

BIMB DANA AL-FAKHIM

INTERIM REPORT FOR THE 6 MONTHS FINANCIAL
PERIOD ENDED 29 FEBRUARY 2020

*LAPORAN INTERIM BAGI TEMPOH KEWANGAN
6 BULAN BERAKHIR 29 FEBRUARI 2020*

BIMB INVESTMENT
A BANK ISLAM
SUBSIDIARY

MANAGER:
BIMB INVESTMENT MANAGEMENT BERHAD 199301021508 (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-Fakhim for the financial period from 1 September 2019 to 29 February 2020.

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

Fund Name	BIMB Dana Al-Fakhim
Fund Type	Income
Fund Category	Money market
Fund Investment Objective	<p>The Fund seeks to provide a regular stream of income by investing in short-term Sukuk, Islamic money market instruments and placement in short-term Islamic deposits.</p> <p>Note: <i>*The Fund shall distribute income (if any) on a monthly basis. The distribution of income will automatically be reinvested. Hence, Unit Holders will receive additional Units from the reinvestment of income distribution.</i></p> <p><i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
Fund Performance Benchmark	1-month Term Deposit-i Tawarruq (TDT-i) of Bank Islam Malaysia Berhad.
Fund Distribution Policy	<p>The Fund shall distribute income* (if any) on a monthly basis.</p> <p>Note: <i>The distribution of income will automatically be reinvested. Hence, Unit Holders will receive additional Units from the reinvestment of income distribution.</i></p>

1.2 Performance for the Financial Period from 1 September 2019 to 29 February 2020

1.2.1 Performance review for BIMB Dana Al-Fakhim

For the 6 months period under review, BIMB Dana Al-Fakhim (“the Fund”) registered a return of 1.42% as compared to its Benchmark’s return of 1.13%, thus outperformed the benchmark return by 0.29%.

The selected performance benchmark for the Fund is based on 1-month Bank Islam Malaysia Berhad Term Deposit-i Tawarruq (TDT-i) rates after tax.

From its commencement on 27 December 2001 to 29 February 2020, the Fund registered a total return of 86.55% as compared to its Benchmark’s return of 47.91%, thus outperformed the Benchmark’s return by 38.64%.

Our strategy has consistently been to manage the Fund in a fairly conservative manner with the primary aim of outperforming traditional investment account returns. This resulted in the Fund achieving moderate stability in the unit price besides providing monthly income to investors.

As at 29 February 2020, the Fund is 100% invested in Islamic money market instruments and cash. Thus far, the Fund continues to be managed in line with its objective by investing in Shariah-compliant short-term debentures, money market instruments and placement in short-term deposits. The total NAV as at 29 February 2020 is RM429.98 million whereas the NAV per unit of the Fund is RM0.5179.

For the financial period under review, there was no significant change to the state of affairs of the Fund and no circumstance that materially affect the interest of unit holders 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 29 February 2020

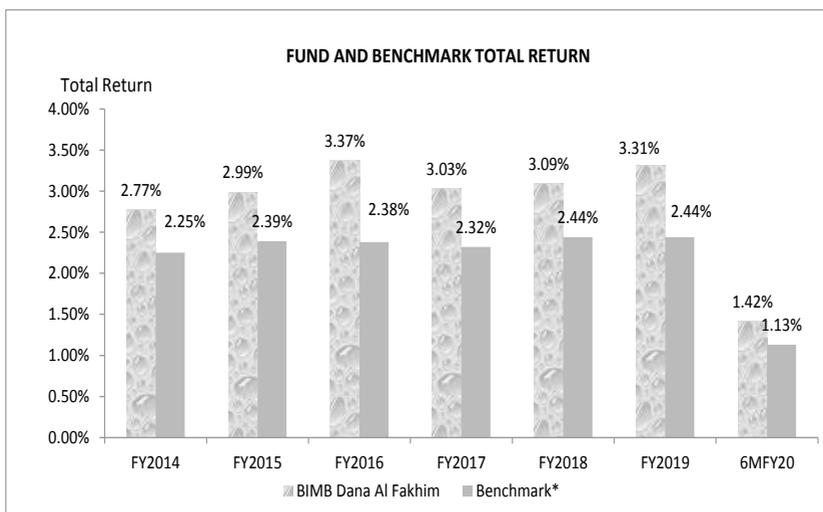
Period	BIMB Dana Al-Fakhim		Benchmark	
	Total Return (%)	Average Total Return (%)	Total Return (%)*	Average Total Return (%)*
6-Month (Sep’ 19 – Feb’ 20)	1.42	2.84	1.13	2.26
1-Year (Mar’ 19 – Feb’ 20)	3.03	3.03	2.33	2.33
3-Year (Mar’ 17 – Feb’ 20)	9.69	3.23	7.42	2.47
5-Year (Mar’ 15 – Feb’ 20)	16.75	3.35	12.76	2.55

* The Benchmark return is after corporate tax of 24%

1.2.3 Total return for the last 6 financial years

Financial Years	Total Return	
	BIMB Dana Al-Fakhim (%)	Benchmark (%)
31 August 2019	3.31	2.44
31 August 2018	3.09	2.44
31 August 2017	3.03	2.32
31 August 2016	3.37	2.38
31 August 2015	2.99	2.39
31 August 2014	2.77	2.25

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** : 1-month Term Deposit-i Tawarruq (TDT-i) of Bank Islam Malaysia Berhad after tax

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

- US Gross Domestic Product (GDP) grew by 2.1% in the fourth quarter of 2019, the same pace as in the third quarter of 2019. Consumer spending slowed sharply while net trade increased amid a fall in imports.
- The Euro zone economy grew by 0.1% in the fourth quarter of 2019 as compared to 0.3% in the second quarter of 2019. Among the bloc's largest economies, Germany GDP stalled, while France and Italy contracted 0.1% and 0.3%, respectively.
- The Chinese economy grew by 6.0% for the fourth quarter of 2019, unchanged compared to 6.0% recorded in the third quarter of 2019. The flattish growth was due to US-China trade war that leads to sluggish export performance during the quarter.

