

Principal Islamic Lifetime Sukuk Fund (formerly known as CIMB Islamic Sukuk Fund)

31 May 2021

Available under the EPF Members Investment Scheme.



Fund Objective

To gain higher than average income over the medium to long-term by investing in a diversified portfolio consisting principally of Sukuk, certificates of deposit, short-term money market instruments and other permissible investments under the Shariah principles.

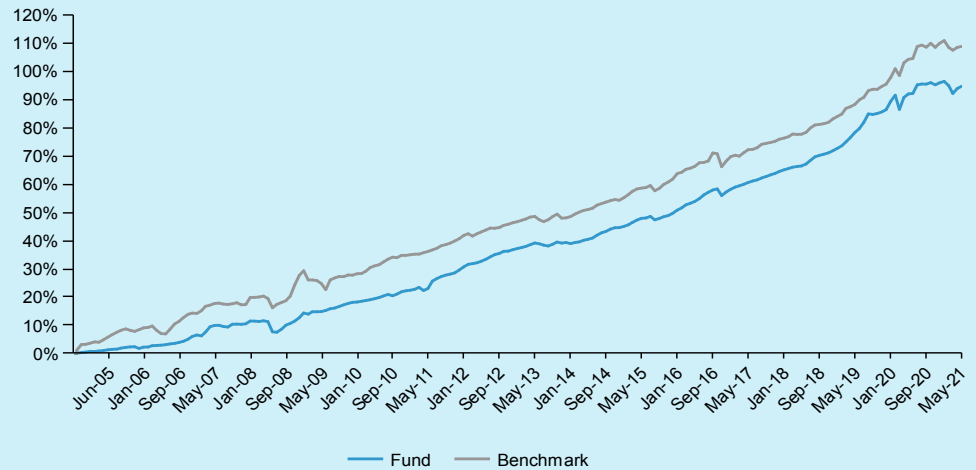
Currency: MYR ISIN Code: MYU1000AY007

Bloomberg Ticker: SBBHFZ MK

Fund Information

Location	Malaysia
Domicile	Malaysia
Fund Currency	Ringgit Malaysia
Fund Size (MYR)	MYR 701.64 million
Fund Unit	537.40 million units
Fund Launch	8 October 2004
Benchmark	Quantshop GII Medium Index
Dealing	Daily (as per Bursa Malaysia trading day)
Application Fee	IUTAs: 2.00% of the NAV per unit Principal Agency Distributor: 2.00% of the NAV per unit
Management Fee	0.95% p.a. of the NAV
Trustee Fee	0.06% p.a. of the NAV of the Fund
Unit NAV (MYR)	MYR 1.3056

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	-0.62	0.39	-0.11	-0.26	1.41	16.99	26.55	94.79
Benchmark	-0.52	0.17	0.19	0.17	2.24	17.54	25.58	108.96

Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015
Fund	5.11	8.48	4.47	4.65	5.04	3.53
Benchmark	7.41	6.74	4.08	4.62	3.95	4.87

Most Recent Fund Distributions

	2021 Apr	2020 Apr	2019 Apr	2018 Apr	2017 Apr	2016 Apr
Gross (Sen/Unit)	4.70	3.42	7.00	6.80	6.50	6.50
Annualised Yield (%)	3.50	2.56	5.48	5.28	4.96	5.03

Note: October 2004 to May 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

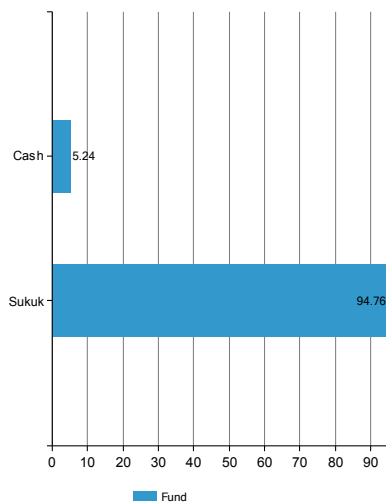
	Country	% of net assets
DRB-Hicom Bhd	Malaysia	10.51
Quantum Solar Park	Malaysia	4.99
Edra Energy Sdn Bhd	Malaysia	4.97
UEM Sunrise Bhd	Malaysia	4.71
Mah Sing Group Bhd	Malaysia	4.50
Tenaga Nasional Bhd	Malaysia	4.37
Konsortium KAJV Sdn Bhd	Malaysia	4.03
Lafarge Cement Sdn Bhd	Malaysia	3.35
GII Murabahah	Malaysia	3.27
YTL Power International Bhd	Malaysia	3.25

