

# Principal Islamic Money Market Fund - Class D

29 February 2024

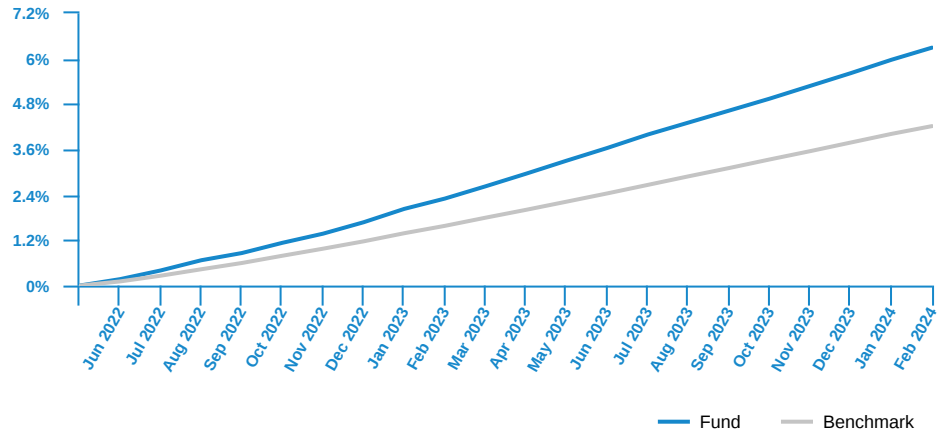
## Fund Objective

The Fund aims to provide investors with liquidity and regular income, whilst maintaining capital stability by investing primarily in money market instruments that conform with Shariah principles. The Fund will place at least 90% of its NAV in Islamic money market instruments such as Islamic Accepted Bills, Islamic Negotiable Instruments of Deposits and Islamic Repurchase Agreements (Repo) as well as in any other Islamic fixed income instruments and placements of Islamic Deposits, all of which are highly liquid and have a remaining maturity period of less than 397 days or less.

## Fund Information

ISIN Code	MYU0100A3553
Lipper ID	68708183
Bloomberg Ticker	PRIMMMD MK
Domicile	Malaysia
Currency	MYR
Base Currency	MYR
Fund Inception	7 Jun 2022
Benchmark	CIMB Islamic 1-Month Fixed Return Income Account-i (FRIA-i)
Application Fee	Nil
Management Fee	Up to 0.40% per annum
Trustee Fee	Up to 0.015% per annum
Fund Size (MYR)	MYR 161.99 million
Fund Unit	157.60 million units
NAV per unit (As at 29 Feb 2024)	MYR 1.0279
Initial Offering Period (IOP) Date	8 Jun 2022
Initial Offering Period (IOP) Price	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
Fund	0.64	0.30	0.96	1.90	3.90	N/A	N/A	6.29
Benchmark	0.42	0.20	0.64	1.29	2.60	N/A	N/A	4.22

Calendar Year Returns (%)	2023	2022	2021	2020	2019	2018
Fund	3.88	N/A	N/A	N/A	N/A	N/A
Benchmark	2.58	N/A	N/A	N/A	N/A	N/A

Most Recent Fund Distributions	2024 Feb	2024 Jan	2023 Dec	2023 Nov	2023 Oct	2023 Sep
Gross (sen/unit)	0.29	0.34	0.30	0.17	0.16	0.15
Annualised Yield (%)	3.41	4.01	3.49	1.99	1.87	1.76

Note: June 2022 to February 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.

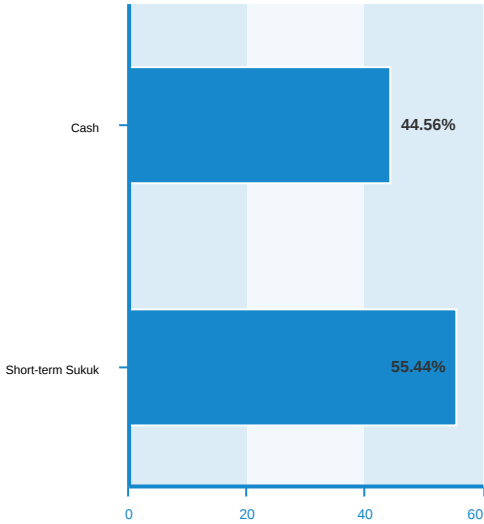
Annualised yield is calculated as the most recent monthly dividend distribution multiplied by the Fund's dividend frequency and divided by the latest NAV.