(Source: Bureau of Economic Analysis, CNBC)

Local

- The Malaysian economy grew by 3.6% in the fourth quarter of 2019, compared to 4.4% in the third quarter of 2019 bringing full year GDP growth to 4.3%. The weaker performance in 4Q GDP was primarily attributed to the decline in mining and agriculture sector performance.
- Bank Negara Malaysia's (BNM) Monetary Policy Committee (MPC) had cut Overnight Policy Rate (OPR) by 25bps to 2.75% in January 2020, as a pre-emptive measure to secure the improving growth trajectory amid price stability. Subsequently post the review period on 3 March 2020, BNM reduced the OPR rate by another 25 basis points, aimed to cushion the negative impact from the worsening Covid-19 outbreak on Malaysia's GDP growth.

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

1.3.2 Market Review

Bond Market and Money Market

Global

- For the period under review, yields of 10-year US Treasury (UST) ranged between 1.13%-1.50%. In 2019, the US Federal Reserve (Fed) slashed the federal funds rate (FFR) three times by a total of 75bps to a target range of 1.50% to 1.75%. This led to a significant decline in US Treasury (UST) yields. In March, the Fed reduced the FFR further in two times by a total of 150bps to a target range of 0% - 0.25% amid increased concerns over downside risk to growth from the spread of the Covid-19 outbreak.

Local

- The Malaysian Government Securities (MGS) and Government Investment Issue (GII) dominated the local bond market activities with traded volume of RM594.77 billion for the period under review. Yields on local govies ended 2019 significantly lower compared to the preceding year. The decline was mainly driven by easing monetary policies adopted by global central banks against the backdrop of sluggish global economic outlook. In March, BNM reduced the OPR by another 25 bps following its previous easing back in January, bringing the current OPR level to 2.50%.

1.4 Market Outlook and Strategy

Money Market

- The Malaysian government announced economic stimulus package worth MYR250bn to support Malaysia's growth trajectory. Going forward, prospects of further monetary easing will remain data-dependent, with focus on the upcoming 1Q2020 growth numbers.
- Our strategy is to invest in money market by extending the duration to maximize return while providing liquidity and regular income for investors.

1.5 Asset allocation as at 29 February 2020 and as at 31 August 2019, 2018 and 2017

BIMB Dana Al-Fakhim	29.2.2020 (%)	31.8.2019 (%)	31.8.2018 (%)	31.8.2017 (%)
CASH AND SHORT TERM INVESTMENTS	100.0	100.0	100.0	100.0
	100.0	100.0	100.0	100.0

1.6 Other Performance Data for the 6 months ended 29 February 2020 and three financial years ended 31 August

BIMB Dana Al-Fakhim	6 months ended 29.2.2020	31.8.2019	31.8.2018	31.8.2017
Unit Prices (RM)				
Highest NAV per unit for the period/year*	0.5196	0.5200	0.5225	0.5216
Lowest NAV per unit for the period/year*	0.5179	0.5181	0.5173	0.5173
Net Asset Value (NAV) and Units in Circulation (UIC) as at the End of the Period/Year				
Total NAV (RM)	429,979,181	348,614,209	771,005,786	17,777,920
Units in Circulation (UIC)	830,169,622	672,787,280	1,486,857,547	34,368,778
NAV per unit (RM)*	0.5179	0.5182	0.5185	0.5173
Return of Fund (%)^(a)				
Capital Growth (%) ^(b)	-0.04	-0.01	0.27	-
Income Return (%) ^(c)	1.46	3.32	0.82	3.03
Return of Fund (%)	1.42	3.31	3.09	3.03
Gross Distribution per Unit (Sen)	0.76	1.72	1.46	1.57
Net Distribution per Unit (Sen)	0.76	1.72	1.46	1.57
Management Expense Ratio (MER)(%)^(d)	0.53	0.54	0.54	0.63
Portfolio Turnover Ratio (PTR) (times)^(e)	3.69	6.24	4.18	7.22

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

Note:

- a) **Return of the Fund** = $\frac{\text{NAV per unit (end of period)} - 1}{\text{NAV per unit (beginning of period)}}$
- b) **Capital Growth** = Total Return of the Fund – Income Return
- c) **Income Return** = {Income Distribution per Unit / NAV per Unit at 31 August 2019} x 100
- d) **Management Expenses Ratio** = The Management Expenses Ratio for the annual period is as above. 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 Monthly Income Distribution

Monthly income distribution for the financial period from 1 September 2019 to 29 February 2020		
Date	Income distribution per unit (sen)	Total Amount (RM)
30 September 2019	0.13	867,599
31 October 2019	0.12	802,103
30 November 2019	0.12	806,306
31 December 2019	0.10	1,386,622
31 January 2020	0.17	1,365,651
29 February 2020	0.12	994,037
Total	0.76	6,222,318

1.8 Unit Holdings as at 29 February 2020

Size of Holdings	BIMB Dana Al-Fakhim			
	No. of Unit Holders		No. of Units Held	
	No.	%	Units	%
5,000 and below	20	28.99	34,510.61	0.01
5,001 to 10,000	1	1.45	6,051.27	-
10,001 to 50,000	11	15.94	247,206.76	0.03
50,001 to 500,000	16	23.19	3,428,087.13	0.41
500,001 and above	21	30.43	826,453,766.59	99.55
Grand Total for the Fund	69	100.00	830,169,622.36	100.00

1.9 Policy on Rebate and Soft Commission

The rebate and soft commission are not applicable to the Fund due to the fact that the Fund's category is a money market fund.

