

# Principal DALI Opportunities Fund - Class SGD

31 August 2023

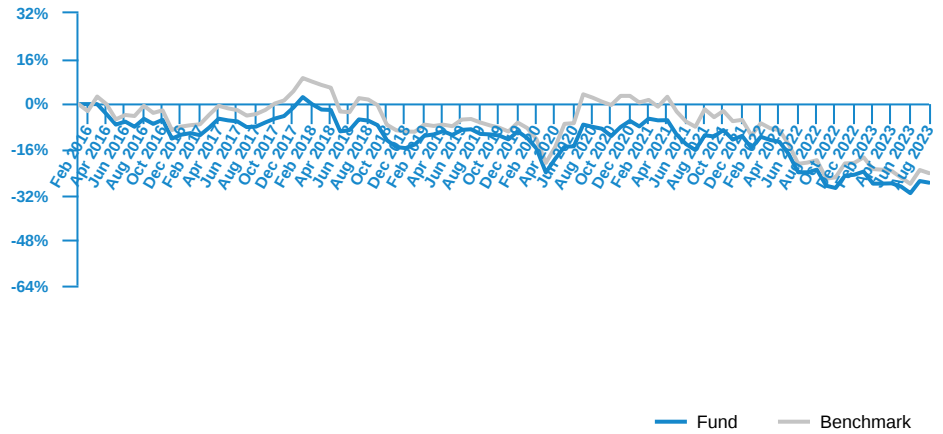
## Fund Objective

The Fund aims to provide investors with medium to long-term capital appreciation through investments in securities of Malaysian companies that will benefit from prevailing investment themes and that conform with Shariah principles. The strategy of the fund is to invest in sectors that are related to the prevailing domestic and/or global investment themes. The fund will invest at least 70% of its NAV will be invested in equities that conform with Shariah principles; up to 28% of the fund's NAV may be invested in other permissible investments; and at least 2% of the fund's NAV will be invested in Shariah-compliant liquid assets for liquidity purposes.

## Fund Information

<b>ISIN Code</b>	MYU1001FJ005
<b>Lipper ID</b>	68358034
<b>Bloomberg Ticker</b>	CIMIDES MK
<b>Domicile</b>	Malaysia
<b>Currency</b>	SGD
<b>Base Currency</b>	MYR
<b>Fund Inception</b>	18 Feb 2016
<b>Benchmark</b>	FTSE Bursa Malaysia EMAS Shariah Index
<b>Application Fee</b>	Up to 5%
<b>Management Fee</b>	Up to 1.5% p.a.
<b>Trustee Fee</b>	Up to 0.05% p.a.
<b>Fund Size (SGD)</b>	SGD 67.47 thousand
<b>Fund Unit</b>	0.10 million units
<b>NAV per unit (As at 30 Aug 2023)</b>	SGD 0.6499

## Fund Performance



Past performance does not guarantee future results. Asset allocation and diversification do not ensure a profit or protect against a loss.

Cumulative Performance (%)								
	YTD	1M	3M	6M	1Y	3Y	5Y	Since Inception
<b>Fund</b>	-3.72	-0.80	1.90	0.48	-5.97	-21.41	-23.24	-27.71
<b>Benchmark</b>	-4.56	-1.45	2.09	-1.87	-5.70	-26.04	-25.55	-24.35

Calendar Year Returns (%)							
	2022	2021	2020	2019	2018	2017	
<b>Fund</b>	-15.43	-5.63	4.11	7.00	-14.50	10.75	
<b>Benchmark</b>	-16.07	-8.21	10.08	3.51	-13.62	13.54	

Most Recent Fund Distributions						
			2022 Jul	2021 Jul	2018 Jul	2017 Oct
<b>Gross (cent/unit)</b>			0.76	2.09	3.48	2.91
<b>Annualised Yield (%)</b>			1.11	2.66	3.75	3.31

Note: February 2016 to August 2023.

