

Principal DALI Opportunities Fund - Class MYR

30 September 2024



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.

Lipper Score

Total Return

1

Consistent Return

2

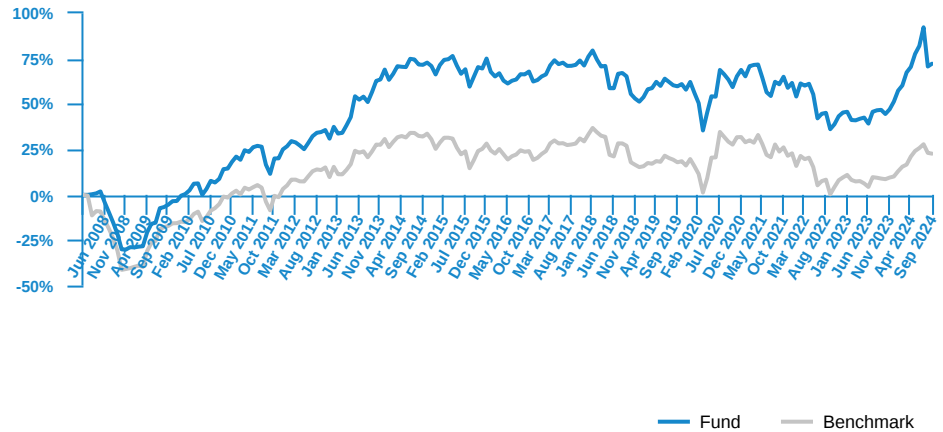
Morningstar Rating



Fund Information

ISIN Code	MYU1000CW007
Lipper ID	65088742
Bloomberg Ticker	CIMIDET MK
Domicile	Malaysia
Currency	MYR
Base Currency	MYR
Fund Inception	28 Feb 2008
Benchmark	FTSE Bursa Malaysia EMAS Shariah Index
Application Fee	IUTAs: Up to 6.50% of the NAV per unit Principal Agency Distributor: Up to 6.50% of NAV per unit
Management Fee	Up to 1.50% p.a. of the NAV of the Class in Malaysia
Trustee Fee	0.045% p.a. of the NAV
Fund Size (MYR)	MYR 55.52 million
Fund Unit	187.74 million units
NAV per unit (As at 30 Sep 2024)	MYR 0.2957
Initial Offering Period (IOP) Date	20 Mar 2008
Initial Offering Period (IOP) Price	MYR 0.25

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	13.82	0.92	-5.38	2.89	17.34	7.06	7.81	72.28
Benchmark	11.43	-0.34	-2.45	5.17	12.60	-0.92	4.05	22.70

Calendar Year Returns (%)							
	2023	2022	2021	2020	2019	2018	
Fund	4.13	-10.09	-4.24	4.08	7.19	-14.11	
Benchmark	0.46	-10.80	-6.81	10.14	3.86	-13.52	

Most Recent Fund Distributions						
	2022 Jul	2021 Jul	2018 Jul	2017 Oct	2016 Jul	2015 Jul
Gross (sen/unit)	0.27	0.73	2.00	1.05	2.00	1.75
Annualised Yield (%)	1.09	2.65	6.14	3.29	5.65	4.67

Note: February 2008 to September 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.

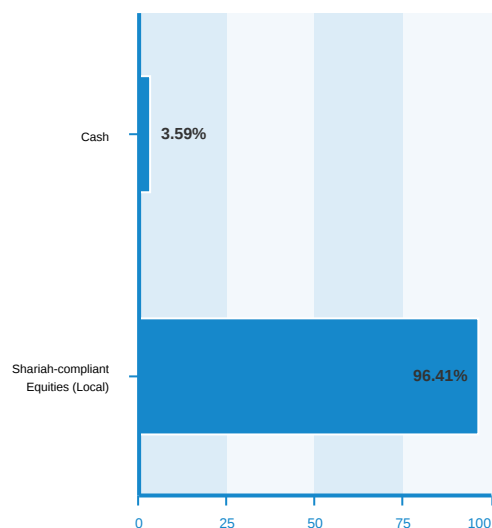
Annualised yield is calculated as the most recent monthly dividend distribution multiplied by the Fund's dividend frequency and divided by the latest NAV.