The Manager did not receive any rebate and soft commission from brokers during the period under review.

For and on behalf of

The Manager

BIMB INVESTMENT MANAGEMENT BERHAD

Date: 28 April 2020

1.0 Laporan Pengurus

Para Pemegang Unit yang Dihormati,

Kami dengan sukacitanya membentangkan laporan Pengurus BIMB Dana Al-Fakhim bagi tempoh kewangan bermula 1 September 2019 hingga 29 Februari 2020.

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

Nama Dana	BIMB Dana Al-Fakhim
Jenis Dana	Pendapatan
Kategori Dana	Pasaran Wang
Objektif Pelaburan Dana	<p>Dana ini menawarkan aliran pendapatan yang berkala* dengan melabur di dalam debentur-debentur jangka pendek patuh Syariah, instrumen pasaran wang dan deposit jangka pendek.</p> <p><i>Nota:</i> <i>*Dana mengagihkan pendapatan (jika ada) pada setiap suku tahun. Pengagihan pendapatan akan dilaburkan semula secara automatik. Oleh itu, Pemegang Unit akan menerima unit tambahan daripada pelaburan semula pengagihan pendapatan tersebut.</i></p> <p><i>Sebarang perubahan kepada objektif pelaburan memerlukan kelulusan daripada Pemegang Unit.</i></p>
Penanda Aras Dana	1 bulan Deposit Bertempoh-i Tawarruq (TDT-i) Bank Islam Malaysia Berhad.
Polisi Agihan Dana	<p>Dana akan mengagihkan pendapatan* (jika ada) pada setiap bulan.</p> <p><i>*Nota:</i> <i>Pengagihan pendapatan akan dilaburkan semula secara automatik. Oleh itu, Pemegang Unit akan menerima unit tambahan daripada pelaburan semula pengagihan pendapatan tersebut.</i></p>

1.2 Pencapaian bagi Tempoh Kewangan bermula 1 September 2019 sehingga 29 Februari 2020

1.2.1 Semakan Pencapaian bagi BIMB Dana Al-Fakhim

Bagi tempoh 6 bulan dalam semakan, BIMB Dana Al-Fakhim (“Dana”) telah mencatatkan pulangan sebanyak 1.42% berbanding pulangan penanda arasnya sebanyak 1.13%, lantas melampaui pulangan penanda arasnya sebanyak 0.29%.

Pencapaian pulangan penanda aras yang terpilih untuk Dana adalah berdasarkan kadar satu bulan Deposit Bertempoh-i (Tawarruq) Bank Islam Malaysia Berhad selepas ditolak cukai.

Sejak penubuhannya pada 27 Disember 2001 sehingga 29 Februari 2020, Dana telah mencatat jumlah pulangan sebanyak 86.55% berbanding pulangan penanda arasnya sebanyak 47.91%, lantas memperlihatkan pencapaian Dana lebih tinggi sebanyak 38.64%.

Strategi kami adalah untuk mengurus Dana secara konsisten dalam pendekatan yang agak konservatif dengan matlamat utama untuk mengatasi pulangan akaun pelaburan tradisional. Ini telah menghasilkan Dana yang mencapai kestabilan dalam unit harganya selain memberikan pendapatan bulanan kepada para pelabur.

Pada 29 Februari 2020, Dana mempunyai 100% pendedahan dalam instrumen pasaran wang Islam dan wang tunai. Setakat ini, Dana terus diuruskan selari dengan objektifnya dengan melabur dalam debentur jangka pendek patuh Syariah, instrument pasaran wang dan penempatan dalam deposit berjangka pendek. Jumlah NAB setakat 29 Februari 2020 adalah RM429.98 juta manakala NAB bagi setiap unit dana adalah RM0.5179.

Bagi tempoh kewangan dalam semakan, tiada sebarang perubahan ketara terhadap hal ehwal berkaitan pengurusan Dana dan tidak berlaku sebarang keadaan yang boleh menjejaskan secara langsung kepentingan para Pemegang Unit sehinggalah tarikh penyediaan Laporan Pengurus ini disediakan.

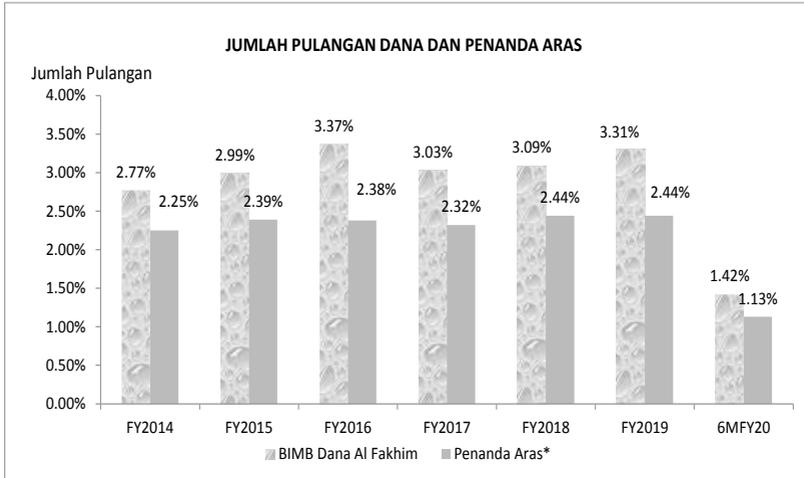
1.2.2 Jumlah pulangan dan purata jumlah pulangan bagi setiap tempoh berakhir 29 Februari 2019

Tempoh	BIMB Dana AI-Fakhim		Penanda Aras	
	Jumlah Pulangan (%)	Purata Jumlah Pulangan (%)	Jumlah Pulangan (%)*	Purata Jumlah Pulangan (%)*
6-Month (Sep' 19 – Feb' 20)	1.42	2.84	1.13	2.26
1-Year (Mar' 19 – Feb' 20)	3.03	3.03	2.33	2.33
3-Year (Mar' 17 – Feb' 20)	9.69	3.23	7.42	2.47
5-Year (Mar' 15 – Feb' 20)	16.75	3.35	12.76	2.55

