

BIMB DANA AL-MUNSIF

INTERIM REPORT FOR THE 6 MONTH
PERIOD ENDED 28 FEBRUARY 2019

*LAPORAN INTERIM BAGI TEMPOH 6 BULAN
BERAKHIR 28 FEBRUARI 2019*

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 Dana Al-Munsif for the financial period from 1 September 2018 to 28 February 2019.

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

Fund Name	BIMB Dana Al-Munsif
Fund Type	Income and Growth
Fund Category	Balanced
Fund Investment Objective	<p>The principal investment objective of the Fund is to provide a steady and consistent income and capital appreciation of the Units over the medium to long term period. Accordingly, returns shall be in the form of long term capital growth and regular income distribution to the Unit Holders.</p> <p>Note: <i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
Fund Performance Benchmark	60:40 ratio of the FBM Emas Shariah Index and 12-month Term Deposit-i Tawarruq (TDT-i) of Bank Islam Malaysia Berhad.
Fund Distribution Policy	The Fund intends to pay out annual income distribution to Unit Holders if sufficient investment income has been accumulated during the year.

1.2 Performance for the Financial Period from 1 September 2018 to 28 February 2019

1.2.1 Performance review for BIMB Dana Al-Munsif

For the 6 months period under review, BIMB Dana Al-Munsif (“the Fund”) registered a return of -9.43% as compared to its Benchmark’s return of -4.37%, thus underperformed the Benchmark’s return by -5.06%.

The selected performance benchmark for the Fund is 60:40 ratio of the FBM Emas Shariah Index and 12-month Bank Islam Malaysia Berhad Term Deposit-i Tawarruq (TDT-i) rates.

From its commencement on 27 December 2001 to 28 February 2019, the Fund registered a total return of 76.04% as compared to its Benchmark’s return of 105.87%, thus underperformed the Benchmark’s return by -29.83%.

Our strategy has consistently been to remain focus on well-established companies that could potentially pay sustainable dividends, have prospects for earnings growth and capital appreciation.

As at 28 February 2019, the Fund has 47.75% exposure to equities and 52.25% exposure to cash, Islamic debt securities and money market instruments. The Fund continues to be managed in line with its stated objective to provide dividends and capital growth for investors. The total Net Asset Value (NAV) of the Fund is RM7.85 million whereas the NAV per unit of Al-Munsif is RM0.3659. The Fund did not declare any interim distribution.

For the financial period under review, there were no significant changes to the state of affairs of the Fund and no circumstances that materially affect the interest of unit holders that have taken place up to the date of this Manager’s report.

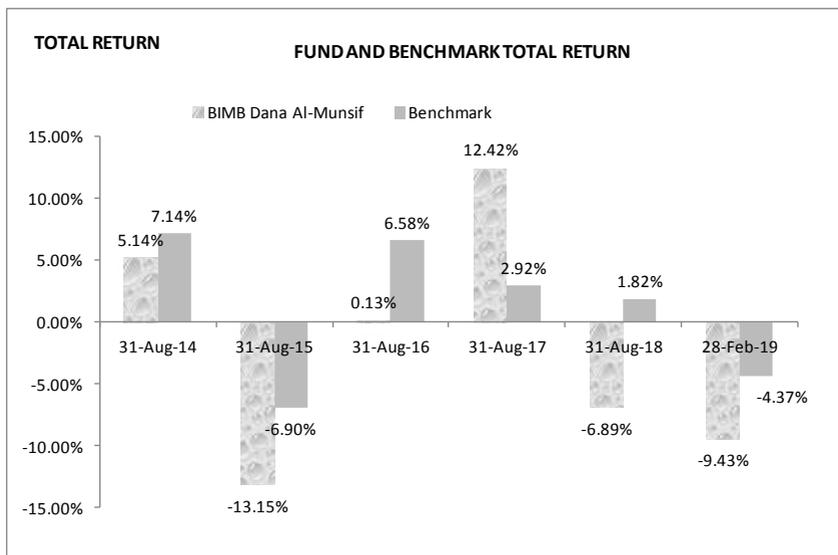
1.2.2 Total return and average total return for the respective financial period ended 28 February 2018

Period	BIMB Dana AI-Munsif		Benchmark	
	Total Return (%)	Average Total Return (%)	Total Return (%)	Average Total Return (%)
6-Months (Sep'18 – Feb'19)	-9.43	-18.86	-4.37	-8.74
1-Year (Mar'18 – Feb'19)	-13.21	-13.21	-6.28	-6.28
3-Year (Mar'16 - Feb'19)	-5.88	-1.96	1.80	0.60
5-Year (Mar'14 – Feb'19)	-17.51	-3.50	1.59	0.32

1.2.3 Total return for the last 5 financial years

Financial Years	Total Return	
	BIMB Dana AI-Munsif (%)	Benchmark (%)
31 August 2018	-6.89	1.82%
31 August 2017	12.42	2.92
31 August 2016	0.13	6.58
31 August 2015	-13.15	-6.90
31 August 2014	5.14	7.14

Figure 1: Movement of the Fund versus the Benchmark



Note:

Data Source : BIMB Investment Management Berhad

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

Benchmark : 60:40 ratio of the FBM Emas Shariah Index and 12-month Bank Islam Term Deposit-i Tawarruq (TDT-i) rates.

Notes:

1. **Total Return** of the Fund has been verified by Novagni Analytics & Advisory Sdn. Bhd. (363145-W)
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

1.3.1 Global

- United States (US) Gross Domestic Product (GDP) registered a growth of 2.6% in the fourth quarter of 2018 as compared to 3.4% in the third quarter of 2018 and 4.2% in the second quarter of 2018. The fourth quarter economic growth was supported by a strong consumer spending, surge in inventory investment and higher government spending, however was partly offset by negative contributions from residential fixed investment, and state and local government spending. The US inflation rate fell to 1.5% in February 2019 as compared to 2.3% in September 2018. US unemployment rate increased to 3.8% in February 2019 as compared to 3.7% in September 2018.
- The Euro zone economy grew by 0.2% for the fourth quarter 2018, similar to the third quarter of 2018 but lower as compared to 0.4% in the second quarter of 2018. During the fourth quarter, the Euro zone's economic performance was significantly affected by the global trade uncertainty, arrested growth in Germany while Italy slipped into recession. The Euro zone inflation rate declined to 1.5% in February 2019 as compared to 2.1% in September 2018. Unemployment in the Euro zone has fallen to 7.8% in February 2019 from 8.0% in September 2018.

The Chinese economy grew by 6.4% for the fourth quarter of 2018, compared to 6.5% in the third quarter of 2018 and 6.7% in the second quarter of 2018. The lower economic expansion was the result of the trade war effect with the U.S. amid Beijing's efforts to contain debt risk that has affected its domestic economic growth.

(Source: Bank Negara Malaysia, Bloomberg and RHB Research Institute Sdn Bhd)

Local

- The Malaysian economy grew at 4.7% in the fourth quarter of 2018, compared to 4.4% the third quarter of 2018 and 4.5% in the second quarter of 2018. The GDP result improved as exports rebounded and the growth continue to be supported by the private sector and expansion in domestic demand. Malaysia's inflation on the other hand declined to -0.4% in February 2019 compared to 0.3% in September 2018, mainly due to a decline in transport cost.
- Bank Negara Malaysia's (BNM) Monetary Policy Committee (MPC) had decided to maintain the Overnight Policy Rate (OPR) at 3.25% during its January 2019 meeting to accommodate and support growth prospect for the country. The international reserves of Bank Negara Malaysia increased to USD102.4 billion as at 28 February 2019. The reserves position is sufficient to finance 7.4 months of retained imports and is 1.0 time total short-term external debt.

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

1.3.2 Market Review

Equity

FTSE Bursa Malaysia EMAS Shariah Index ("FBM Shariah Index") commenced the period under review at 12,754.68 points and reached the highest point of 12,756.45 on 4 September 2018. Subsequently, the FBM Shariah Index's declined to the lowest point of 11,068.25 on the 18 December 2018 before closing at 11,732.11 points on 28 February 2019. For the period under review, the FBM Shariah Index was down by -1,022.57 points or -8.02%. Among the key factors that contributed to the movement of the index are highlighted below:

- In October 2018, the technology sell off in the US market followed by concerns of rapid interest rate hike on the world's largest economy and its effects on US corporate earnings had rattled global markets sentiment. The markets sell down were further exacerbated by concerns of a potential impeachment of President Trump's mid-term review election in early November, would disrupt growth stimulation of the Trump administration.
- President Trump and President Xi agreed on a temporary truce after their G20 meeting in end November 2018. As previously announced, the US will temporarily hold off the increase of 10% tariff to 25% on USD200 billion of Chinese imports on January 1, 2019. There will be a 90-day period of negotiation to address trade imbalances, China's structural changes and other pertinent issues.

