

Principal DALI Equity Fund

31 October 2023



Fund Objective

The Fund aims to achieve a consistent capital growth over the medium to long-term. The Fund is a Shariah-compliant equity growth fund and it may invest a minimum of 70% and up to a maximum of 98% of its NAV principally in Shariah-compliant equities aimed to provide growth and up to 28% of its NAV in other permissible Shariah-compliant investments, such as Sukuk with a minimum credit rating of A3 or P2 by RAM or equivalent rating by MARC or by local rating agency(ies) of the country of issuance; or BBB- by S&P or equivalent rating by any other international rating agencies. The Fund may opt to invest in foreign Shariah-compliant equities up to a maximum of 30% of its NAV in the Asia Pacific ex Japan.

Lipper Score

Total Return



Consistent Return



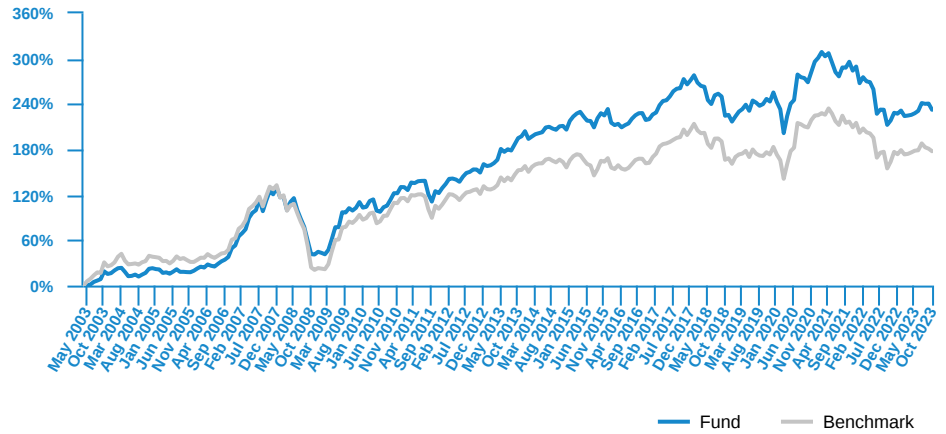
Morningstar Rating



Fund Information

ISIN Code	MYU1000BC001
Lipper ID	61500555
Bloomberg Ticker	BHLPDA2 MK
Domicile	Malaysia
Currency	MYR
Base Currency	MYR
Fund Inception	30 Apr 2003
Benchmark	70% FTSE Bursa Malaysia EMAS Shariah Index + 30% MSCI AC Asia ex Japan Islamic Index
Application Fee	IUTAs: 6.50% of the NAV per unit Principal Agency Distributor: 6.50% of the NAV per unit
Management Fee	1.85% p.a. of the NAV
Trustee Fee	0.06% p.a. of the NAV
Fund Size (MYR)	MYR 568.16 million
Fund Unit	581.76 million units
NAV per unit (As at 31 Oct 2023)	MYR 0.9766

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	1.56	-2.42	-2.61	2.05	4.44	-9.87	2.44	232.45
Benchmark	1.44	-1.21	-3.60	0.56	5.25	-10.18	4.27	177.66

Calendar Year Returns (%)						
	2022	2021	2020	2019	2018	2017
Fund	-16.00	-1.62	11.45	12.16	-14.72	16.08
Benchmark	-13.17	-2.95	14.64	8.56	-14.74	16.68

Most Recent Fund Distributions						
	2022 Jul	2021 Jul	2020 Jul	2018 Jul	2017 Nov	2016 Jun
Gross (sen/unit)	2.72	3.70	1.10	3.03	7.20	6.20
Annualised Yield (%)	2.78	3.10	0.96	2.71	6.08	5.46

Most Recent Unit Splits					
					2009 Dec
Ratio					2:5

Note: April 2003 to October 2023.

