3-year Fund Volatility
0.08
Very Low
Lipper Analytics
11 August 2026

INVESTMENT FUNDS BERHAD

KAF DANA AL-IDDHIKHAR (KDAI)

AUGUST 2026

The fund aims to seek to provide a regular stream of income by investing primarily in Islamic money market instruments and other fixed income securities, which comply with Shariah requirements.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- Conservative in nature in terms of Shariah-compliant investment;
- Prefer a consistent, reasonable and stable level of return on Shariah-compliant investment;
- Prefer a lower level of investment risk; and
- Have a short-term investment horizon.

MANAGER'S COMMENTS

Malaysia's exports rose by 45.4% while imports increased by 43.9% Year-on-Year (YoY) in June 2026 (June). The trade surplus reduced to Malaysian Ringgit (MYR) 14.9 billion (bn) in June; down from MYR40.4bn in the previous month. Malaysia's Consumer Price Index (CPI) was lower at 1.9% YoY in June compared to 2.00% in May 2026 (May). Malaysian foreign reserves increased in July 2026 (July) to United States Dollar (USD) 131.8bn from USD130.5bn in June. Meanwhile, Malaysia's Purchasing Managers' Index (PMI) was flat at 50.7 in July compared to 50.7 in the previous month. US Treasury yields were higher in July with the Treasury 2-year, 5-year and 10-year benchmark yield closing the month at 4.29%, 4.45% and 4.73% respectively compared to 4.17%, 4.23% and 4.47% in June. Malaysian Government Securities (MGS) 3-year, 5-year yield and 10-year yield were higher, ending at 3.30%, 3.49% and 3.70% in July compared to 3.26%, 3.40% and 3.60% in the previous month.

July was looking like another quiet month for global bond markets until tensions in the Middle East flared up again and sent crude oil prices flying. The threat of an expanding prolonged war, supply chain disruptions, rising inflation and higher interest rates came roaring back to the forefront causing investors to scramble to exit their bond positions. Although the US Federal Reserve (the Fed) committee held rates unchanged during the Federal Open Market Committee (FOMC) meeting in July, the selloff was aggravated by Fed Chairman Kevin Warsh's hawkish stance to fight stubborn US inflation. Most market participants are pricing in a 25 basis point (bp) hike in September which will bring the Fed Funds Rate up to the 4.00%. Back in Malaysia, local bonds were also sold off in tandem with global peers with the 10-year Malaysian Government Securities (MGS) spiking up 10 basis points to breach the 3.70% level by the end of July. While Malaysia has been viewed by foreign investors as more resilient than its regional peers due to the local oil & gas industry, the recent political uncertainty has dampened investor confidence. Furthermore, local inflation appeared to be under control after Year-on-Year (YoY) CPI fell slightly to 1.90% until compared to with the Producer Price Index (PPI) which further accelerated to an alarming 9.2% YoY suggesting that rising inflation is likely brewing below the surface. Bank Negara Malaysia left the Overnight Policy Rate (OPR) unchanged at 2.75% during the July Monetary Policy Committee (MPC) but the soft investor sentiment was reflected in the 3 government auctions for the month namely the 10-year MGS 07/2035, 3-year Government Investment Issue (GII) 10/2029 and 15-year MGS 01/2041 which minted Bid-to-Cover (BTC) ratios of 1.867x, 2.26x and 2.05x respectively. Despite the risks of a prolonged conflict in the Middle East and potential rate hikes, bond yields have risen to attractive levels. Hence, we look for opportunities to buy quality assets while keeping an eye on potential inflationary risks. For now, we maintain our conservative stance of medium portfolio duration and an emphasis on high credit quality.

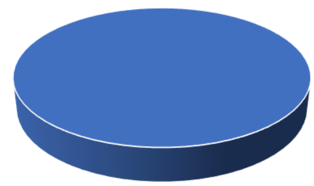
INVESTMENT STRATEGY

The fund seeks to achieve its objective by investing primarily in Islamic money market instruments and other Sukuk. The Manager will decide which instrument or security to buy based primarily on their yield, relative to their credit quality and the period to maturity. The fund will at all times place/invest its cash in Islamic money market deposits/instruments and Sukuk (listed or unlisted), which are rated by RAM, MARC or other approved rating agencies.

FUND DETAILS AS AT 31 JULY 2026

Manager	KAF Investment Funds Bhd.
Trustee	CIMB Islamic Trustee Bhd.
Fund Category	Islamic Money Market Fund.
Fund Type	Income Fund.
Launch Date	6 October 2005
Unit net asset value (NAV)	RM0.5358
Fund size	RM2.566mil
Units in Circulation	4.789mil
Financial Year End	30 September.
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM1,000.00
Benchmark	Malayan Banking Berhad ("Maybank") one (1) month General Investment Account ("GIA") rate.
Sales Charge	None.
Repurchase Charge	None.
Annual management fee	0.375% per annum of NAV.
Annual trustee fee	0.025% of NAV per annum subject to a minimum trustee fee of RM 12,000.
Redemption payment period	Within 7 days after receipt of the request to repurchase.
Distribution policy	Income, if any, will be distributed on a monthly basis. All such distribution will be reinvested into the fund.

SECTOR ALLOCATION* AS AT 31 JULY 2026

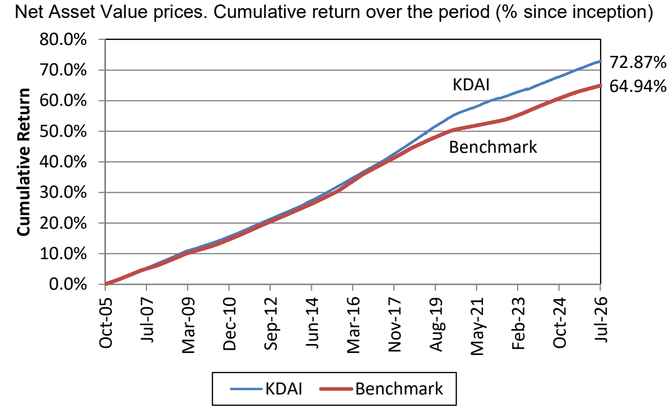


*As percentage Net Asset Value of the fund. Asset exposure is subject to change on a daily basis.
Source: KAF Investment Funds Berhad.

Distribution History

Month (2026)	Distribution (sen)
January	0.01
February	0.01
March	0.01
April	0.01
May	0.01
June	0.01
July	0.01

FUND PERFORMANCE ANALYSIS AS AT 31 JULY 2026



%	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
KDAI	0.13	0.34	0.75	1.63	5.49	8.83
Benchmark	0.11	0.31	0.63	1.31	5.22	8.35

Source: Novagni Analytics & Advisory Sdn Bhd

LARGEST HOLDINGS* AS AT 31 JULY 2026

Cash & other assets	100.00%

*as percentage of Net Asset Value.