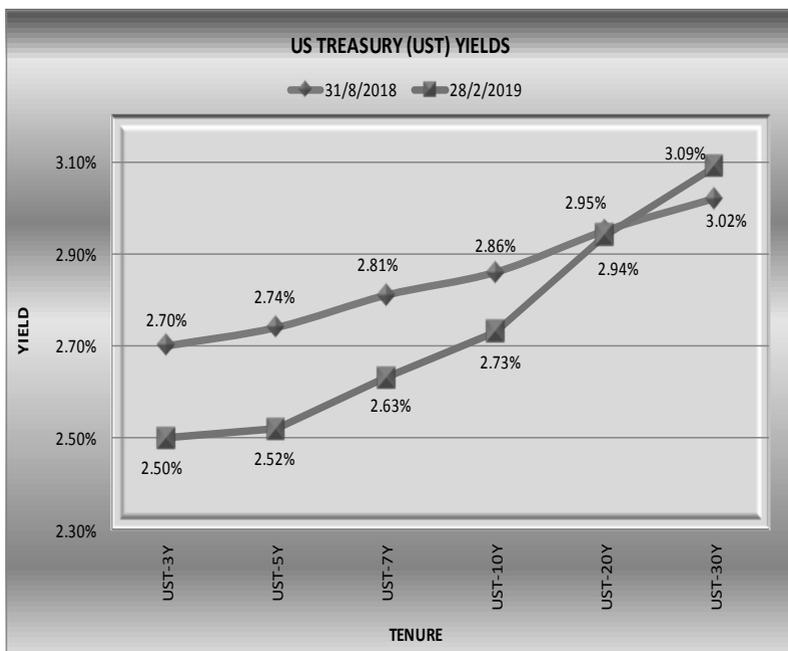
(Source: Bloomberg and Bank Negara Malaysia)

Bond Market and Money Market

a) Global

- For the period under review, yields of 10-year US Treasury (UST) ranged between 2.73%-2.86%. It is expected that the yield to continue trading range-bound in UST following a no rate hike Federal Reserve outlook. The recent discussion over the balance sheet reduction was notably addressed in the minutes where Federal Reserve hinted at the prospect of ending the unwind process as early as second half 2019. Investors will be keenly watching the upcoming Federal Open Market Committee (FOMC) as the Federal Reserve could provide more guidance in this policy meeting.

Figure 4: US Treasury Yields



Source: US Treasury Department, 28 February 2019

b) Local

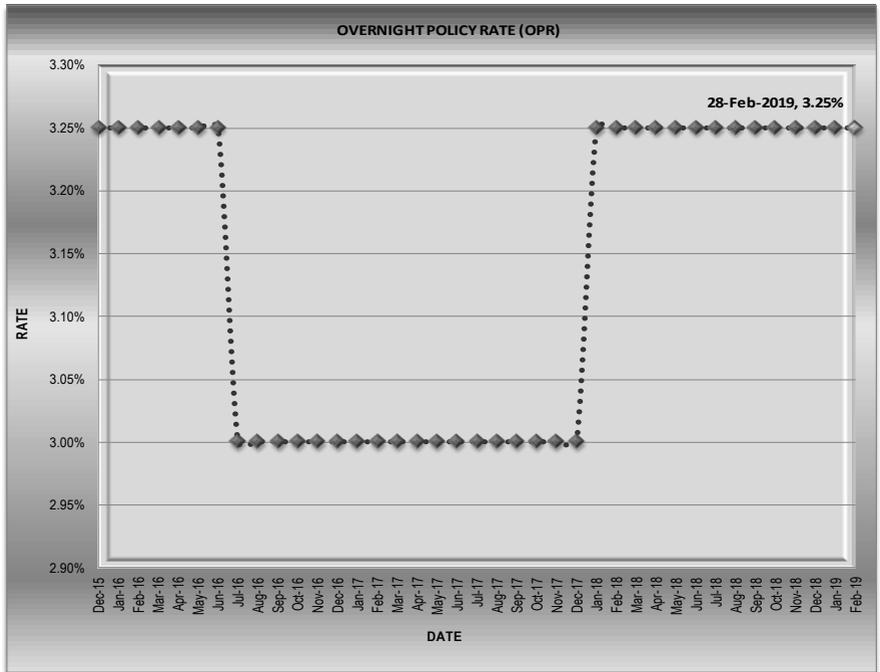
- The Malaysian Government Securities (MGS) and Government Investment Issue (GII) dominated the local bond market activities with traded volume of RM437.55 billion for the period under review. Malaysia ringgit government bond yields continued to stay supported. Notably, 10-year GII yields lowered from previous 4.14% to 4.02% at the end of period under reviewed, as optimism for Emerging Market (EM) Asia bonds continued to gather momentum. Pause in USD strength supported the rebound in EM Asia currencies with the Ringgit's performance improving versus the greenback.

Table 1: Sukuk/ Islamic Bond Yields

Tenure/Date	28 February 2019 (%)	30 August 2018 (%)	Change * (bps)
3-Year Bonds			
GII	3.64	3.63	1.0
AAA Corporate	4.12	4.25	(13.0)
5-Year Bonds			
GII	3.85	3.80	5.0
AAA Corporate	4.23	4.38	(15.0)
7-Year Bonds			
GII	4.00	4.01	(1.0)
AAA Corporate	4.33	4.49	(16.0)
10-Year Bonds			
GII	4.02	4.14	(12.0)
AAA Corporate	4.43	4.62	(19.0)

Source: Bond Pricing Agency Malaysia (BPAM), 28 February 2019

Figure 5: Overnight Policy Rate (OPR)



Source: Bank Negara Malaysia (BNM), 28 February 2019

1.4 Market Outlook and Strategy

a) Equity

- For year 2019, the Malaysian equities are expected to be resilient amid a challenging economic growth environment due to factors such as the outcome of the US China trade war talks, Federal Reserve rate hike execution, weakening of global and domestic GDP growth, uneven path of global crude oil price recovery as well as lower construction sector activity in Malaysia.
- For the year, global market sentiment will hinge on two main factors, predominantly the outcome of US-China trade war talks and the frequency of Federal Reserve rate hike execution. Overall we are positive that the domestic export sector that will be the beneficiary of global consumer demand on technology products. The electrical and electronics sector's exposure over the fast growing automotive sector will also gain from the resilient consumer spending stemming from regional GDP growth, notwithstanding at a lower rate. Consequently, it is anticipated that, the stronger external demand is expected to spill over to the domestic economy, while domestic

demand will continue to be the engine of growth, anchored by strong consumer spending and investments. We project Malaysia's real GDP growth to be sustained at a moderate 4.6% for 2019 with the Central Bank will likely to maintain the OPR at 3.25% for 2019.

b) Sukuk Market and Money Market

- Bank Negara Malaysia's (BNM) Monetary Policy Committee (MPC) maintained the Overnight Policy Rate (OPR) at 3.25% for the sixth straight meeting. The MPC statement made a more cautious assessment on global economic outlook as trade tensions began to impact global trade performance and investment activity in late-2018. BNM highlighted country-specific factors as one of the key downside risks for global growth prospects. On the domestic front, BNM projected sustained expansion in private consumption and private investment to offset consolidation in public spending. It is expected that the OPR will be maintained for the rest of the year.
- Our money market strategy is to invest in money market with longer tenure investments to maximize return while providing liquidity and regular income for investors.

1.5 Asset allocation as at 28 February 2019 and as at 31 August of 2018, 2017 and 2016

BIMB Dana AI-Munsif	28.2.2019 (%)	31.8.2018 (%)	31.8.2017 (%)	31.8.2016 (%)
Investment in Quoted Securities				
Construction	-	-	-	1.18
Consumer products	9.96	10.20	1.52	1.74
Financial	-	-	-	2.31
Industrial products	11.54	11.39	20.08	14.77
Infrastructure	-	-	-	2.84
Plantation	-	-	-	3.70
Properties	-	-	-	5.52
Technology	11.06	17.44	35.60	10.07
Trading and services	14.80	15.64	1.55	18.07
Warrant	0.39	0.75	-	-
	47.75	55.42	58.75	60.20
INVESTMENT IN ISLAMIC DEBT SECURITIES:	51.36	43.86	22.40	30.72
CASH AND SHORT TERM INVESTMENTS:	0.89	0.72	18.85	9.08
	100.00	100.00	100.00	100.00

1.6 Other performance data for the 6 months ended 28 February 2019 and three financial years ended 31 August

BIMB Dana AI-Munsif	6 months ended 28.2.2019	Year ended 31.8.2018	Year ended 31.8.2017	Year ended 31.8.2016
Unit prices (RM)				
Highest NAV per unit for the period/year	0.4153	0.5144*	0.4901	0.4654*
Lowest NAV per unit for the period/year	0.3494	0.4040*	0.4219	0.4324*
Net Asset Value (NAV) and Units in Circulation (UIC) as at the end of the period/year				
Total NAV (RM)	7,852,979	9,153,760	17,964,710	31,310,926
Units in Circulation (UIC)	21,459,784	22,659,383	36,956,669	72,404,772
NAV per unit (RM)	0.3659	0.4040*	0.4861	0.4324*
Return of Fund (%)^(a)				
Capital Growth (%) ^(b)	-9.43	-16.89	12.42	-2.88
Income Return (%) ^(c)	-	10.00	-	3.01
Return of Fund (%)	-9.43	-6.89	12.42	0.13
Gross distribution per unit (Sen)	-	4.86	-	1.34
Net distribution per unit (Sen)	-	4.86	-	1.34
NAV per unit before distribution (RM)	-	0.4526	-	0.4458
NAV per unit after distribution (RM)	-	0.4040*	-	0.4324*
Date of distribution	-	30 August 2018	-	30 August 2016
Management Expense Ratio (MER) (%)^(d)	2.08	2.08	1.86	1.79
Portfolio Turnover Ratio (PTR) (times)^(e)	0.10	1.89	1.18	1.10

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

Note:

- a) **Return of the Fund** = $\frac{\text{NAV per unit (end of period)}}{\text{NAV per unit (beginning of period)}} - 1$
- b) **Capital Growth** = Total Return of the Fund – Income Return
- c) **Income Return** = $\{ \text{Income Distribution per Unit} / \text{NAV per Unit at 31 August 2018} \} \times 100$
- 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 28 February 2019

Size of Holdings	BIMB Dana Al-Munsif			
	No. of Unit Holders		No. of Units Held	
	No.	%	Units	%
5,000 and below	897	84.38	987,486.70	4.60
5,001 to 10,000	67	6.30	467,695.09	2.18
10,001 to 50,000	78	7.34	1,482,607.33	6.91
50,001 to 500,000	20	1.88	2,625,809.72	12.24
500,001 and above	1	0.10	15,896,185.22	74.07
Grand Total for the Fund	1,063	100.00	21,459,784.06	100.00

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 did not receive any rebate and soft commission from broker during the period under review.