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.

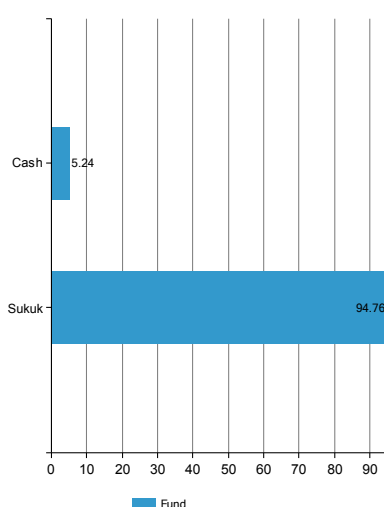
Fund Risk Statistics

Beta	1.04
Information Ratio	-0.14
Sharpe Ratio	0.74
3 years monthly data	

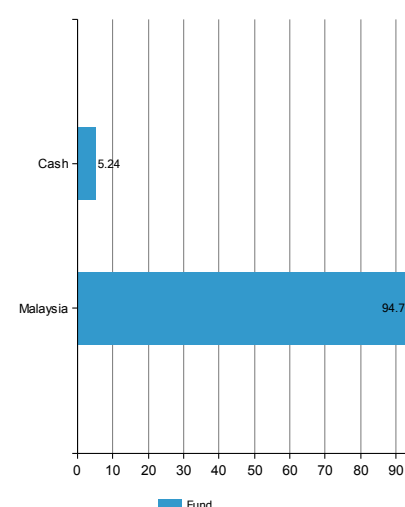
Asset Allocation (%)



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 reported a return of 0.39% outperformed its benchmark by 22bps in May 2021.

The Government Investment Issues ("GII") yield curve steepened on the long end especially on the 15-year curve which repriced 22bps wider on the back of 15-year MGS auction. Concerns on fiscal slippage and sovereign rating pressure continue to steepen the long-end curve which widened 8 to 22bps in May-2021. Credit spreads tightened across all tenors for AAA and AA rating segments as a result of the steepening government bond curve.

While Malaysia reported decent 1Q2021 GDP recovery (+2.7% QoQ or -0.5% YoY), the recent surge in covid cases has prompted Malaysia government to announce a two week lock down. The Ministry of Finance ("MoF") has not officially guided new GDP forecast taking into consideration of the lockdown impact but most business economists are downgrading 2021 growth to 4.4 – 5.4% (MoF original forecast 6.0 – 7.5% YoY). With the lockdown, risk of fiscal slippage and sovereign rating pressure have risen. Although the latest RM5billion fiscal injection will only translate to 0.3% of GDP, Malaysia's external debt profile is already very close to self imposed limit of 60% (official guidance at 58.5% in 2021 based on 7% GDP growth). While Bank Negara Malaysia ("BNM") kept policy rate unchanged in the May 2021 meeting, policy action may be required in the next meeting if pandemic related headwinds turned out to be stronger than initially assumed. Overall, we remain overweight on corporates for better yield pick up. With that said, we continue to be mindful in our credit selection with a preference on names which are more resilient with stronger fundamentals as well as better liquidity.

^aBased on the fund's portfolio returns as at 15 May 2021, the Volatility Factor (VF) for this fund is 2.990 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 country risk, credit and default risk, currency risk, interest rate risk, risk of investing in emerging markets and risks associated with investment in warrants. 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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