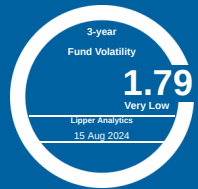


# Principal Conservative Bond Fund - Class C

31 August 2024



## Fund Objective

The Fund aims to provide regular income through diversified investments in Malaysian bonds. The Fund will be managed with the aim of achieving regular income through investments in a diversified portfolio of Malaysian bonds. The Fund will invest at least 97% of its NAV in Government bonds and corporate bonds, out of which the Fund will invest between 20% to 50% (both inclusive) of its NAV in Government bonds and between 50% to 80% (both inclusive) of its NAV in corporate bonds. For Government bonds, the Fund may invest up to 30% of its NAV in Government Agency bonds. In addition, the Fund may invest up to 10% of its NAV in Asset-Backed Securities. The Fund will also invest up to 3% of its NAV in liquid assets.

## Lipper Score

Total Return

Consistent Return



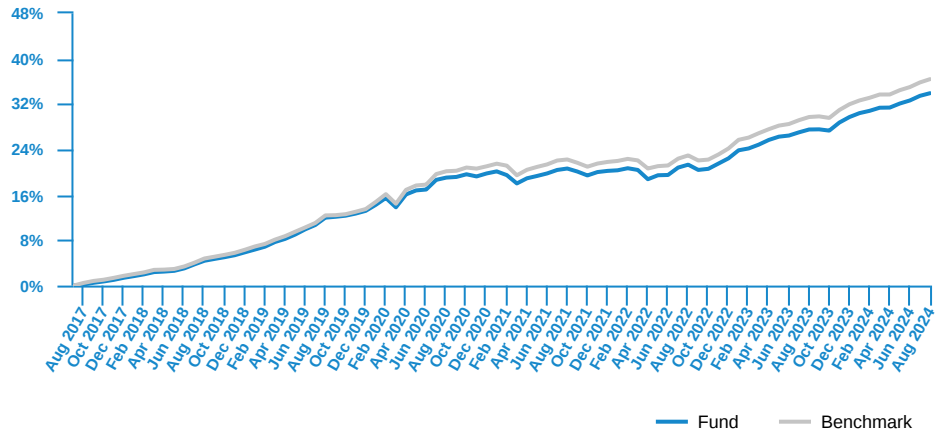
## Morningstar Rating



## Fund Information

ISIN Code	MYU1000GM009
Lipper ID	68437188
Bloomberg Ticker	CIMPCBC MK
Domicile	Malaysia
Currency	MYR
Base Currency	MYR
Fund Inception	8 Aug 2017
Benchmark	10% TR BPAM Govt (1-3 years) all bond index + 10% TR BPAM Govt (3-7 years) all bond index + 5% TR BPAM Quasi Govt (1-3 years) all bond index + 5% TR BPAM Quasi Govt (3-7 years) all bond index + 10% TR BPAM Corporate (1-3 years) all
Application Fee	Agency Distributor and IUTAs: Up to 2.00% of the NAV per unit.
Management Fee	Up to 0.25% p.a. of the NAV
Trustee Fee	Up to 0.025% p.a. of the NAV
Fund Size (MYR)	MYR 1605.1 million
Fund Unit	1549.98 million units
NAV per unit (As at 31 Aug 2024)	MYR 1.0355
Initial Offering Period (IOP) Date	29 Aug 2017
Initial Offering Period (IOP) Price	MYR 1.00

## 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
Fund	3.24	0.35	1.38	2.38	5.02	11.01	19.60	33.92
Benchmark	3.36	0.43	1.45	2.47	5.15	11.59	21.38	36.40

Calendar Year Returns (%)							
	2023	2022	2021	2020	2019	2018	
Fund	5.95	1.84	0.38	5.83	6.91	4.42	
Benchmark	6.28	1.95	0.64	6.64	6.76	4.51	

Most Recent Fund Distributions						
	2024 Jun	2024 Mar	2023 Dec	2023 Sep	2023 Jun	2023 Mar
Gross (sen/unit)	1.44	1.24	1.07	0.80	1.26	0.82
Annualised Yield (%)	5.63	4.83	4.14	3.13	4.95	3.22

Note: August 2017 to August 2024.

