

Principal DALI Opportunities Fund - Class SGD

31 January 2024

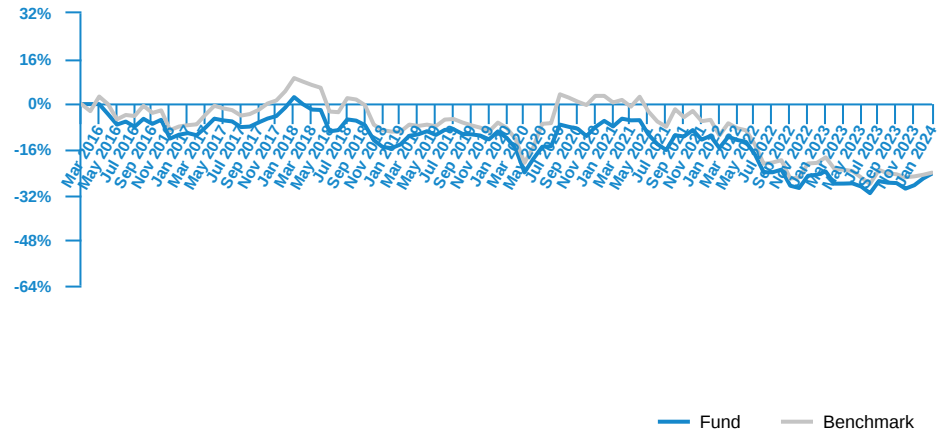
Fund Objective

The Fund aims to provide investors with medium to long-term capital appreciation through investments in securities of Malaysian companies that will benefit from prevailing investment themes and that conform with Shariah principles. The strategy of the fund is to invest in sectors that are related to the prevailing domestic and/or global investment themes. The fund will invest at least 70% of its NAV will be invested in equities that conform with Shariah principles; up to 28% of the fund's NAV may be invested in other permissible investments; and at least 2% of the fund's NAV will be invested in Shariah-compliant liquid assets for liquidity purposes.

Fund Information

ISIN Code	MYU1001FJ005
Lipper ID	68358034
Bloomberg Ticker	CIMIDES MK
Domicile	Malaysia
Currency	SGD
Base Currency	MYR
Fund Inception	18 Feb 2016
Benchmark	FTSE Bursa Malaysia EMAS Shariah Index
Application Fee	Up to 5%
Management Fee	Up to 1.5% p.a.
Trustee Fee	Up to 0.05% p.a.
Fund Size (SGD)	SGD 76.16 thousand
Fund Unit	0.11 million units
NAV per unit (As at 31 Jan 2024)	SGD 0.6776

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	2.34	2.34	7.57	3.61	-0.94	-18.05	-11.98	-24.50
Benchmark	1.01	1.01	2.21	-1.21	-6.63	-24.59	-15.98	-24.16

Calendar Year Returns (%)		2023	2022	2021	2020	2019	2018
Fund		-1.75	-15.43	-5.63	4.11	7.00	-14.50
Benchmark		-5.29	-16.07	-8.21	10.08	3.51	-13.62

Most Recent Fund Distributions			2022 Jul	2021 Jul	2018 Jul	2017 Oct
Gross (cent/unit)			0.76	2.09	3.48	2.91
Annualised Yield (%)			1.11	2.66	3.75	3.31

Note: February 2016 to January 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.

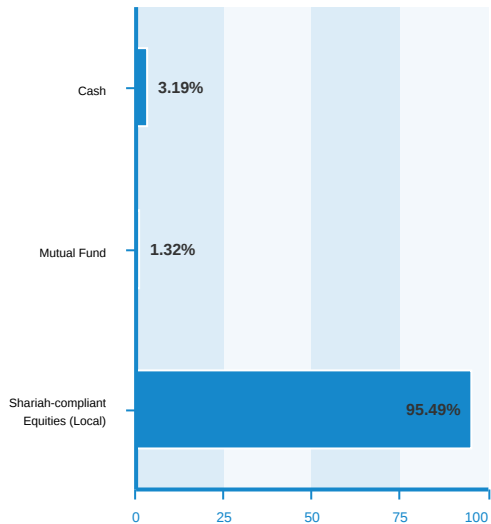
Annualised yield is calculated as the most recent monthly dividend distribution multiplied by the Fund's dividend frequency and divided by the latest NAV.

Source : Lipper

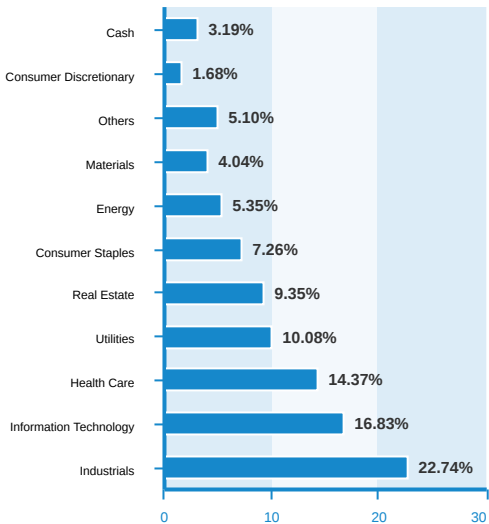
Top Holdings			Fund Risk Statistics	
	Country	% of Net Assets		
Tenaga Nasional Bhd	Malaysia	10.08	Beta	0.92
Hartalega Hldg Bhd	Malaysia	6.85	Information Ratio	0.20
Sunway Bhd	Malaysia	5.01	Sharpe Ratio	-0.21
Gamuda Bhd	Malaysia	4.44	(3 years monthly data)	
Inari Amertron Bhd	Malaysia	4.32		
My Eg Services Bhd	Malaysia	3.74		
Genetec Technology Bhd	Malaysia	3.67		
IJM Corp Bhd	Malaysia	3.57		
Nationgate Holdings Bhd	Malaysia	3.49		
Sime Darby Plantation Bhd	Malaysia	3.46		

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.

