KAF INVESTMENT FUNDS BERHAD

3-year Fund Volatility
0.05
Very Low
Lipper Analytics
11 May 2026

KAF MONEY MARKET FUND (KMMF)

MAY 2026

The fund aims to generate regular income for unit holders by investing primarily in money market instruments.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- Have a low to medium risk appetite; and
- Seeks a short-term investment with regular income and high liquidity.

MANAGER'S COMMENTS

Malaysia's exports grew by 8.3% while imports increased by 10.4% Year-on-Year (YoY) in March 2026 (March). The trade surplus increased to Malaysian Ringgit (MYR) 24.6 billion (bn) in March; up from MYR16.7bn in the previous month (February). Malaysia's Consumer Price Index (CPI) was lower at 1.70% YoY in March compared to 1.40% in February. Malaysian foreign reserves increased in February to United States Dollar (USD) 128.8bn from USD128.1bn in March. Meanwhile, Malaysia's Purchasing Managers' Index (PMI) was flat at 51.6 in April 2026 (April) compared to 50.7 in the previous month. US Treasury yields were higher in April with the Treasury 2-year, 5-year and 10-year benchmark yield closing the month at 3.87%, 4.01% and 4.37% respectively compared to 3.79%, 3.94% and 4.32% in March. Malaysian Government Securities (MGS) 3-year, 5-year yield and 10-year yield were lower, ending at 3.20%, 3.38% and 3.57% in March compared to 3.26%, 3.43% and 3.63% in the previous month.

In contrast to the high volatility in March, global fixed income markets calmed down in early April after US President Donald Trump "TACO-ed" at the last moment from his ultimatum to target Iran's power infrastructure and instead announced a 2-week ceasefire for negotiations. The market narrative prior to the US-Iran War of gradually declining interest rates has now transformed to the fate of global markets being tied to crude oil prices. With no end in sight to the negotiations and occasional military flare ups, the Strait of Hormuz remains closed which has put a USD100 floor on Brent crude prices. Even if an end to the war is concluded and the contested waterway is reopened, oil & gas infrastructure that was damaged during the war will take months to repair. Furthermore, oil transporters as well as insurance companies are likely to remain apprehensive about ships crossing the Strait until they are certain that they will not see explosive projectiles being hurled towards them. Hence, high oil prices are expected to stay elevated in the coming months and risks feeding into global inflation. The Federal Open Market Committee (FOMC) meeting at the end of April concluded with the Fed Funds rates left unchanged at 3.75%. The US Federal Reserve committee also remains very divided on the future direction of interest rates with half the committee pointing at stubborn inflation that has been aggravated by oil prices and the others pointing toward the risk of a softening economy. Recent US data has shown that the US economy and labour market have remained resilient with a small uptick in inflation but market participants have erased expectations of any rate cuts this year. In Malaysia, local bonds followed the lead of their global peers and bounced back to recover some of losses incurred in March. Local government bonds were viewed favorably by foreign investors given Malaysia's domestic petroleum industry giving the country a relative stronger ability to weather the storm compared to other neighboring countries. While actual fuel prices are high, the RON95 fuel subsidies have caused most of the immediate inflationary impact to be absorbed by the government finances instead of consumers. Nonetheless, the unsustainable monthly cost of maintaining the fuel subsidy which hit RM 6+ billion in April is almost 10 times the budgeted RM 700 million per month. Prime Minister Anwar Ibrahim announced in March that at the current burn rate, the subsidy is likely only sustainable for a few months. Hence, unless crude oil prices come back down the pre-war levels, the government will have to find a mechanism to reduce the subsidy by the end of the second quarter. The 3 government auctions for the month saw demand for local bonds trickling back after the ceasefire with the 30-year MGS 07/2055, 3-year Government Investment Issue (GII) 10/2029 and 20-year 04/2046 minting Bid-to-Cover (BTC) ratios of 2.013x, 2.921x and 2.881x respectively. With the situation in the Middle East degenerating into a protracted conflict, we maintain the defensive stance against potential inflationary risks while maintaining our conservative stance of medium portfolio duration and an emphasis on high credit quality.

