

Principal Islamic Deposit Fund

31 July 2021



Fund Objective

Aims to provide investors with liquidity and regular income, whilst maintaining capital stability by investing primarily in deposits that comply with the Shariah principles.

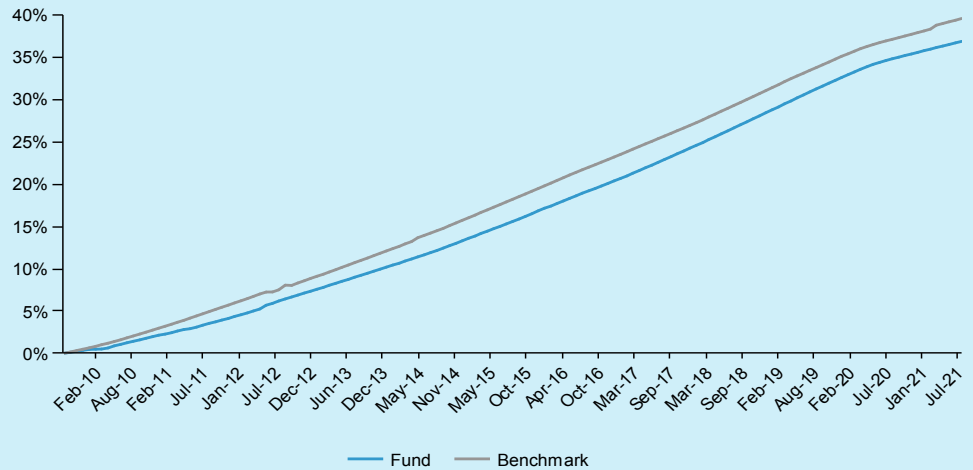
Currency: MYR ISIN Code: MY1000DF000

Bloomberg Ticker: CIMBIDF MK

Fund Information

Location	Malaysia
Domicile	Malaysia
Fund Currency	Ringgit Malaysia
Fund Size (MYR)	MYR 3.25 billion
Fund Unit	3.25 billion units
Fund Launch	9 September 2009
Benchmark	Islamic Interbank Overnight Rate
Dealing	Daily (as per Bursa Malaysia trading day)
Management Fee	0.45% p.a. of the NAV
Trustee Fee	0.04% p.a. of the NAV
Unit NAV (MYR)	MYR 1.0000

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	0.96	0.14	0.41	0.81	1.69	8.08	15.10	36.91
Benchmark	1.01	0.15	0.43	0.86	1.74	7.76	14.50	39.62

Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015
Fund	2.24	3.26	3.36	3.21	3.04	3.13
Benchmark	2.18	3.11	3.24	3.04	3.14	3.19

Most Recent Fund Distributions

	2021 Jul	2021 Jun	2021 May	2021 Apr	2021 Mar	2021 Feb
Gross (Sen/Unit)	0.14	0.13	0.13	0.14	0.14	0.13
Annualised Yield (%)	1.68	1.56	1.56	1.68	1.68	1.56

Note: September 2009 to July 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

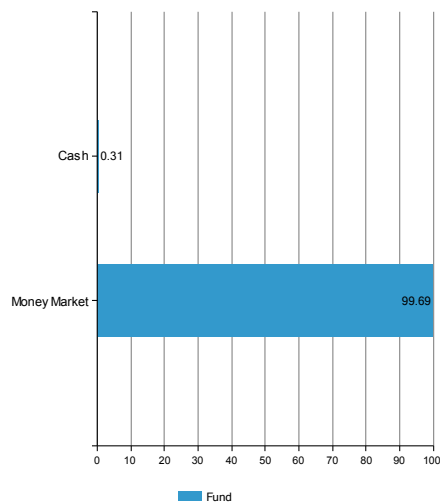
	Country	% of net assets
RHB Islamic Bank Bhd	Malaysia	19.69
CIMB Islamic Bank	Malaysia	19.54
Public Islamic Bank Bhd	Malaysia	19.38
AmBank Islamic	Malaysia	14.77
Hong Leong Islamic Bank Bhd	Malaysia	10.46
Bank Islam Malaysia Bhd	Malaysia	8.00
Maybank Islamic Bhd	Malaysia	7.86

Fund Risk Statistics

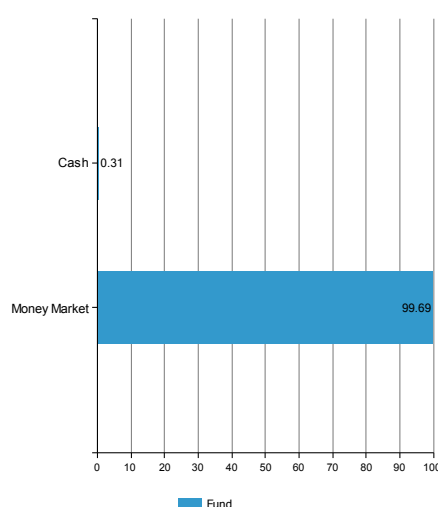
Beta	1.12
Information Ratio	1.86
Sharpe Ratio	15.05
3 years monthly data	

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.

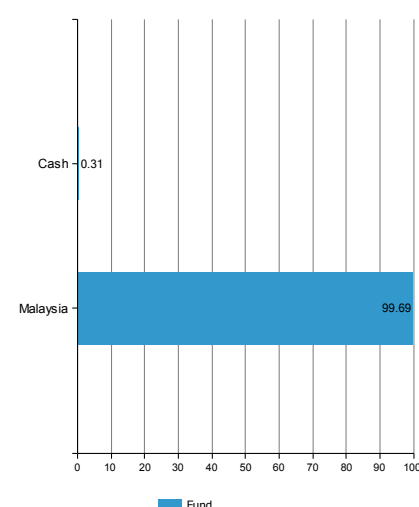
Asset Allocation (%)



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 delivered 0.14% in the month of July 2021, slightly below the benchmark by 1bp, and delivered 1.69% in the 12-months period ending 31 July 2021, underperforming the benchmark by 5bps.

COVID-19 daily cases remained high, averaging more than 11k infections/day in July with Kuala Lumpur and Selangor consistently contribute to the bulk of the cases, taking the number of active cases to 186,609 as of July 2021. On the positive note, the vaccination programme has ramped up significantly across the country with the Government launching the "Operation Surge Capacity" to accelerate the vaccination drive in the Klang Valley with a goal of administering at least one dose for people aged 18 and above by 1st August. As of end July, a total of 20 million doses have been administered nationwide of which 6.5 million (about 20% of the population) have been fully inoculated.

The government expects most states will transition to the final Phase Four (<500 daily cases, 60% population received 2 doses and public healthcare capacity is at safe level) of the National Recovery Plan as early as October. Currently, eight states have moved into Phase Two, namely Perlis, Perak, Pahang, Kelantan, Terengganu, Pulau Pinang, Sabah and Sarawak.

BNM kept policy rate unchanged in the July 2021 meeting, noting that there had been improvements in economic activities in 1Q2021 which continued into April, and highlighted that the growth outlook remains subject to significant downside risks. The re-imposition of nation-wide lockdown will dampen the growth momentum where the extend of the impact is dependent on the stringency and duration of the containment measures. The policy support packages, more favorable external environment alongside the progress of vaccination programme will provide support for the growth recovery into 2022. We believe that BNM is likely to keep its OPR at 1.75% for the time being as they deem the current monetary policies to be accommodative to support the recovery.

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

[^]Based on the fund's portfolio returns as at 15 July 2021, the Volatility Factor (VF) for this fund is 0.210 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 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 credit and default 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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