

# CIMB-Principal Greater China Equity Fund

31 March 2020

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.

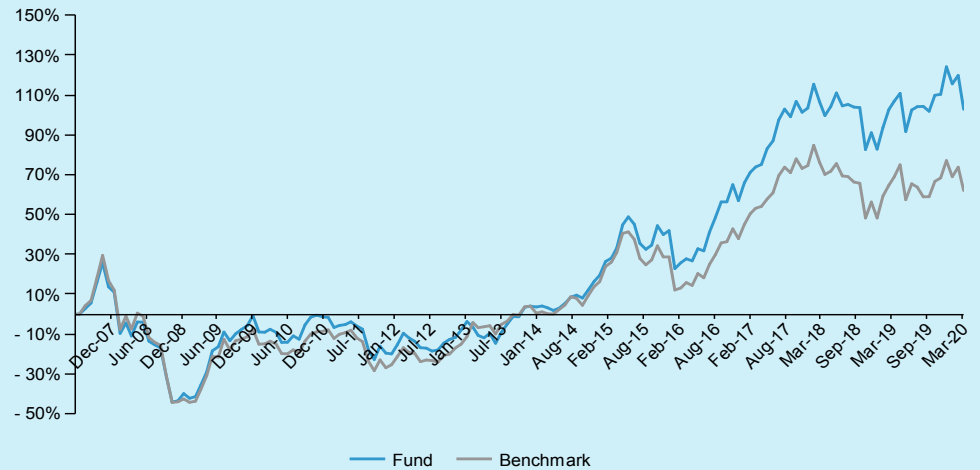
Currency: MYR ISIN Code: MYU1000CB001

Bloomberg Ticker: CIMGRCH MK

## Fund Information

Location	Malaysia
Domicile	Malaysia
Fund Currency	Ringgit Malaysia
Fund Size (MYR)	MYR 501.09 million
Fund Unit	534.16 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 0.9380

## 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	-9.51	-7.72	-9.51	0.49	-1.94	16.68	52.29	102.80
Benchmark	-8.48	-6.74	-8.48	1.94	-4.00	5.83	23.74	62.04

## Calendar Year Returns (%)

	2019	2018	2017	2016	2015	2014
Fund	22.62	-10.15	29.60	10.60	18.75	14.87
Benchmark	19.42	-15.06	26.64	7.11	10.65	11.78

## Most Recent Fund Distributions

	2019 Nov
Gross (Sen/Unit)	2.45
Annualised Yield (%)	2.40

Note: June 2007 to March 2020.

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 \*

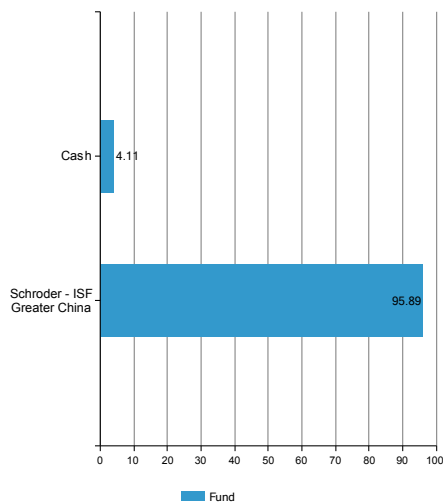
	Country	% of net assets
Taiwan Semiconductor Manufacturing	Taiwan	8.73
Tencent Holdings	China	8.00
Alibaba Group Holding	China, China	7.34
AIA Group	HK SAR China	3.69
China Overseas Land & Investment	China	2.28
Weibo	China	2.25
Prada	Italy	2.25
China Mengniu Dairy	China	2.23
iQiyi	China	2.11
Li Ning	China	1.78

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.

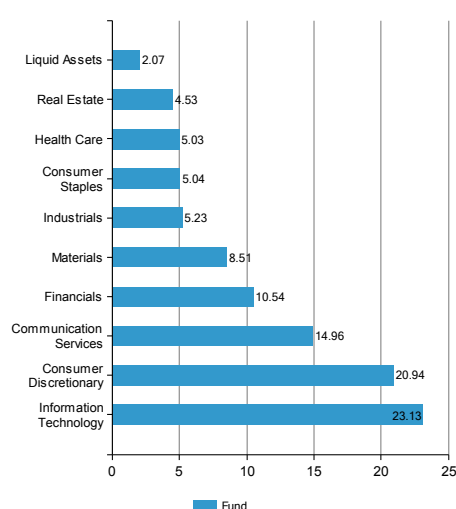
## Fund Risk Statistics

Beta	0.97
Information Ratio	0.74
Sharpe Ratio	0.04
3 years monthly data	

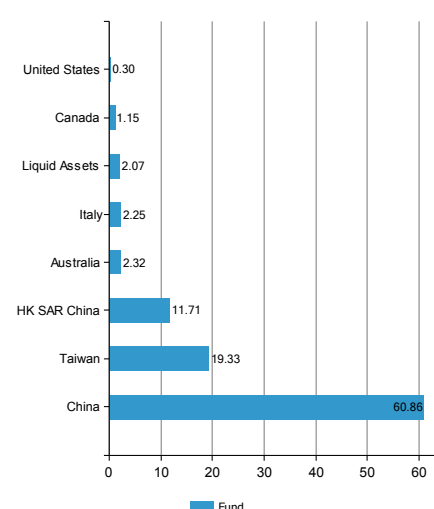
Asset Allocation (%)



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 declined by 7.72% during the month of March 2020, underperforming the benchmark by 0.98%. On a Year to date basis, the Fund underperformed the Benchmark slightly by 1.03%. Stock selection had a negative impact on fund returns. It was notably weak in the consumer discretionary sector while also weaker in communication services. This negative impact was partially offset by better selection in real estate, industrials and healthcare. Sector selection was marginally positive, with underweight exposure to real estate contributing although overweight positions in materials and information technology detracted.

The market's near-term focus has, however, shifted to the Covid-19 outbreak. The acceleration in Covid-19 case numbers in Europe and North America through mid-March has undermined earlier confidence in China's apparently effective control of its outbreak. Further, it risks plunging much of the broader global economy into a recession in the next few months as governments move to lock down their populations to limit transmission. In recent weeks, global central banks, most notably the US Federal Reserve, have moved to cut rates, increase quantitative easing and generally increase liquidity to the financial sector to try and reduce the risks from a negative feedback loop in markets. Recent moves to underpin the continued functioning of critical markets have been welcomed by investors. This is largely because the support is viewed as being open-ended, with authorities doing 'whatever it takes' – as happened in the 2008-09 financial crisis and the 2013 European credit crisis.

Although earnings in many sectors will look poor in the near term, markets will be willing to look through this crisis, as long as there is scope for a healthy recovery next year to a more 'normalised' level of profitability. Our attention is, therefore, more focused on establishing the medium-term prospects for the businesses in which we are invested.

^Based on the fund's portfolio returns as at 15 March 2020, the Volatility Factor (VF) for this fund is 13.940 and is classified as "Very High" (source: Lipper). "Very High" includes funds with VF that are above 11.065. 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](http://www.principal.com.my) for a prospectus containing this and other information. Please read it carefully before investing.