For and on behalf of

The Manager

BIMB INVESTMENT MANAGEMENT BERHAD

Date: 22 April 2019

1.0 Laporan Pengurus

Para Pemegang Unit yang Dihormati,

Kami dengan sukacitanya membentangkan laporan pengurus BIMB Dana AI-Munsif bagi tempoh kewangan bermula 1 September 2018 hingga 28 Februari 2019.

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

Nama Dana	BIMB Dana AI-Munsif
Jenis Dana	Pendapatan dan Pertumbuhan
Kategori Dana	Seimbang
Objektif Pelaburan Dana	<p>Objektif utama pelaburan Dana adalah untuk menyediakan pendapatan yang stabil serta konsisten dan peningkatan modal Unit dalam jangkamasa sederhana hingga jangkamasa panjang. Sehubungan dengan itu, pulangan adalah dalam bentuk pertumbuhan modal jangkamasa panjang dan pengagihan pendapatan yang tetap kepada Pemegang Unit.</p> <p>Nota: <i>Sebarang perubahan ketara kepada objektif pelaburan Dana memerlukan kelulusan daripada Pemegang Unit.</i></p>
Penanda Aras Dana	Nisbah 60:40 daripada Indeks FBM Emas Syariah dan kadar 12-bulan Deposit Bertempoh-i Tawarruq (TDT-i) Bank Islam Malaysia Berhad.
Polisi Agihan Dana	Dana ini bertujuan untuk membayar agihan pendapatan terkumpul tahunan kepada Pemegang Unit sekiranya pendapatan pelaburan sepanjang tahun adalah mencukupi.

1.2 Pencapaian bagi Tempoh Kewangan bermula 1 September 2018 sehingga 28 Februari 2019

1.2.1 Kajian Pencapaian bagi BIMB Dana AI-Munsif

Bagi tempoh 6 bulan dalam kajian, BIMB Dana AI-Munsif ("Dana") telah mencatatkan pulangan sebanyak -9.43% berbanding pulangan Penanda Arasnya sebanyak -4.37%, dengan perbezaan dengan pulangan Penanda Arasnya sebanyak -5.06%.

Pencapaian pulangan penanda aras yang terpilih untuk Dana adalah 60:40 ratio Indeks Syariah Emas FBM dan kadar 12 bulan Deposit Bertempoh-i (Tawarruq) Bank Islam Malaysia Berhad.

Sejak penubuhannya pada 27 Disember 2001 sehingga 28 Februari 2019, Dana tersebut telah mencatat jumlah pulangan sebanyak 76.04% berbanding pulangan Penanda Arasnya sebanyak 105.87%, iaitu perbezaan dengan pulangan Penanda Arasnya sebanyak -29.83%.

Strategi kami adalah untuk kekal fokus secara konsisten pada syarikat-syarikat yang teguh, yang berpotensi mampu untuk membayar dividen yang mampan, mempunyai prospek pertumbuhan pendapatan dan tambah nilai modal.

Setakat pada 28 Februari 2019, Dana telah mempunyai 47.75% pendedahan kepada ekuiti dan 52.25% pendedahan kepada wang tunai, sekuriti hutang Islam dan instrument pasaran wang. Setakat ini, Dana tidak mencapai objektifnya sepertimana yang dinyatakan untuk menyediakan pertumbuhan modal untuk pelabur-pelabur disebabkan oleh keadaan pasaran yang tidak memuaskan rentetan daripada impak perang perdagangan US-China dan juga pencapaian syarikat-syarikat bermodal kecil dan sederhana yang lemah. Jumlah Nilai Aset Bersih (NAB) bagi Dana adalah RM7.85 juta manakala NAB bagi unit AI-Munsif adalah RM0.3659. Dana tersebut tidak mengistiharkan apa-apa agihan interim.

Untuk tempoh kewangan dalam kajian, tiada perubahan ketara terhadap hal ehwal berkaitan pengurusan Dana dan tiada keadaan yang boleh menjejaskan secara langsung kepada kepentingan para pemegang unit sehinggalah tarikh penyediaan Laporan Pengurus ini.

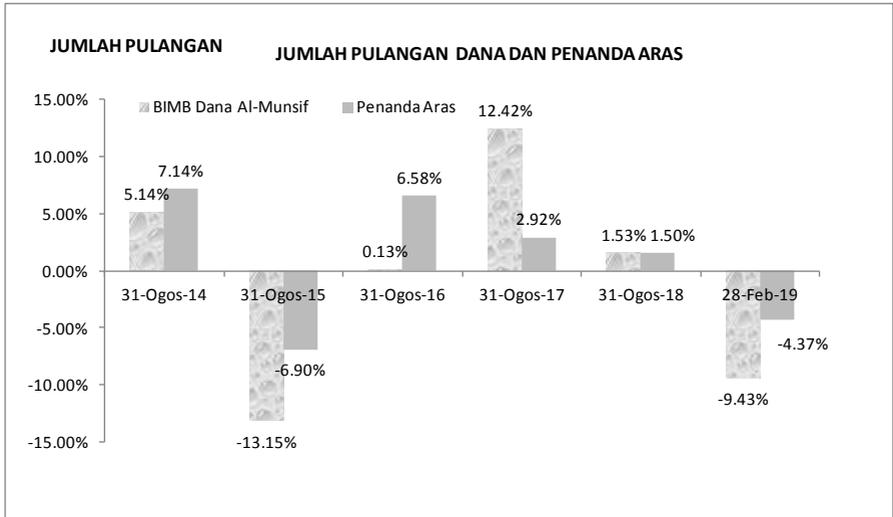
1.2.2 Jumlah pulangan dan purata jumlah pulangan bagi setiap tempoh berakhir 28 Februari 2018

Tempoh	BIMB Dana AI-Munsif		Penanda Aras	
	Jumlah Pulangan (%)	Purata Jumlah Pulangan (%)	Jumlah Pulangan (%)	Purata Jumlah Pulangan (%)
6-Bulan (Sep'18 – Feb'19)	-9.43	-18.86	-4.37	-8.74
1-Tahun (Mac'18 – Feb'19)	-13.21	-13.21	-6.28	-6.28
3-Tahun (Mac'16 – Feb'19)	-5.88	-1.96	1.80	0.60
5-Tahun (Mac'14 – Feb'19)	-17.51	-3.50	1.59	0.32

1.2.3 Jumlah pulangan tahunan bagi 5 tahun kewangan yang lalu

Tahun Kewangan	Jumlah Pulangan	
	BIMB Dana AI-Munsif (%)	Penanda Aras (%)
31 Ogos 2018	-6.89	1.82%
31 Ogos 2017	12.42	2.92
31 Ogos 2016	0.13	6.58
31 Ogos 2015	-13.15	-6.90
31 Ogos 2014	5.14	7.14

Rajah 2: Pergerakan Dana Berbanding Penanda Aras



Nota:

Sumber Data : Bimb Investment Management Berhad

Data disahkan oleh : Novagni Analytics & Advisory Sdn. Bhd.

Penanda Aras : Nisbah 60:40 Indeks FBM Emas Shariah dan kadar 12-bulan Deposit Bertempoh-i Tawarruq (TDT-i) Bank Islam.

Nota:

1. **Jumlah Pulangan** telah disahkan oleh Novagni Analytics & Advisory Sdn. Bhd. (363145-W)
2. **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

1.3.1 Global

- Keluaran Dalam Negeri Kasar (KDNK) Amerika Syarikat (US) telah mencatatkan pertumbuhan sebanyak 2.6% pada suku keempat 2018 berbanding 3.4% pada suku ketiga 2018 dan 4.2% pada suku kedua 2018. Pertumbuhan ekonomi suku keempat telah disokong oleh perbelanjaan pengguna yang kukuh, lonjakan pelaburan inventori, dan perbelanjaan kerajaan yang lebih tinggi, walau bagaimanapun sebahagiannya telah diimbangi oleh penyumbangan negatif dari pelaburan kediaman tetap, dan perbelanjaan negeri dan kerajaan tempatan. Kadar inflasi AS menurun kepada 1.5% pada Februari 2019 berbanding 2.3% pada September 2018. Kadar pengangguran AS meningkat kepada 3.8% pada Februari 2019 berbanding 3.7% pada September 2018.
- Ekonomi zon Euro telah berkembang sebanyak 0.2% untuk suku keempat 2018, tidak berubah dari suku ketiga 2018 tetapi lebih rendah berbanding 0.4% pada suku kedua 2018. Semasa tempoh suku keempat tersebut, prestasi ekonomi zon Euro telah terjejas dengan ketaranya oleh ketidakpastian perdagangan global, pertumbuhan Jerman terhenti sementara Itali pula jatuh dalam kemelesetan. Kadar inflasi zon Euro telah menurun kepada 1.5% pada Februari 2019 berbanding 2.1% pada September 2018. Kadar pengangguran di zon Euro telah menurun kepada 7.8% pada Februari 2019 dari 8.0% pada September 2018.
- Ekonomi China telah berkembang sebanyak 6.4% pada suku keempat 2018 berbanding 6.5% pada suku ketiga 2018 dan 6.7% pada suku kedua 2018. Perkembangan ekonomi yang lebih rendah adalah kesan daripada perang perdagangan dengan A.S di tengah usaha Beijing untuk menanggung risiko hutang yang telah mempengaruhi pertumbuhan ekonomi dalam negeri.

