

# CIMB Islamic Balanced Growth Fund

30 November 2019

Available under the EPF Members Investment Scheme.



## Fund Objective

To grow the value of the Unit holders' investments over the long-term in a diversified mix of Malaysian assets in approved Shariah instruments while providing consistent income.

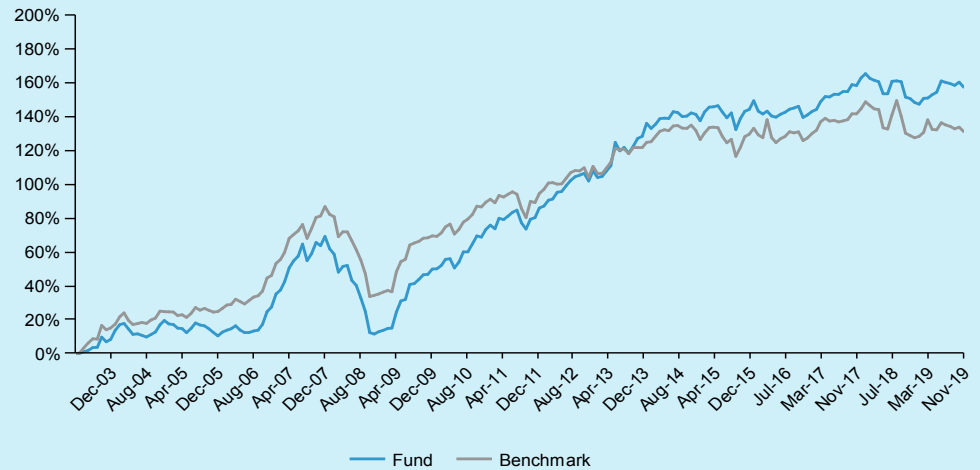
Currency: MYR ISIN Code: MYU1000AK006

Bloomberg Ticker: COMDBAR MK

## Fund Information

Location	Malaysia
Domicile	Malaysia
Fund Currency	Ringgit Malaysia
Fund Size (MYR)	MYR 298.43 million
Fund Unit	477.64 million units
Fund Launch	26 May 2003
Benchmark	60% FBM EMAS Shariah Index + 40% CIMB Islamic 1-Month Fixed Return Income Account-i (FRIA-I)
Dealing	Daily (as per Bursa Malaysia trading day)
Application Fee	IUTAs: 5.00% of the NAV per unit Principal Agency Distributor: 6.00% of NAV per unit
Management Fee	1.50% p.a. of the NAV
Trustee Fee	0.07% p.a. of the NAV
Unit NAV (MYR)	MYR 0.6248

## 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	1 Month	3 Months	6 Months	1-Year	3-Year	5-Year	Since Inception
Fund	3.64	-1.12	-0.79	1.18	2.69	7.48	6.67	157.49
Benchmark	1.62	-1.11	-1.32	-0.42	1.06	2.39	-0.50	131.20

## Calendar Year Returns (%)

	2018	2017	2016	2015	2014	2013
Fund	-5.49	9.05	-3.36	4.96	0.68	13.50
Benchmark	-6.99	7.60	-2.49	2.72	-1.37	9.09

## Most Recent Fund Distributions

	2019 Jan	2018 Jan	2017 Jan	2016 Jan	2015 Jan	2014 Jan
Gross (Sen/Unit)	1.55	2.65	2.50	2.65	3.30	2.95
Annualised Yield (%)	2.51	3.89	3.85	3.79	4.56	4.61

Note: May 2003 to November 2019.

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 10 Holdings

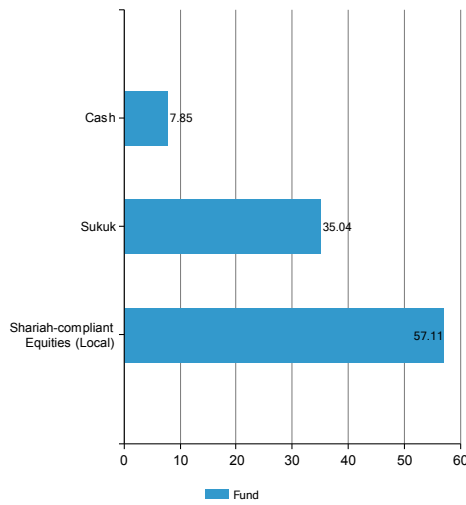
	Country	% of net assets
Tenaga Nasional Bhd	Malaysia	7.71
Edra Energy Sdn Bhd	Malaysia	4.99
Petronas Chemicals Group Bhd	Malaysia	3.89
Quantum Solar Park	Malaysia	3.42
Exsim Capital Resources Bhd	Malaysia	3.39
Digi.com Bhd	Malaysia	2.70
Axiata Group Bhd	Malaysia	2.62
Sime Darby Plantation Bhd	Malaysia	2.50
IHH Healthcare Bhd	Malaysia	2.43
Sarawak Energy Bhd	Malaysia	2.22

The holdings listed do not constitute a recommendation to purchase or sell a particular security. Cash and/or derivative positions that are not part of the core investment strategy will not be reflected in the top holdings list.

