	9.6	7.1	10.8
	100.0	100.0	100.0	100.0

1.6 Other Performance Data for the 6 months ended 30 April 2016 and the last three financial years ended 31 October

BIMB i Dividend Fund	6 months ended 30.4.2016	31.10.2015	31.10.2014	31.10.2013
Unit Prices (RM)				
Highest NAV per unit for the period/year	0.2242	0.2600*	0.2834*	0.2952*
Lowest NAV per unit for the period/year	0.2067	0.2060*	0.2600*	0.2662*
Net Asset Value (NAV) and Units in Circulation (UIC) as at the End of the Period/ Year				
Total NAV (RM)	188,260,530	218,658,890	184,456,968	118,465,839
Units in Circulation (UIC)	910,660,228	988,832,925	709,500,822	444,976,093
NAV per unit (RM)	0.2067	0.2211*	0.2600*	0.2662*
Return of Fund (%)^{(a)[page 12]}				
Capital Growth (%) ^{(b)[page 12]}	-6.51	-14.96	-2.32	-4.66
Income Return (%) ^{(c)[page 12]}	-	4.81	7.02	7.70
Return of Fund (%)	-6.51	-10.15	4.70	3.04
Gross Distribution per Unit (Sen)	-	1.2500	1.8783	2.1543
Net Distribution per Unit (Sen)	-	1.2500	1.8700	2.1500
NAV per unit before distribution (RM)	-	0.2336	0.2787	0.2877
NAV per unit after distribution (RM)	-	0.2211*	0.2600*	0.2662*
Date of distribution	-	30 October	31 October	31 October
Management Expense Ratio (MER)(%)^{(d)[page 12]}	1.71	1.65	1.58	1.61
Portfolio Turnover Ratio (PTR) (times)^{(e)[page 12]}	3.68	3.34	5.58	1.41

**The price and net asset value per unit are ex-distribution*

Note:

- a) **Return of the Fund** = $\frac{\text{NAV per unit (end of year)} - 1}{\text{NAV per unit (beginning of year)}}$
- b) **Capital Growth** = Total Return of the Fund – Income Return
- c) **Income Return** = $\frac{\text{Income Distribution per Unit / NAV per Unit @ 31 October 2015}}{1} \times 100$
- d) **Management Expenses Ratio** = It is the total management expenses expressed as an annual percentage of the Fund's average Net Asset Value.
- e) **Portfolio Turnover Ratio** = It represents the average of the total acquisitions and disposals of the investment in the Fund for the annual period over the average Net Asset Value of the Fund calculated on a daily basis.

1.7 Unit Holdings as at 30 April 2016

Size of Holdings	BIMB / Dividend Fund			
	No. of Unit Holders		No. of Units Held	
	No.	%	Units	%
5,000 and below	939	46.12	2,875,194.78	0.32
5,001 to 10,000	234	11.49	1,712,085.83	0.19
10,001 to 50,000	554	27.21	14,003,386.73	1.54
50,001 to 500,000	287	14.10	41,138,438.44	4.51
500,001 and above *	21	1.03	850,930,721.72	93.44
Units Held by Holders	2,035	99.95	910,659,827.50	100.00
Units Held by Manager	1	0.05	400.00	0.00
Grand Total for The Fund	2,036	100.00	910,660,227.50	100.00

*included under this category are nominee accounts.

1.8 Policy on Rebate and Soft Commission

Any stock broking rebates received by the Manager will be directed to the account of the Fund. Any soft commissions received from the broker which are in the form of research and advisory services that assist in the decision-making process relating to the Fund's investment may be retained by the Manager.

The Manager received soft commission from brokers in the form of research and advisory services during the financial period.

For and on behalf of

The Manager

BIMB INVESTMENT MANAGEMENT BERHAD

Date: 23 June 2016

1.0 Laporan Pengurus

Para Pemegang Unit yang Dihormati,

Kami dengan sukacita membentangkan Laporan Pengurus BIMB *i* Dividend Fund bagi tempoh enam bulan berakhir pada 30 April 2016.

1.1 Nama Dana/ Jenis Dana/ Kategori Dana/ Objektif Pelaburan Dana/ Penanda Aras Dana/ Polisi Agihan Dana

Nama Dana	BIMB <i>i</i> Dividend Fund
Jenis Dana	Dana Pendapatan dan Pertumbuhan
Kategori Dana	Ekuiti
Objektif Pelaburan Dana	<p>Tujuan utama Dana ini adalah untuk mewujudkan peluang kepada pelabur, kombinasi pendapatan yang stabil dan berulang serta pertumbuhan modal dalam jangka sederhana hingga jangka panjang* melalui pelaburan dalam ekuiti patuh Syariah yang menghasilkan dividen, yang mana mengikut sejarah menawarkan prestasi yang kukuh dan secara amnya lebih stabil berbanding pasaran ekuiti secara keseluruhan.</p> <p><i>Sebarang perubahan ketara pada objektif pelaburan Dana memerlukan kelulusan Pemegang Unit.</i></p>
Penanda Aras Dana	Dana akan diukur berdasarkan penanda aras pulangan mutlak 6% setahun. Ia bukanlah pulangan terjamin dan ianya hanya ukuran prestasi Dana. Dana ini mungkin atau mungkin tidak mencapai kadar pertumbuhan 6% setahun pada mana-mana tahun kewangan tertentu tetapi mempunyai sasaran untuk mencapai pulangan ini menerusi pertumbuhan jangka panjang.
Polisi Agihan Dana	Pengurus akan mengisytiharkan agihan tahunan (tertakluk kepada pendapatan diperolehi).

Nota:

**"jangka sederhana hingga jangka panjang" dalam konteks ini merujuk kepada tiga (3) tahun atau lebih.*

1.2 Kajian Pencapaian bagi BIMB / Dividend Fund

BIMB / Dividend Fund mencatatkan pulangan sebanyak -6.51% kesan daripada keadaan pasaran yang tidak menggalakkan yang menjejaskan saham-saham pegangan Dana amnya. Indeks Syariah FBM pula mencatatkan pulangan sebanyak -1.48%. Dalam tempoh kajian, tumpuan Dana yang tinggi dalam sektor telekomunikasi telah memberikan kesan ating e terhadap prestasinya apabila persaingan harga antara syarikat dalam ating itu memuncak. Selain itu, pegangan Dana dalam saham-saham legasi ating Minyak & Gas mengalami tekanan jualan yang lebih tinggi oleh para pelabur asing juga menjelang pematangan perbelanjaan modal Petronas pada awal 2016.

Pengukuran prestasi terpilih BIMB / Dividend Fund adalah berdasarkan penanda aras pulangan mutlak sebanyak 6% setahun. Ia bagaimanapun bukanlah jaminan pulangan tetapi sekadar pengukur pencapaian Dana. Dana mungkin boleh mencapai pulangan itu ataupun memperlihatkan prestasi sebaliknya dalam mana-mana tahun kewangan yang tertentu tetapi sasarannya adalah untuk mencapainya dalam tempoh jangka panjang.

Kami mempunyai strategi yang secara konsistennya ating tumpuan kepada syarikat-syarikat yang berupaya membayar dividen secara mampan dan berpotensi mencatatkan pertumbuhan modal dalam jangka sederhana hingga jangka panjang. Pelaburan dalam syarikat-syarikat yang menawarkan dividen tinggi akan dibuat berdasarkan kepada sejarah dan juga pembayaran dividen akan ating.

Bagi tempoh dalam kajian, BIMB / Dividend Fund tidak mengisytiharkan sebarang agihan pendapatan. Setakat 30 April 2016, Nilai Aset Bersih (NAB) Dana adalah RM188,260,530 manakala NAB seunit Dana pula RM0.2067.

Tiada sebarang perubahan ketara dalam hal ehwal pengurusan Dana dan tidak berlaku sebarang keadaan yang menjejaskan kepentingan pemegang unit sehingga tarikh laporan ini dikeluarkan.