1.2.3 Jumlah pulangan tahunan bagi 6 tahun kewangan yang lalu

Tahun Kewangan	Jumlah Pulangan	
	BIMB Dana AI-Fakhim (%)	Penanda Aras (%)
31 Ogos 2019	3.31	2.44
31 Ogos 2018	3.09	2.44
31 Ogos 2017	3.03	2.32
31 Ogos 2016	3.37	2.38
31 Ogos 2015	2.99	2.39
31 Ogos 2014	2.77	2.25

Rajah 1: Pergerakan Dana Berbanding Penanda Aras



Nota:

Sumber Data : BIMA Investment Management Berhad

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

*Penanda Aras** : Kadar 1 bulan Deposit Bertempoh-i Tawarruq (TDT-i) Bank Islam Malaysia Berhad selepas ditolak cukai

Nota:

- Jumlah Pulangan** telah disahkan oleh Novagni Analytics & Advisory Sdn. Bhd. (363145-W)
- Jumlah Pulangan Purata** adalah berpandukan formula berikut:

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

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 Semakan Pasaran

1.3.1 Global

- Keluaran Dalam Negeri Kasar (KDNK) Amerika Syarikat (AS) telah mencatatkan pertumbuhan sebanyak 2.1% pada suku keempat 2019, sama seperti kadar pada suku ketiga 2019. Perbelanjaan pengguna berkurang secara mendadak manakala imbalan perdagangan meningkat di kala jumlah import berkurangan.
- Ekonomi zon Euro telah berkembang sebanyak 0.1% untuk suku keempat 2019, berbanding 0.3% pada suku ketiga 2019. Di kalangan negara-negara anggotanya yang berekonomi besar, KDNK negara Jerman perlahan, manakala Perancis dan Itali masing-masing mengecut sebanyak 0.1% dan 0.3%.
- Ekonomi China telah berkembang sebanyak 6.0% pada suku keempat 2019, tidak berubah berbanding rekod pada suku ketiga 2019. Perkembangan ekonomi yang lebih rendah adalah kesan daripada pertikaian perdagangan antara AS - China yang membawa kepada prestasi eksport yang lembap pada suku tersebut.

(Sumber: Bureau of Economic Analysis, CNBC)

Dalam Negara

- Ekonomi Malaysia berkembang pada kadar 3.6% pada suku keempat 2019, berbanding 4.4% pada suku ketiga 2019, lantas membawa kepada peningkatan KDNK tahunan sebanyak 4.3%. Prestasi yang lemah dalam KDNK suku keempat ini sebahagian besarnya berpunca daripada penurunan dalam prestasi sektor perlombongan dan pertanian.
- Jawatankuasa Dasar Monetari (MPC) Bank Negara Malaysia (BNM) telah mengurangkan Kadar Dasar Semalaman (OPR) sebanyak 25 mata asas kepada 2.75% pada Januari 2020 sebagai langkah berjaga-jaga bagi menjamin pertumbuhan ekonomi di tengah-tengah kadar inflasi yang stabil. Selepas tempoh semakan pada 3 Mac 2020, BNM telah mengurangkan kadar OPR sebanyak 25 mata asas lagi, bertujuan mengurangkan kesan negatif daripada wabak Covid-19 yang semakin teruk terhadap pertumbuhan KDNK Malaysia.

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

1.3.2 Semakan Pasaran

Pasaran Bon dan Pasaran Wang

a) Global

- Untuk tempoh dalam semakan, hasil bon Perbendaharaan US 10 tahun adalah dalam lingkungan antara 1.13% hingga 1.50%. Dalam tahun 2019, Rizab Persekutuan AS (Fed) telah memotong kadar dana Persekutuan (FFR) sebanyak tiga kali berjumlah 75 mata asas kepada julat sasaran antara 1.50% hingga 1.75%. Ini telah membawa kepada penurunan yang ketara dalam pulangan bon Perbendaharaan AS. Dalam bulan Mac, Fed mengurangkan lagi FFR sebanyak dua kali berjumlah 150 mata asas kepada julat sasaran antara 0% hingga 0.25% di kala kebimbangan meningkat terhadap risiko kemerosotan ekonomi akibat penularan wabak penyakit Covid-19.

b) Dalam Negara

- Sekuriti Kerajaan Malaysia (MGS) dan Isu Pelaburan Kerajaan (GII) telah mendominasi aktiviti pasaran bon tempatan dengan jumlah dagangan sebanyak RM594.77 billion untuk tempoh dalam semakan. Kadar hasil bagi bon tempatan berakhir jauh lebih rendah untuk 2019 berbanding dengan tahun sebelumnya. Penurunan ini terutamanya didorong oleh pelonggaran dasar kewangan oleh bank-bank pusat global berikutan jangkaan ekonomi global yang perlahan. Pada bulan Mac, BNM telah mengurangkan kadar OPR sebanyak 25 mata asas lagi selepas pengurangan sebelum ini pada bulan Januari, membawa OPR ke paras 2.50%.

1.4 Tinjauan Pasaran dan Strategi

a) Pasaran Sukuk dan Pasaran Wang

- Kerajaan telah mengumumkan pakej rangsangan ekonomi bernilai RM250 billion untuk menyokong pertumbuhan Malaysia. Pada masa hadapan, prospek untuk pelonggaran dasar kewangan akan terus bergantung kepada data, terutamanya kadar pertumbuhan untuk suku pertama 2020.
- Strategi kami adalah untuk melabur dalam pasaran wang dengan memanjangkan tempoh pelaburan untuk memaksimumkan pulangan, di samping memberikan kecairan dan pendapatan berterusan untuk para pelabur.

