

# Principal Islamic Lifetime Balanced Fund - Class MYR

31 March 2025  
Available under the EPF Members Investment Scheme



## Fund Objective

The Fund aims to achieve medium to long-term growth in both capital and income by investing in permissible Shariah-compliant investments. The Fund aims to invest in a diversified portfolio of Shariah-compliant equities and Islamic fixed income investments. In line with its objective, the investment policy and strategy will be to maintain a balanced portfolio between Shariah-compliant equities and Islamic fixed income investments in the ratio of 60:40.

## Lipper Score

Total Return

Consistent Return



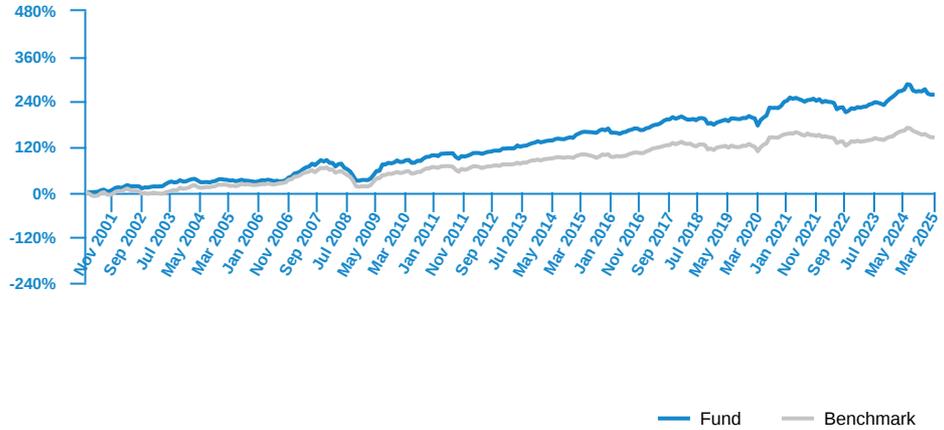
## Morningstar Rating



## Fund Information

ISIN Code	MYU1000BE007
Lipper ID	60055366
Bloomberg Ticker	BHALMIZ MK
Domicile	Malaysia
Currency	MYR
Base Currency	MYR
Fund Inception	8 Mar 2001
Benchmark	30% FTSE Bursa Malaysia EMAS Shariah Index + 30% MSCI AC Asia ex Japan Islamic Index + 40% CIMB Islamic 1-month Fixed Return Income Account-i (FRIA-I).
Application Fee	IUTA: 6.50% of NAV per unit Principal Agency Distributor: 6.50% of NAV per unit
Management Fee	1.50% p.a. of the NAV
Trustee Fee	0.045% p.a. of the NAV
Fund Size (MYR)	MYR 982.17 million
Fund Unit	2000.33 million units
NAV per unit (As at 31 Mar 2025)	MYR 0.4910
Initial Offering Period (IOP) Date	29 Mar 2001
Initial Offering Period (IOP) Price	MYR 0.50

## 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	-3.89	0.04	-3.89	-2.24	-2.32	5.59	29.65	258.62
Benchmark	-3.44	0.04	-3.44	-5.28	-5.17	-0.17	17.90	145.66

Calendar Year Returns (%)							
	2024	2023	2022	2021	2020	2019	
Fund	7.49	8.29	-7.53	2.12	12.42	8.34	
Benchmark	3.20	5.67	-7.45	-0.46	11.04	7.75	

Most Recent Fund Distributions						
	2024 Nov	2023 May	2022 Nov	2022 May	2021 Sep	2020 Sep
Gross (sen/unit)	0.51	1.04	0.79	1.00	1.68	1.66
Annualised Yield (%)	2.02	4.50	3.44	5.50	3.19	3.28

Note: March 2001 to March 2025.

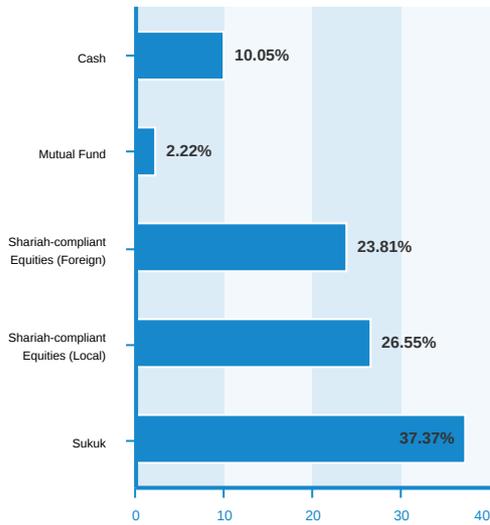
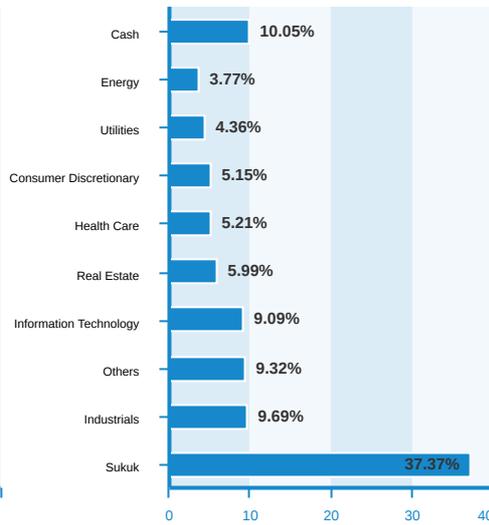
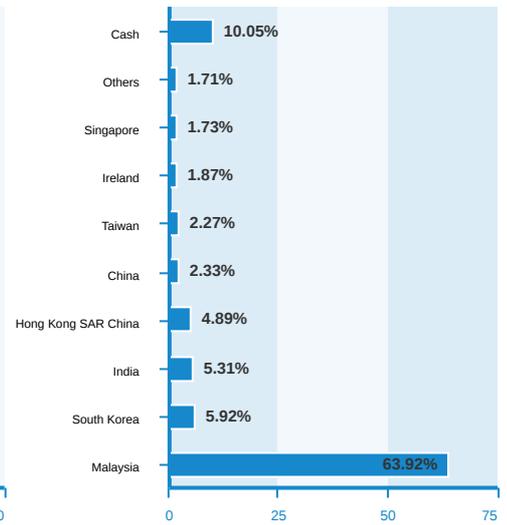
Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