1.2.1 Jumlah Pulangan dan Purata Jumlah Pulangan

	BIMB / Dividend Fund		Penanda Aras	
	Jumlah Pulangan (%)	Purata Jumlah Pulangan (%)	Jumlah Pulangan (%)	Purata Jumlah Pulangan (%)
Jangkamasa 6-Bulan*	-6.51	-13.02	2.96	5.92
Jangkamasa 1-Tahun	-13.03	-13.03	6.00	6.00
Jangkamasa 3-Tahun	-9.87	3.29	19.10	6.36

*Jangkaan pulangan tahunan

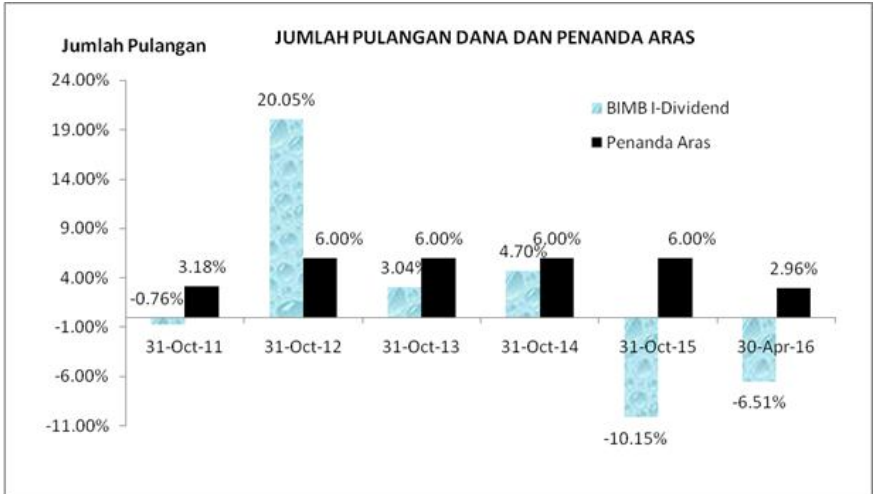
1.2.2 Jumlah Pulangan Tahunan Bagi 4 Tahun Kewangan yang lalu

Tahun Kewangan	Jumlah Pulangan	
	BIMB / Dividend Fund (%)	Penanda Aras (%)
31 Oktober 2015	-10.15	6.00
31 Oktober 2014	4.70	6.00
31 Oktober 2013	3.04	6.00
31 Oktober 2012	20.05	6.00

1.2.3 Agihan Pendapatan Bagi 4 Tahun Kewangan yang lalu

Tahun Kewangan	Pengagihan Pendapatan		Penanda Aras (%)
	Pengagihan (sen)/ unit	Pengagihan Keuntungan setahun (%)	
31 Oktober 2015	1.25	4.81	6.00
31 Oktober 2014	1.87	7.02	6.00
31 Oktober 2013	2.15	7.70	6.00
31 Oktober 2012	1.90	7.66	6.00

Rajah 1: Pulangan Dana Berbanding Pulangan Penanda Aras



Nota:

Sumber Data : BIMB Investment Management Berhad

Data disahkan oleh : Novagni Analytics & Advisor Sdn. Bhd. (dahulunya dikenali sebagai Perkasa Normandy Managers Sdn.Bhd)

Penanda Aras :Pulangan mutlak sebanyak 6% setahun

Nota:

- Jumlah Pulangan** telah disahkan oleh Novagni Analytics & Advisor Sdn. Bhd.
- Jumlah Pulangan Purata** adalah berpandukan formula berikut:

$$\frac{\text{Jumlah Pulangan}}{\text{Bilangan Tahun Bawah Kajian}}$$

Prestasi tahun-tahun sebelum ini tidak semestinya menjadi petunjuk prestasi masa depan dan harga unit serta pulangan pelaburan mungkin turun dan naik.

1.3 Ekonomi dan Kajian Pasaran

Ekonomi

a) Global

- Pertumbuhan Keluaran Dalam Negara Kasar (KDNK) Amerika Syarikat (AS) berkembang sebanyak 0.5% pada suku pertama 2016 berbanding 1.4% pada suku keempat 2015 memandangkan perbelanjaan pengguna semakin lemah bersama dengan nilai dolar AS yang lebih kukuh sejak akhir tahun 2015. Keadaan ini menjejaskan eksport sehingga menyebabkan perbelanjaan perniagaan berkurang. KDNK AS berada pada kadar paling perlahan sejak tahun 2009 .
- Kadar utama inflasi AS meningkat kepada 1.1% pada bulan April 2016 berbanding 0.5% pada bulan November 2015 diterajui oleh kenaikan harga petrol dan sewa.
- Kadar pengangguran AS kekal tidak berubah sebanyak 5.0% pada bulan April 2016 berbanding dengan bulan November 2015 apabila sektor perniagaan terus mencatatkan kadar pengambilan kerja yang kukuh.
- Tiada sebarang kenaikan kadar faedah dibuat oleh Rizab Persekutuan AS ketika mesyuaratnya pada bulan Mac dan April, sambil menyatakan ketidaktentuan ekonomi global sebagai alasan untuk menghentikan kenaikan kadar faedah buat sementara waktu.
- KDNK zon Euro berkembang sebanyak 0.5% pada suku pertama 2016 berbanding 0.3% pada suku keempat 2015 selepas data ekonomi yang lebih baik dari Perancis dan Sepanyol mendedahkan terdapatnya momentum pemulihan ekonomi yang lebih kukuh dalam tempoh tersebut.
- Kadar inflasi zon Euro adalah 0.0% pada bulan Mac 2016 berbanding 0.1% pada bulan November 2015 menyebabkan ECB melaksanakan satu lagi pusingan baharu rangsangan ekonomi untuk blok ekonomi yang menggunakan mata wang tunggal itu.
- Kadar pengangguran zon Euro turun kepada 10.2% pada bulan Mac 2016 berbanding 10.5% pada bulan November 2015. Ini merupakan kadar pengangguran terendah yang direkodkan sejak bulan Ogos 2011 di mana Republik Czech (4.1 peratus) dan Jerman (4.2 peratus) mewakili pengangguran terendah dalam zon Euro.
- KDNK China berkembang sebanyak 6.7% pada suku pertama 2016, menjadikannya kadar paling perlahan dalam tempoh tujuh tahun apabila negara kuasa ekonomi kedua terbesar dunia itu terus mengalami kelembapan disebabkan oleh masalah struktur dan lebihan kapasiti dalam sektor industrinya.

(Sumber: Bloomberg, Eurostats, RHB Investment Bank dan Maybank Investment Bank)

b) Dalam Negara

- Pertumbuhan KDNK Malaysia berkembang 4.2% pada suku pertama 2016 apabila cabaran daripada luar menjejaskan ekonomi domestik. Walaupun berlaku pada kadar yang lebih perlahan, pengembangan dalam sektor perkhidmatan, pembuatan dan pembinaan telah menyokong pertumbuhan domestik walaupun perbelanjaan sektor swasta menjadi lebih lemah pada tempoh suku tahun tersebut.
- Kadar inflasi tahunan Malaysia turun kepada 2.1% pada bulan April 2016 daripada 2.6% pada bulan November 2015 berikutan kos pengangkutan yang lebih rendah apabila harga runcit minyak dikurangkan sebanyak 4.9 % pada awal bulan Mac 2016.
- Bank Negara Malaysia (BNM) membuat keputusan untuk mengekalkan Kadar Dasar Semalaman (OPR) pada 3.25% di Mesyuarat Jawatankuasa Dasar Monetari (MPC) pada 9 Mac 2016. Dasar monetari akan kekal akomodatif dan menyokong pertumbuhan ekonomi domestik dengan meningkatnya secara berterusan risiko dalam ekonomi global dan persekitaran kewangan.
- Rizab antarabangsa Bank Negara Malaysia meningkat kepada AS\$97.0 bilion setakat 30 April 2016 daripada AS\$94.6 bilion setakat 30 November 2015. Jumlah rizab ini memadai untuk membiayai 7.9 bulan import tertanggung dan mewakili 1.1 kali hutang jangka pendek luar negeri.

(Sumber: Bloomberg, Bank Negara Malaysia dan Jabatan Perangkaan Malaysia)

Kajian Pasaran

Indeks Syariah Emas FTSE Bursa Malaysia ("FBM Syariah") memasuki tempoh kajian pada paras 12,392.83 mata pada 1 November 2015 sebelum melonjak kepada 12,894.94 mata pada 30 Disember 2015. Indeks tersebut berada pada paras terendah 12,105.60 mata pada 21 Januari 2016 sebelum ditutup pada 12,208.99 mata pada 29 April 2016. Bagi tempoh kajian, FBM Syariah jatuh 183.84 mata atau -1.48%. Sementara itu, FBM KLCI meningkat sedikit sebanyak 5.74 mata atau 0.34% untuk ditutup pada 1,672.72 mata. Dalam tempoh kajian, antara faktor utama yang menyumbang kepada pergerakan indeks dinyatakan seperti berikut:

- Bursa tempatan meningkat pada bulan November apabila harga minyak mentah Brent mencecah paras AS\$50 setong di samping pengumuman cadangan penjualan aset loji jana kuasa Edra Global Energy kepada firma milik Kerajaan China, China General Nuclear Power Corp (CGN).

- Pasaran kembali jatuh menjelang akhir bulan November apabila lebih banyak data pekerjaan AS menyokong kenaikan kadar faedah pada bulan Disember. Pada 16 Disember 2015, Rizab Persekutuan menaikkan kadar faedah sebanyak 0.25 mata peratusan, buat kali pertama dalam tempoh tujuh tahun. Pasaran saham AS dan Asia ditutup lebih tinggi kerana tiada lagi ketidaktentuan dalam pasaran global. Tindakan Rizab Persekutuan mendapat sambutan positif di Eropah, dengan indeks utama meningkat sehingga 3%.
- Pada bulan Januari, pasaran ekuiti di seluruh dunia jatuh apabila munculnya kebimbangan terhadap kelembapan ekonomi China apabila Indeks Caixin PMI China terus menguncup lagi. Dalam bulan berkenaan, harga minyak mentah menjadi tidak stabil selepas Arab Saudi memutuskan hubungan diplomatik dengan Iran.
- Sentimen umum di Bursa Malaysia meningkat pada bulan Februari apabila Qatar, Arab Saudi, Rusia dan Venezuela membuat pengumuman untuk membekukan pengeluaran minyak. Harga minyak WTI kembali pulih pada bulan tersebut daripada AS\$26.05 kepada AS\$33.75. Pada bulan berkenaan, Bank of Japan menerima pakai kadar faedah yang negatif buat pertama kalinya untuk memulihkan ekonomi negara itu yang bermasalah.
- Pasaran, secara amnya, terus menyaksikan peningkatan kecil pada bulan Mac dan April apabila Dewan Undangan Negeri Sarawak dibubarkan untuk memberi laluan kepada pilihan raya negeri yang diadakan pada 7 Mei manakala nilai mata wang Ringgit mengukuh pada paras puncak iaitu RM3.85/AS\$ sebelum jatuh ke paras RM4.00/AS\$ selepas terdapat berita bahawa 1MDB telah mungkir membayar satu daripada bayaran faedah bon keluarannya menyebabkan berlakunya penjualan secara besar-besaran dalam pasaran sehingga FBM KLCI jatuh di bawah paras 1,700 mata.

