Principal Deposit Fund - Class AR

31 March 2024
Available under the EPF Members Investment Scheme

3-year Fund Volatility 0.25 Very Low
Lipper Analytics 15 Mar 2024

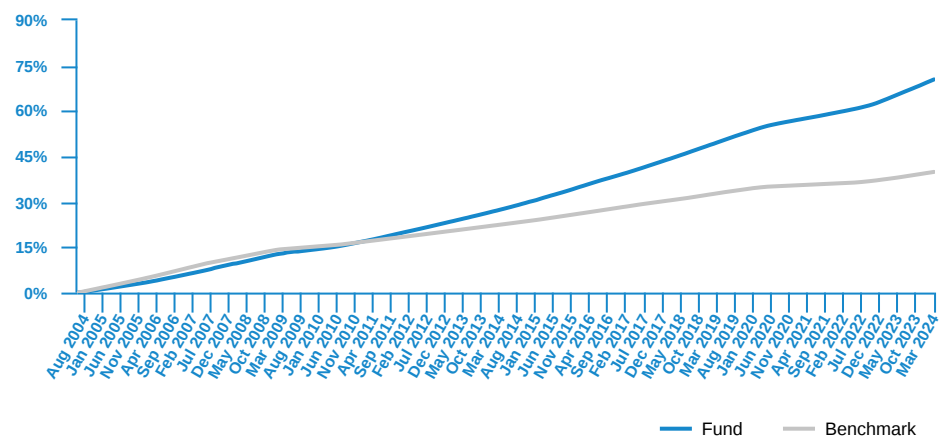
Fund Objective

The Fund aims to generate regular income for investors through investments primarily in the money market. The Fund will place at least 95% of its NAV in Deposits. Up to 5% of the Fund's NAV may be invested in money market instruments, short-term bonds and/or notes with a minimum credit rating of BBB3 or P2 by RAM or equivalent rating by MARC or by local rating agency(ies) of the country of issuance or BBB- by S&P or equivalent rating by Moodys or Fitch, all of which have a remaining maturity period of less than 397 days.

Fund Information

ISIN Code	MYU0100A0849
Lipper ID	68665574
Bloomberg Ticker	PRPDARM MK
Domicile	Malaysia
Currency	MYR
Base Currency	MYR
Fund Inception	8 Jul 2004
Benchmark	CIMB Bank Overnight Rate
Application Fee	Nil
Management Fee	Up to 0.30% per annum
Trustee Fee	Up to 0.015% per annum
Fund Size (MYR)	MYR 169.16 million
Fund Unit	158.27 million units
NAV per unit (As at 31 Mar 2024)	MYR 1.0687
Initial Offering Period (IOP) Date	29 Jul 2004
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	0.91	0.30	0.91	1.81	3.63	8.25	13.93	70.48
Benchmark	0.40	0.14	0.40	0.80	1.58	3.19	5.34	39.90

Calendar Year Returns (%)	2023	2022	2021	2020	2019	2018
Fund	3.60	2.23	1.72	2.30	3.32	3.41
Benchmark	1.53	0.85	0.50	0.78	1.59	1.60

Most Recent Fund Distributions	2024 Mar	2024 Feb	2024 Jan	2023 Dec	2023 Nov	2023 Oct
Gross (sen/unit)	0.00	0.00	0.00	0.00	0.00	0.00
Annualised Yield (%)	0.00	0.00	0.00	0.00	0.00	0.00

Note: July 2004 to March 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
Hong Leong Bank Bhd	Malaysia	3.66
AmBank Bhd	Malaysia	3.12
CIMB Islamic Bank	Malaysia	3.12
Public Bank Bhd	Malaysia	3.12
Affin Bank Bhd	Malaysia	2.81
Affin Bank Bhd	Malaysia	2.81
CIMB Bank	Malaysia	2.81
CIMB Islamic Bank	Malaysia	2.81
Affin Bank Bhd	Malaysia	2.81
Affin Hwang Investment Bank Bhd	Malaysia	2.18

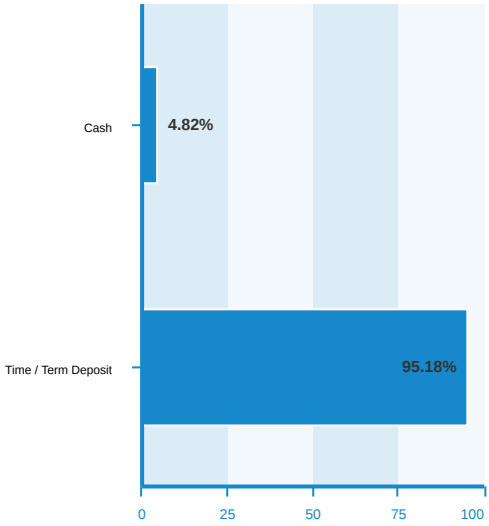
Fund Risk Statistics	
Beta	-0.15
Information Ratio	3.95
Sharpe Ratio	-0.93