(Sumber: Bank Negara Malaysia, Bloomberg dan RHB Research Institute Sdn Bhd)

Dalam Negara

- Ekonomi Malaysia telah berkembang sebanyak 4.7% pada suku keempat 2018, berbanding 4.4% pada suku ketiga 2018 dan 4.5% pada suku kedua 2018. Hasil KDNK telah meningkat kerana eksport telah pulih dan pertumbuhan terus disokong oleh sektor swasta dan perkembangan dan permintaan domestik. Manakala inflasi Malaysia telah menurun kepada -0.4% pada Februari 2019, berbanding 0.3% pada September 2018, disebabkan oleh penurunan kos pengangkutan.
- Jawatankuasa Dasar Monetari (MPC) Bank Negara Malaysia (BNM) telah memutuskan untuk mengekalkan Kadar Dasar Semalaman (OPR) pada 3.25% dalam mesyuaratnya pada Januari 2019 untuk menampung dan menyokong prospek pertumbuhan negara. Rizab antarabangsa Bank Negara Malaysia bernilai USD 102.4 billion setakat 28 Februari 2019. Kedudukan rizab ini memadai untuk

membayai 7.4 bulan import tertangguh dan 1.0 kali hutang luar negeri jangka pendek.

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

1.3.2 Kajian Pasaran

Ekuiti

Indeks Syariah Emas FTSE Bursa Malaysia ("Indeks Syariah FBM") telah memasuki tempoh kajian bermula pada paras 12,754.68 mata dan telah mencecah paras tertingginya iaitu 12,756.45 pada 4 September 2018. Indeks Syariah FBM ini kemudiannya telah menurun kepada paras matanya terendah iaitu 11,068.25 pada 18 Disember 2018 sebelum ditutup pada 11,732.11 mata pada 28 Februari 2019. Bagi tempoh dalam kajian, Indeks Syariah FBM telah turun -1,022.57 mata atau -8.02%. Antara faktor-faktor yang telah menyumbang kepada pergerakan indeks ini adalah seperti yang dinyatakan dibawah:

- Pada Oktober 2018, penjualan sektor teknologi di pasaran AS berlaku berikutan kerisauan tentang kenaikan kadar pulangan yang begitu cepat terhadap ekonomi terbesar dunia dan kesannya kepada pendapatan perusahaan AS yang telah menggoyahkan sentimen pasaran global. Jualan pasaran jatuh bertambah merosot disebabkan oleh kebimbangan tentang potensi kekalahan Presiden Trump pada pilihanraya kajian pertengahan pada awal November yang mungkin mengganggu stimulasi pertumbuhan pentadbiran Trump.
- Presiden Trump dan President Xi telah bersetuju untuk menghentikan sementara perang perdagangan selepas mesyuarat G20 mereka pada akhir November 2018. Seperti yang diumumkan sebelum ini, AS akan menahan sementara kenaikan tarif 10% kepada 25% terhadap 200\$ billion import China pada 1 Januari 2019. Ianya akan wujud tempoh perundingan selama 90 hari untuk menangani ketidakseimbangan perdagangan, perubahan struktur China dan isu-isu lain yang berkaitan.

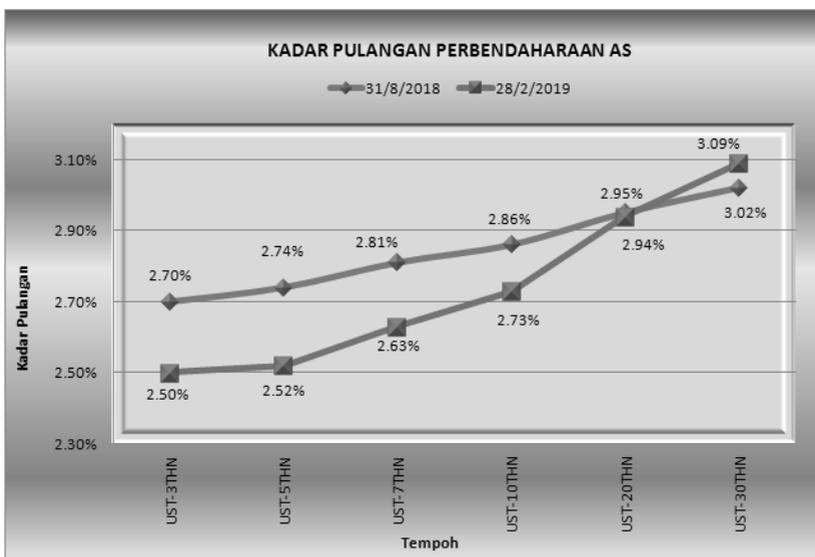
(Sumber: Bloomberg dan Bank Negara Malaysia)

Pasaran Bon dan Pasaran Wang

a) Global

- Untuk tempoh dalam kajian, hasil 10 tahun Perbendaharaan US (UST) adalah dalam lingkungan antara 2.73% hingga 2.86%. Ianya dijangkakan bahawa kadar hasil untuk terus membuat jajaran perdagangan dalam UST terikat berikutan tiada kadar kenaikan menurut pandangan Rizab Persekutuan. Perbincangan terkini mengenai pengurangan penyata imbalan telah disebut dalam minit yang mana Rizab Persekutuan telah memberi petunjuk pada prospek mengakhiri proses pembetulan seawal separuh kedua 2019. Pelabur akan terus memerhati Jawatankuasa Pasaran Terbuka Persekutuan (FOMC) akan datang yang mana Rizab Persekutuan boleh memberi bimbingan tambahan dalam mesyuarat dasar ini.

Rajah 4: Kadar Pulangan Perbendaharaan AS



Sumber: Jabatan Perbendaharaan AS, 28 Februari 2019

b) Dalam Negara

- Sekuriti Kerajaan Malaysia (MGS) dan Isu Pelaburan Kerajaan (GII) telah mendominasi aktiviti pasaran bon tempatan dengan jumlah dagangan yang diniagakan sebanyak RM437.55 billion pada tempoh dalam kajian. Hasil bon kerajaan ringgit Malaysia telah tetap di sokong. Terutamanya, hasil 10 tahun GII adalah lebih rendah dari sebelum iaitu 4.14% kepada 4.02% pada akhir tempoh dalam kajian, yang mana keyakinan untuk Pasaran Baru Muncul Bon (EM) Asia

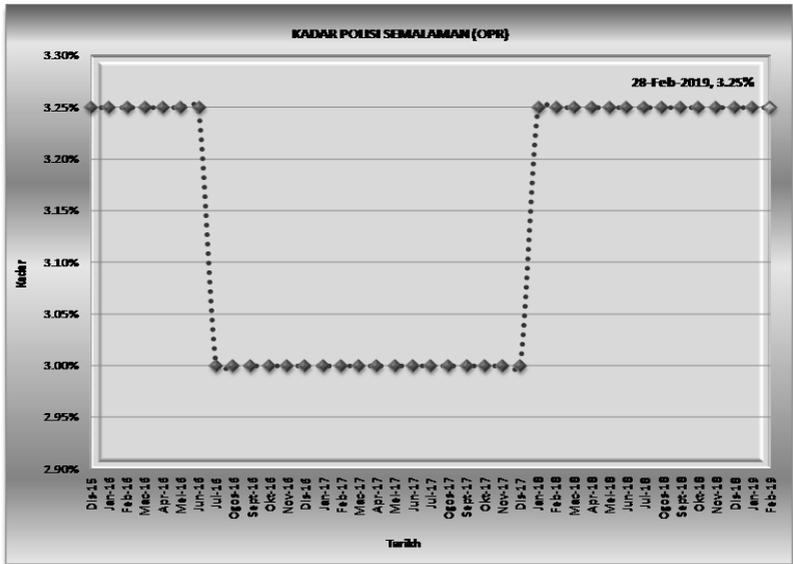
telah berterusan mengumpul momentum. Pemberhentian seketika dalam USD menyokong pemulihan dalam mata wang EM Asia dengan peningkatan Ringgit berbanding dolar AS.

Jadual 1: Kadar Pulangan Sukuk/ Bon Islam

Tempoh/ Tarikh	28 Februari 2019 (%)	30 Ogos 2018 (%)	Perubahan * (bps)
Bon 3 Tahun			
GII	3.64	3.63	1.0
Korporat AAA	4.12	4.25	(13.0)
Bon 5 Tahun			
GII	3.85	3.80	5.0
Korporat AAA	4.23	4.38	(15.0)
Bon 7 Tahun			
GII	4.00	4.01	(1.0)
Korporat AAA	4.33	4.49	(16.0)
Bon 10 Tahun			
GII	4.02	4.14	(12.0)
Korporat AAA	4.43	4.62	(19.0)

Sumber: Agensi Penetapan Harga Bon Malaysia (BPAM), 28 Februari 2019

Rajah 5: Kadar Polisi Semalaman (OPR)



Sumber: Bank Negara Malaysia (BNM), 28 Februari 2019

1.4 Tinjauan Pasaran dan Strategi

a) Ekuiti

- Bagi tahun 2019, ekuiti Malaysia dijangka berdaya tahan di tengah-tengah pertumbuhan ekonomi yang mencabar disebabkan oleh faktor-faktor seperti hasil perbincangan perang perdagangan China AS, pelaksanaan kadar kenaikan Rizab Persekutuan, pertumbuhan KDNKK global dan domestik yang lemah, pemulihan harga minyak mentah global yang tidak menentu dan juga aktiviti sektor pembinaan yang lebih rendah di Malaysia.
- Untuk tahun ini, sentimen pasaran global akan bergantung kepada dua faktor utama, sebahagian besarnya hasil daripada perbincangan perang perdagangan China AS dan kekerapan kadar kenaikan Rizab Persekutuan. Secara keseluruhannya, kami berpandangan positif bahawa sektor eksport domestik akan menjadi benefisiari permintaan pengguna global terhadap produk-produk teknologi. Pendedahan sektor elektrik dan elektronik berbanding sektor automotif yang semakin berkembang akan juga mendapat keuntungan daripada perbelanjaan pengguna yang berdaya tahan berpunca daripada pertumbuhan KDNK serantau, walaupun dengan kadar yang lebih rendah. Seterusnya, ianya dijangkakan bahawa, permintaan luar yang

lebih kuat akan memberi kesan kepada ekonomi domestik, sementara permintaan domestik akan terus menjadi enjin pertumbuhan, dikuatkan lagi oleh perbelanjaan dan pelaburan pelanggan yang kuat. Kami menjangka pertumbuhan sebenar KDNK Malaysia akan bertahan pada kadar sederhana 4.6% untuk 2019 dengan bank Negara akan mengekalkan OPR pada 3.25% untuk 2019.