(Sumber: Bloomberg, Bank Negara Malaysia dan Jabatan Perangkaan Malaysia)

1.4 Tinjauan Pasaran dan Strategi

- Tinjauan pasaran ekuiti dijangka tidak menentu dalam tahun 2016. Faktor-faktor utama yang mempengaruhi pasaran ekuiti dunia termasuklah antaranya pergerakan harga minyak mentah, era baharu kenaikan kadar faedah AS, pertumbuhan ekonomi China yang perlahan, penilaian semula mata wang Yuan dan kebimbangan berlakunya kemelesetan ekonomi dunia. Bagaimanapun, pasaran domestik seharusnya mampu untuk mendepani kejutan-kejutan luar kerana ia disokong oleh mudah tunai domestik yang besar dan sokongan belian kukuh daripada dana-dana tempatan.

- Ekonomi dunia terus berkembang pada kadar sederhana meskipun dalam persekitaran yang mencabar. Secara keseluruhannya, pertumbuhan berlaku secara tidak sekata, ketika AS berada pada landasan pemulihan manakala pertumbuhan di zon Euro, Jepun dan China terus lemah. Di Asia, pertumbuhannya berkekalan dengan kenaikan berterusan dalam permintaan domestik dan eksport.
- Di Malaysia, ketika permintaan dalam negeri terus menyokong pertumbuhan, pendapatan korporat berdepan dengan risiko kerana sentimen pengguna yang lemah dan makroekonomi global yang rapuh. Melangkah ke hadapan, permintaan domestik akan kekal menjadi pemacu utama pertumbuhan. Walaupun pertumbuhan global yang sederhana dan harga minyak yang rendah akan memberi kesan kepada prospek pembangunan makro, ekonomi Malaysia diunjurkan masih mampu berkembang antara 4.0% hingga 5.0% bagi tahun 2016.
- Strategi yang diguna pakai adalah untuk melabur dalam syarikat yang berupaya memberikan pendapatan yang baik, memiliki lembaran imbalan yang kukuh, penilaian yang munasabah dan mempunyai prospek pertumbuhan yang baik dan hasil dividen yang tinggi. Kami mempunyai pendekatan pelaburan jangka panjang dan melabur dalam saham-saham dengan objektif untuk mengatasi penanda aras.

1.5 Peruntukan Aset Pada 30 April 2016 dan 31 Oktober 2015, 2014 dan 2013

BIMB / Dividend Fund	Pada 30.4.2016 (%)	Pada 31.10.2015 (%)	Pada 31.10.2014 (%)	Pada 31.10.2013 (%)
Pelaburan Sekuriti Tersiarharga				
Pembinaan	2.9	3.6	4.9	18.8
Barangan Pengguna	4.2	2.6	3.6	0.7
Kewangan	2.3	2.8	4.2	-
Barangan Industri	16.0	1.7	11.0	2.5
Infrastruktur	7.0	10.6	3.0	0.5
Perladangan	3.6	9.6	7.6	3.3
Hartanah	15.5	13.9	6.4	23.5
REITs	-	0.1	-	3.5
Teknologi	9.9	0.5	0.7	-
Perdagangan dan Perkhidmatan	36.0	44.7	51.0	33.1
Waran	0.4	0.3	0.5	3.3
	97.8	90.4	92.9	89.2
TUNAI DAN PELABURAN JANGKA PENDEK:	2.2	9.6	7.1	10.8
	100.0	100.0	100.0	100.0

1.6 Lain-Lain Data Prestasi Bagi Tempoh 6 Bulan Berakhir 30 April 2016 dan tiga tahun kewangan berakhir 31 Oktober

BIMB / Dividend Fund	6 bulan berakhir 30.4.2016	31.10.2015	31.10.2014	31.10.2013
Harga Unit (RM)				
NAB tertinggi seunit dalam tempoh/tahun	0.2242	0.2600*	0.2834*	0.2952*
NAB terendah seunit dalam tempoh/tahun	0.2067	0.2060*	0.2600*	0.2662*
Nilai Aset Bersih (NAB) dan Unit Dalam Edaran (UDE) pada Akhir Tempoh/Tahun				
Jumlah NAB (RM)	188,260,530	218,658,890	184,456,968	118,465,839
Unit Dalam Edaran (UDE)	910,660,228	988,832,925	709,500,822	444,976,093
NAB seunit (RM)	0.2067	0.2211*	0.2600*	0.2662*
Jumlah Pulangan Dana (%)^(a)[muka surat 24]				
Pertumbuhan Modal (%) ^(b) [muka surat 24]	-6.51	-14.96	-2.32	-4.66
Pulangan Pendapatan (%) ^(c) [muka surat 24]	-	4.81	7.02	7.70
Jumlah Pulangan Dana (%)	-6.51	-10.15	4.70	3.04
Agihan Kasar seunit (Sen)	-	1.2500	1.8783	2.1543
Agihan Bersih seunit (Sen)	-	1.2500	1.8700	2.1500
Nilai Aset Bersih sebelum Pengagihan (RM)	-	0.2336	0.2787	0.2877
Nilai Aset Bersih selepas Pengagihan (RM)*	-	0.2211*	0.2600*	0.2662*
Tarikh Pengagihan	-	30 Oktober	31 Oktober	31 Oktober
Nisbah Perbelanjaan Pengurusan (NPP) (%)^(d)[muka surat 24]	1.71	1.65	1.58	1.61
Nisbah Pusing Ganti Portfolio (Kali)^(e)[muka surat 24]	3.68	3.34	5.58	1.41

*Harga NAB selepas pengagihan pendapatan

Nota:-

- a) **Pulangan ke atas Dana** = $\frac{\text{Harga seunit (pada akhir tahun)} - 1}{\text{Harga seunit (pada awal tahun)}}$
- b) **Penambahan Modal** = Pulangan Ke atas Dana – Pulangan Pendapatan
- c) **Pulangan Pendapatan** = $\{\text{Pengagihan Pendapatan Se Unit / NAB se unit @ 31 Oktober 2015}\} \times 100$
- d) **Nisbah Perbelanjaan Pengurusan** = la dikira dengan mengambil jumlah perbelanjaan pengurusan sepertimana yang dinyatakan sebagai peratusan tahunan daripada jumlah purata Nilai Aset Bersih Dana.
- e) **Nisbah Pusing Ganti Portfolio** = la dikira dengan mengambil purata jumlah perolehan dan pelupusan pelaburan dalam Dana bagi tempoh tahunan dibahagi dengan purata Nilai Aset Bersih Dana yang dikira pada asas harian

1.7 Pecahan Pegangan Unit pada 30 April 2016

Saiz Dipegang	BIMB / Dividend Fund			
	Bilangan Pemegang Unit		Jumlah Pegangan Unit	
	Bilangan	%	Unit	%
5,000 dan ke bawah	939	46.12	2,875,194.78	0.32
5,001 hingga 10,000	234	11.49	1,712,085.83	0.19
10,001 hingga 50,000	554	27.21	14,003,386.73	1.54
50,001 hingga 500,000	287	14.10	41,138,438.44	4.51
500,001 dan ke atas *	21	1.03	850,930,721.72	93.44
Unit yang dipegang oleh Pemegang Unit	2,035	99.95	910,659,827.50	100.00
Unit yang dipegang oleh Pengurus	1	0.05	400.00	0.00
Jumlah Keseluruhan Dana	2,036	100.00	910,660,227.50	100.00

*Akaun penama juga termasuk dibawah kategori ini.

1.8 Polisi Rebat dan Komisyen Bukan Tunai

Sebarang rebat broker saham yang diterima oleh Pengurus akan dimasukkan ke dalam akaun Dana. Mana-mana komisen ringan (bukan tunai) yang diterima daripada broker dalam bentuk perkhidmatan penyelidikan dan perundingan bertujuan membantu proses membuat keputusan berkaitan dengan pelaburan Dana boleh disimpan oleh Pengurus.

Pengurus menerima komisen ringan daripada para broker dalam bentuk perkhidmatan penyelidikan dan perundingan sepanjang tempoh kewangan.

