

**KAF DANA ALIF (KDL)**
**NOVEMBER 2017**

The Fund aims to provide Unit holders with a steady and consistent dividend income over the medium to long-term investment period. It is intended that the returns will be further enhanced through capital appreciation of investments.

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

- Have a medium to long-term investment horizon and reasonable risk tolerance; and
- Prefer to invest in Syariah-compliant securities.

**MANAGER'S COMMENTS**

Regional markets continue to rise in October, led by the US market where all three major indices (Dow Jones Industrial Average, S&P 500, Nasdaq Composite) surged to all time high as the US economy continue to post strong economic data and most corporate earnings for third quarter 2017 that have been released coming in above analysts' expectations. The markets were also boosted by the passing of a budget blueprint for the next fiscal year by the US Senate, which is seen as clearing a hurdle for the Trump administration to overhaul the tax code. European markets was also rising as the European Central Bank indicates that it would reduce its quantitative easing measures but for an extended period. Japan's Nikkei surged 8.1% in response to the landslide victory by the Abe government in the snap election and expectations of a continuation of "Abenomics" economic reforms. The Chinese and Hong Kong market also rose as the Chinese Party Congress was concluded with the presentation of the new leadership team for the Chinese government for the next five years. The KL Composite Index however buck the regional trend as it lost 0.4% during the month with continued profit taking, especially from foreign investors. The FBM Emas index meanwhile rose 0.5% while the Syariah index gained 2.2%. Average value traded on the exchange moderated by 2.6% from the previous month. Crude oil continues its strong upward trend, rising 6.7% to close above US\$60 per barrel for the first time since July 2015 as oil markets are buoyed by improving supply demand dynamics and expectations of Organization of the Petroleum Exporting Countries (OPEC) to extend its output cut beyond March 2018. Gold prices fell 0.9% as the dollar strengthened and higher investors' risk appetite. Crude palm oil surged 4.5% to RM2,815 per metric ton, tracking higher soybean prices as well as lower than expected outputs. The ringgit was weaker by 0.3% against the dollar despite the higher oil prices.

The Malaysian equity markets continue to lag behind its regional peers during a period where its Asian neighbours are delivering double digit returns. The weaker performance could be attributed to the disappointing corporate earnings release in the first half of the year despite stronger economic data. However, we strongly believe that there are still pocket of opportunities in the domestic market. We are starting to turn more bullish towards the Oil & Gas sector as we believe that the impending Saudi Aramco IPO should reignite interest in this sector. We also reiterate our positive outlook on oil refineries and export oriented firms.

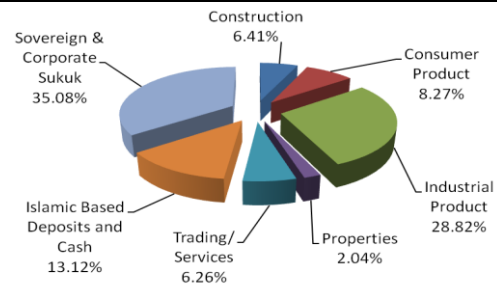
**INVESTMENT STRATEGY**

The strategic limit on asset allocation of the Fund is as follows :

- Shariah-compliant equities : Minimum 40% and maximum 60%.
- Sukuk and Islamic liquid assets : Minimum 40% and maximum 60%

**FUND DETAILS AS AT 31 OCTOBER 2017**

Manager	KAF Investment Funds Bhd
Trustee	Universal Trustee (Malaysia) Bhd.
Fund Category	Balanced (Islamic) Fund.
Fund Type	Income & Growth Fund.
Launch Date	26 February 2003.
Unit net asset value (NAV)	RM0.6541
Fund size	RM52.145mil
Units in Circulation	79.717mil
Financial Year End	30 September.
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	60% FTSE Bursa Malaysia EMAS Shariah Index ("FBSI") & 40% Malayan Banking Bhd ("Maybank") one (1) month General Investment Account ("GIA") rate.
Sales Charge	Up to 6.50% of NAV per unit.
Repurchase Charge	None.
Annual management fee	1.50% per annum of NAV.
Annual trustee fee	0.08% per annum of NAV, subject to a minimum fee of RM18,000.
Redemption payment period	Within 10 days after receipt of the request to repurchase.
Distribution policy	The distribution policy will be consistent with the Fund's objective. Hence, distribution of income will be incidental.