1.5 Peruntukan aset pada 29 Februari 2019 dan pada 31 Ogos 2019, 2018 and 2017

BIMB Dana Al-Fakhim	29.2.2020 (%)	31.8.2019 (%)	31.8.2018 (%)	31.8.2017 (%)
TUNAI DAN PELABURAN JANGKA PENDEK	100.0	100.0	100.0	100.0
	100.0	100.0	100.0	100.0

1.6 Lain-Lain data prestasi bagi tempoh 6 bulan berakhir 29 Februari 2020 dan tiga tahun kewangan berakhir 31 Ogos

BIMB Dana Al-Fakhim	6 bulan berakhir 29.2.2020	31.8.2019	31.8.2018	31.8.2017
Harga Unit (RM)				
NAB tertinggi seunit dalam tempoh/tahun*	0.5196	0.5200	0.5225	0.5216
NAB terendah seunit dalam tempoh/tahun*	0.5179	0.5181	0.5173	0.5173
Nilai asset Bersih (NAB) dan Unit Dalam Edaran (UDE) pada Akhir Tempoh/ Tahun				
Jumlah NAB (RM)	429,979,181	348,614,209	771,005,786	17,777,920
Unit Dalam Edaran (UDE)	830,169,622	672,787,280	1,486,857,547	34,368,778
NAB seunit (RM) *	0.5179	0.5182	0.5185	0.5173
Jumlah Pulangan Dana (%)^(a)				
Pertumbuhan Modal (%) ^(b)	-0.04	-0.01	0.27	-
Pulangan Pendapatan (%) ^(c)	1.46	3.32	0.82	3.03
Jumlah Pulangan Dana (%)	1.42	3.31	3.09	3.03
Agihan Kasar seunit (Sen)	0.76	1.72	1.46	1.57
Agihan Bersih seunit (Sen)	0.76	1.72	1.46	1.57
Nisbah Perbelanjaan Pengurusan (NPP) (%)^(d)	0.53	0.54	0.54	0.63
Nisbah Pusing Ganti Portfolio (Kali)^(e)	3.69	6.24	4.18	7.22

* 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 = $\{ \text{Pengagihan Pendapatan Se Unit / NAB se unit pada 31 Ogos 2019} \} \times 100$
- 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 Pengagihan Pendapatan Bulanan

Pengagihan pendapatan bulanan bagi tempoh kewangan berakhir dari 1 September 2019 to 29 Februari 2020		
Tarikh	Pengagihan pendapatan per unit (sen)	Jumlah pengagihan (RM)
30 September 2019	0.13	867,599
31 Oktober 2019	0.12	802,103
30 November 2019	0.12	806,306
31 Disember 2019	0.10	1,386,622
31 Januari 2020	0.17	1,365,651
29 Februari 2020	0.12	994,037
Jumlah	0.76	6,222,318

1.8 Pecahan Pegangan Unit pada 29 Februari 2020

Saiz Dipegang	BIMB Dana Al-Fakhim			
	Bilangan Pemegang Unit		Bilangan Pegangan Unit	
	Bilangan	%	Unit-unit	%
5,000 dan ke bawah	20	28.99	34,510.61	0.01
5,001 hingga 10,000	1	1.45	6,051.27	-
10,001 hingga 50,000	11	15.94	247,206.76	0.03
50,001 hingga 500,000	16	23.19	3,428,087.13	0.41
500,001 dan ke atas	21	30.43	826,453,766.59	99.55
Jumlah Keseluruhan Dana	69	100.00	830,169,622.36	100.00

1.9 Polisi Rebat dan Komisyon Bukan Tunai

Rebat dan komisyon bukan tunai adalah tidak terpakai terhadap Dana memandangkan kategori Dana adalah pasaran wang.

Pengurus tidak menerima sebarang rebat dan komisyon bukan tunai daripada broker bagi tempoh dalam semakan.

Untuk dan bagi pihak Pengurus

BIMB INVESTMENT MANAGEMENT BERHAD

Tarikh: 28 April 2020

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 FINANCIAL PERIOD ENDED 29 FEBRUARY 2020

To the Unit Holders of

BIMB Dana Al-Fakhim

We have acted as Trustee of **BIMB Dana Al-Fakhim** ("the Fund") for the financial period ended 29 February 2020. 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;
3. The creation and cancellation of units of the Funds are carried out in accordance with the Deed and any regulatory requirement; and
4. The income distribution by BIMB Dana Al-Fakhim is relevant and reflects the investment objective of the Fund.

For SCBMB Trustee Berhad

.....
Prasad A/L S Vijayasundram

Chief Executive Officer

Date: 28 April 2020

3.0 Shariah Committee's Report

INTERIM REPORT

FOR THE 6 MONTH FINANCIAL PERIOD ENDED 29 FEBRUARY 2020

To the Unit Holders of
BIMB Dana Al-Fakhim

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

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 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 2019 to 29 February 2020.

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: 28 April 2020

4.0 Directors' Declaration

INTERIM REPORT FOR THE 6 MONTH FINANCIAL PERIOD ENDED 29 FEBRUARY 2020

To the Unit Holders of
BIMB Dana Al-Fakhim

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 Al-Fakhim 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 29 February 2020 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: 28 April 2020

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) 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.