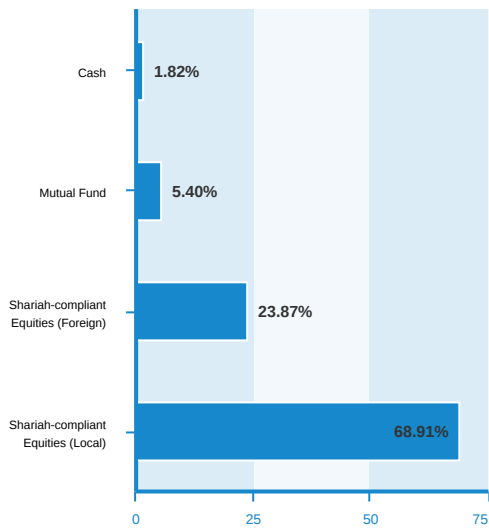
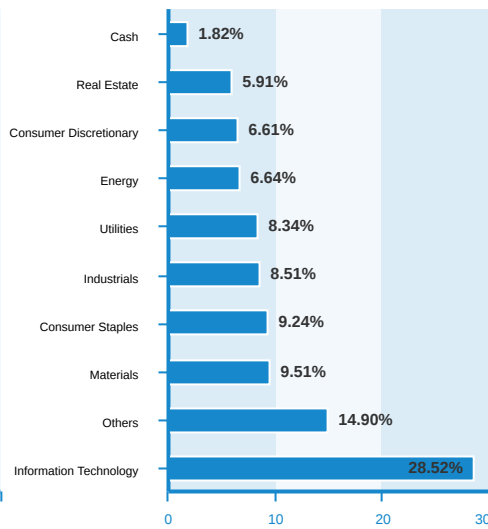
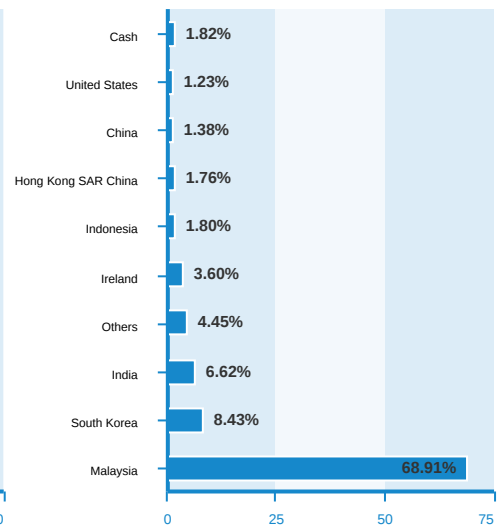
Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

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	Country	% of Net Assets	Fund Risk Statistics	
Tenaga Nasional Bhd	Malaysia	8.34	Beta	0.90
MyEG Services Bhd	Malaysia	5.31	Information Ratio	0.01
Samsung Electronics Co Ltd	South Korea	4.57	Sharpe Ratio	-0.17
Inari Amertron Bhd	Malaysia	4.15	(3 years monthly data)	
Mr D.I.Y. Group (M) Bhd	Malaysia	3.82		
Ancom Nylex Bhd	Malaysia	2.81		
Kuala Lumpur Kepong Bhd	Malaysia	2.67		
Nationgate Holdings Bhd	Malaysia	2.64		
Press Metal Aluminium Holdings Bhd	Malaysia	2.64		
Sime Darby Plantation Bhd	Malaysia	2.61		

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

During the month, our Fund declined 2.42% in MYR terms, underperforming the Benchmark by 121 basis points (bps) mainly due to Malaysia. Year-to-date, our Fund rose by 1.56%, inline with the Benchmark.

We think the US Fed is done tightening given the latest data on labor market conditions. Some corporate commentary also suggests that the global economy is slowing. This means there is not much scope for US 10-year Treasury yields to rise further and puts a lid on the US Dollar. Risk assets could bounce led by beneficiaries of a weak US Dollar. Although we are seeing incrementally more stimulative measures being taken in China, e.g. expectations of CNY 1tr (~0.8% of GDP) sovereign debt issuance to fund water conservancy and flood prevention projects, it remains to be seen whether private sector and consumer confidence can improve meaningfully. We are discerning in our stock selection in China should the stimulus tend to fall short of reviving 'animal spirits' and also mindful of geopolitical risks. In Asia, our investments are centered around the bottoming of the technology hardware cycle and improving private sector confidence in India. Risks are (a) higher than expected inflation and risk-free rate; and (b) geopolitics e.g. US-China tensions which can range from various sanctions, financial markets and military conflicts.

We remain fully invested and well positioned in the areas of (a) bottoming of the tech hardware cycle; (b) strong private sector confidence in India; and (c) selected global names which have more resilient demand in the areas of consumption and energy.

For Malaysia Equity, we remain constructive on sectors that stand to gain from the NETR, including Utilities, Construction, and Property. Additionally, we are 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.

[^]Based on the fund's portfolio returns as at 15 October 2023, the Volatility Factor (VF) for this fund is 9.78 and is classified as "Moderate" (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 Master Prospectus (Islamic Funds) dated 31 December 2019, 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 country risk, currency risk, risk of investing in emerging markets, risks associated with investment in warrants, stock specific risk. You can obtain a copy of the Master Prospectus (Shariah-Compliant Funds) 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 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.

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

Visit www.principal.com.my for a prospectus containing this and other information. Please read it carefully before investing.