

Principal Islamic Enhanced Opportunities Fund (formerly known as CIMB Islamic Equity Aggressive Fund)

28 February 2021

Available under the EPF Members Investment Scheme.



Fund Objective

To earn reasonable returns for investors by investing in approved equities listed on Bursa Malaysia as well as unlisted securities and other non-interest bearing assets acceptable under Shariah principles.

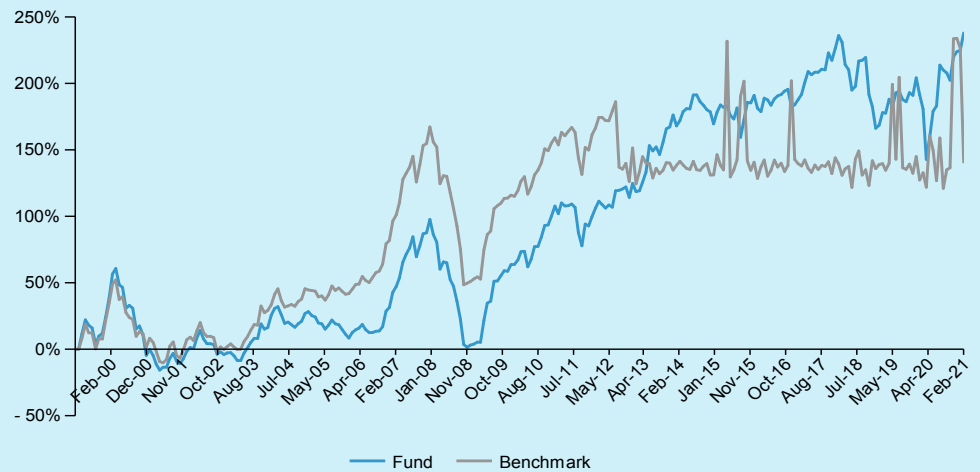
Currency: MYR ISIN Code: MYU1000AM002

Bloomberg Ticker: BBMBDPI MK

Fund Information

Location	Malaysia
Domicile	Malaysia
Fund Currency	Ringgit Malaysia
Fund Size (MYR)	MYR 133.15 million
Fund Unit	178.93 million units
Fund Launch	15 June 1995
Benchmark	FTSE Bursa Malaysia EMAS Shariah Index
Dealing	Daily (as per Bursa Malaysia trading day)
Application Fee	IUTAs: 5.00% of the NAV per unit Principal Agency Distributor: 5.00% of the NAV per unit
Management Fee	1.50% p.a. of the NAV
Trustee Fee	0.09% p.a. of the NAV
Unit NAV (MYR)	MYR 0.7441

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	4.36	4.03	5.60	9.01	20.37	2.11	21.23	238.15
Benchmark	-1.37	0.84	-1.28	-1.42	16.71	-3.34	5.96	140.99

Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015
Fund	6.44	14.26	-18.37	14.86	-2.41	7.94
Benchmark	10.14	3.85	-13.52	10.72	-6.14	2.35

Most Recent Fund Distributions

	2021 Jan	2020 Jan	2019 Jan	2018 Jan	2017 Jan	2016 Jan
Gross (Sen/Unit)	2.18	0.50	2.40	5.20	4.55	4.50
Annualised Yield (%)	2.96	0.72	3.80	6.31	5.97	5.44

Note: June 1995 to February 2021.

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

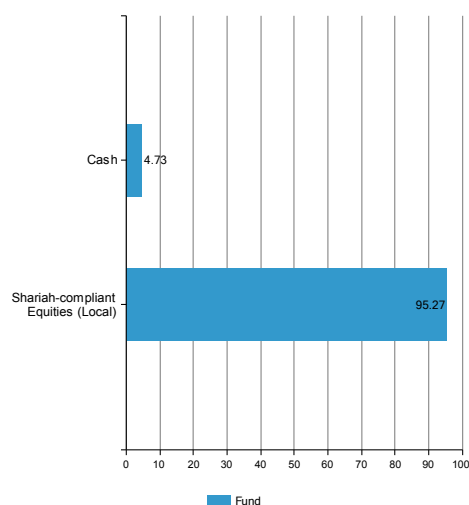
	Country	% of net assets
Telekom Malaysia Bhd	Malaysia	5.66
Inari Amertron Bhd	Malaysia	5.05
Axiata Group Bhd	Malaysia	4.07
Hartalega Hldg Bhd	Malaysia	3.91
Press Metal Aluminium Hldg Bhd	Malaysia	3.70
V.S. Industry	Malaysia	3.63
Dialog Group Bhd	Malaysia	3.58
Hibiscus Petroleum Bhd	Malaysia	3.19
Top Glove Corp Bhd	Malaysia	3.08
D&O Green Technologies Bhd	Malaysia	3.07

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.