Financial Statements

5.1 Unaudited Statement of Financial Position as at 29 February 2020

	Note	As at 29.2.2020 (unaudited) RM	As at 31.8.2019 (audited) RM
Assets			
Short term investments	4	403,278,059	345,672,761
Amount due from Manager		88,511	1,205,697
Other receivables		3,283,918	1,429,423
Cash and cash equivalents	5	<u>23,516,760</u>	<u>483,100</u>
Total assets		<u>430,167,248</u>	<u>348,790,981</u>
Liabilities			
Amount due to Manager		164,287	142,613
Other payables		<u>23,780</u>	<u>34,159</u>
Total liabilities		<u>188,067</u>	<u>176,772</u>
Net asset value		<u>429,979,181</u>	<u>348,614,209</u>
Unitholders' fund			
Unitholders' capital	6	429,724,601	348,366,978
Retained profits		<u>254,580</u>	<u>247,231</u>
Net asset value attributable to unitholders		<u>429,979,181</u>	<u>348,614,209</u>
Number of units in circulation	6	<u>830,169,622</u>	<u>672,787,280</u>
Net asset value per unit			
- Ex distribution (sen)		<u>51.79</u>	<u>51.82</u>

The notes on pages 28 to 44 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 29 February 2020

		1.9.2019 to 29.2.2020	1.9.2018 to 28.2.2019
	Note	RM	RM
Income			
Income from short term investments		7,387,152	11,480,624
Gross income		<u>7,387,152</u>	<u>11,480,624</u>
Expenses			
Manager's fee	7	1,095,447	1,481,375
Trustee's fee	8	47,610	88,883
Audit fee		6,483	7,114
Tax agent's fee		2,992	2,449
Administrative expenses		4,952	6,179
		<u>1,157,484</u>	<u>1,586,000</u>
Net income before taxation		6,229,668	9,894,624
Taxation	9	-	-
Net income after taxation/Total comprehensive income for the period		<u>6,229,668</u>	<u>9,894,624</u>
Total comprehensive income for the period consist of:			
Realised amount		<u>6,229,668</u>	<u>9,894,624</u>

The notes on pages 28 to 44 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 29 February 2020

	Note	Unitholders' capital RM	Retained profits RM	Total RM
As at 31 August 2018/ 1 September 2018		770,819,572	186,214	771,005,786
Creation of units		169,818,132	-	169,818,132
Reinvestment of distribution		9,825,086	-	9,825,086
Cancellation of units		(492,973,827)	-	(492,973,827)
Distributions	10	-	(9,825,086)	(9,825,086)
Total attributable to unitholders		(313,330,609)	(9,825,086)	(323,155,695)
Total comprehensive income for the period		-	9,894,624	9,894,624
As at 28 February 2019		<u>457,488,963</u>	<u>255,752</u>	<u>457,744,715</u>
As at 31 August 2019/ 1 September 2019		348,366,978	247,231	348,614,209
Creation of units		460,034,927	-	460,034,927
Reinvestment of distribution		6,222,318	-	6,222,318
Cancellation of units		(384,899,623)	-	(384,899,623)
Distributions	10	-	(6,222,318)	(6,222,318)
Total attributable to unitholders		81,357,623	(6,222,318)	75,135,305
Total comprehensive income for the period		-	6,229,667	6,229,667
As at 29 February 2020		<u>429,724,601</u>	<u>254,580</u>	<u>429,979,181</u>

The notes on pages 28 to 44 form an integral part of these financial statements.

5.4 Unaudited Statement of Cash Flows for the 6 months financial period ended 29 February 2020

	1.9.2019 to 29.2.2020 RM	1.9.2018 to 28.2.2019 RM
Cash flows from operating activities		
Maturity of short term investments	406,550,822	1,277,876,433
Purchase of short term investments	(464,156,120)	(1,034,358,698)
Income from short term investments	5,532,657	12,389,807
Management fee paid	(1,073,772)	(1,629,070)
Trustee fee paid	(49,596)	(97,744)
Audit fee paid	(13,000)	(13,000)
Tax agent fee paid	(3,000)	(5,500)
Payment for other administrative expenses	(6,821)	(4,671)
Net cash (used in)/generated from operating activities	(53,218,830)	254,157,557
Cash flows from financing activities		
Cash receipt for creation of units	460,825,788	155,903,765
Cash payment for cancellation of units	(384,573,298)	(492,973,827)
Net cash generated from/(used in) financing activities	76,252,490	(337,070,062)
Net increase/(decrease) in cash and cash equivalents		
	23,033,660	(82,912,505)
Cash and cash equivalents at 1 September	483,100	83,412,605
Cash and cash equivalents at 28 February	23,516,760	500,100
Cash and cash equivalents comprise of:		
Short term placements	23,284,816	-
Cash at bank	231,944	500,100
	23,516,760	500,100

The notes on pages 28 to 44 form an integral part of these financial statements.

5.5 Unaudited notes to the Financial Statements

1. Information on the Fund

BIMB Dana Al-Fakhim (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 - SCBMB Trustee Berhad and the registered unitholders of the Fund.

The principal activity of the Fund is to invest in authorised investments as defined in the Deed, which include Islamic debt securities 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 of the Manager on 28 April 2020.

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:

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)*

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 (continued)

- 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*

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.

2. Basis of preparation (continued)

(a) Statement of compliance (continued)

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 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 period 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 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 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 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.

(ii) Financial instrument categories and subsequent measurement

The Fund categorises financial instruments as follows:

Financial assets

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.

(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.

3. Significant accounting policies (continued)

(a) Financial instruments (continued)

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

Financial assets (continued)

(b) Fair value through profit or loss

All financial assets not measured at amortised cost as described above are measured at fair value through profit or loss. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any profit or dividend income, are recognised in the profit or loss.

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

Financial liabilities

The Fund 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.

(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) Income from short term investments

Short term investments are mainly Commodity Murabahah, Short Term Money Market Deposit-Islamic and Wafiyah Investment Account with maturity more than 30 days and less than 1 year.

(c) Short term investments

Short term investments are mainly Commodity Murabahah, Short Term Money Market Deposit-Islamic and Wafiyah Investment Account with maturity more than 30 days and less than 1 year.

(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 (2019: 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.

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.