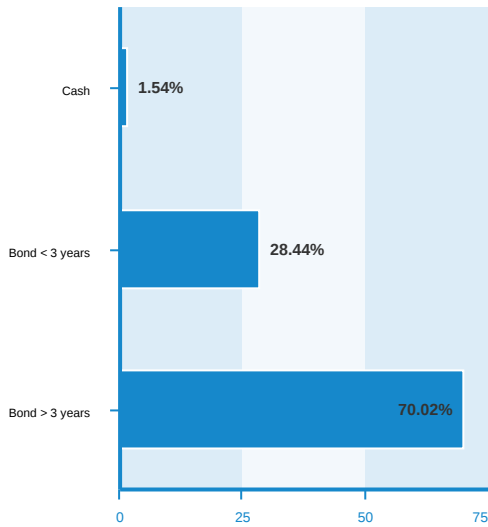
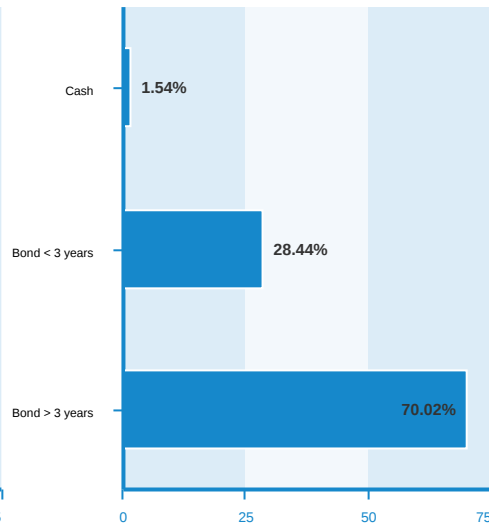
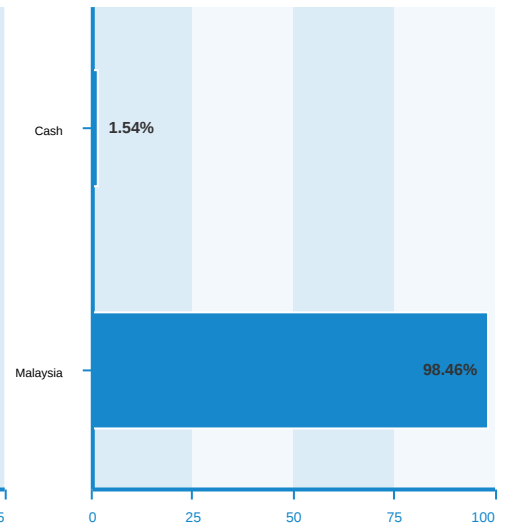
Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

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	Country	% of Net Assets	Fund Risk Statistics	
Malaysia Government Securities	Malaysia	3.74	Beta	1.04
Malaysia Government Securities	Malaysia	3.51	Information Ratio	N/A
GII Murabahah	Malaysia	3.19	Sharpe Ratio	0.07
GII Murabahah	Malaysia	3.12	(3 years monthly data)	
GII Murabahah	Malaysia	2.88		
Genting RMTN Bhd	Malaysia	2.23		
Hong Leong Bank Bhd	Malaysia	1.89		
Pengurusan Air SPV Bhd	Malaysia	1.89		
RHB Bank Bhd	Malaysia	1.50		
Malaysia Government Securities	Malaysia	1.30		

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**

The Fund's net performance for the month of August 2024 came in at +0.35%, underperforming the benchmark's return by -8bps. For the 12-months period ending 31 August 2024, the Fund delivered a net return of +5.02%, underperforming the benchmark by -13bps.

Malaysia 2Q2024 GDP grew 5.9% YoY (1Q2024: +4.2% YoY) higher than the advance estimates of 5.8%. The growth was mainly due to stronger domestic demand and further expansion in exports. On the demand side, private consumption rose 6% while private investment grew 12%. Net external demand turned positive at 3.4% (1Q2024: -24.5%). On the supply side, growth was broad based with most sectors registering better growth momentum. The services sector, which account for more than half of Malaysia's economic output registered 5.9% from 4.8% YoY and manufacturing activity advanced by 4.7% from 1.9% YoY. The construction sector improved by 17.3% from 11.9% YoY.

Inflation held steady at 2% in July 2024 for the third consecutive month. Prices continued to rise led by services related industries. This includes cost of healthcare, communication, recreation/culture, insurance & financial as well as restaurants & hotels. Meanwhile, core inflation was also unchanged at 1.9% YoY.

The unemployment rate remained unchanged at 3.3% in June for the eight consecutive month. The number of unemployed declined by 2.8% YoY to a four year low of 565.3 thousand people. According to the Department of Statistics, two-thirds of jobs growth were in the services sector which continued to show positive trends. Malaysia' labor market is expected to remain stable backed by favorable economic growth.

We remain positive on the local bond markets as we believe the tightening trend on monetary policies has reached its peak with the last rate hike by MPC in May 2023.

^Based on the fund's portfolio returns as at 15 August 2024, the Volatility Factor (VF) for this fund is 1.79 and is classified as "Very Low" (source: FIMM). 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 FIMM 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 Principal Conservative Bond Fund Prospectus Issue No. 3 dated 25 May 2023 which has been duly registered with the Securities Commission Malaysia, before investing and that you keep the said Fund Prospectus for your record. Any issue of units to which the Fund Prospectus relates will only be made upon receipt of the completed application form referred to in and accompanying the Fund Prospectus subject to the terms and conditions therein. Investments in the Fund are exposed to interest rate risk, credit and default risk and liquidity risk. You can obtain a copy of the Fund Prospectus from the head office of 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 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 advised to read and understand the contents of the Unit Trust Loan Financing Risk Disclosure Statement before deciding to borrow to purchase units. Where a unit split/distribution is declared, investors 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.

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.