

CIMB-Principal Greater China Equity Fund

31 July 2019

Available under the EPF Members Investment Scheme.



Fund Objective

Aims to achieve medium to long-term capital growth primarily through investment in a portfolio of equity securities with exposure to the Greater China region consisting of the People's Republic of China, Hong Kong SAR and Taiwan.

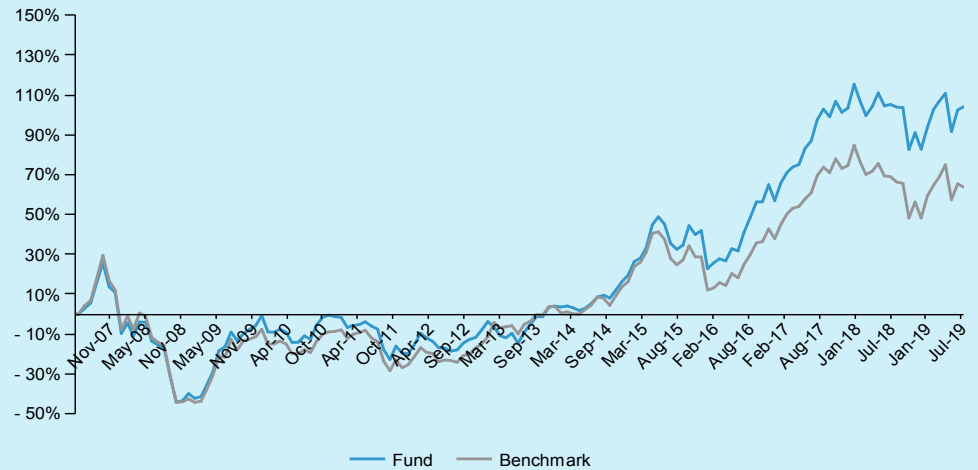
Currency: MYR ISIN Code: MYU1000CB001

Bloomberg Ticker: CIMGRCH MK

Fund Information

Location	Malaysia
Domicile	Malaysia
Fund Currency	Ringgit Malaysia
Fund Size (MYR)	MYR 675.01 million
Fund Unit	697.76 million units
Fund Launch	12 June 2007
Benchmark	The Fund adheres to the benchmark of the Target Fund. The benchmark of the Target Fund is the MSCI Golden Dragon Index
Dealing	Daily (as per Bursa Malaysia trading day)
Application Fee	5.50% of the NAV per unit
Management Fee	1.80% p.a. of the NAV
Trustee Fee	0.08% p.a. of the NAV
Unit NAV (MYR)	MYR 0.9673

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	11.67	0.82	-3.15	5.40	-0.54	44.70	88.23	104.11
Benchmark	10.43	-1.02	-6.42	2.82	-3.13	31.07	50.53	63.71

Calendar Year Returns (%)

	2018	2017	2016	2015	2014	2013
Fund	-10.15	29.60	10.60	18.75	14.87	13.07
Benchmark	-15.06	26.64	7.11	10.65	11.78	11.32

Note: June 2007 to July 2019.

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.

Source : Lipper

Top 10 Holdings *

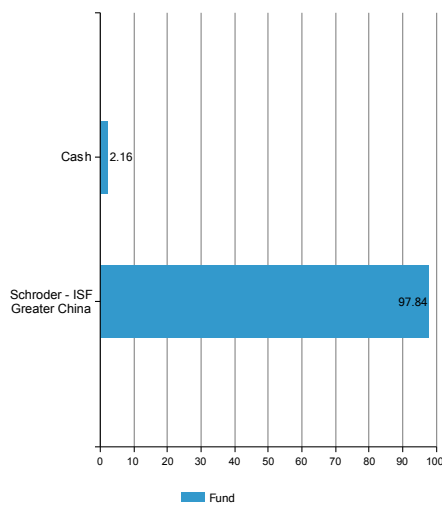
	Country	% of net assets
Taiwan Semiconductor Manufacturing	Taiwan	7.44
Tencent Holdings	China	7.12
Alibaba Group Holding	China	6.16
AIA Group	Hong Kong	3.64
Sino Biopharmaceutical	China	2.93
China Mobile	China	2.58
China Life Insurance	China	2.43
China Mengniu Dairy	China	2.41
China Construction Bank	China	2.26
China Pacific Insurance Group	China	2.22

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.