The gross carrying amount of a financial asset is written off (either partially or fully) 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 Fund's procedures to recover amount due.

3. Significant accounting policies (continued)

(f) 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.

(h) 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.

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.

(h) 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 period in which they are declared.

(i) Net Asset Value

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

3. Significant accounting policies (continued)

(j) 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. Short term investments

	As at 29.2.2020 RM	As at 31.8.2019 RM
Short term investments with maturity more than 30 days:		
Commodity Murabahah	334,253,132	271,641,285
Short Term Money Market Deposit-Islamic	-	13,172,381
Wafiyah Investment Account*	<u>69,024,927</u>	<u>60,859,095</u>
	<u>403,278,059</u>	<u>345,672,761</u>

* Wafiyah Investment Account is placed with Bank Islam Malaysia Berhad, the holding company of the Manager.

5. Cash and cash equivalents

	As at 29.2.2019 RM	As at 31.8.2019 RM
Short term investments with maturity less than 30 days:		
Commodity Murabahah	23,284,816	-
Cash at bank	<u>231,944</u>	<u>483,100</u>
	<u>23,516,760</u>	<u>483,100</u>

6. Unitholders' capital

	No. of units	RM
As at 31 August 2018/1 September 2018	1,486,857,547	770,819,572
Creation of units	496,188,655	257,586,316
Reinvestment of distributions	30,082,441	15,591,501
Cancellation of units	<u>(1,340,341,363)</u>	<u>(695,630,411)</u>
As at 31 August 2019/1 September 2019	672,787,280	348,366,978
Creation of units	887,076,958	460,034,927
Reinvestment of distributions	12,008,142	6,222,318
Cancellation of units	<u>(74,702,758)</u>	<u>(384,899,622)</u>
As at 29 February 2020	<u>830,169,622</u>	<u>429,724,601</u>

7. Manager's fee

The manager's fee payable to the Manager is based on 0.50% (28.2.2019: 0.50%) per annum of the net asset value of the Fund calculated on a daily basis.

8. Trustee's fee

The trustee's fee is payable to the trustee is based on 0.02% (28.2.2019: 0.02%) per annum subject to a minimum of RM18,000 (28.2.2019: RM18,000) per annum of the net asset value of the Fund calculated on a daily basis.

9. Taxation

	1.9.2019 to 29.2.2020	1.9.201 to 28.2.2019
	RM	RM
Taxation		
- Current period	-	-
	<hr/>	<hr/>
<i>Reconciliation of effective tax expense</i>		
Net income before taxation	6,229,667	9,894,624
	<hr/>	<hr/>
Income tax using Malaysian tax rate @ 24%	1,495,120	2,374,710
Non-assessable income	(1,772,916)	(2,755,350)
Non-deductible expenses	12,144	21,920
Restrictions on the tax deductible expenses for unit trust funds	265,652	358,720
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

10. Distribution

	1.9.2019 to 29.2.2020	1.9.2018 to 28.2.2019
	RM	RM
Distribution to unitholders is from the following sources:		
Income from Islamic debt securities and short term investments	7,387,152	11,480,624
Carried forward and realised gain	(7,349)	(69,538)
	<hr/>	<hr/>
	7,379,803	11,411,086
Less:		
Expenses	(1,157,485)	(1,586,000)
Net distribution	<hr/>	<hr/>
	6,222,318	9,825,086
	<hr/>	<hr/>

The Manager had declared a net distribution of 0.76 sen (2019: 0.89 sen) per unit based on monthly units in circulation amounting to RM6,222,318 (2019: RM9,825,086) in respect of the current financial period.

11. Unit held by related parties

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

	As at 29.2.2020		As at 31.8.2019	
	Units	RM	Units	RM
Bank Islam Malaysia Berhad	2,520,106	1,305,163	2,483,457	1,286,928
BIMB Securities Sdn. Bhd.	26,359,386	13,651,526	20,230,143	10,483,260
Syarikat Al-Ijarah Sdn. Bhd.	21,799,164	11,289,787	21,411,005	11,095,183
Syarikat Takaful Malaysia keluarga Berhad	190	98	188	97

The Manager does not hold any unit in the Fund as at 29 February 2020 and 31 August 2019.

12. Transactions with related parties

Other than as disclosed in Note 4, 11 and 13 of the financial statements, other transactions with related parties are as follows:

	Transactions as at		Balance as at	
	29.2.2020	31.8.2019	29.2.2020	31.8.2019
	RM	RM	RM	RM
<i>The Manager</i>				
BIMB Investment Management Berhad				
- Amount due from Manager	-	-	88,511	1,205,697
- Management fee	1,095,447	2,402,155	(164,287)	(142,613)
<i>Holding company of the Manager</i>				
Bank Islam Malaysia Berhad				
- Income from short term investments	(1,271,127)	(2,809,985)	883,278	272,217
<i>The Trustee</i>				
SCBMB Trustee Berhad				
- Trustee fee	47,610	144,129	(6,571)	(8,557)

13. Transactions with financial institutions

	Value of trade RM	Percentage of total trade %
<i>Short term investments</i>		
1.9.2019 to 29.2.2020		
CIMB Islamic Bank Berhad	1,556,192,079	32.59
Maybank Islamic Berhad	1,003,623,604	21.02
Bank Islam Malaysia Berhad*	387,423,380	8.11
Bank Muamalat Malaysia Berhad	383,014,178	8.02
MIDF Amanah Investment Bank Berhad	329,559,580	6.90
Hong Leong Islamic Bank Berhad	320,319,490	6.71
MBSB Bank Berhad	307,183,624	6.43
Al Rajhi Banking & Investment Corporation (M) Berhad	286,574,236	6.00
Kuwait Finance House (Malaysia) Berhad	179,056,214	3.75
Malaysia Building Society Berhad	12,621,286	0.26
Others	10,193,244	0.21
	4,775,760,915	100.00
1.9.2018 to 28.2.2019		
Bank Islam Malaysia Berhad*	998,116,580	16.93
Bank Muamalat Malaysia Berhad	969,400,407	16.44
Maybank Islamic Berhad	859,731,595	14.58
Hong Leong Islamic Bank Berhad	653,998,403	11.09
MIDF Amanah Investment Bank Berhad	623,832,825	10.58
MBSB Bank Berhad	594,550,747	10.09
RHB Islamic Bank Berhad	571,518,214	9.69
Kuwait Finance House (Malaysia) Berhad	381,744,795	6.47
Al Rajhi Banking & Investment Corporation (M) Berhad	167,672,686	2.84
Malaysia Building Society Berhad	75,227,055	1.29
	5,895,793,307	100.00