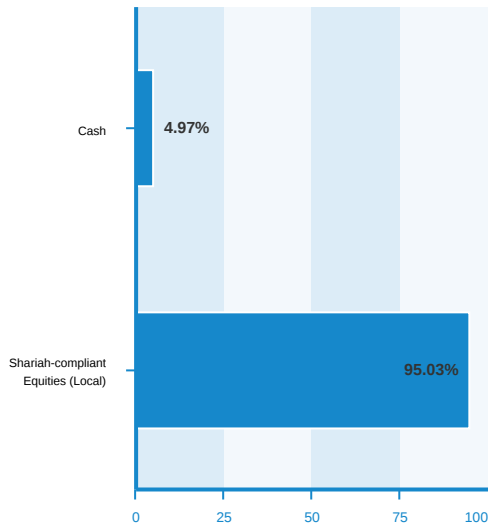
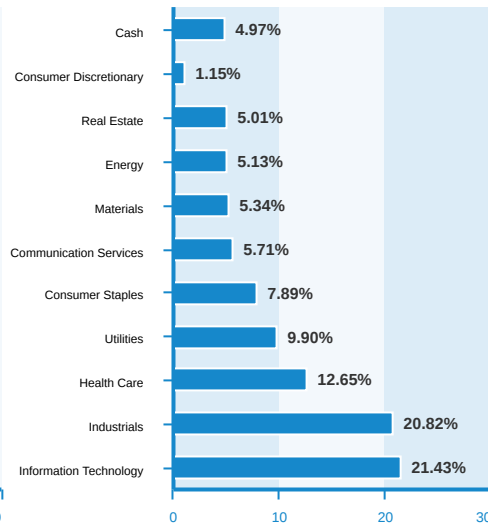
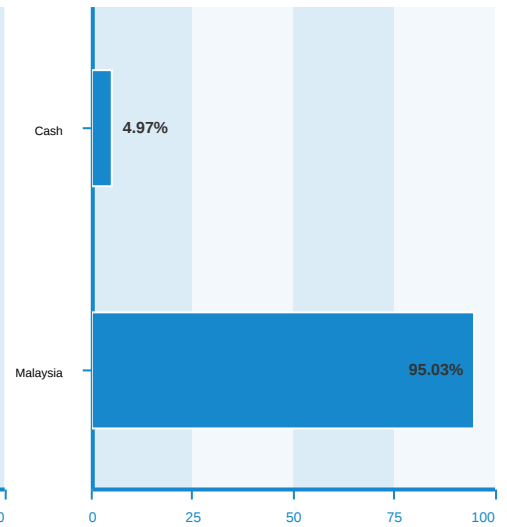
Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

Annualised yield is calculated as the most recent monthly dividend distribution multiplied by the Fund's dividend frequency and divided by the latest NAV.

Source : Lipper

Top Holdings			Fund Risk Statistics	
	Country	% of Net Assets		
Tenaga Nasional Bhd	Malaysia	9.90	<b>Beta</b>	0.91
Inari Amertron Bhd	Malaysia	4.71	<b>Information Ratio</b>	0.15
Hartalega Holdings Bhd	Malaysia	4.64	<b>Sharpe Ratio</b>	-0.23
Gamuda Bhd	Malaysia	4.54	(3 years monthly data)	
Genetec Technology Bhd	Malaysia	4.38		
Press Metal Aluminium Holdings Bhd	Malaysia	4.29		
Nationgate Holdings Bhd	Malaysia	3.97		
MyEG Services Bhd	Malaysia	3.94		
IHH Healthcare Bhd	Malaysia	3.52		
Sime Darby Plantation Bhd	Malaysia	3.27		

The holdings listed do not constitute a recommendation to purchase or sell a particular security. Any repeated issuer shown means same issuer with different coupon rate and/or maturity date. Cash and/or derivative positions that are not part of the core investment strategy will not be reflected in the top holdings list.