Untuk dan bagi pihak Pengurus

BIMB INVESTMENT MANAGEMENT BERHAD

Tarikh: 23 Jun 2016

Nota:

Laporan ini telah diterjemahkan daripada laporan asal (dalam Bahasa Inggeris). Jika terdapat perbezaan, sila rujuk kepada laporan Bahasa Inggeris.

2.0 Trustee's Report

CIMB ISLAMIC TRUSTEE BERHAD

UNAUDITED INTERIM REPORT FOR THE 6 MONTHS ENDED 30 APRIL 2016

To the unit holders of

BIMB i DIVIDEND FUND

We, **CIMB Islamic Trustee Berhad** ("the Trustee"), being the Trustee for **BIMB i Dividend Fund** ("the Fund"), are of the opinion that **BIMB Investment Management Berhad** ("the Manager"), acting in the capacity as Manager of the Fund, has fulfilled its duties in the following manner for the financial period ended 30 April 2016.

1. The Fund has been managed in accordance with the limitations imposed on the investment powers of the Manager and the Trustee under the Deed, the Supplemental Deed, the Securities Commission Malaysia's Guidelines on Unit Trust Funds, the Capital Market and Services Act 2007 (as amended from time to time) and other applicable laws;
2. Valuation/pricing of units of the Fund has been carried out in accordance with the Deed, the Supplemental Deed and relevant regulatory requirements; and
3. Creation and cancellation of units have been carried out in accordance with the Deed, the Supplemental Deed and relevant regulatory requirements.

For and on behalf of

CIMB ISLAMIC TRUSTEE BERHAD (Company No. 167913-M)

.....

LEE KOOI YOKE

Chief Operating Officer

Kuala Lumpur, Malaysia

Date: 23 June 2016

3.0 Shariah Committee's Report

**UNAUDITED INTERIM REPORT
FOR THE 6 MONTHS ENDED 30 APRIL 2016**

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

To the Unit Holders of
BIMB i Dividend Fund

We have acted as the Shariah Committee of BIMB i Dividend Fund.

Our responsibilities are to ensure that the procedures and processes employed by BIMB Investment Management Berhad and that the provisions of the Deed dated 23 June 2010 and the Supplemental Deed dated 23 September 2013 are in accordance with Shariah principles.

In our opinion, BIMB Investment Management Berhad has managed BIMB i Dividend Fund in accordance with Shariah principles and complied with applicable guidelines, rulings or decisions issued by the Securities Commission pertaining to Shariah matters for the 6 months ended 30 April 2016.

In addition, we also confirm that the investment portfolio of BIMB i Dividend Fund comprises securities which have been classified as Shariah-compliant by the Shariah Advisory Council (SAC) of the Securities Commission, as the case may be and that all deposits and money market instruments placed by the Fund are Shariah-compliant.

والله أعلم

For and on behalf of the Shariah Committee

.....
USTAZ DR. AHMAD SHAHBARI@SOBRI SALAMON
(Chairman)

.....
USTAZ DR. YUSOF RAMLI
(Committee Member)

.....
USTAZAH DR. ASMAK AB. RAHMAN
(Committee Member)

Date: 23 June 2016

4.0 Directors' Declaration Report

UNAUDITED INTERIM REPORT FOR THE 6 MONTHS ENDED 30 APRIL 2016

To the Unit Holders of
BIMB i Dividend Fund

We, Dato' Ghazali Bin Awang and Najmuddin Bin Mohd Lutfi, being two of the directors of the Manager, BIMB Investment Management Berhad, for BIMB i Dividend Fund do hereby state that in our opinion, the accompanying Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Net Asset Value and Statement of Cash Flows are drawn up so as to give a true and fair view of the Statement of Financial Position of the Fund as at 30 April 2016 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Net Asset Value and Statement of Cash Flows for the period ended on that date.

For and on behalf on the Board of Directors,

.....

Dato' Ghazali Bin Awang

(Non-Executive Independent Director)

.....

Najmuddin Bin Mohd Lutfi

(Chief Executive Officer)

Date: 23 June 2016

5.0 Financial Statement (Unaudited)

Fair Value of Financial Instruments

All Assets and Liabilities of the Fund are carried at fair values. The accounting policies on recognition and measurement of the fair value for the Fund's investments are disclosed in their respective accounting policies.

The fair value for the amount due from/(to) the Manager, amount due to Trustee, amount due from/(to) stockbroker, cash at bank, sundry receivables, sundry payables and accruals approximate their respective carrying amounts as at the balance sheet date due to the relatively short term maturity of these Financial Instruments.

Financial Statements

5.1 Unaudited Statement of Financial Position as at 30 April 2016

	Note	As at 30.4.2016 (unaudited) RM	As at 31.10.2015 (audited) RM
Investments			
Quoted securities	4	184,094,163	197,567,105
Current assets			
Amount due from stockbroker		-	20,875,248
Amount due from Manager		36,504	41,325
Other receivables		411,710	464,888
Current tax assets		13,367	13,367
Cash and cash equivalents	5	4,055,662	4,909,590
Total assets		<u>188,611,406</u>	<u>223,871,523</u>
Current liabilities			
Amount due to stockbroker		61,226	4,349,983
Amount due to Manager		232,771	420,680
Other payables		56,879	322,851
Distribution payable		-	119,119
Total liabilities		<u>350,876</u>	<u>5,212,633</u>
		<u>188,260,530</u>	<u>218,658,890</u>
Unitholders' funds			
Unitholders' capital	6	244,059,817	261,202,257
Accumulated losses		(55,799,287)	(42,543,367)
		<u>188,260,530</u>	<u>218,658,890</u>
Number of units in circulation	6	<u>910,660,228</u>	<u>988,832,925</u>
Net asset value attributable to unitholders		<u>188,260,530</u>	<u>218,658,890</u>
Net asset value per unit (sen)		<u>20.67</u>	<u>22.11</u>

The notes on pages 34 to 60 form an integral part of these financial statements.

5.2 Unaudited Statement of Profit or Loss and Other Comprehensive Income for the 6 months financial period ended 30 April 2016

	Note	1.11.2015 to 30.4.2016 RM	1.11.2014 to 30.4.2015 RM
Income			
Gain on disposal of quoted investments		1,661,482	1,815,808
Gross dividends from shares quoted in Malaysia		2,335,887	2,505,830
Income from short term investments		128,270	183,666
Hibah from Al-Wadiah account		1,283	3,273
Net loss from financial instruments at fair value through profit or loss		<u>(15,765,860)</u>	<u>(9,208,454)</u>
Gross loss		<u>(11,638,938)</u>	<u>(4,699,877)</u>
Expenses			
Manager's fee	7	1,414,605	1,480,412
Trustee's fee	8	56,584	59,216
Audit fee		5,460	5,400
Tax agent's fee		1,480	1,485
Administrative expenses		<u>138,853</u>	<u>33,756</u>
		<u>1,616,982</u>	<u>1,580,269</u>
Net loss before taxation		<u>(13,255,920)</u>	<u>(6,280,146)</u>
Tax expense		-	-
Net loss after taxation		<u>(13,255,920)</u>	<u>(6,280,146)</u>
Other comprehensive income for the period		<u>-</u>	<u>-</u>
Total comprehensive loss for the period		<u>(13,255,920)</u>	<u>(6,280,146)</u>
Total comprehensive loss for the period consists of:			
Realised amount		2,509,940	2,928,308
Unrealised amount		<u>(15,765,860)</u>	<u>(9,208,454)</u>
		<u>(13,255,920)</u>	<u>(6,280,146)</u>

The notes on pages 34 to 60 form an integral part of these financial statements.

5.3 Unaudited Statement of Changes in Net Asset Value for the 6 months financial period ended 30 April 2016

	Unitholders' capital RM	Accumulated losses RM	Total RM
As at 1 November 2014	195,075,574	(10,618,606)	184,456,968
Movement in unitholders' contribution			
Creation of units	25,056,083	-	25,056,083
Reinvestment of distributions	12,689,529	-	12,689,529
Cancellation of units	(11,527,030)	-	(11,527,030)
Total attributable to unitholders	26,218,582	-	26,218,582
Net loss for the period	-	(6,280,146)	(6,280,146)
As at 30 April 2015	221,294,156	(16,898,752)	204,395,404
As at 1 November 2015	261,202,257	(42,543,367)	218,658,890
Movement in unitholders' contribution			
Creation of units	48,089,152	-	48,089,152
Cancellation of units	(65,231,592)	-	(65,231,592)
Total attributable to unitholders	(17,142,440)	-	(17,142,440)
Net loss for the period	-	(13,255,920)	(13,255,920)
As at 30 April 2016	244,059,817	(55,799,287)	188,260,530

The notes on pages 34 to 60 form an integral part of these financial statements.

