

# Principal Islamic Money Market Fund - Class D

31 May 2025

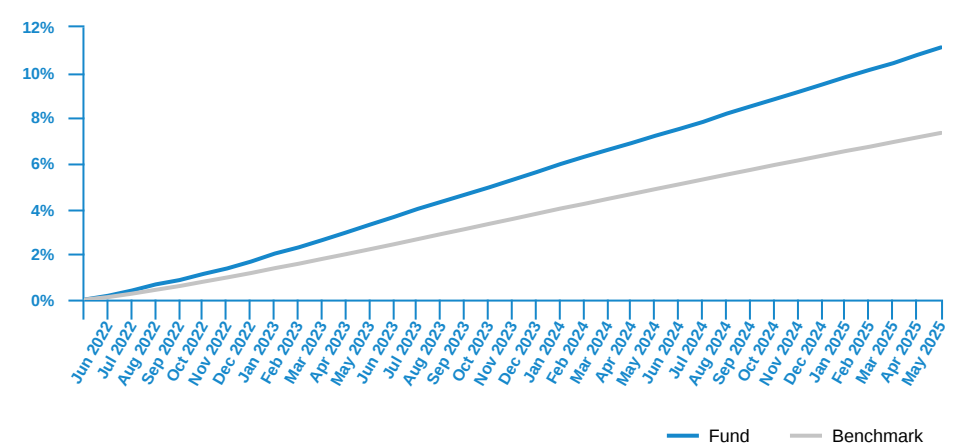
## Fund Objective

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-i) 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 232.38 million
Fund Unit	226.01 million units
NAV per unit (As at 31 May 2025)	MYR 1.0281
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	1.50	0.30	0.90	1.80	3.63	N/A	N/A	11.12
Benchmark	0.95	0.19	0.57	1.14	2.36	N/A	N/A	7.35

Calendar Year Returns (%)		2024	2023	2022	2021	2020	2019
Fund		3.65	3.88	N/A	N/A	N/A	N/A
Benchmark		2.47	2.58	N/A	N/A	N/A	N/A

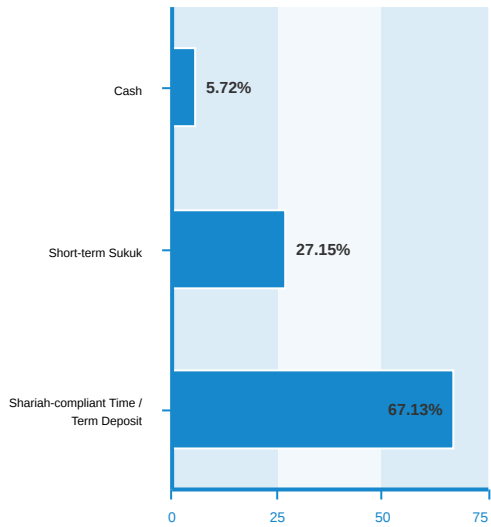
Most Recent Fund Distributions		2025 May	2025 Apr	2025 Mar	2025 Feb	2025 Jan	2024 Dec
Gross (sen/unit)		0.30	0.33	0.28	0.30	0.31	0.30
Annualised Yield (%)		3.50	3.80	3.23	3.56	3.65	3.48

Note: June 2022 to May 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

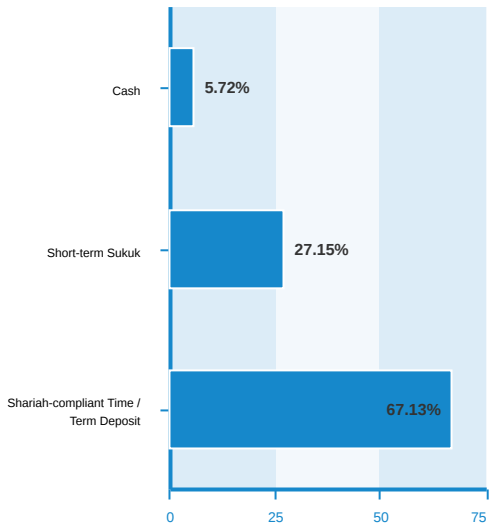
Top Holdings			Fund Risk Statistics	
	Country	% of Net Assets		
Sabah Credit Corporation	Malaysia	2.86	Beta	-
MMC Corporation Bhd	Malaysia	1.74	Information Ratio	-
East Klang Valley Expressway	Malaysia	1.45	Sharpe Ratio	-
Danainfra Nasional	Malaysia	1.21	(3 years monthly data)	
AEON Credit Service M Bhd	Malaysia	1.10		
UEM Edgenta Bhd	Malaysia	1.07		
TNB Western Energy Bhd	Malaysia	0.96		
Bank Simpanan Nasional	Malaysia	0.96		
Solarvest Holdings	Malaysia	0.95		
Bermaz Auto Bhd	Malaysia	0.95		

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.