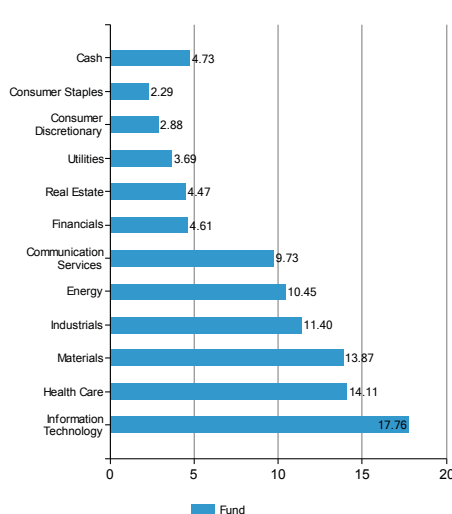
Fund Risk Statistics

Beta	1.02
Information Ratio	0.31
Sharpe Ratio	-0.07
3 years monthly data	

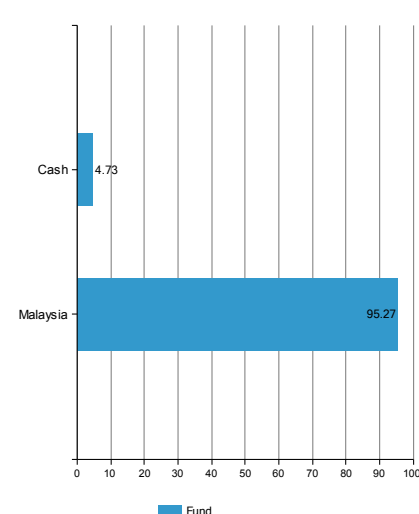
Asset Allocation (%)



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

The Fund gained +4.03% in February 2021, outperforming the benchmark by 3.19%. Stocks selection in Technology and Basic Materials, while underweight Healthcare, contributed positively. YTD, the fund has outperformed the Benchmark by 5.73%.

MCO 2.0 is being eased gradually as new cases stabilizes while recovery cases increases. The highlight for the country in the month of February also includes the arrival of vaccines and the roll-out of the COVID immunisation programme starting with the 500,000 front-liners in the first Phase. While Regulated Short Selling ("RSS") resumed, intraday short selling ("IDSS") suspension was extended to 29 August 2021. On the macro end, Malaysia's PMI eased again in February to 47.7 vs 48.9 in January, remaining below 50 suggesting that growth is not improving at the pace earlier anticipated. However, with global demand showing signs of reviving, production growth should start to pick up again in the second quarter, and it was encouraging to see business optimism about the year ahead improve after its weak start to the year. The effectiveness of vaccine roll-out will be key to ensure the sustainability of the imminent recovery.

On valuations, FBMKLCI is currently trading at 2021 PE of 13.79x at par vs the 5-year mean of 15.9x. Despite positive gains, 2021 PE was lower vs January level because of positive earnings revision. We value KLCI at 1,730 for the base case for 2021 as we peg it to 15.9x PE. All things being considered, we are positive on Malaysia market from Valuations perspective.

In a nutshell, recovery and growth all hinges on our fight against COVID-19. With the vaccine roll-out, the economy will normalize and then recovery and growth in the economy as well as in corporate earnings can take place. We remain constructive on the market and look ahead towards normalization. With that, we maintain our high AA of 94-98% and focusing on post COVID-19 recovery theme. The sectors remain in focus are Islamic banking, Consumer Discretionary & Retail, selective Technology and Commodity-related (base metal and energy), whilst underweighting Healthcare and Plantations.

*Based on the fund's portfolio returns as at 15 February 2021, the Volatility Factor (VF) for this fund is 16.260 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 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 risks associated with investment in warrants 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 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.

Principal Asset Management Berhad

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