5.4 Unaudited Statement of Cash Flows for the 6 months financial period ended 30 April 2016

	1.11.2015 to 30.4.2016 RM	1.11.2014 to 30.4.2015 RM
Cash flows from operating activities		
Proceeds from sale of quoted investments	159,013,448	57,412,432
Purchase of quoted investments	(143,058,393)	(99,244,862)
Dividend received	2,388,945	2,462,498
Income from short term investments	129,674	187,162
Payment for administrative expenses	(125,002)	(31,672)
Management fee paid	(1,466,521)	(1,431,231)
Trustee fee paid	(58,661)	(57,249)
Audit fee paid	-	(19,861)
Tax agent fee paid	-	(2,805)
Net cash generated from/(used in) operating activities	<u>16,823,490</u>	<u>(40,725,588)</u>
Cash flows from financing activities		
Cash receipt for creation of units	48,093,973	26,613,208
Cash payment for cancellation of units	(65,652,272)	(12,394,117)
Payment of distributions	(119,119)	(578,137)
Net cash (used in)/ generated from financing activities	<u>(17,677,418)</u>	<u>13,640,954</u>
Net decrease in cash and cash equivalents	(853,928)	(27,084,634)
Cash and cash equivalents at the beginning of the year	<u>4,909,590</u>	<u>31,879,533</u>
Cash and cash equivalents at the end of the financial period	<u>4,055,662</u>	<u>4,794,899</u>
Cash and cash equivalents comprise:		
Cash at bank	827,258	888,579
Short term placements	<u>3,228,404</u>	<u>3,906,320</u>
	<u>4,055,662</u>	<u>4,794,899</u>

The notes on pages 34 to 60 form an integral part of these financial statements.

5.5 Notes to the financial statements

1. Information on the Fund

BIMB *i* Dividend Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed dated 23 June 2010 between the Manager - BIMB Investment Management Berhad, the Trustee – HSBC (Malaysia) Trustee Berhad and the registered unitholders of the Fund. Effective from 1 November 2013, the Trustee has changed from HSBC (Malaysia) Trustee Berhad to CIMB Islamic Trustee Berhad. A Supplemental Deed was executed on 23 September 2013 to reflect the changes. The address of the registered office and principal place of business of the Fund are as follows:

Registered office

Level 32, Menara Bank Islam
No. 22, Jalan Perak
50450 Kuala Lumpur

Principal place of business

Level 19, Menara Bank Islam
No.22, Jalan Perak
50450 Kuala Lumpur

The principal activity of the Fund is to invest in authorised investments as defined in the Deed, which include stocks and shares of companies quoted on Bursa Malaysia and short term placements.

The Manager, BIMB Investment Management Berhad, a company incorporated in Malaysia, is a subsidiary of Bank Islam Malaysia Berhad.

The financial statements were approved by the Board of Directors on 23 June 2016.

2. Basis of preparation

(a) Statement of compliance

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards (“IFRS”), the Deed and Securities Commissions Guidelines on Unit Trust Funds in Malaysia.

2. Basis of preparation (continued)

(a) Statement of compliance (continued)

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Fund:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

- MFRS 14, *Regulatory Deferral Accounts*
- Amendments to MFRS 5, *Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements*, MFRS 12, *Disclosure of Interests in Other Entities* and MFRS 128, *Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception*
- Amendments to MFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure Initiative*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 141, *Agriculture – Agriculture: Bearer Plants*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017

- Amendments to MFRS 107, *Statement of Cash Flows – Disclosure Initiative*
- Amendments to MFRS 112, *Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*

2. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16, Leases

MFRSs, Interpretations and amendments effective for a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Fund plans to apply the abovementioned accounting standards, amendments and interpretations, where applicable:

- from the annual period beginning on 1 November 2016 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2016, except for MFRS 14, and Amendments to MFRS 10, MFRS 11, MFRS 116, MFRS 119, MFRS 127, and MFRS 134 which are not applicable to the Fund.
- from the annual period beginning on 1 November 2017 for those amendments that are effective for annual periods beginning on or after 1 January 2017.
- from the annual period beginning on 1 November 2018 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2018.
- from the annual period beginning on 1 November 2019 for the accounting standard that is effective for annual periods beginning on or after 1 January 2019.

The Fund is currently assessing the financial impact of adopting the abovementioned standards, amendments and interpretations.

(b) Basis of measurement

The financial statements are prepared on the historical cost basis except as disclosed in note 3(a)(ii).

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (RM), which is the Fund's functional currency.

2. Basis of preparation (continued)

(d) Use of estimates and judgments

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, unless otherwise stated.

(a) Financial instruments

(i) Initial recognition and measurement

A financial instrument is recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

(ii) Financial instrument categories and subsequent measurement

The Fund categorises financial instruments as follows:

Financial assets

(a) *Financial assets at fair value through profit or loss*

Fair value through profit or loss category comprises financial assets that are held for trading, or financial assets that are specifically designated into this category upon initial recognition.

3. Significant accounting policies (continued)

(a) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

Financial assets (continued)

(a) *Financial assets at fair value through profit or loss (continued)*

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in the statement of profit or loss.

(b) *Financing and receivables*

Financing and receivables category are debt instruments that are not quoted in an active market and these comprises amount due from stockbroker, Manager, other receivables, cash and cash equivalents.

Financial assets categorised as financing and receivables are subsequently measured at amortised cost using the effective profit method.

All financial assets except for those measured at fair value through profit or loss, are subject to review for impairment, see note 3(d).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost.

Financial liabilities measured at amortised cost comprises amount due to stockbroker, Manager and other payables.

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

3. Significant accounting policies (continued)

(a) Financial instruments (continued)

(iii) Derecognition (continued)

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(b) Income recognition

(i) Dividend income

Dividend income is recognised in profit or loss on the date that the Fund's right to receive payment is established, which in the case of quoted shares is the ex-dividend date.

(ii) Income from short term investments

Income from short term investments is recognised as it accrues using the effective profit method in profit or loss.

(c) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and short term placements with licensed financial institutions which have insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Fund in the management of its short term commitments.

Cash and cash equivalents are categorised and measured as financing and receivables in accordance with policy Note 3(a)(ii)(b).

(d) Impairment

Financial assets

All financial assets (except for financial assets categorised as fair value through profit or loss) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised.

An impairment loss in respect of financing and receivables is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective profit rate. The carrying amount of the asset is reduced through the use of an allowance account.

3. Significant accounting policies (continued)

(e) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

(f) Unitholders' capital

The Fund issues cancellable units, which are cancelled at the unitholders' option and are classified as equity. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value. The outstanding units is carried at the redemption amount that is payable at the financial position date if the holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at the unitholders' option at prices based on the Fund's net assets value per unit at the time of creation or cancellation. The Fund's net assets value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units. In accordance with the Securities Commission's Guidelines on Unit Trust Funds in Malaysia, investment positions are valued based on the last traded market price for the purpose of determining the net assets value per unit for creations and cancellations.

The units in the Fund are puttable instruments, classified as equity, which entitle the unitholders to a pro-rata share of the net asset of the Fund. The units are subordinated and have identical features. There is no contractual obligation to deliver cash or another financial asset other than the obligation on the Fund to repurchase the units. The total expected cash flows from the units are based on the change in the net asset of the Fund.

(g) Distribution

Distribution is at discretion of the Fund. A distribution to the Fund's unitholders is accounted for as a deduction from realised reserves. A proposed distribution is recognised as a liability in the year in which they are declared.

(h) Net Asset Value

The Net Asset Value is calculated after deducting the retained profits allocated for distribution.

3. Significant Accounting Policies (continued)

(i) Fair value measurement

The Fund adopted MFRS 13, *Fair Value Measurement* which prescribed that fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Fund uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Fund recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

4. Quoted securities

As at 30 April 2016 Company's Name	Number of shares held	Cost RM	Market value RM	Percentage of value of Fund at 30.4.2016 %
<u>Main Market</u>				
(i) Construction				
Mudajaya Group Bhd.	1,814,400	4,716,475	2,140,992	1.14
WCT Holdings Bhd.	2,073,616	4,273,072	3,400,730	1.81
	3,888,016	8,989,547	5,541,722	2.95
(ii) Consumer products				
Bonia Corporation Bhd.	1,629,700	1,829,418	977,820	0.52
Kawan Food Bhd.	586,900	2,124,097	1,872,211	0.99
Poh Huat Resources Holdings Bhd.	210,000	328,174	317,100	0.17
QL Resources Bhd.	489,100	2,212,401	2,137,367	1.14
UMW Holdings Bhd.	384,000	4,694,459	2,519,040	1.34
	3,299,700	11,188,549	7,823,538	4.16
(iii) Finance				
BIMB Holdings Bhd.	1,107,100	4,881,356	4,262,335	2.26
(iv) Industrial products				
Coastal Contracts Bhd.	206,000	621,772	335,780	0.18
Evergreen Fibreboard Bhd.	2,515,000	2,925,341	2,716,200	1.44
Hartalega Holdings Bhd.	405,000	2,257,853	1,737,450	0.92
Heveaboard Bhd.	2,180,000	2,655,615	2,637,800	1.40
Jaya Tiasa Holdings Bhd.	2,434,000	3,906,573	3,285,900	1.75
Kossan Rubber Industries Bhd.	567,000	3,941,512	3,402,000	1.81
Petronas Chemicals Group Bhd.	462,000	3,398,899	3,100,020	1.65
Shell Refining Company Bhd.*	60,000	622,991	184,800	0.10
SKP Resources Bhd.	1,037,000	1,493,336	1,389,580	0.74
Supermax Corporation Bhd.	624,000	1,720,567	1,622,400	0.86
Ta Ann Holdings Bhd.	397,000	2,097,083	1,901,630	1.01
Top Glove Corporation Bhd.	834,000	5,344,074	4,136,640	2.20
WTK Holdings Bhd.	3,064,000	4,504,393	3,676,800	1.95
	14,785,000	35,490,009	30,127,000	16.01