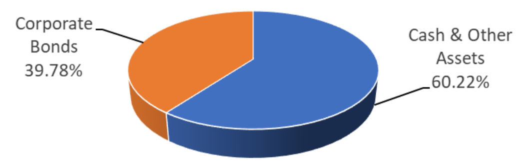
INVESTMENT STRATEGY

The fund will invest primarily in a high-quality short-term instrument with a minimum short-term credit rating of P1 by RAM/MARC1 by MARC or long-term credit rating of AA3 by RAM/AA- by MARC.

FUND DETAILS AS AT 30 APRIL 2026

Manager	KAF Investment Funds Bhd.
Trustee	CIMB Commerce Trustee Bhd.
Fund Category	Money Market Fund.
Fund Type	Income Fund.
Launch Date	1 November 2006
Unit net asset value (NAV)	RM172.4917
Fund size	RM293.742mil
Units in Circulation	1.703mil
Financial Year End	31 August.
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM1,000.00
Benchmark	The conventional 1-month interbank deposit rate at the Interbank Money Market in Kuala Lumpur.
Sales Charge	None.
Repurchase Charge	None.
Annual management fee	0.40% per annum of NAV.
Annual trustee fee	Up to 0.02% per annum of NAV, subject to a minimum of RM12,000 per annum (excluding foreign custodian fee and charges).
Redemption payment period	Within 7 days after receipt of the request to repurchase.
Distribution policy	It is intended that the fund will distribute income once every quarter of the year.

SECTOR ALLOCATION* AS AT 30 APRIL 2026

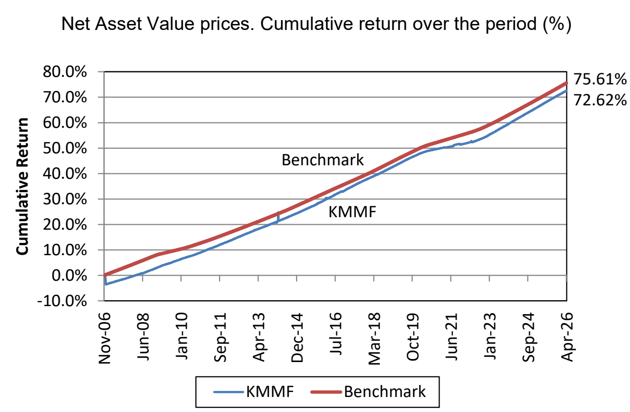


*As percentage Net Asset Value of the fund. Asset exposure is subject to change on a daily basis.
Source: KAF Investment Funds Berhad.

DISTRIBUTION HISTORY

Year	Distribution (sen)
2023 (Quarterly Aug)	1.0
2023 (Quarterly Nov)	1.0
2024 (Quarterly Feb)	1.0
2024 (Quarterly May)	1.0
2024 (Quarterly Aug)	1.0
2024 (Quarterly Nov)	1.0
2025 (Quarterly Feb)	1.0
2025 (Quarterly May)	1.0
2025 (Quarterly Aug)	1.0
2025 (Quarterly Nov)	1.0
2026 (Quarterly Feb)	1.0

FUND PERFORMANCE ANALYSIS AS AT 30 APRIL 2026



%	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
KMMF	0.24	0.74	1.51	3.15	10.24	14.78
Benchmark	0.25	0.74	1.52	3.08	9.53	14.38

Source: Novagni Analytics & Advisory Sdn Bhd

LARGEST HOLDINGS* AS AT 30 APRIL 2026

Money Market (KAF)	10.25%
YTL Power International Berhad	3.54%
Imtiaz Sukuk II Berhad	3.50%
Bank Pembangunan Malaysia Berhad	3.50%
Malaysian Ringgit	3.49%

*as percentage of Net Asset Value.

Head Office: Level 13, Menara IQ, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur **General Line: (603)-9767 6000 Fax: (603)-9767 6001 Website: www.kaf.com.my**