(3 years monthly data)

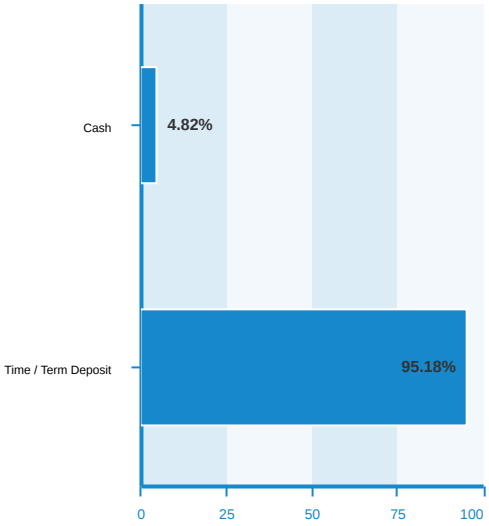
The holdings listed do not constitute a recommendation to purchase or sell a particular security. Any repeated issuer shown means same issuer with different coupon rate and/or maturity date. Cash and/or derivative positions that are not part of the core investment strategy will not be reflected in the top holdings list.

In alliance with CIMB

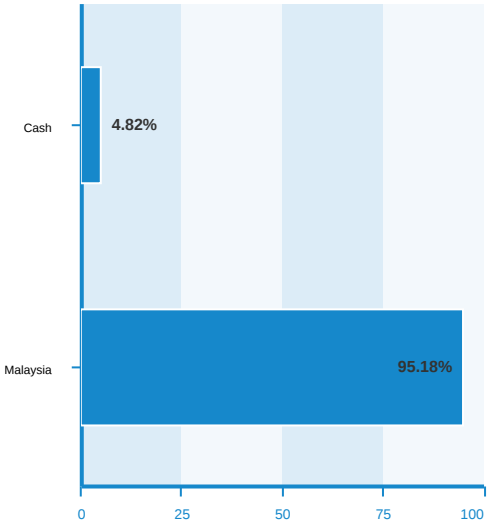
Asset Allocation (%)



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 delivered 0.30% in March 2024 which was outperforming the benchmark by 16bps, and delivered 3.63% in the 12-months period ending 31 March 2024, outperforming the benchmark by 205bps.

Bank Negara Malaysia (“BNM”) kept the Overnight Policy Rate (“OPR”) at 3.00% for the 5th straight Monetary Policy Committee (“MPC”) meeting at its second meeting for the year on 6-7 March, amid improving economic growth, moderate inflation and stabilization in Ringgit against US-dollar. The policy rate has now remained unchanged for 10 months after it was last raised in May 2023. BNM maintained its overall neutral language in the MPC statement, unchanged since September 2023, but with a slight optimism on regional economic activities and global trade, supported by the expectation of monetary easing by global central banks in 2024.

Labour market conditions are expected to see a slight easing in the unemployment rate, dropping to 3.3% in 2024 from 3.4% in 2023. Wages are projected to increase, with average compensation for employees growing by 5.5-6.5% in 2024 compared to 5.3-5.7% in 2023, supporting consumer demand alongside the anticipated recovery in tourism activities.

Malaysia’s inflation edged slightly up by 1.8% YoY in February after three straight months of a 1.5% YoY increase (January 2024: 1.5%) and higher than estimates (+1.4%). Core inflation remained flat in February at 1.8% YoY (January 2024: 1.8% YoY).

Industrial production index (“IPI”) grew faster than expected by +4.3% YoY in January (December: -0.03% YoY, estimates: 2% YoY), marking it the fastest rate of expansion since May 2023, when factory output rose by 4.7%.

We limit our investment exposure to short-term deposit placements due to the very low risk nature of the Fund.

^Based on the fund's portfolio returns as at 15 March 2024, the Volatility Factor (VF) for this fund is 0.25 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 Deposit Fund Prospectus Issue No. M1 dated 25 June 2021, which has been duly registered with the Securities Commission Malaysia, before investing and that you keep the said Master Prospectus for your records. Any issue of units to which the Master Prospectus relates will only be made upon receipt of the completed application form referred to in and accompanying the Master Prospectus, subject to the terms and conditions therein. Investments in the Fund are exposed to credit and default risk, interest rate risk. You can obtain a copy of the Master 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/Unit Trust Loan Financing Risk Disclosure Statement before deciding to borrow 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.