4. Quoted securities (continued)

As at 30 April 2016 Company's Name	Number of shares held	Cost RM	Market value RM	Percentage of value of Fund at 30.4.2016 %
<u>Main Market (continued)</u>				
(v) Infrastructure				
DiGi.Com Bhd.	2,354,000	14,124,979	10,357,600	5.50
TIME dotCom Bhd.	332,000	2,537,342	2,450,160	1.30
YTL Power International Bhd.*	265,650	543,914	398,475	0.21
	<u>2,951,650</u>	<u>17,206,235</u>	<u>13,206,235</u>	<u>7.01</u>
(vi) Plantation				
Felda Global Ventures Holdings Bhd.	2,025,000	3,398,474	2,936,250	1.56
Hap Seng Plantations Holdings Bhd.	1,569,100	4,405,243	3,750,149	1.99
	<u>3,594,100</u>	<u>7,803,717</u>	<u>6,686,399</u>	<u>3.55</u>
(vii) Properties				
Glomac Bhd.	2,656,600	3,108,246	2,165,129	1.15
Mah Sing Group Bhd.	810,410	1,305,031	1,183,199	0.63
Matrix Concepts Holdings Bhd.	929,833	2,604,718	2,333,881	1.24
S P Setia Bhd.	1,179,700	4,328,472	3,798,634	2.02
Sunway Bhd.	5,510,000	19,363,776	17,246,300	9.16
UEM Sunrise Bhd.	2,445,500	6,264,057	2,494,410	1.32
	<u>13,532,043</u>	<u>36,974,300</u>	<u>29,221,553</u>	<u>15.52</u>
(viii) Technology				
Globetronics Technology Bhd.	573,000	3,437,836	1,959,660	1.04
Inari Amertron Bhd.	1,706,500	5,721,143	4,658,745	2.47
Malaysian Pacific Industries Bhd.	381,300	3,244,657	2,821,620	1.50
Unisem (M) Bhd.	3,022,000	6,932,287	6,678,620	3.55
Vivocom International Holdings Bhd.	7,632,000	2,361,304	2,480,400	1.32
	<u>13,314,800</u>	<u>21,697,227</u>	<u>18,599,045</u>	<u>9.88</u>

4. Quoted securities (continued)

				Percentage of value of Fund at 30.4.2016 %
As at 30 April 2016	Number of	Cost	Market	
Company's Name	shares held	RM	value RM	
<u>Main Market (continued)</u>				
(ix) Trading and Services				
Axiata Group Bhd.	2,194,815	15,208,809	12,400,705	6.59
Brahims Holdings Bhd.	1,919,800	2,759,783	1,747,018	0.93
Dayang Enterprise Holdings Bhd.	1,198,000	3,808,341	1,569,380	0.83
E.A. Technique (M) Bhd.	1,394,100	1,768,470	1,603,215	0.85
Malakoff Corporation Bhd.	2,914,100	5,255,219	4,779,124	2.54
Maxis Bhd.	1,465,500	10,027,594	8,206,800	4.36
Media Chinese International Limited	3,810,300	5,110,622	2,762,467	1.47
My E.G. Services Bhd.	683,000	1,550,832	1,372,830	0.73
Parkson Holdings Bhd.	1,573,891	4,537,676	1,432,241	0.76
Petronas Dagangan Bhd.	124,500	3,145,051	2,968,080	1.58
SapuraKencana Petroleum Bhd.	1,422,100	5,476,762	2,346,465	1.24
Sime Darby Bhd.	1,285,186	12,080,414	9,895,932	5.26
Star Media Group Bhd.	1,814,100	5,325,310	4,408,263	2.34
Telekom Malaysia Bhd.	1,560,187	11,094,884	10,375,243	5.51
TH Heavy Engineering Bhd.	6,112,000	5,146,925	794,560	0.42
UMW Oil & Gas Corporation Bhd.	1,291,100	4,853,668	1,207,179	0.64
	30,762,679	97,150,360	67,869,502	36.05
(x) Warrant				
LBS Bina Group Bhd.				
- Warrant A	905,200	681,865	525,016	0.28
Mah Sing Group Bhd.				
- Warrant B	1,103,896	430,812	231,818	0.12
	2,009,096	1,112,677	756,834	0.40
Total portfolio investment as at 30 April 2016		242,493,977	184,094,163	97.79

* The securities had been reclassified as Shariah non-compliant securities by the Shariah Advisory Council (SAC) of the Securities Commission. Holding or disposal of the securities will be made in accordance with the SAC guidance.

4. Quoted securities (continued)

As at 31 October 2015 Company's Name	Number of shares held	Cost RM	Market value RM	Percentage of value of Fund as at 31.10.2015 %
<u>Main Market</u>				
(i) Construction				
Hock Seng Lee Bhd.	127,700	238,679	236,245	0.11
IJM Corporation Bhd.	325,000	1,073,759	1,079,000	0.49
Mudajaya Group Bhd.	1,814,400	4,716,475	2,249,856	1.03
Muhibbah Engineering (M) Bhd.	669,000	1,568,833	1,471,800	0.67
WCT Holdings Bhd.	2,073,616	4,273,072	2,840,854	1.30
	5,009,716	11,870,818	7,877,755	3.60
(ii) Consumer products				
Bonia Corporation Bhd.	1,629,700	1,829,418	1,214,126	0.56
QL Resources Bhd.	301,000	1,242,434	1,216,040	0.56
UMW Holdings Bhd.	384,000	4,694,459	3,156,480	1.44
	2,314,700	7,766,311	5,586,646	2.56
(iii) Finance				
BIMB Holdings Bhd.	1,107,100	4,881,356	4,539,110	2.08
Syarikat Takaful Malaysia Bhd.	428,000	1,744,369	1,630,680	0.74
	1,535,100	6,625,725	6,169,790	2.82
(iv) Industrial products				
Coastal Contracts Bhd.	206,000	621,772	420,240	0.19
Kossan Rubber Industries Bhd.	40,500	325,162	330,075	0.15
Lafarge Malaysia Bhd.	75,000	683,523	682,500	0.31
Shell Refining Company Bhd.*	60,000	622,991	340,800	0.16
Supermax Corporation Bhd.	306,900	688,561	690,525	0.32
Top Glove Corporation Bhd.	139,000	1,316,991	1,319,110	0.60
	827,400	4,259,000	3,783,250	1.73

4. Quoted securities (continued)

As at 31 October 2015 Company's Name		Number of shares held	Cost RM	Market value RM	Percentage of value of Fund as at 31.10.2015 %
<u>Main Market (continued)</u>					
(v)	Infrastructure				
	DiGi.Com Bhd.	2,164,000	13,118,286	11,382,640	5.21
	Time Dotcom Bhd.	1,638,000	11,657,672	11,449,620	5.24
	YTL Power International Bhd.*	265,650	543,914	401,132	0.18
		4,067,650	25,319,872	23,233,392	10.63
(vi)	Plantation				
	Boustead Plantation Bhd.	1,243,600	1,928,011	1,865,400	0.85
	Felda Global Ventures Holdings Bhd.	370,000	657,289	658,600	0.30
	Genting Plantation Bhd.	103,000	1,101,055	1,102,100	0.51
	Hap Seng Plantation Holdings Bhd.	1,569,100	4,405,243	3,765,840	1.72
	IJM Plantation Bhd.	125,000	450,984	438,750	0.20
	IOI Corporation Bhd.*	877,000	4,184,434	3,736,020	1.71
	Kuala Lumpur Kepong Bhd.	416,000	9,810,861	9,476,480	4.33
		4,703,700	22,537,877	21,043,190	9.62
(vii)	Properties				
	Glomac Bhd.	2,656,600	3,108,246	2,417,506	1.10
	Mah Sing Group Bhd.	510,410	892,783	673,741	0.31
	Matrix Concepts Holdings Bhd.	929,833	2,604,718	2,250,196	1.03
	S P Setia Bhd.	1,179,700	4,328,472	3,893,010	1.78
	Sunway Bhd.	5,833,000	20,498,894	18,082,300	8.27
	UEM Sunrise Bhd.	2,445,500	6,264,057	3,056,875	1.40
		13,555,043	37,697,170	30,373,628	13.89

