

# Principal Islamic Conservative Wholesale Fund-of-Funds

30 September 2024



## Fund Objective

The Fund aims to achieve capital stability by investing in a portfolio of Islamic CIS that invest in Shariah-compliant equities and/or Sukuk. The Fund aims to invest in at least three (3) Islamic CIS investing predominantly in Sukuk and/or Shariah-compliant equities. The Fund will invest at least 70% of its NAV in Islamic CIS investing predominantly in Sukuk and up to 30% of its NAV in Islamic CIS investing predominantly in Shariah-compliant equities. The Fund may also invest up to 5% of its NAV in Islamic liquid assets such as Islamic money market instruments and/or Islamic Deposits for liquidity purposes.

## Lipper Score

Total Return

Consistent Return



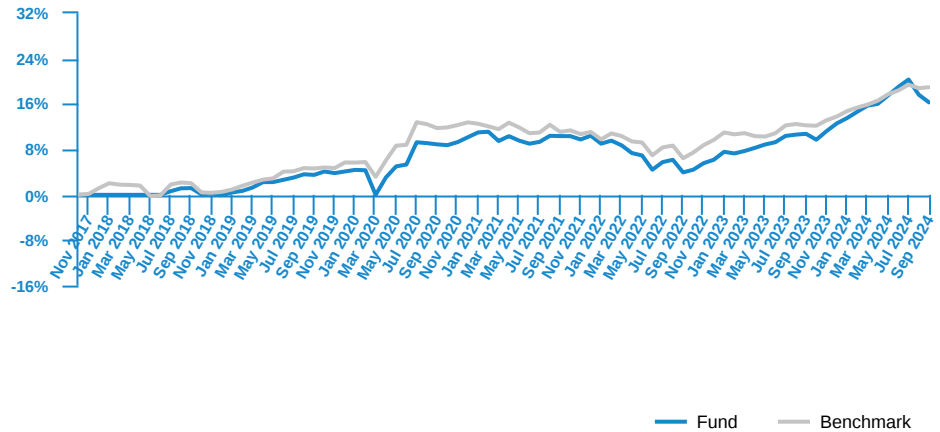
## Morningstar Rating



## Fund Information

<b>ISIN Code</b>	MYU1000GS006
<b>Lipper ID</b>	68455647
<b>Bloomberg Ticker</b>	CIMBICW MK
<b>Domicile</b>	Malaysia
<b>Currency</b>	MYR
<b>Base Currency</b>	MYR
<b>Fund Inception</b>	24 Nov 2017
<b>Benchmark</b>	50% Quantshop GII Medium Index + 25% CIMB Islamic 1-month Fixed Return Income Account-I (FRIA-I) + 25% FTSE Bursa Malaysia EMAS Shariah Index.
<b>Application Fee</b>	Nil
<b>Management Fee</b>	Up to 1.20% per annum of the NAV of the Fund
<b>Trustee Fee</b>	0.03% per annum of the NAV of the Fund
<b>Fund Size (MYR)</b>	MYR 1.67
<b>Fund Unit</b>	0.00 million units
<b>NAV per unit (As at 30 Sep 2024)</b>	MYR 1.1630
<b>Initial Offering Period (IOP) Date</b>	15 Dec 2017
<b>Initial Offering Period (IOP) Price</b>	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
<b>Fund</b>	3.29	-1.15	-2.29	0.48	5.00	5.38	12.35	16.30
<b>Benchmark</b>	4.54	0.14	0.49	2.65	5.99	7.09	13.69	18.98

Calendar Year Returns (%)						
	2023	2022	2021	2020	2019	2018
<b>Fund</b>	6.04	-3.84	0.25	5.81	4.18	-0.06
<b>Benchmark</b>	3.76	-1.25	-1.51	6.68	5.15	-0.65

Note: November 2017 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.