Source : Lipper

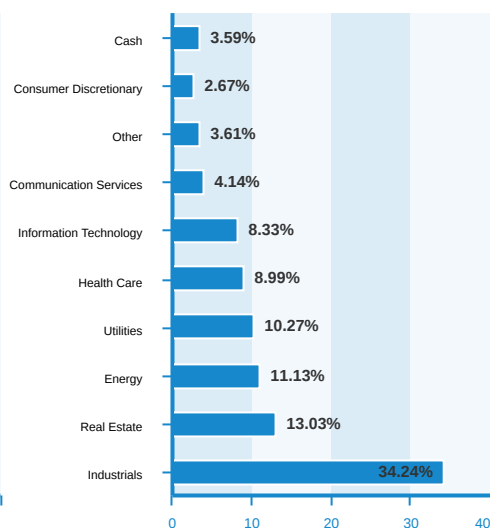
Top Holdings	Country	% of Net Assets	Fund Risk Statistics	
Tenaga Nasional Bhd	Malaysia	10.27	Beta	1.02
Gamuda Bhd	Malaysia	7.36	Information Ratio	0.11
IJM Corp Bhd	Malaysia	5.66	Sharpe Ratio	-0.02
Dialog Group Bhd	Malaysia	5.55	(3 years monthly data)	
Nationgate Holdings Bhd	Malaysia	5.25		
Hartalega Holdings Bhd	Malaysia	4.34		
Telekom Malaysia Bhd	Malaysia	4.14		
Dayang Enterprise Holdings Bhd	Malaysia	4.11		
Sunway Bhd	Malaysia	3.72		
ITMAX System Bhd	Malaysia	3.63		

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.

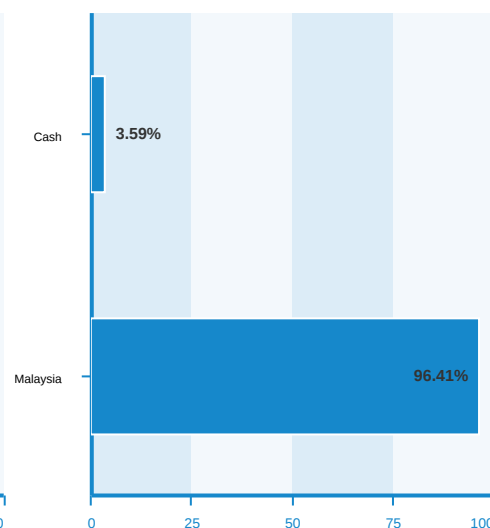
Asset Allocation (%)



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

For September 2024, the Fund increased 0.92%, outperforming the Benchmark by 126 basis points (bps) which was mainly due to the fund's overweight in Healthcare, Industrials and Real Estate, as well as the underweight in Communication Services, Consumer Staples and Materials.

Malaysia's manufacturing sector moderated in September with a PMI reading of 49.5 pts vs 49.7 pts in the previous month. S&P Global noted flat new order growth which contributed to lower production, while purchasing activity and inventories were scaled back further. Encouragingly, employment showed an uptick while inflationary pressures also eased, potentially due to the stronger Ringgit. Optimism of a recovery in new orders over the coming 12 months rose to a YTD high. The latest PMI data suggests 3Q24 GDP growth momentum could sustain at a similar pace as the preceding quarter, which was at 5.9%. To recap, BNM projects GDP to grow 4-5% in 2024.

We expect BNM to maintain OPR at 3.00% for the rest of the year given muted inflation and modest economic growth. Inflation eased slightly to 1.9% in August vs 2% in July. There appears to be sufficient headroom to central bank's latest 2.0-3.5% CPI forecast for 2024 with the impending subsidy rationalization plans.

The FBMS's valuation is close to historical mean at 17.5x. More clarity on the new Government's policy posture, in our view, should reduce the current risk premiums applied to the market (yield gap of ~200bps). Sustained strength in domestic investments (both DDI and FDI), fiscal consolidation gathering pace (in particular, subsidy rationalization initiatives) and the strengthening of the Ringgit are factors we see supportive of the further narrowing of risk premiums. Key catalysts are domestic fiscal reforms, surge in investments and elevated domestic liquidity.

We believe improved political stability, stronger earnings growth prospects and higher domestic investments would keep the market afloat. Our key preferred sectors remain on NETR plays, including Utilities, Construction, and Property. Additionally, we see opportunities in selected O&G names as we see value and we believe the sector will be supported by strong Petronas activity in the coming years. 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 risk.

[^]Based on the fund's portfolio returns as at 15 September 2024, the Volatility Factor (VF) for this fund is 12.92 and is classified as "High" (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 Principal DALI Opportunities Fund Prospectus Issue No. M5 dated 14 April 2023 which has been duly registered with the Securities Commission Malaysia, before investing and that you keep the said Fund Prospectus for your records. 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 risks associated with investment in Shariah-compliant warrants, sector risk, stock specific 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 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.