b) Pasaran Sukuk dan Pasaran Wang

- Jawatankuasa Dasar Monetari (MPC) Bank Negara Malaysia (BNM) telah mengekalkan Kadar Dasar Semalaman (OPR) pada 3.25% untuk enam mesyuarat berterusan. Kenyataan MPC telah membuat lebih banyak penilaian yang berhati-hati pada tinjauan ekonomi global yang mana ketegangan perdagangan telah mula untuk memberi impak terhadap prestasi perdagangan global dan aktiviti pelaburan pada akhir 2018. BNM telah menekankan faktor spesifik negara sebagai satu daripada kunci penurunan risiko untuk prospek pertumbuhan global. Bagi pasaran domestik, BNM telah menjangkakan pengembangan berterusan dalam penggunaan dan pelaburan swasta untuk mengimbangi penyatuan dalam perbelanjaan awam. Ianya dijangka bahawa OPR akan dikekalkan untuk baki tahun tersebut.
- Strategi pasaran wang kami adalah untuk melabur dalam pasaran wang dengan tempoh pelaburan yang lebih panjang untuk memaksimumkan pulangan pada masa yang sama memberikan kecairan dan pendapatan berterusan untuk para pelabur.

1.5 Peruntukan aset pada 28 Februari 2019 dan pada 31 Ogos 2018, 2017 dan 2016

BIMB Dana AI-Munsif	28.2.2019 (%)	31.8.2018 (%)	31.8.2017 (%)	31.8.2016 (%)
Pelaburan Sekuriti Tersiarharga:				
Pembinaan	-	-	-	1.18
Barangan pengguna	9.96	10.20	1.52	1.74
Kewangan	-	-	-	2.31
Barangan industri	11.54	11.39	20.08	14.77
Infrastruktur	-	-	-	2.84
Perladangan	-	-	-	3.70
Hartanah	-	-	-	5.52
Teknologi	11.06	17.44	35.60	10.07
Perdagangan dan perkhidmatan	14.80	15.64	1.55	18.07
Waran	0.39	0.75	-	-
	47.75	55.42	58.75	60.20
PELABURAN DALAM SEKURITI HUTANG SECARA ISLAM:	51.36	43.86	22.40	30.72
TUNAI DAN PELABURAN JANGKA PENDEK:	0.89	0.72	18.85	9.08
	100.00	100.00	100.00	100.00

1.6 Lain-Lain data prestasi bagi tempoh 6 bulan berakhir 28 Februari 2019 dan tiga tahun kewangan berakhir 31 Ogos

BIMB Dana AI-Munsif	6 bulan berakhir 28.2.2019	31.8.2018	31.8.2017	31.8.2016
Harga Unit (RM)				
NAB tertinggi seunit dalam tempoh/tahun	0.4153	0.5144*	0.4901	0.4654*
NAB terendah seunit dalam tempoh/tahun	0.3494	0.4040*	0.4219	0.4324*
Nilai Aset Bersih (NAB) dan Unit Dalam Edaran (UDE) pada Akhir Tempoh/Tahun				
Jumlah NAB (RM)	7,852,979	9,153,760	17,964,710	31,310,926
Unit Dalam Edaran (UDE)	21,459,784	22,659,383	39,956,669	72,404,772
NAB seunit (RM)	0.3659	0.4040*	0.4861	0.4324*
Jumlah Pulangan Dana (%) ^(a)				
Pertumbuhan Modal (%) ^(b)	-9.43	-16.89	12.42	-2.88
Pulangan Pendapatan (%) ^(c)	-	10.00	-	3.01
Jumlah Pulangan Dana (%)	-9.43	-6.89	12.42	0.13
Agihan Kasar seunit (Sen)	-	4.86	-	1.34
Agihan Bersih seunit (Sen)	-	4.86	-	1.34
Nilai Aset Bersih sebelum pengagihan (RM)	-	0.4526	-	0.4458
Nilai Aset Bersih selepas pengagihan (RM)	-	0.4040	-	0.4324*
Tarikh pengagihan	-	30 Ogos 2018	-	30 Ogos 2016
Nisbah Perbelanjaan Pengurusan (NPP) (%) ^(d)	2.08	2.08	1.86	1.79
Nisbah Pusing Ganti Portfolio (NPG) (Kali) (%) ^(e)	0.10	1.89	1.18	1.10

* Harga NAB selepas pengagihan pendapatan.

Nota:-

- a) **Pulangan ke atas Dana** = $\frac{\text{Harga seunit (pada akhir tempoh)}}{\text{Harga seunit (pada awal tempoh)}} - 1$
- b) **Penambahan Modal** = Pulangan Ke atas Dana – Pulangan Pendapatan
- c) **Pulangan Pendapatan** = $\{ \text{Pengagihan Pendapatan Se Unit / NAB se unit pada 31 Ogos 2018} \} \times 100$
- 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 28 Februari 2019

Saiz Dipegang	BIMB Dana AI-Munsif			
	Bilangan pemegang unit		Bilangan pegangan unit	
	Bilangan	%	Unit-unit	%
5,000 dan ke bawah	897	84.38	987,486.70	4.60
5,001 hingga 10,000	67	6.30	467,695.09	2.18
10,001 hingga 50,000	78	7.34	1,482,607.33	6.91
50,001 hingga 500,000	20	1.88	2,625,809.72	12.24
500,001 dan ke atas	1	0.10	15,896,185.22	74.07
Jumlah Keseluruhan Dana	1,063	100.00	21,459,784.06	100.00

1.8 Polisi Rebat dan Komisyen Bukan Tunai

Sebarang rebat broker saham yang diterima oleh Pengurus akan dimasukkan secara terus ke dalam akaun Dana. Apa-apa komisyen bukan tunai yang diterima daripada broker dalam bentuk perkhidmatan penyelidikan dan nasihat yang membantu dalam proses membuat keputusan yang berkaitan dengan pelaburan Dana boleh disimpan oleh Pengurus.

Pengurus tidak menerima sebarang rebat dan komisyen bukan tunai daripada broker bagi tempoh dalam kajian.

Untuk dan bagi pihak Pengurus

BIMB INVESTMENT MANAGEMENT BERHAD

Tarikh: 22 April 2019

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

SCBMB TRUSTEE BERHAD

INTERIM REPORT FOR THE 6-MONTH PERIOD ENDED 28 FEBRUARY 2019

To the Unit Holders of

BIMB Dana Al-Munsif

We have acted as Trustee of **BIMB Dana Al-Munsif**, ("the Fund") for the financial period ended 28 February 2019. To the best of our knowledge, **BIMB Investment Management Berhad** ("the Manager" or "the Management Company") has managed the Fund in accordance with the following:

1. The limitations imposed on the investment powers of the Management Company and the Trustee under the Deed, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
2. The valuation or pricing of the Fund is carried out in accordance with the Deed and any regulatory requirement; and
3. The creation and cancellation of units of the Fund are carried out in accordance with the Deed and any regulatory requirement.

For SCBMB Trustee Berhad

.....

Prasad A/L S Vijayasundram

Chief Executive Officer

Date: 22 April 2019

3.0 Shariah Committee's Report

INTERIM REPORT FOR THE 6-MONTH PERIOD ENDED 28 FEBRUARY 2019

To the Unit Holders of
BIMB Dana Al-Munsif

We have acted as the Shariah Committee of BIMB Dana Al-Munsif.

Our responsibilities are to ensure that the procedures and processes employed by BIMB Investment Management Berhad and that the provisions of the Deed dated 6 December 2001 and the Supplementary Deeds at are in accordance with Shariah principles.

In our opinion, BIMB Investment Management Berhad has managed BIMB Dana Al-Fakhim in accordance with Shariah principles and complied with applicable guidelines, rulings or decisions issued by the Securities Commission pertaining to Shariah matters for the financial period from 1 September 2018 to 28 February 2019.

In addition, we also confirm that the investment portfolio of BIMB Dana Al-Fakhim comprises instruments that have been classified as Shariah-compliant by the Shariah Advisory Council (SAC) of the Securities Commission or the SAC of Bank Negara Malaysia.

For and on behalf of the Shariah Committee

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

.....
ASSOC. PROF. DR. ASMAK AB. RAHMAN
(Committee Member)

.....
DR. AZRUL AZLAN ISKANDAR MIRZA
(Committee Member)

Date: 22 April 2019

4.0 Directors' Declaration

INTERIM REPORT FOR THE 6-MONTH PERIOD ENDED 28 FEBRUARY 2019

To the Unit Holders of

BIMB Dana AI-Munsif

We, Dato' Ghazali Bin Awang and Najmuddin Bin Mohd Lutfi, being two of the directors of the Manager, BIMB Investment Management Berhad, for BIMB Dana AI-Munsif 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 28 February 2019 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: 22 April 2019

5.0 Financial Statements (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) stockbroker, amount due from/(to) the Manager, 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.