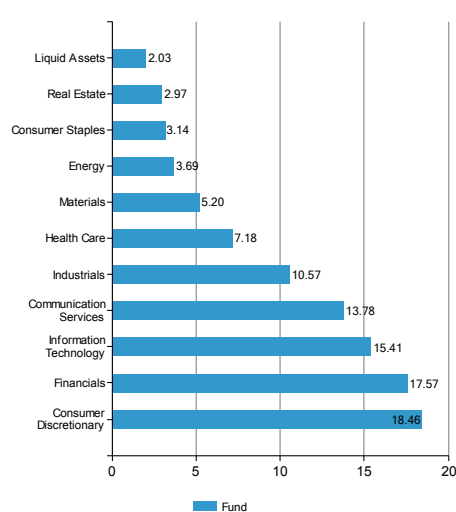
Fund Risk Statistics

Beta	0.97
Information Ratio	1.12
Sharpe Ratio	0.68
3 years monthly data	

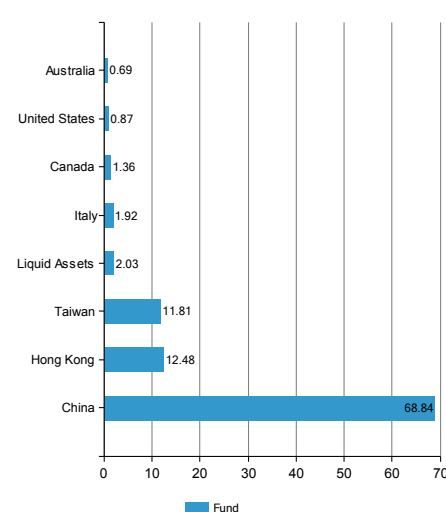
Asset Allocation (%)



Sector Allocation (%) *



Regional Allocation (%) *



* Of the target fund

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 rose by 0.82% in July 2019, outperformed the Benchmark by 1.84%. Year to date, the Fund outperformed the Benchmark by 1.24%. Stock picking across the region added value, particularly in the healthcare, financials and materials sectors. An underweight exposure to the underperforming real estate sector also proved beneficial. The best performing sectors were healthcare and IT. Meanwhile, real estate performed poorly on the back of new measures to keep real estate financing in check. The materials sector also underperformed. Negative stock selection in consumer discretionary and communication services offset some of the gains.

Markets are likely to remain very sensitive to daily headlines. A trade deal between the two sides may still be possible in coming months, as there would still appear to be clear incentives for both sides to show progress. However, over the long term, we expect to see tensions between China and the US persist given China's longer term ambitions around economic development and its industrial blueprint is setting itself up to challenge the US position in technology leadership and in its leading position in the global economy.

In terms of positioning, we maintain our key exposures in domestically focused names and sectors showing structural growth trends. We remain underweight in technology stocks given uncertainties brought about by regulatory headwinds and scrutiny, as well as potential delays in the roll-out of 5G networks and corresponding handset equipment. In the medium term we continue to favor domestic Chinese consumption names and Hong Kong consumer goods companies with strong brand value and pricing power that will benefit from upgrade trends. We maintain our overweight in the healthcare space and have added selectively to industrials names in the renewables space, where we believe the outlook for profitability and returns are starting to improve.

*Based on the fund's portfolio returns as at 15 July 2019, the Volatility Factor (VF) for this fund is 14.930 and is classified as "Very High" (source: Lipper). "Very High" includes funds with VF that are above 11.185. 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 Lipper 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 Issue No. 21 dated 30 June 2017, 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 counterparty risk, country risk, credit and default risk, currency risk, fund manager's risk, legal and taxation risk, liquidity risk and stock specific risk. You can obtain a copy of the Master Prospectus from the head office of Principal Asset Management Berhad (formerly known as CIMB-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.