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

14. Management expense ratio ("MER")

The management expense ratio for the financial period is 0.53% (28.2.2019: 0.27%). 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.

15. Portfolio turnover ratio (“PTR”)

The portfolio turnover ratio for the financial period is 3.69 times (28.2.2019: 3.22 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.

16. Financial instruments

16.1 Categories of financial instruments

The table below provides an analysis of financial instruments as at 29 February 2020 and 31 August 2019 categorised as amortised cost (“AC”).

	Carrying amount RM	AC RM
As at 29 February 2020		
Financial assets		
Short term investments	403,278,059	403,278,059
Amount due from Manager	88,511	88,511
Other receivables	3,283,918	3,283,918
Cash and cash equivalents	<u>23,516,760</u>	<u>23,516,760</u>
	<u>430,167,248</u>	<u>430,167,248</u>
Financial liabilities		
Amount due to Manager	164,287	164,287
Other payables	<u>23,780</u>	<u>23,780</u>
	<u>188,067</u>	<u>188,067</u>
As at 31 August 2019		
Financial assets		
Short term investments	345,672,761	345,672,761
Amount due from Manager	1,205,697	1,205,697
Other receivables	1,429,423	1,429,423
Cash and cash equivalents	<u>483,100</u>	<u>483,100</u>
	<u>348,790,981</u>	<u>348,790,981</u>
Financial liabilities		
Amount due to Manager	142,613	142,613
Other payables	<u>34,159</u>	<u>34,159</u>
	<u>176,772</u>	<u>176,772</u>

16. Financial instruments (continued)

16.2 Net gains and losses arising from financial instruments

	1.9.2019 to 29.2.2020 RM	1.9.2018 to 28.2.2019 RM
Net gains on:		
Amortised cost	7,387,152	-
Financing and receivables	<u>-</u>	<u>11,480,624</u>
	<u>7,387,152</u>	<u>11,480,624</u>

16.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

16.4 Credit risk

Credit risk is the risk of a financial loss to the Fund if counterparty to a financial instrument failed to meet its contractual obligations. The Fund's exposure to credit risk arises principally from its receivable 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 credits 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.

16.5 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.

16. Financial instruments (continued)

16.5 Liquidity risk (continued)

The Fund maintains sufficient level of liquid assets 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.

16.6 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 %	29.2.2020 RM	Effective profit rate per annum %	31.8.2019 RM
Fixed rate instruments				
Short term investments with maturity more than 30 days				
- Commodity Murabahah	3.15 – 3.85	334,253,132	3.50	271,641,285
- Short Term Money Market Deposit-Islamic	-	-	3.35 – 3.85	13,172,381
- Wafiyah Investment Account	3.50 – 3.80	69,024,927	3.40 – 3.80	60,859,095
Cash and cash equivalents				
Short term investments with maturity less than 30 days				
- Commodity Murabahah	2.75 – 2.85	23,284,816	-	-

Fair value sensitivity analysis for fixed rate instruments

The Fund accounts for the deposits with licensed financial institutions at amortised cost. Therefore a change in profit rates at the end of the reporting year would not affect profit or loss. The deposits with licensed financial institutions will mature within 1 month from the date of financial position.

17. 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>Mohamed Ridza Mohamed Abdulla (Chairman Non-Executive Independent Director - Appointed w.e.f. 1 October 2019) Dato' Ghazali Awang (Non-Executive Independent Director) Dr. Mohd Hatta Dagap (Non-Executive Independent Director) Datin Maznah Mahbob (Non-Executive Independent Director) Azizan Abd Aziz (Non-Executive Non Independent Director) Najmuddin Mohd Lutfi (Chief Executive Officer)</p>
<p>Shariah Committee</p>	<p>Dr. Ahmad Shahbari @ Sobri Salamon Assoc. Prof. Dr. Asmak Ab. Rahman Dr. Azrul Azlan Iskandar Mirza</p>
<p>Investment Committee</p>	<p>Khairul Muzamel Perera Abdullah (Chairman – Non Independent Member) Mohd Radzuan Ahmad Tajuddin (Independent Member) Datin Maznah Mahbob (Independent Member)</p>
<p>Audit Committee</p>	<p>Dato' Ghazali Awang (Chairman - Independent Member) Dr. Mohd Hatta Dagap (Independent Member) Azizan Abd Aziz (Non-Executive Non Independent Member)</p>
<p>Company Secretaries</p>	<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	Najmuddin Mohd Lutfi (Chief Executive Officer) Abd Razak Salimin (Head of Investment) Angelena Joseph (Head of Compliance - Appointed w.e.f. 20 January 2020) Mohd Hamidullah Che Hassan (Head of Compliance - Resigned w.e.f. 30 September 2019)
Principal Banker	Standard Chartered Saadiq Bank Berhad Level 23, Plaza Equatorial Jalan Sultan Ismail 50250 Kuala Lumpur
Trustee	SCBMB Trustee Berhad (1005793T) Level 23, Plaza Equatorial Jalan Sultan Ismail 50250 Kuala Lumpur
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