5.1 Unaudited Statement of Financial Position as at 28 February 2019

		As at 28.2.2019 (unaudited) RM	As at 31.8.2018 (audited) RM
	Note		
Assets			
Quoted securities	4	3,749,964	5,072,710
Islamic debt securities	5	4,033,560	4,014,680
Amount due from stockbroker	6	33,131	508,629
Amount due from Manager		2,972	62,210
Other receivables		23,748	30,664
Cash and cash equivalents	7	47,740	119,242
Total assets		<u>7,891,115</u>	<u>9,808,135</u>
Liabilities			
Amount due to stockbroker	6	-	559,056
Amount due to Manager		9,351	-
Other payables		28,785	95,319
Total liabilities		<u>38,136</u>	<u>654,375</u>
Net asset value		<u>7,852,979</u>	<u>9,153,760</u>
Unitholders' fund			
Unitholders' capital	8	14,905,864	15,363,519
Accumulated losses		(7,052,885)	(6,209,759)
Net asset value attributable to unitholders		<u>7,852,979</u>	<u>9,153,760</u>
Number of units in circulation	8	<u>21,459,784</u>	<u>22,659,383</u>
Net asset value per unit			
– Ex distribution (sen)		<u>36.59</u>	<u>40.40</u>

The notes on pages 39 to 62 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 28 February 2019

	Note	1.9.2018 to 28.2.2019 RM	1.9.2017 to 28.2.2018 RM
Income			
Gross dividends income from quoted securities		60,430	110,873
Gain on sale of quoted securities		49,269	1,755,881
Income from Islamic debt securities		89,754	89,753
Income from short term investments		-	42,006
Hibah from Al-Wadiah account		-	38
Net unrealised loss from financial instruments at fair value through profit or loss		(951,030)	(2,216,431)
		(751,577)	(217,880)
Amortisation of premium		(2,300)	(2,203)
Gross loss		(753,877)	(220,083)
Expenses			
Manager's fee	9	62,356	124,091
Trustee's fee	10	8,354	5,904
Audit fee		7,114	6,465
Tax agent's fee		2,449	1,001
Administrative expenses		8,976	23,196
		89,249	160,657
Net loss before taxation		(843,126)	(380,740)
Taxation	12	-	-
Net loss after taxation		(843,126)	(380,740)
Other comprehensive income for the period		-	-
Total comprehensive loss for the period		(843,126)	(380,740)
Total comprehensive loss for the period consist of:			
Realised amount		107,904	1,835,691
Unrealised amount		(951,030)	(2,216,431)
		(843,126)	(380,740)

The notes on pages 39 to 62 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 28 February 2019

	Unitholders' capital RM	Accumulated losses RM	Total RM
As at 31 August 2017/ 1 September 2017	22,358,416	(4,393,706)	17,964,710
Creation of units	36,015	-	36,015
Cancellation of units	(6,945,593)	-	(6,945,593)
Total attributable to unitholders	(6,909,578)	-	(6,909,578)
Total comprehensive loss for the period	-	(380,740)	(380,740)
As at 28 February 2018	15,448,838	(4,774,446)	10,674,392
As at 31 August 2018/ 1 September 2018	15,363,519	(6,209,759)	9,153,760
Creation of units	23,561	-	23,561
Cancellation of units	(481,216)	-	(481,216)
Total attributable to unitholders	(457,655)	-	(457,655)
Total comprehensive loss for the period	-	(843,126)	(843,126)
As at 28 February 2019	14,905,864	(7,052,885)	7,852,979

The notes on pages 39 to 62 form an integral part of these financial statements.

5.4 Unaudited Statement of Cash Flows for the 6 months financial period ended 28 February 2019

	1.9.2018 to 28.2.2019 RM	1.9.2017 to 28.2.2018 RM
Cash flows from operating activities		
Proceeds from sale of quoted securities	1,969,595	20,638,495
Purchase of quoted securities	(1,653,347)	(16,830,319)
Dividend received	65,867	119,245
Income from Islamic debt securities and short term investments	91,233	135,166
Management fee paid	(64,844)	(132,143)
Trustee fee paid	(9,133)	(6,629)
Audit fee paid	(13,000)	-
Tax agent fee paid	(5,500)	(4,500)
Payment for administrative expenses	(13,969)	(22,084)
Net cash generated from operating activities	<u>366,902</u>	<u>3,897,231</u>
Cash flows from financing activities		
Cash receipt for creation of units	82,798	37,175
Cash payment for cancellation of units	(471,865)	(6,906,733)
Payment of distributions	(49,337)	-
Net cash used in financing activities	<u>(438,404)</u>	<u>(6,869,558)</u>
Net decrease in cash and cash equivalents	(71,502)	(2,972,327)
Cash and cash equivalents at 1 September	<u>119,242</u>	<u>3,414,603</u>
Cash and cash equivalents at 28 February	<u>47,740</u>	<u>442,276</u>
Cash and cash equivalents comprise:		
Short term placements	-	332,959
Cash at bank	<u>47,740</u>	<u>109,317</u>
	<u>47,740</u>	<u>442,276</u>

The notes on pages 39 to 62 form an integral part of these financial statements.

5.5 Notes to the Financial Statements

1. Information on the Fund

BIMB Dana Al-Munsif (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed dated 6 December 2001 between the Manager - BIMB Investment Management Berhad, the Trustee and the registered unitholders of the Fund. Effective from 5 September 2017, the trustee has been changed from Affin Hwang Trustee Berhad to SCBMB Trustee Berhad.

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

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 of the Manager on 22 April 2019.

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 Commission’s Guidelines on Unit Trust Funds (“Guidelines”) in Malaysia.

This is the first set of the Fund’s annual financial statements in which MFRS 9 *Financial Instruments* and MFRS 15 *Revenue from Contracts with Customers* has been applied. There were no material impact arising from the adoption of MFRS 15 and MFRS 9 on the Fund’s financial statements other than the change in accounting policies as disclosed in Note 3.

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

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*
- IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 9, *Financial Instruments – Prepayment Features with Negative Compensation*
- Amendments to MFRS 11, *Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 112, *Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 119, *Employee Benefits (Plan Amendment, Curtailment or Settlement)*
- Amendments to MFRS 123, *Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2020

- Amendments to MFRS 3, *Business Combinations - Definition of a Business*
- Amendments to MFRS 101, *Presentation of Financial Statements* and MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- MFRS 17, *Insurance Contracts*

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*

2. Basis of preparation (continued)

(a) Statement of compliance (continued)

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

- from the annual period beginning on 1 September 2019 for those accounting standards, interpretations and amendments that are effective for annual periods beginning on or after 1 January 2019; and
- from the annual period beginning on 1 September 2020 for those accounting standards, interpretations and amendments that are effective for annual periods beginning on or after 1 January 2020.

The Fund does not plan to apply MFRS 17, *Insurance Contracts* that is effective for annual periods beginning on or after 1 January 2021 as it is not applicable to the Fund.

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Fund.

(b) Basis of measurement

The financial statements are prepared on the historical cost basis.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

The preparation of 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 period in which the estimate is revised and in any future period 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 period presented in these financial statements, unless otherwise stated.

(a) Financial instruments

Unless specifically disclosed below, the Fund generally applied the following accounting policies retrospectively. Nevertheless, as permitted by MFRS 9, *Financial Instruments*, the Fund has elected not to restate the comparative.

(i) Initial recognition and measurement

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

Current financial year

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

Previous financial year

Financial instrument was recognised initially, at its fair value plus or minus in the case of a financial instrument not at fair value through profit or loss, transaction costs that were 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

Current financial year

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Fund changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

3. Significant accounting policies (continued)

(a) Financial instruments (continued)

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

(a) Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective profit method. The amortised cost is reduced by impairment losses. Profit income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Profit income is recognised by applying effective profit rate to the gross carrying amount except for credit impairment financial assets (see Note 3 (d)) where the effective profit rate is applied to the amortised cost.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment.

Previous financial year

In the previous financial year, financial assets of the Fund were classified and measured under MFRS 139, *Financial Instruments: Recognition and Measurements* as follows:

Financing and receivables

Financing and receivables category comprised other receivables and cash and cash equivalents.

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

All financial assets were subject to impairment assessment (see Note 3(d)).

3. Significant accounting policies (continued)

(a) Financial instruments (continued)

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

Financial liabilities

Current financial year

The categories of financial liabilities at initial recognition are as follows:

Amortised cost

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective profit method.

Previous financial year

All financial liabilities were subsequently measured at amortised cost.

(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.

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.

3. Significant accounting policies (continued)

(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 entitlement date.

(ii) Income from short term investments and Islamic debt securities

Income from short term investments and Islamic debt securities are recognised as it accrues, using the effective profit method in profit or loss.

(iii) Gain on sale of investments

The realised gain on sale of investments is measured as the difference between the net disposal proceeds and the carrying amount of the investments determined on cost adjusted for accretion for the discount or amortisation of premium.

(c) Islamic debt securities

Islamic debt securities are investments in sukuk which is categorised as fair value through profit or loss and subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(d) 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 less than 30 days, and are used by the Fund in the management of its short term commitments.

Cash and cash equivalents are categorised and measured as amortised cost (2018: financing and receivables).

3. Significant accounting policies (continued)

(e) Impairment

Financial assets

The Fund generally applied the following account policies retrospectively. Nevertheless, as permitted by MFRS 9, *Financial Instruments*, the Fund elected not to restate the comparatives.

Current financial year

The Fund recognised loss allowances for expected credit losses on financial assets measured at amortised costs. Expected credit losses are a probability-weighted estimate of credit losses.

The Fund measures loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balance for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when expected credit loss, the Fund consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Fund is exposed to credit risk.