4. Quoted securities (continued)

As at 31 October 2015		Number of shares held	Cost RM	Market value RM	Percentage of value of Fund as at 31.10.2015 %
Company's Name					
<u>Main Market (continued)</u>					
(viii)	Reits				
	Axis Real Estate Investment Trust	112,000	201,191	184,800	0.08
(ix)	Technology				
	Inari Amerton Bhd.	307,000	1,120,045	1,095,990	0.50
	Malaysian Pacific Industries Bhd.	2,200	15,064	15,290	0.01
		309,200	1,135,109	1,111,280	0.51
(x)	Trading and services				
	Axiata Group Bhd.	2,194,815	15,208,809	13,542,009	6.19
	Brahims Holdings Bhd.	1,919,800	2,759,783	1,977,394	0.91
	Dayang Enterprise Holdings Bhd.	1,198,000	3,808,341	2,036,600	0.93
	Dialog Group Bhd.	2,657,784	4,477,401	4,252,454	1.95
	E.A Technique (M) Bhd.	1,959,000	2,336,764	2,507,520	1.15
	GD Express Carrier Bhd.	460,000	650,469	625,600	0.29
	IHH Healthcare Bhd.	140,000	889,471	883,400	0.40
	KPJ Healthcare Bhd.	155,000	661,826	661,850	0.30
	Malakoff Corporation Bhd.	2,914,100	5,255,219	4,983,111	2.28
	Maxis Bhd.	1,715,500	11,738,204	11,305,145	5.17
	Media Chinese International Limited	3,810,300	5,110,622	2,190,923	1.00
	Parkson Holdings Bhd.	1,573,891	4,537,676	1,684,063	0.77
	Sapura Kencana Petroleum Bhd.	1,324,100	5,284,593	2,793,851	1.28
	Sime Darby Bhd.	1,285,186	12,080,414	10,744,155	4.91
	Star Publications Malaysia Bhd.	1,814,100	5,325,310	4,353,840	1.99
	Telekom Malaysia Bhd.	1,560,187	11,094,884	10,390,845	4.75

4. Quoted securities (continued)

As at 31 October 2015		Number of shares held	Cost RM	Market value RM	Percentage of value of Fund as at 31.10.2015
Company's Name					%
Main Market (continued)					
(x)	Trading and services (continued)				
	Tenaga Nasional Bhd.	1,303,500	17,102,662	16,502,310	7.55
	TH Heavy Engineering Bhd.	6,112,000	5,146,925	1,252,960	0.57
	UMW Oil & Gas Corporation Bhd.	1,291,100	4,853,668	1,562,231	0.72
	Westports Holdings Bhd.	775,000	3,352,268	3,332,500	1.52
		36,163,363	121,675,309	97,582,761	44.63
(xi)	Warrant				
	LBS Bina Group Bhd. - Warrant A	905,200	681,865	416,392	0.19
	Mah Sing Group Bhd. - Warrant B	1,103,896	430,812	204,221	0.09
		2,009,096	1,112,677	620,613	0.28
Total portfolio investment as at 31 October 2015			240,201,059	197,567,105	90.35

* These securities had been reclassified as Shariah non-compliant securities by the Shariah Advisory Council ("SAC") of the Securities Commission on 29 May 2015. Holding or disposal of the securities will be made in accordance with the SAC guidance.

5. Cash and cash equivalents

	As at 30.4.2016 RM	As at 31.10.2015 RM
Short term placements in licensed financial institutions		
Commodity Murabahah	3,228,404	-
Term Deposit / Tawarruq*	-	1,701,998
Wadiah	-	3,057,689
	3,228,404	4,759,687
Cash at bank	827,258	149,903
	<u>4,055,662</u>	<u>4,909,590</u>

* Term Deposit / Tawarruq is placed with Bank Islam Malaysia Berhad, the holding company of the Manager.

6. Unitholders' capital

	No. of units	RM
As at 1 November 2014	709,500,822	195,075,574
Creation of units	344,802,023	82,123,500
Cancellation of units	(65,469,920)	(15,996,817)
As at 31 October 2015/1 November 2015	988,832,925	261,202,257
Creation of units	219,267,336	48,089,152
Cancellation of units	(297,440,033)	(65,231,592)
As at 30 April 2016	<u>910,660,228</u>	<u>244,059,817</u>

The maximum number of units that can be issued out for circulation is 1,000,000,000 units. As at 30 April 2016, the number of units yet to be issued is 89,339,772 units (2015: 11,167,075 units).

Based on historical information over the last 6 months, redemption levels are expected to approximate RM65,232,000 (2015: RM15,997,000) and the average monthly level of redemption net of creation are expected to approximate RM2,857,000 in 2016, while the average monthly level of creation net of redemption was RM5,511,000 in 2015. However, the actual level of redemptions may differ significantly from the historic experience.

7. Manager's fee

The manager's fee payable to the Manager of the Fund is based on 1.50% (2015: 1.50%) per annum of the net asset value of the Fund calculated on a daily basis.

8. Trustee's fee

The trustee's fee payable to the trustee of the Fund is based on 0.06% (2015: 0.06%) per annum of the net asset value of the Fund calculated on a daily basis.

9. Units held by related parties

The numbers of units held by the Manager are as follows:

	As at 30.4.2016		As at 31.10.2015	
	Units	RM	Units	RM
BIMB Investment Management Berhad	400	83	400	88

All units are held legally and beneficially by the company.

10. Tax expense

	1.11.2015 to 30.4.2016 RM	1.11.2014 to 30.4.2015 RM
Tax expense	-	-
<i>Reconciliation of effective tax expense</i>		
Net loss before tax	(13,255,920)	(6,280,146)
Income tax using Malaysian tax rate @ 24% (2015: 25%)	(3,181,421)	(1,570,037)
Non-deductible expenses	4,171,882	2,697,181
Income not subject to tax	(990,461)	(1,127,144)
	-	-

11. Transactions with related and other stockbroking companies

	Value of trade RM	Percentage of total trade %	Brokerage RM	Percentage of total brokerage fee %
1.11.2015 to 30.4.2016				
RHB Investment Bank Bhd.	62,508,090	22.58	174,524	21.57
Maybank Investment Bank Bhd.	36,228,951	13.09	106,581	13.17
Kenanga Investment Bank Bhd.	31,585,373	11.41	86,143	10.64
CIMB Investment Bank Bhd.	29,424,484	10.63	87,030	10.75
Hong Leong Investment Bank Bhd.	22,321,336	8.06	67,789	8.38
BIMB Securities Sdn. Bhd.*	20,003,078	7.22	60,727	7.50
Macquarie Capital Securities (Malaysia) Sdn. Bhd.	19,409,121	7.01	58,630	7.24
TA Securities Holdings Bhd.	16,063,464	5.80	49,017	6.06
AmInvestment Bank Bhd.	14,900,257	5.38	44,960	5.56
Public Investment Bank Bhd.	13,821,687	4.99	41,900	5.18
Other brokers	10,597,114	3.83	31,973	3.95
Total	276,862,955	100.00	809,274	100.00

*Transactions with the related party have been entered into in the normal course of business and have been transacted at arm's length basis.

11. Transactions with related and other stockbroking companies (continued)

	Value of trade RM	Percentage of total trade %	Brokerage RM	Percentage of total brokerage fee %
1.11.2014 to 30.4.2015				
BIMB Securities Sdn. Bhd.*	26,950,755	29.01	73,625	27.88
CIMB Investment Bank Bhd.	16,019,697	17.24	46,945	17.77
Maybank Investment Bank Bhd.	12,812,041	13.79	37,387	14.15
RHB Investment Bank Bhd.	10,014,682	10.78	29,324	11.10
Macquarie Capital securities (Malaysia) Bhd.	7,965,630	8.57	21,197	8.03
Kenanga Investment Bank Bhd.	7,015,798	7.55	20,907	7.92
Hong Leong Investment Bank Bhd.	6,341,575	6.83	16,971	6.42
AmlInvestment Bank Bhd.	3,412,175	3.67	10,301	3.90
TA Securities Holdings Bhd.	1,547,474	1.67	4,746	1.80
Public Investment Bank Bhd.	827,762	0.89	2,711	1.03
Total	92,907,589	100.00	264,114	100.00

*Transactions with the related party have been entered into in the normal course of business and have been transacted at arm's length basis.

12. Transaction with related parties

Other than as disclosed in Note 5 of the financial statements, other transactions with related parties are as follow:

	Transaction as at		Balance as at	
	30.4.2016	31.10.2015	30.4.2016	31.10.2015
	RM	RM	RM	RM
<i>The Manager</i>				
BIMB Investment Management Berhad				
- Amount due from Manager	-	-	36,504	41,325
- Amount due to Manager	-	-	-	(420,680)
- Management fee	1,414,605	3,013,332	(246,737)	(284,687)
<i>Holding company of the Manager</i>				
Bank Islam Malaysia Berhad				
- Income from short term placements	-	(176,212)	-	1,701,998
<i>Related company of the Manager</i>				
BIMB Securities Sdn. Bhd.				
- Sales	8,867,852	-	-	628,572
- Purchases	11,135,226	-	-	(434,655)
- Brokerage fee	60,727	122,545	-	(3,116)
<i>The Trustee</i>				
CIMB Islamic Trustee Berhad				
- Trustee fee	56,584	120,534	(9,870)	(11,388)

13. Management Expense Ratio (“MER”)

The management expense ratio for the financial period is 1.71% (1.60% for the financial period from 1 November 2014 to 30 April 2015). Management expense ratio is the ratio of total fees and recovered expenses of the Fund expressed as a percentage of the Fund's average net asset value. It is a total management expenses expressed as a percentage of the Fund's average net asset value.