**Asset Allocation (%)****Sector Allocation (%)****Regional Allocation (%)**

Fund holdings and allocations shown are unaudited and may not be representative of current or future investments. Percentages may not add up to 100% due to rounding and/or inclusion or exclusion of cash will not be reflected in the top holdings list.

**Fund Manager's Report**

In August, the Fund was down 0.80% in SGD terms, outperforming the Benchmark by 65 basis points (bps) which was mainly due to the Fund's overweight in Energy and Industrials, the underweight in Communication Services and Plantation as well as its stocks selection in Utilities.

Malaysia's PMI reading for July was 47.8pts, a slight improvement versus June. According to S&P Global, the Malaysian manufacturing sector continued to indicate sustained weakness in operating conditions in July. New order intakes moderated to the greatest extent for six months, while production levels continued to be scaled back, indicating that the sector still has some way to go before demand recovers fully. Input price inflation accelerated for the fourth month in a row to reach the highest since February, while firms looked to reduce workforce to manage costs. Manufacturers remained hopeful that demand conditions would normalize, albeit sentiment has weakened further.

Malaysia's economy expanded 5.6% YoY in 1Q23 but expected to moderate to 3.6% YoY in 2Q23 according to economists polled by Bloomberg. BNM maintains Malaysia's GDP growth of 4%-5% in 2023. BNM kept OPR unchanged at 3.00% despite mounting pressures to intervene given the Ringgit weakness but may pause for the rest of the year. Inflation eased further with June's CPI reading at 2.4% vs. 2.8% in May, now undershooting BNM's target of 2.8%-3.8% for 2023.

Malaysia's equity market valuation remains compressed with forward PE of 13.4x which is still around -2SD below the historical mean. This is based on consensus earnings growth of 9% for 2023 and 8% for 2024. More clarity on the new Government's policy posture, in our view, should reduce the current extreme risk premiums applied to the market (yield gap of -400bps). We are also hopeful that the newly launched National Energy Transition Roadmap (NETR) by the government would revitalize domestic investment and buoy consumption.

Market sentiment continued to improve on the back of reversal of foreign outflows and further inflows from the Local Institutions. We remain positive on the market. We remain constructive on sectors that stand to gain from the NETR, including Utilities, Construction, and Property. Additionally, we remain optimistic on selective Technology due to the ongoing structural growth trends in the sector. Key risks are the derailment of Malaysia's macroeconomic recovery and corporate earnings growth due to the larger-than-expected impact of rising inflation, slower global economic growth, and heightened geopolitical risks.

The Manager of the Principal DALI Opportunities Fund (formerly known as CIMB Islamic DALI Equity Theme Fund) is Principal Asset Management Berhad. The Manager has appointed Principal Asset Management (S) Pte. Ltd. (Company Registration No. 200607208K) as its Singapore Representative and agent for service of process in Singapore. Copies of the prospectus are available from the Singapore Representative at 50 Raffles Place, #22-03A Singapore Land Tower, Singapore 048623 or at [www.principal.com.sg](http://www.principal.com.sg). Investors should read the prospectus before deciding to purchase any units in the Fund ("Units"). The listing of the Units does not guarantee a liquid market for the Units. The value of the Units and the income derived from them, if any, may fall as well as rise. Past performances of the Fund, the Manager are not necessarily indicative of their future performance. The information contained herein is for your general information only and does not have any regard to your specific investment objectives, financial situation and any of your particular needs. You may wish to seek advice from a financial adviser before making a commitment to purchase Units. If you choose not to seek advice from a financial adviser, you should consider whether the Fund is suitable for you. Although the information contained herein has been taken from sources that are believed to be accurate, no warranty or representation is made as to its correctness, completeness or accuracy. The Manager accepts no liability whatsoever for any direct, indirect or consequential loss arising from any use or reliance of the information herein.

Carefully consider a fund's objective, risks, charges and expenses.

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