The Fund estimate the expected credit losses on other receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, the Fund assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

3. Significant accounting policies (continued)

(e) Impairment (continued)

Current financial year (continued)

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Fund determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures to recover amount due.

Previous financial year

All financial assets (except for financial assets categorised as fair value through profit or loss) were assessed at each reporting date whether there was 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, were not recognised.

An impairment loss in respect of financial assets measured at amortised cost (2018: financing and receivables) was recognised in profit or loss and was 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 was reduced through the use of an allowance account.

(e) Income tax

Income tax expense comprises current tax. Current tax is 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 on the taxable income for the period, 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 unitholder's 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 unitholder exercises the right to put the unit back to the Fund.

3. Significant accounting policies (continued)

(f) Unitholders' capital (continued)

Units are created and cancelled at the unitholder's option at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net asset 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 asset 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 the 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 or equity 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.

(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

Company's Name	Number of shares held	Cost RM	Market value RM	Percentage of value of Fund %
As at 28 February 2019				
<u>Main Market</u>				
(i) Consumer products				
Lay Hong Bhd.	350,000	346,089	143,500	1.83
Padini Holdings Bhd.	15,000	88,295	57,750	0.73
Power Root Bhd.	130,000	214,904	189,800	2.42
Salutica Bhd.	1,103,000	818,697	391,565	4.98
	1,598,000	1,467,985	782,615	9.96
(ii) Industrial products				
Evergreen Fibreboard Bhd.	337,000	157,586	128,060	1.63
HeveaBoard Bhd.	168,000	141,745	100,800	1.28
Kossan Rubber Industries Bhd.	32,500	146,347	126,100	1.61
SKP Resources Bhd.	140,000	217,863	187,600	2.39
Superlon Holdings Bhd.	70,000	94,915	91,000	1.16
Supermax Corporation Bhd.	60,000	123,133	91,800	1.17
Top Glove Corporation Bhd.	16,500	103,156	74,910	0.95
V.S. Industry Bhd.	106,250	232,838	105,719	1.35
	930,250	1,217,583	905,989	11.54
(iii) Technology				
AppAsia Bhd.	980,000	398,043	93,100	1.19
Globetronics Technology Bhd.	82,000	235,345	157,440	2.00
Inari Amertron Bhd.	118,000	272,059	185,260	2.36
JHM Consolidation Bhd.	235,000	308,520	274,950	3.50
Pentamaster Corporation Bhd.	39,000	129,870	131,820	1.68
Vivocom Intl Holdings Bhd.	1,300,000	189,181	26,000	0.33
	2,754,000	1,533,018	868,570	11.06
(iv) Trading and services				
Perak Transit Bhd.	2,334,000	744,956	548,490	6.99
Xin Hwa Holdings Bhd.	722,000	868,330	613,700	7.81
	3,056,000	1,613,286	1,162,190	14.80

4. Quoted securities (continued)

Company's Name	Number of shares held	Cost RM	Market value RM	Percentage of value of Fund %
As at 28 February 2019				
<u>Main Market (continued)</u>				
(v) Warrant				
Perak Transit Bhd. - Warrant A	510,000	83,761	30,600	0.39
Total quoted securities as at 28 February 2019		5,915,633	3,749,964	47.75
Company's Name	Number of shares held	Cost RM	Market Value RM	Percentage of value of fund %
As at 31 August 2018				
<u>Main Market</u>				
(i) Consumer products				
Lay Hong Bhd.	350,000	346,089	187,250	2.04
Power Root Bhd.	87,000	138,269	140,070	1.53
Salutica Bhd.	1,103,000	818,697	606,650	6.63
	1,540,000	1,303,055	933,970	10.20
(ii) Industrial products				
Evergreen Fibreboard Bhd.	345,000	161,140	182,850	2.00
HeveaBoard Bhd.	218,000	183,931	180,940	1.98
Kossan Rubber Industries Bhd.	32,500	146,347	144,625	1.58
SKP Resources Bhd.	140,000	217,863	173,600	1.89
Superlon Holdings Bhd.	95,000	128,813	118,750	1.30
Supermax Corporation Bhd.	22,000	96,826	73,920	0.81
V.S. Industry Bhd.	106,250	232,838	167,875	1.83
	958,750	1,167,758	1,042,560	11.39
(iii) Technology				
AppAsia Bhd.	980,000	398,043	191,100	2.09
D&O Green Technologies Bhd.	103,000	78,658	76,220	0.83
Globetronics Technology Bhd.	32,000	92,482	90,240	0.99
Inari Amertron Bhd.	103,000	237,427	230,720	2.52

4. Quoted securities (continued)

Company's Name	Number of shares held	Cost RM	Market Value RM	Percentage of value of fund %
As at 31 August 2018				
<u>Main Market (continued)</u>				
(iii) Technology (continued)				
JHM Consolidation Bhd.	235,000	308,521	291,400	3.18
Malaysian Pacific Industries Bhd.	18,000	188,541	221,400	2.42
Unisem (M) Bhd.	160,000	469,741	462,400	5.05
Vivocom Intl Holdings Bhd.	1,300,000	189,181	32,500	0.36
	<u>2,931,000</u>	<u>1,962,594</u>	<u>1,595,980</u>	<u>17.44</u>
(iv) Trading and services				
Perak Transit Bhd.	2,334,000	744,956	653,520	7.14
Taliworks Corporations Bhd.	105,000	135,715	153,300	1.68
Xin Hwa Holdings Bhd.	722,000	868,330	624,530	6.82
	<u>3,161,000</u>	<u>1,749,001</u>	<u>1,431,350</u>	<u>15.64</u>
(v) Warrant				
Perak Transit Bhd.	510,000	83,761	68,850	0.75
Total quoted securities as at 31 August 2018		<u>6,266,169</u>	<u>5,072,710</u>	<u>55.42</u>

5. Islamic debt securities

Issuer	Maturity date	rating	Cost RM	Fair value RM	Percentage of value of Funds %
As at 28 February 2019					
Axis REIT Sukuk Bhd.	12.07.2024	AAA*	4,028,281	4,033,560	51.36
As at 31 August 2018					
Axis REIT Sukuk Bhd.	12.07.2024	AAA*	4,030,581	4,014,680	43.86

* Rating by Malaysian Rating Corporation Berhad.

6. Amount due from/(to) stockbrokers

Amount due from/(to) stockbrokers represent receivables/(payables) for Shariah-compliant securities sold/(bought) and receivables/(payables) for that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

7. Cash and cash equivalents

	As at 28.2.2019 RM	As at 31.8.2018 RM
Cash at bank		
Standard Chartered Saadiq Berhad	47,740	119,242

8. Unitholders' capital

	No. of units	RM
As at 31 August 2017/1 September 2017	36,956,669	22,358,416
Creation of units	2,694,343	1,108,524
Cancellation of units	(16,991,629)	(8,103,421)
As at 31 August 2018/1 September 2018	22,659,383	15,363,519
Creation of units	63,336	23,561
Cancellation of units	(1,262,935)	(481,216)
As at 28 February 2019	21,459,784	14,905,864

9. Manager's fee

The manager's fee payable to the Manager is based on 1.50% (28.2.2018: 1.50%) per annum of the net asset value of the Fund calculated on a daily basis.

10. Trustee's fee

The trustee's fee payable to the trustee of the Fund is based on 0.05% (28.2.2018: 0.05%) per annum subject to a minimum of RM18,000 (28.2.2018: RM18,000) per annum of the net asset value of the Fund calculated on a daily basis.

11. Units held by related party

The total number and value of units held legally or beneficially by a related party of the Manager is as follows:

	As at 28.2.2019		As at 31.8.2018	
	Units	RM	Units	RM
Bank Islam Malaysia Berhad	<u>500,000</u>	<u>182,950</u>	<u>500,000</u>	<u>202,000</u>

The Manager does not hold any unit in the Fund as at 28 February 2019 and 31 August 2018.

12. Taxation

	1.9.2018 to 28.2.2019 RM	1.9.2017 to 28.2.2018 RM
Tax expense		
- Current period	<u>-</u>	<u>-</u>
Reconciliation of effective tax expense		
Net loss before taxation	<u>(843,126)</u>	<u>(380,740)</u>
Income tax using Malaysian tax rate @ 24%	(202,350)	(91,378)
Non-assessable income	(47,869)	(479,652)
Non-deductible expenses	231,392	534,130
Restrictions on the tax deductible expenses for unit trust funds	<u>18,827</u>	<u>36,900</u>
	<u>-</u>	<u>-</u>

13. Transaction with related parties

Other than as disclosed in Note 11 and 14 of the financial statements, other transactions with related parties are as follows:

	Transactions as at		Balance as at	
	28.2.2019	31.8.2018	28.2.2019	31.8.2018
	RM	RM	RM	RM
<i>The Manager</i>				
BIMB Investment				
Management Berhad				
- Amount due from				
Manager	-	-	2,972	62,210
- Amount due to Manager	-	-	(9,351)	-
- Management fee	62,356	197,937	(9,099)	(11,586)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Holding company of the Manager</i>				
Bank Islam Malaysia Berhad				
- Income from short term placements	-	(23,956)	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Related company of the Manager</i>				
BIMB Securities Sdn. Bhd.				
- Sales	(184,271)	(1,622,653)	-	-
- Purchase	119,880	1,739,656	-	-
- Brokerage fee	961	11,555	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>The Trustee</i>				
SCBMB Trustee Berhad				
- Trustee fee	8,354	18,000	(1,484)	(2,264)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