**SECTOR ALLOCATION\* AS AT 31 OCTOBER 2017**


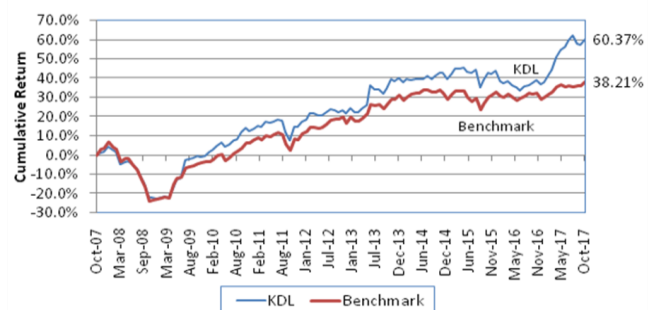
\*as percentage of NAV. Asset exposure is subject to change on a daily basis.  
Source: KAF Investment Funds Berhad.

**Distribution History**

Year	Distribution (sen)
2010	4.00
2011	3.50
2012	3.50
2013	3.50
2014	3.50
2015	2.00
2016	2.00
2017	2.00

**FUND PERFORMANCE ANALYSIS AS AT 31 OCTOBER 2017**

NAV - NAV prices. Cumulative return over the period (%)



%	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
<b>KDL</b>	2.03	-1.19	3.61	15.38	12.34	29.90
<b>Benchmark</b>	1.44	2.02	1.12	4.61	3.10	15.50

Source: ExNovo Fund Analytics Portal by Perkasa Normandy Managers Sdn Bhd.

**LARGEST HOLDINGS\* AS AT 31 OCTOBER 2017**

SPR Energy (M) Sdn. Bhd.	9.74%
Manjung Island Energy Bhd 4.15% IMTN	5.84%
HSBC Amanah Malaysia Bhd	5.78%
Abu Dhabi National Energy Company PJSC IMTN	3.91%
Manjung Island Energy Bhd 4.12% IMTN	3.90%

\*as percentage of NAV.

**Disclaimer:**

Based on the Fund's portfolio returns as at 15 October 2017, the Volatility Factor (VF) for this Fund is 7.23 and is classified as "Moderate" (source: Lipper). "Moderate" includes Funds with VF that are between 6.225 to 8.225 (source: Lipper). The VF means there is a possibility for the Fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified Funds. VF is subject to monthly revision and VC will be revised every six months. The Fund's portfolio may have changed since this date and there is no guarantee that the Fund will continue to have the same VF or VC in the future. Presently, only Funds launched in the market for at least 36 months will display the VF and its VC.

A Product Highlights Sheet ("PHS") highlighting the key features and risks of the Fund is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the PHS and the contents of the Master Prospectus dated 15 January 2017 and its supplementary(ies) (if any) ("the Master Prospectus") before investing. The Master Prospectus has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Amongst others, investors should consider the fees and charges involved. Investors should also note that the price of units and distributions payable, if any, may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV; and where a unit split is declared, investors should be highlighted of the fact that the value of their investment in Malaysian Ringgit will remain unchanged after the distribution of the additional units. Any issue of units to which the Master Prospectus relates will only be made on receipt of a form of application referred to in the Master Prospectus. For more details, please call 03-2171 0559 for a copy of the PHS and the Master Prospectus or collect one from any of our authorised distributors. The Manager wishes to highlight the specific risks of the Fund are specific stock risk, interest rate risk, credit/default risk and reclassification of Shariah status risk. These risks and other general risks are elaborated in the Master Prospectus.

This factsheet is prepared for information purposes only. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Past performance is not necessarily a guide for future performance. Returns may vary from year to year.