Source : Lipper

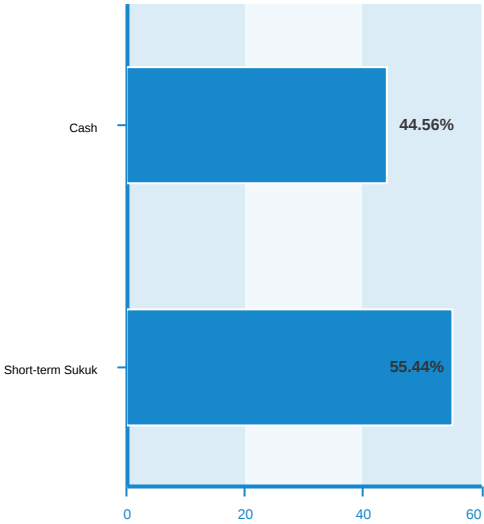
Top Holdings	Country	% of Net Assets	Fund Risk Statistics	
UEM Sunrise Bhd	Malaysia	4.13	Beta	-
Amanat Lebuhraya Rakyat Bhd	Malaysia	3.82	Information Ratio	-
Pengurusan Air SPV Bhd	Malaysia	3.81	Sharpe Ratio	-
Small Medium Enterprise Bank	Malaysia	3.80	(3 years monthly data)	
WCT Holdings Bhd	Malaysia	3.17		
Press Metal Aluminium	Malaysia	2.56		
Bank Simpanan Nasional	Malaysia	2.54		
Cagamas Berhad	Malaysia	1.90		
MMC Corp Bhd	Malaysia	1.90		
Projek Lebuhraya Usahasama Bhd	Malaysia	1.66		

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.

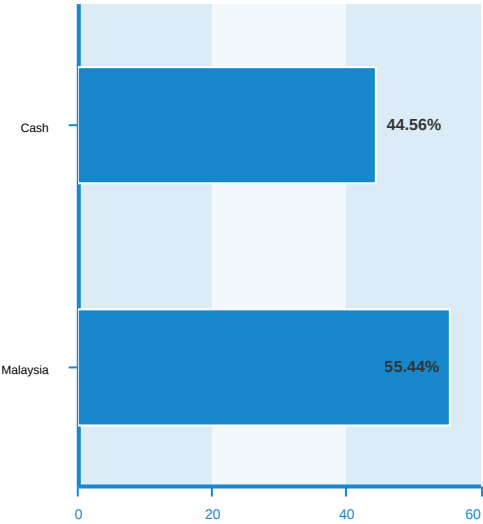
Asset Allocation (%)



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's performance for the month of February 2024 came in at 0.30%, outperforming the benchmark by 10bps. For the 12-months period ending 29 February 2024, the Fund delivered 3.90%, outperforming the benchmark by 130bps.

The 3-, 5-, 7-, 10-, 15-, 20- and 30-year benchmarks closed at 3.47% (+3bps), 3.64% (+3bps), 3.779% (+4bps), 3.88% (+8bps), 4.02% (+4bps), 4.10% (+2bps) and 4.21% (-1bps), respectively in February 2024. The MGS yield curve bear flattened as front to mid end yields rose more than the long end yields amid weakness in both the US Treasuries and Ringgit. The USDMYR surged past 4.80 in February before closing at 4.74 end of the month.

The final GDP print showed 4Q2023 GDP growth at 3% YoY, lower than 3.4% indicated by the advance estimate. The full year 2023 GDP growth was thus revised to 3.7% as compared to the government's projection of 4-5% growth. Falling exports amid rising imports were the main cause of the downward revision. The decline in net exports deepened further to -35.6% YoY in 4Q (3Q: -22.7% YoY) arising from a larger drop in exports of goods and services (-6.3% YoY) as compared to imports (-2.9% YoY). Overall, the 2023, growth moderated due mainly to slower global trade, the global tech downcycle, geopolitical tensions and tighter monetary policies.

Headline inflation stabilized for the third straight month at 1.5%YoY in January 2024 (December 2023: 1.5%). Slower increase in food and non-alcoholic beverages and easing restaurants and hotels largely offset stronger price pressures for transport and housing and utilities. Meanwhile, core inflation tapered off to 1.8% YoY in January from 1.9% in December 2023

Exports grew for the first time since March 2023 at 8.7% YoY in January 2024 (December 2023: -10.1%) exceeded market expectations by 3%. The improvement was mainly driven by turnaround in manufacturing and commodities exports. Manufactured exports rebounded as supported by growth in non-E&E exports and smaller contraction in E&E exports. Increase in commodities exports was spurred by higher palm oil exports. Geographically, exports to US grew at 11.9% YoY in January (December 2023: -5.3% YoY) while exports to ASEAN also turned around with a 9.5% YoY increase (December 2023: -12.6%YoY). Meanwhile, imports continued to grow for the fifth straight month at 18.8% YoY in January (December 2023: 2.9%). Overall, trade surplus stood at RM10.1 billion in January, smallest surplus since May 2020, with the growth in imports outpaced exports.

BNM stated that the current monetary policy stance remains supportive of the economy and is consistent with the current assessment of the inflation and growth prospects. The MPC remains vigilant to ongoing developments to inform the assessment on the outlook of domestic inflation and growth. The MPC will ensure that the monetary policy stance remains supportive of the economy and is consistent with the current assessment of the inflation and growth prospects.

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. 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.  
Visit [www.principal.com.my](http://www.principal.com.my) for a prospectus containing this and other information. Please read it carefully before investing.