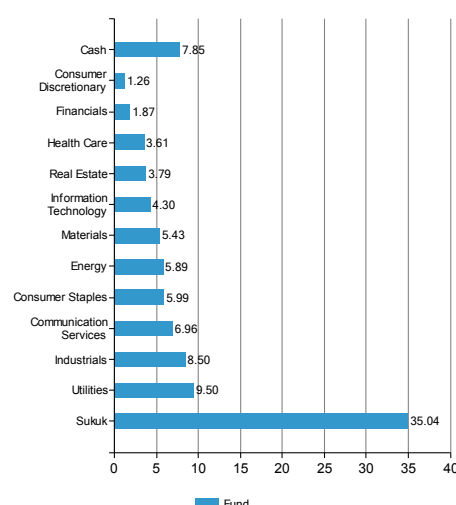
## Fund Risk Statistics

Beta	0.79
Information Ratio	0.99
Sharpe Ratio	-0.27
3 years monthly data	

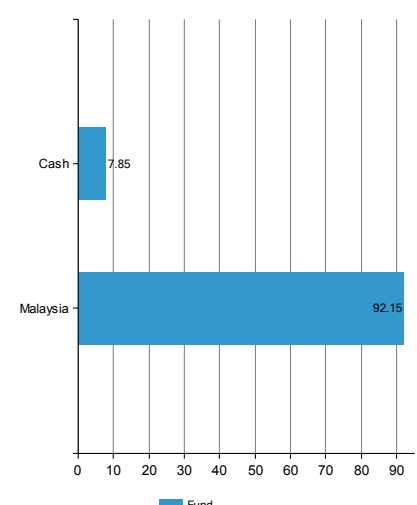
## Asset Allocation (%)



## Sector Allocation (%)



## Regional Allocation (%)



Source: Factset. 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

For the month of November, equities were driven by IT and communication services sectors. Year-to-date, the Fund rose by +3.64%, outperforming the Benchmark by 202 bps.

The FTSE Bursa Malaysia Kuala Lumpur Shariah Index ("FBMS") dipped -2% in Nov (YTD:+1.19%) to 11,592.50. While this was inline with regional market performance (MSCI ASEAN lost 1.8% in Nov), the local bourse was also dragged by the sharp sell-down of TNB (-4.1%) on the last trading day of the month following the announcement of further back taxes imposed by IRB amounting to RM4bn. Private consumption remains the main engine of growth but its pace has normalized to 7% (2Q19: 7.8%) amid dampened consumer sentiment. Although public investment slump of -14.1% in 3Q19 was not a surprise due to disruption caused by review of mega infrastructure projects, the near-stagnant private investment of +0.3% (2Q19: +1.8%) was a concern.

We upgrade Malaysia to OVERWEIGHT as we turn constructively more positive going into 2020. We believe earnings downside risk has narrowed significantly and valuations are undemanding valuation now. We continue to like Shariah compliant REITs and high dividend yielding stocks such as utilities and telcos. With expectation of a truce in trade tension and growth stabilization, we would also be taking positions on selective value stocks now especially basic material. Meanwhile, cyclical growth stocks in construction, oil and gas, and technology sectors remained in favour.

On Sukuk strategy, as we are approaching the end of the year, we are starting to reposition for 2020. We aim to re-enter the government Sukuk when there are any strong sell-offs but with core holdings still in AA-rated corporate Sukuk. We continue to stay neutral in overall duration as we expect more profit taking will kick in before year end.

\*Based on the fund's portfolio returns as at 15 November 2019, the Volatility Factor (VF) for this fund is 4.580 and is classified as "Low" (source: Lipper). "Low" includes funds with VF that are above 1.885 but not more than 6.455. 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.

We recommend that you read and understand the contents of the Master Prospectus (Shariah-Compliant Funds) Issue No. 10 dated 30 June 2017, which has been duly registered with the Securities Commission Malaysia, before investing and that you keep the said Master Prospectus (Shariah-Compliant Funds) for your records. Any issue of units to which the Master Prospectus (Shariah-Compliant Funds) relates will only be made upon receipt of the completed application form referred to in and accompanying the Master Prospectus (Shariah-Compliant Funds), subject to the terms and conditions therein. Investments in the Fund are exposed to credit and default risk, interest rate risk and stock specific risk. You can obtain a copy of the Master Prospectus (Shariah-Compliant Funds) from the head office of Principal Asset Management Berhad (formerly known as CIMB-Principal Asset Management Berhad) or from any of our approved distributors. Product Highlight Sheet ("PHS") is available and that investors have the right to request for a PHS; and the PHS and any other product disclosure document should be read and understood before making any investment decision. There are fees and charges involved in investing in the funds. We suggest that you consider these fees and charges carefully prior to making an investment. Unit prices and income distributions, if any, may fall or rise. Past performance is not reflective of future performance and income distributions are not guaranteed. You are also advised to read and understand the contents of the Financing for Investment in Unit Trust Risk Disclosure Statement before deciding to obtain financing to purchase units. Where a unit split/distribution is declared, you 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, the value of your investment in Malaysian ringgit will remain unchanged after the distribution of the additional units.

\*Note: The Fund does not invest in interest bearing instruments; the interest rate referred herein is to the general interest rate of the country, which may affect the value of the investments of the Fund.

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

Visit [www.principal.com.my](http://www.principal.com.my) for a prospectus containing this and other information. Please read it carefully before investing.

Principal Asset Management Berhad

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