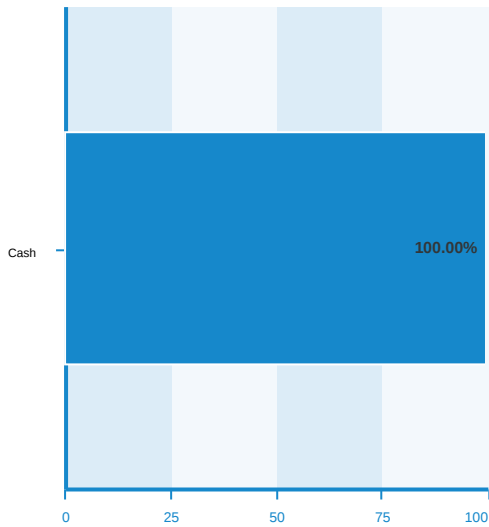
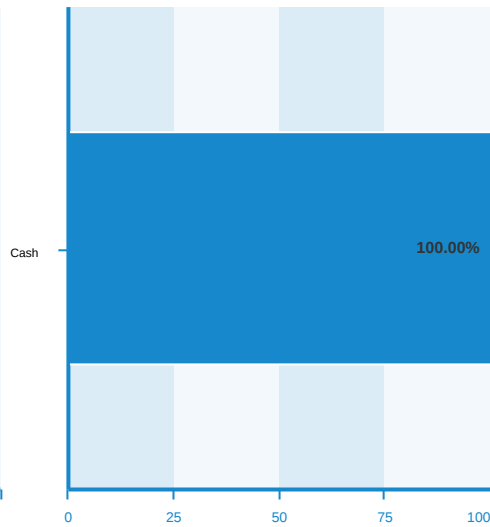
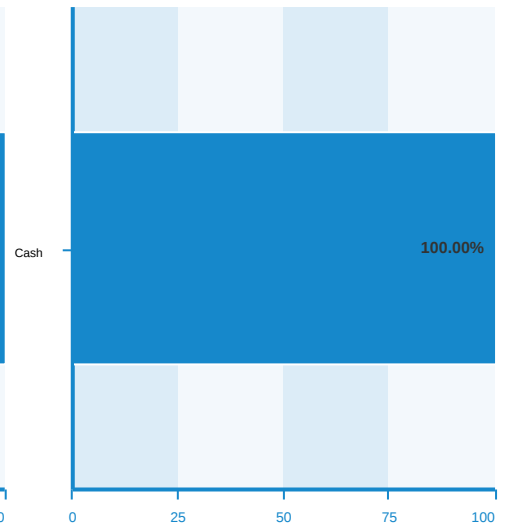
Annualised yield is calculated as the most recent monthly dividend distribution multiplied by the Fund's dividend frequency and divided by the latest NAV.

Source : Lipper

Top Holdings	Country	% of Net Assets	Fund Risk Statistics	
			<b>Beta</b>	1.09
			<b>Information Ratio</b>	-0.08
			<b>Sharpe Ratio</b>	-0.11

(3 years monthly data)

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 fell 1.15% during the month, underperforming the benchmark by 1.29%.

MSCI AC Asia ex Japan Islamic Index rose 0.9% in US\$ terms in September led by China/ HK SAR post stimulus announcement, Singapore and Thailand while Malaysia and Indonesia were laggards. The US 10-year bond yield declined 12bps to 3.78% while the Dollar Index fell 0.9% during the month. Year-to-date, the MSCI AC Asia ex Japan Islamic Index rose 14.9% in US\$ terms.

In a surprise move, Chinese policymakers announced a series of monetary easing measures and the establishment of a swap facility to support the equity market. The liquidity injection facility of RMB 800bn for the domestic Chinese equity market is noteworthy. Meanwhile, the US monetary policy has now shifted towards a rate cut environment with the US Fed cutting rates by 50bps in September. This should allow central banks in Asia the leeway to reduce rates without worrying about their currencies in the foreseeable future. The US Fed's dotplot is projecting another 150 bps rate cut to 3.1-3.6% by end 2025.

We have a constructive view on Asian equities, with the start of the US rate cutting cycle and positive earnings revision. We are selective in China, especially in domestic oriented companies which have shown signs of turnaround, improving topline and margins, and able to deploy capital efficiently, manage costs and/or can declare high dividend yields.

^Based on the fund's portfolio returns as at 15 September 2024, the Volatility Factor (VF) for this fund is 3.57 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 Islamic Conservative Wholesale Fund-of-Funds (formerly known as CIMB Islamic Conservative Wholesale Fund-of-Funds) Information Memorandum dated 26 September 2019, which have been deposited with Securities Commission Malaysia before investing and that you keep the said Information Memorandum for your record. Any issue of units to which the Information Memorandum relates will only be made upon receipt of the completed application form referred to in and accompanying the Information Memorandum, subject to the terms and conditions therein. The principal risks are returns not guaranteed, general market environment risk, inflation risk, manager's risk, financing risk and reclassification of Shariah status risk. The specific risks of the Target Fund are risk associated with investing in Shariah-compliant CIS, country risk and currency risk. You can obtain a copy of the Information Memorandum from the head office of Principal Asset Management Berhad or from any of our approved distributors. 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. 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/Unit Trust Loan Financing Risk Disclosure Statement before deciding to borrow to purchase units. All performance figures have been extracted from Lipper. 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 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.