14. Portfolio Turnover Ratio (“PTR”)

The portfolio turnover ratio for the financial period is 3.68 times (1.80 times for the financial period from 1 November 2014 to 30 April 2015). It represents the average of total acquisitions and disposals of the investments in the Fund for the financial period over the average net asset value of the Fund calculated on a daily basis.

15. Financial instruments

15.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

- (a) Financing and receivables (“F&R”);
- (b) Fair value through profit or loss (“FVTPL”);
- (c) Financial liabilities measured at amortised cost (“FL”).

	Carrying amount RM	F&R/(FL) RM	FVTPL RM
As at 30.4.2016			
Financial assets			
Quoted securities	184,094,163	-	184,094,163
Receivables	448,214	448,214	-
Cash and cash equivalents	4,055,662	4,055,662	-
	<hr/> 188,598,039	<hr/> 4,503,876	<hr/> 184,094,163
Financial liabilities			
Payables	(350,876)	(350,876)	-
	<hr/>	<hr/>	<hr/>

15. Financial Instruments (continued)

15.1 Categories of financial instruments (continued)

	Carrying amount RM	F&R/(FL) RM	FVTPL RM
As at 31.10.2015			
Financial assets			
Quoted securities	197,567,105	-	197,567,105
Receivables	21,381,461	21,381,461	-
Cash and cash equivalents	4,909,590	4,909,590	-
	<u>223,858,156</u>	<u>26,291,051</u>	<u>197,567,105</u>
Financial liabilities			
Payables	(5,093,514)	(5,093,514)	-
Distribution payable	(119,119)	(119,119)	-
	<u>(5,212,633)</u>	<u>(5,212,633)</u>	<u>-</u>

15.2 Net gains and losses arising from financial instruments

	1.11.2015 to 30.4.2016 RM	1.11.2014 to 30.4.2015 RM
Net losses on:		
Fair value through profit or loss:		
- Designated upon initial recognition	(11,768,491)	(4,886,816)
Financing and receivables	129,553	186,939
	<u>(11,638,938)</u>	<u>(4,699,877)</u>

15.3 Financial risk management

The Fund has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Investment risk

15. Financial Instruments (continued)

15.4 Credit risk

Credit risk is the risk of a financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Fund's exposure to credit risk arises principally from its receivables and cash and cash equivalents.

Risk management objectives, policies and processes for managing the risk

The Manager manages the credit risk by setting counterparty limits and undertaking credit evaluation to minimise the risk. The exposure to credit risk is monitored on an ongoing basis.

Exposure to credit risk

The Fund's maximum credit risk exposure at the reporting date is represented by the respective carrying amounts of the relevant financial assets in the statement of financial position.

No financial assets carried at amortised cost were past due or impaired as at date of statement of financial position.

15.5 Liquidity risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund's exposure to liquidity risk arises principally from its various payables which are due within one year.

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellation of units by unitholders. Liquid assets comprise cash and other instruments, which are capable of being converted into cash within 7 days.

15. Financial Instruments (continued)

15.6 Market risk

Market risk is the risk that changes in market prices, such as profit rates and market prices will affect the Fund's financial position or cash flows.

Profit rate risk

The profit rate profile of the Fund's significant profit-bearing financial instruments, based on carrying amounts as at the end of reporting period was:

	Rate	As at	Rate	As at
	%	30.4.2016	%	31.10.2015
		RM		RM
Fixed rate instruments				
Commodity Murabahah	3.30	3,228,404	-	-
Term Deposit / Tawarruq	-	-	3.25	1,701,998
Wadiah	-	-	3.30	3,057,689

Fair value sensitivity analysis for fixed rate instruments

The Fund's fixed rate short term placements in a licensed financial institution are not significantly exposed to profit rate risk.

Market price risk

Equity price risk arises from the Fund's investments in quoted securities.

Risk management objectives, policies and processes for managing the risk

The Fund is restricted to invest in securities issued by any issuer of not more than a certain percentage of its net asset value. Under such restriction, the exposure risk to the securities of any issuer is mitigated.

15. Financial Instruments (continued)

15.6 Market risk (continued)

Market price risk (continued)

Equity price risk sensitivity analysis

This analysis assumes that all other variables remain constant and the Fund's equity investments are positively correlated to each other.

A 5% strengthening in the equity prices at the end of the reporting period would have increased the net asset value and unitholders' fund by RM9,204,708 (2015: RM9,878,355). A 5% weakening in equity prices would have had equal but opposite effect on the net asset value and unitholders' fund respectively.

15.7 Investment risk

Investments are bound by regulatory guidelines that govern the maximum securities holdings and maximum liquid assets holdings.

Investment risks for equity funds consist primarily of market risk, specific stock risk and liquidity risk. The mechanism employed to control investment risk for equity funds is by placing acceptable stock and sector limits.

Risk management objectives, policies and processes for managing the risk

The Manager has written policies and guidelines on risk management, which set out the overall investment risks strategies and general risk management philosophies. These processes monitor, measure and control risks associated with the business. Matters relating to investment risks in respect of the Funds portfolio are discussed during the Investment Committee meetings of the Manager held at least 6 (2015: 6) times a year.

15.8 Fair value of financial instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables approximate fair values due to the relatively short term nature of these financial instruments.

The table below analyses financial instruments carried at fair value and their carrying amounts shown in the statement of financial position.

15. Financial Instruments (continued)

15.8 Fair value of financial instruments (continued)

	Fair value of financial instruments carried at fair value				Carrying amount
	Level 1	Level 2	Level 3	Total	
	RM	RM	RM	RM	
As at 30.4.2016					
Financial assets					
Quoted securities	184,094,163	-	-	184,094,163	184,094,163
	<hr/>				
As at 31.10.2015					
Financial assets					
Quoted securities	197,567,105	-	-	197,567,105	197,567,105
	<hr/>				

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Quoted equities

Quoted equities in Malaysia are valued at closing market prices quoted on the Bursa Malaysia at the date of the statement of financial position, in accordance with the Deed. Unrealised gain or loss is taken to statement of profit or loss and other comprehensive income.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial period (2015: no transfer in either direction).

15. Financial Instruments (continued)

15.8 Fair value of financial instruments (continued)

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

16. Capital management

The Fund's capital is represented by the unitholders' fund in the statement of financial position. The Manager of the Fund monitors the adequacy of capital on an ongoing basis. There is no external capital requirement imposed on the Fund.

6.0 Corporate Directory

Manager

BIMB Investment Management Berhad

Registered Office

Level 32, Menara Bank Islam, No. 22, Jalan Perak
50450, Kuala Lumpur

Business Office

Level 19, Menara Bank Islam, No. 22, Jalan Perak
50450, Kuala Lumpur

Board of Directors

Dato' Sri Zukri Samat (Chairman – Non-Executive Non Independent Director)
Dato' Ghazali Awang (Non-Executive Independent Director)
Datuk Noripah Kamso (Non-Executive Independent Director)
Dr. Mohd Hatta Dagap (Non-Executive Independent Director)
Malkiat Singh @ Malkit Singh Maan (Non-Executive Non Independent Director)
Khairul Kamarudin (Non-Executive Non Independent Director)
Najmuddin Mohd Lutfi (Chief Executive Officer)

Shariah Committee

Ustaz Dr. Ahmad Shahbari @ Sobri Salamon (Chairman)
Ustaz Dr. Yusof Ramli
Ustazah Dr. Asmak Ab. Rahman

Investment Committee

Khairul Muzamel Perera Abdullah (Chairman - Non Independent Member)
Datuk Noripah Kamso (Independent Member)
Darawati Hussain (Independent Member)

Audit Committee

Dato' Ghazali Awang (Chairman - Independent Member)
Dr. Mohd Hatta Dagap (Independent Member)
Malkiat Singh @ Malkit Singh Maan (Non-Executive Non Independent Member)

Company Secretaries

Aidil Haznul Zulkifli (MACS 01638)
Level 32, Menara Bank Islam, No.22 Jalan Perak,
50450 Kuala Lumpur

Norhidayati Mohamat Salim (MIA 27364)
Level 32, Menara Bank Islam, No. 22, Jalan Perak
50450, Kuala Lumpur

Key Management Najmuddin Mohd Lutfi (Chief Executive Officer)
Badrol Ahmad Fathan (Head of Investment)
Azman Ali (Head of Compliance)
Noor Rose Mona Aziz (Head of Finance and Operations)

Principal Banker **CIMB Islamic Bank Berhad**
P. Ramlee Branch, Lot 1-01
Menara Hap Seng
Jalan P.Ramlee
Kuala Lumpur

Trustee **CIMB Islamic Trustee Berhad (167913-M)**
(formerly known as CIMB Trustee Berhad)
Level 7, Wisma AmanahRaya
Jalan Semantan, Bukit Damansara
50490 Kuala Lumpur

**Federation of
Investment Managers
Malaysia (FIMM)** 19-06-1, 6th Floor, Wisma Tune
No.19, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur

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BIMB INVESTMENT

A BANK ISLAM
SUBSIDIARY

BIMB Investment Management Berhad (Company No: 276246-X)

A wholly owned subsidiary of **BANK ISLAM**



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