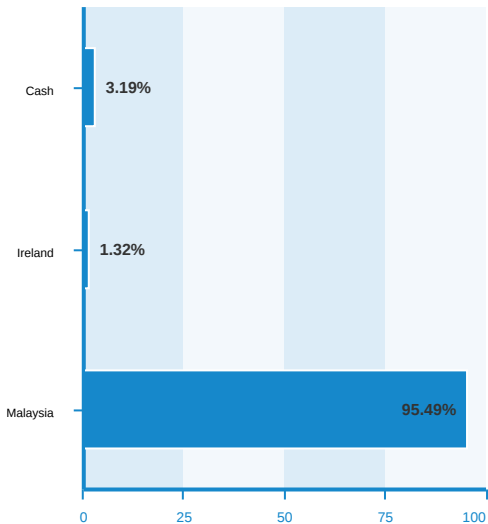
Asset Allocation (%)



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

In January 2024, the Fund rose 2.34% in SGD terms, outperforming the Benchmark by 133 basis points (bps) which was mainly due to the Fund's overweight in in Energy, Health Care, Industrials and Real Estate, its underweight in Consumer Staples and Materials, as well as the stock selection in Utilities.

Malaysia's PMI rose to a 16-month high of 49 pts versus 47.9 pts in December. According to S&P Global, overall optimism of Malaysian manufacturers picked up amid signs of demand improvement. Output and new orders moderated only modestly, while firms also saw smaller reductions in new export orders and backlogs. Notably, firms also reported further softening in price pressures, while job shedding was minimal. Manufacturers remain optimistic of demand conditions over the course of the next 12 months. The latest PMI suggests a slight pickup in GDP growth. To recap, BNM projects GDP to grow 4-5% in 2024, from an estimate of 3.8% in 2023.

BNM maintained OPR at 3.00% in recent MPC meeting. We expect the OPR to maintain in 2024 given muted inflation and modest economic growth. Inflation was at 1.5% in December, significantly undershooting BNM's revised target of 2.5-3.0% for 2023. Given the low base, there appears to be sufficient headroom to central bank's 2.1-3.6% CPI forecast for 2024 with the impending cut back in subsidies.

Malaysia's equity market valuation remains compressed with forward PE of 13.5x which is still ~1.5SD below the historical mean. This is based on consensus earnings growth of 11% for 2024 and 6% for 2025. More clarity on the new Government's policy posture, in our view, should reduce the current extreme risk premiums applied to the market (yield gap of ~370bps). We are also hopeful that the newly launched National Energy Transition Roadmap (NETR) by the government would revitalize domestic investment and buoy consumption. We identify 4 key catalysts that could spur the market: 1) Fed pivot and further weakness in the Dollar, 2) Reallocation of portfolio investments domestically, 3) Lower risk premiums as a result of fiscal consolidation and policy continuity and 4) Corporate earnings sustaining with growth re-accelerating.

We continue to be positive on the market. We make no changes to our key preferred sectors and remain constructive on sectors that stand to gain from the NETR, including Utilities, Construction, and Property. Additionally, we remain optimistic on selective Technology due to the ongoing structural growth trends in the sector. Key risks are the derailment of Malaysia's macroeconomic recovery and corporate earnings growth due to the larger-than-expected impact of rising inflation, slower global economic growth, and heightened geopolitical risks.

The Manager of the Principal DALI Opportunities Fund (formerly known as CIMB Islamic DALI Equity Theme Fund) is Principal Asset Management Berhad. The Manager has appointed Principal Asset Management (S) Pte. Ltd. (Company Registration No. 200607208K) as its Singapore Representative and agent for service of process in Singapore. Copies of the prospectus are available from the Singapore Representative at 50 Raffles Place, #22-03A Singapore Land Tower, Singapore 048623 or at www.principal.com.sg. Investors should read the prospectus before deciding to purchase any units in the Fund ("Units"). The listing of the Units does not guarantee a liquid market for the Units. The value of the Units and the income derived from them, if any, may fall as well as rise. Past performances of the Fund, the Manager are not necessarily indicative of their future performance. The information contained herein is for your general information only and does not have any regard to your specific investment objectives, financial situation and any of your particular needs. You may wish to seek advice from a financial adviser before making a commitment to purchase Units. If you choose not to seek advice from a financial adviser, you should consider whether the Fund is suitable for you. Although the information contained herein has been taken from sources that are believed to be accurate, no warranty or representation is made as to its correctness, completeness or accuracy. The Manager accepts no liability whatsoever for any direct, indirect or consequential loss arising from any use or reliance of the information herein.

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.