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			Fund Risk Statistics	
	Country	% of Net Assets		
Tenaga Nasional Bhd	Malaysia	4.05	Beta	0.94
Samsung Electronics Co Ltd	South Korea	3.98	Information Ratio	0.22
Sunway Bhd	Malaysia	2.57	Sharpe Ratio	-0.07
Gamuda Bhd	Malaysia	2.46	(3 years monthly data)	
Reliance Industries Ltd	India	2.01		
Telekom Malaysia Bhd	Malaysia	1.46		
Singapore Telecommunications	Singapore	1.43		
Principal Islamic Asia Pacific Dynamic Income & Growth Fund	Ireland	1.41		
Alibaba Group Holding Ltd	Hong Kong SAR China	1.29		
SP Setia Bhd	Malaysia	1.25		

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**

In March 2025, the Fund performed in line with Benchmark while on a YTD basis, the fund slightly underperformed the benchmark by 45 bps, with the YTD return of -3.89%.

Malaysia's manufacturing sector improved markedly in February with a PMI reading of 49.7pts vs. 48.7pts in the previous month and was the highest reading since August 2024. That said, several respondents are still seeing challenging business conditions. Employment was scaled back fractionally, while cost inflation remains subdued and allowed firms to reduce selling prices for the second consecutive month. The latest PMI data suggests modest growth in GDP for 1Q25 sustaining the trend seen in 2H24. To recap, Malaysia's GDP grew by 5% in 4Q24 and 5.1% for 2024. BNM projects GDP to grow by 4.5 - 5.5% in 2025.

BNM maintained OPR at 3.00% during the recent MPC meeting and we expect the central bank to hold rates steady given muted inflation and modest economic growth. Inflation rose 1.7% in January, similar to December 2024. There appears to be sufficient headroom to central bank's latest 2.0-3.5% CPI forecast for 2025 with the impending subsidy rationalization plans.

Elevated volatility likely persists due to uncertainties on the Trump administration and policies. There was a widespread decline across various markets and Malaysia was not spared. We remain constructive on defensive sectors and quality names as we selectively deploying cash that were raised earlier. We believe improved political stability, stronger earnings growth prospects and higher domestic investments would keep the market afloat. Key catalysts are domestic fiscal reforms, surge in investments and elevated domestic liquidity. 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.

The US tariff hikes were higher than expected and could lead to weaker global growth. The optimistic view is that tariffs are a negotiating tactic intended to pave the way for an extension of the Tax Cuts and Jobs Act. But the Trump administration may also want to rewire global trade practices. With the export outlook becoming more difficult, China's domestic economy will have to pick up the slack. Policies to boost consumption and revive the private sector are more probable now that China has retaliated to US's tariffs. We have preference for domestic-oriented stocks and are positioned in the areas of e-commerce, Cloud, electric vehicles and travel. Elsewhere, we have moderated our positions in Taiwan technology and Japan industrial, whereby global growth or tariffs can be an issue. In India, we need to see more signs of corporate-level growth improvement to turn more positive. However, from a portfolio perspective, we have incrementally added to India as it offers some insulation against the tariff situation compared to other Asian countries. We favor areas such as cement, selected two and four-wheelers and hospitals. In the coming months, we can look forward to RBI's continued monetary easing, income tax reliefs from April onwards, and easing commodity prices (e.g. crude oil) as catalysts for a more favorable India outlook.

For the fixed income portion, we continue to maintain our strategy to stay overweight in the credit segment for better yield pickup with focus on issuers with strong financial metrics and fewer exposure to external trade shocks. Regarding regional equities, during the month, we trimmed positions in selected global technology stocks with the risk-off sentiment and have partially deployed the proceeds to a few ideas in China and India in the areas of consumer staples and automotive.

<sup>^</sup>Based on the fund's portfolio returns as at 15 March 2025, the Volatility Factor (VF) for this fund is 6.66 and is classified as "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 Master Prospectus (Islamic Funds) dated 28 April 2023, 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 . 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. \*Note: The Fund does not invest in interest bearing instruments; the interest rate referred herein is to the general interest rate of the country, which may affect the value of the investments of the Fund.

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

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