14. Transactions with related and other stockbroking companies

	Value of trade RM	Percentage of total trade %	Brokerage fee RM	Percentage of total brokerage fee %
1.9.2018 to 28.2.2019				
TA Securities Holdings Bhd.	553,850	21.38	1,573	19.82
Public Investment Bank Bhd.	449,051	17.34	1,442	18.17
RHB Investment Bank Bhd.	358,624	13.85	1,048	13.21
Macquarie Capital Securities (Malaysia) Sdn. Bhd.	350,664	13.54	1,175	14.81
BIMB Securities Sdn. Bhd.*	304,151	11.74	961	12.11
Kenanga Investment Bank Bhd.	245,738	9.49	696	8.77
Hong Leong Investment Bank Bhd.	241,128	9.31	732	9.23
MIDF Amanah Investment Bank Bhd.	86,700	3.35	308	3.88
	2,589,906	100.00	7,935	100.00

1.9.2017 to 28.2.2018

MIDF Amanah Investment Bank Bhd.	6,701,623	17.59	20,823	16.45
TA Securities Holdings Bhd.	5,799,141	15.22	18,043	14.26
RHB Investment Bank Bhd.	5,270,876	13.84	17,317	13.68
Hong Leong Investment Bank Bhd.	3,956,010	10.39	13,568	10.72
Maybank Investment Bank Bhd.	3,138,962	8.24	10,819	8.55
Public Investment Bank Bhd.	3,092,790	8.12	10,686	8.44
BIMB Securities Sdn. Bhd.*	2,597,354	6.82	9,159	7.24
Alliance Investment Bank Bhd.	1,865,175	4.90	6,237	4.93
Kenanga Investment Bank Bhd.	1,840,290	4.83	6,542	5.17
Macquarie Capital Securities (Malaysia) Sdn. Bhd.	1,594,149	4.18	5,680	4.49
Other brokers	2,236,776	5.87	7,678	6.07
	38,093,146	100.00	126,552	100.00

* Transactions with the related party have been entered into in the normal course of business at agreed terms between the related parties.

15. Management Expense Ratio ("MER")

The management expense ratio for the financial period is 2.08% (28.2.2018: 1.95%). 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 an annual percentage of the Fund's average net asset value.

16. Portfolio Turnover Ratio (“PTR”)

The portfolio turnover ratio for the financial period is 0.10 times (28.2.2018: 1.13 times). 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.

17. Financial instruments

17.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as at 28 February 2019 as follows:

- (a) Fair value through profit or loss (“FVTPL”);
- (b) Amortised cost (“AC”).

	Carrying amount RM	AC RM	FVTPL RM
As at 28.2.2019			
Financial assets			
Quoted securities	3,749,964	-	3,749,964
Islamic debt securities	4,033,560	-	4,033,560
Other receivables	59,851	59,851	-
Cash and cash equivalents	47,740	47,740	-
	<u>7,891,115</u>	<u>107,591</u>	<u>7,783,524</u>
Financial liabilities			
Other payables	<u>(38,136)</u>	<u>(38,136)</u>	-

The table below provides an analysis of financial instruments categorised as at 31 August 2018 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 31.8.2018			
Financial assets			
Quoted securities	5,072,710	-	5,072,710
Islamic debt securities	4,014,680	-	4,014,680
Cash and cash equivalents	119,242	119,242	-
Other receivables	601,503	601,503	-
	<u>9,808,135</u>	<u>720,745</u>	<u>9,087,390</u>
Financial liabilities			
Other payables	<u>(654,375)</u>	<u>(654,375)</u>	-

17. Financial instruments (continued)

17.2 Net gains and losses arising from financial instruments

	1.9.2018 to 28.2.2019	1.9.2017 to 28.2.2018
	RM	RM
Net losses on:		
Fair value through profit or loss:		
- Designated upon initial recognition		
Realised profit	197,153	1,954,304
Unrealised (loss)/profit	(951,030)	(2,216,431)
Financing and receivables	-	42,044
	<u>(753,877)</u>	<u>(220,083)</u>

17.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

17.4 Credit risk

Credit risk is the risk of a financial loss to the Fund if counterparty to a financial instrument fails to meet its contractual obligations. The Fund's exposure to credit risk arises principally from its investment securities, 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.

17. Financial instruments (continued)

17.5 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 at bank and other instruments, which are capable of being converted into cash within 7 days.

17.6 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:

	Effective profit rate per annum %	As at 28.2.2019 RM	Effective profit rate per annum %	As at 31.8.2018 RM
Fixed rate instruments				
Islamic debt securities	4.50	4,033,560	4.50	4,014,680

Fair value sensitivity analysis for fixed rate instruments

The Fund accounts for Islamic debt securities at fair value through profit or loss whereas short term investments are at amortised cost.

An decrease of 100 basis point (bp) in profit rates of Islamic debts securities at the end of the reporting period would have increased the equity and profit or loss by RM197,219 (31.8.2018: RM211,525). An increase of 100 basis point (bp) in profit rates would have equal but opposite effect on the equity and profit or loss respectively.

17. Financial instruments (continued)

17.6 Market risk (continued)

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 10% of its net asset value. Under such restriction, the exposure risk to the securities of any issuer is mitigated.

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 10% strengthening in the equity prices at the end of the reporting period would have increased the net asset value and unitholders' fund by RM374,996 (31.8.2018: RM507,271). A 10% weakening in equity prices would have had equal but opposite effect on the net asset value and unitholders' fund respectively.

17.7 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.

17. Financial instruments (continued)

17.7 Fair value of financial instruments (continued)

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

	Fair value of financial instruments carried at fair value				Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	
As at 28.2.2019					
Financial assets					
Quoted securities	3,749,964	-	-	3,749,964	3,749,964
Islamic debt securities	-	4,033,560	-	4,033,560	4,033,560
	<u>3,749,964</u>	<u>4,033,560</u>	<u>-</u>	<u>7,783,524</u>	<u>7,783,524</u>
As at 31.8.2018					
Financial assets					
Quoted securities	5,072,710	-	-	5,072,710	5,072,710
Islamic debt securities	-	4,014,680	-	4,014,680	4,014,680
	<u>5,072,710</u>	<u>4,014,680</u>	<u>-</u>	<u>9,087,390</u>	<u>9,087,390</u>

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 price 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.

17. Financial instruments (continued)

17.7 Fair value of financial instruments (continued)

Policy on transfer between levels (continued)

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.

Islamic debt securities

Islamic debt securities issued by Malaysian corporations and rated by the Rating Agency of Malaysia Berhad are carried at fair value. In arriving at fair value gain/loss, the acquisition cost is adjusted for the amortisation of any premium or accretion of any discount over their par values at the time of acquisition. The premium or discount is amortised or accreted on a yield to maturity basis over the remaining term of the investments from the date of acquisition.

This adjusted cost (carrying value) is then revalued to reflect its fair value (indicative market value) using the fair price quoted by an independent bond pricing agency (BPA) registered with the Securities Commission. If such quotations are not available, it will be valued on a weekly basis or as and when appropriate by reference to average indicative yield quoted by the three reputable financial institutions in over-the-counter markets as the close of trading. These institutions include investment banks and commercial banks.

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 (2018: no transfer in either direction).

Level 3 fair value

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

18. 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

<p>Manager</p>	<p>BIMB Investment Management Berhad</p> <p>Registered Office Level 32, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur</p> <p>Business Office Level 19, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur</p>
<p>Board of Directors</p>	<p>Nik Mohd Hasyudeen Yusoff (Chairman – Non-Executive Independent Director) Dato' Ghazali Awang (Non-Executive Independent Director) Datuk Noripah Kamso (Non-Executive Independent Director– Resigned w.e.f. 14 December 2018) Dr. Mohd Hatta Dagap (Non-Executive Independent Director) Malkiat Singh @ Malkit Singh Maan (Non-Executive Non Independent Director) Datin Maznah Mahbob (Non-Executive Independent Director – Appointed w.e.f. 1 April 2019) Najmuddin Mohd Lutfi (Chief Executive Officer)</p>
<p>Shariah Committee</p>	<p>Dr. Ahmad Shahbari @ Sobri Salamon Dr. Yusof Ramli (Resigned w.e.f. 31 March 2019) Assoc. Prof. Dr. Asmak Ab. Rahman Dr. Azrul Azlan Iskandar Mirza (Appointed w.e.f. 1 April 2019)</p>
<p>Investment Committee</p>	<p>Khairul Muzamel Perera Abdullah (Chairman – Non Independent Member) Datuk Noripah Kamso (Independent Member – Resigned w.e.f. 14 December 2018) Mohd Radzuan Ahmad Tajuddin (Independent Member) Datin Maznah Mahbob (Appointed w.e.f. 1 April 2019)</p>
<p>Audit Committee</p>	<p>Dato' Ghazali Awang (Chairman - Independent Member) Dr. Mohd Hatta Dagap (Independent Member) Malkiat Singh @ Malkit Singh Maan (Non Independent Member)</p>

Company Secretaries	<p>Norhidayati Mohamat Salim (MIA 27364) Level 32, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur</p> <p>Aidil Haznul Zulkifli (MACS 01638) Level 32, Menara Bank Islam, No.22 Jalan Perak, 50450 Kuala Lumpur</p>
Key Management	<p>Najmuddin Mohd Lutfi (Chief Executive Officer) Badrol Ahmad Fathan (Head of Investment) Mohd Hamidullah Che Hassan (Manager, Compliance)</p>
Principal Banker	<p>Standard Chartered Saadiq Bank Berhad Level 13A, Menara Standard Chartered 30, Jalan Sultan Ismail 50250 Kuala Lumpur</p>
Trustee	<p>SCBMB Trustee Berhad (1005793 T) Level 13A, Menara Standard Chartered 30, Jalan Sultan Ismail 50250 Kuala Lumpur</p>
Federation of Investment Managers Malaysia (FIMM)	<p>19-06-1, 6th Floor, Wisma Tune No.19, Lorong Dungun Damansara Heights 50490 Kuala Lumpur</p>
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