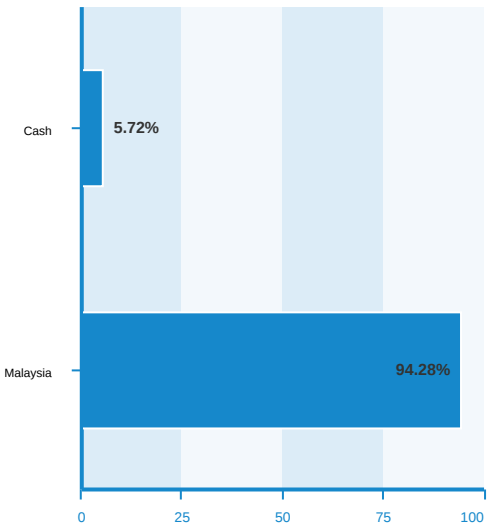
Asset Allocation (%)



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 May 2025 came in at 0.30%, outperforming the benchmark by 11bps. For the 12-months period ending 31 May 2025, the Fund delivered 3.63%, outperforming the benchmark by 127bps.

Local government bonds rallied sharply in May 2025, outperforming other tenors as liquidity injections supported demand in the belly of the curve. The rally was catalyzed by Bank Negara Malaysia's (BNM) unexpected 100 basis point cut in the Statutory Reserve Requirement (SRR)—from 2.00% to 1.00%—announced after the May Monetary Policy Committee (MPC) meeting.

Monetary Policy Committee (MPC) of Bank Negara Malaysia decided to maintain the Overnight Policy Rate (OPR) at 3%. In its statement BNM stated that the latest indicators point towards continued global growth and trade, supported by domestic demand and front-loading activities. BNM added that global growth outlook would remain supported by positive labour market conditions, less restrictive monetary policy and fiscal stimulus. However, the tariff measures announced by the US and retaliations have weakened the outlook on global growth and trade. This outlook remains subject to considerable uncertainties, which include outcomes of trade negotiations and geopolitical tensions. Such uncertainties could also lead to greater volatility in the global financial markets.

Meanwhile, Bank Negara Malaysia also announced that the Statutory Reserve Requirement (SRR) Ratio will be lowered by 100 basis points, from 2% to 1%, effective 16 May 2025. The decision to reduce the SRR is part of Bank Negara Malaysia's continuous efforts to ensure sufficient liquidity in the domestic financial system. This will facilitate banks to better manage liquidity in an environment of greater financial market volatility and provide continued support for financial intermediation activity. The SRR reduction will release approximately RM19 billion worth of liquidity into the banking system.

Malaysia's economy grew 4.4% year-on-year in Q1 2025, confirming initial estimates and easing from a downwardly revised 4.9% growth in the previous quarter. This marks the slowest pace of expansion in a year, reflecting softer output growth in manufacturing (4.1% vs 4.2% in Q4), construction (14.2% vs 20.7%), and services (5.5% vs 5%).

Malaysia's annual inflation rate held steady at 1.4% in April 2025, unchanged from March and matching market expectations. It remained the lowest level since February 2021, with food prices rising the least in six months (2.3% vs 2.5% in March).

BNM expects inflation to remain manageable in 2025, amid easing global cost conditions and the absence of excessive domestic demand pressures. Recognising that there are downside risks in the economic environment, the MPC remains vigilant to ongoing developments to inform the assessment on the domestic inflation and growth outlook. The MPC will ensure that the monetary policy stance remains conducive to sustainable economic growth amid price stability.

We recommend that you read and understand the contents of the Principal Islamic Money Market Fund Prospectus Issue No. M2 dated 14 April 2023, which has been duly registered with the Securities Commission Malaysia, before investing and that you keep the said Prospectus for your records. Any issue of units to which the Prospectus relates will only be made upon receipt of the completed application form referred to in and accompanying the Prospectus, subject to the terms and conditions therein. Investments in the Fund are exposed to . You can obtain a copy of the 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 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.