

Principal Asia Pacific Dynamic Income Fund (formerly known as CIMB-Principal Asia Pacific Dynamic Income Fund)-Class MYR

31 May 2021

Available under the EPF Members Investment Scheme.



Fund Objective

Aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long term.

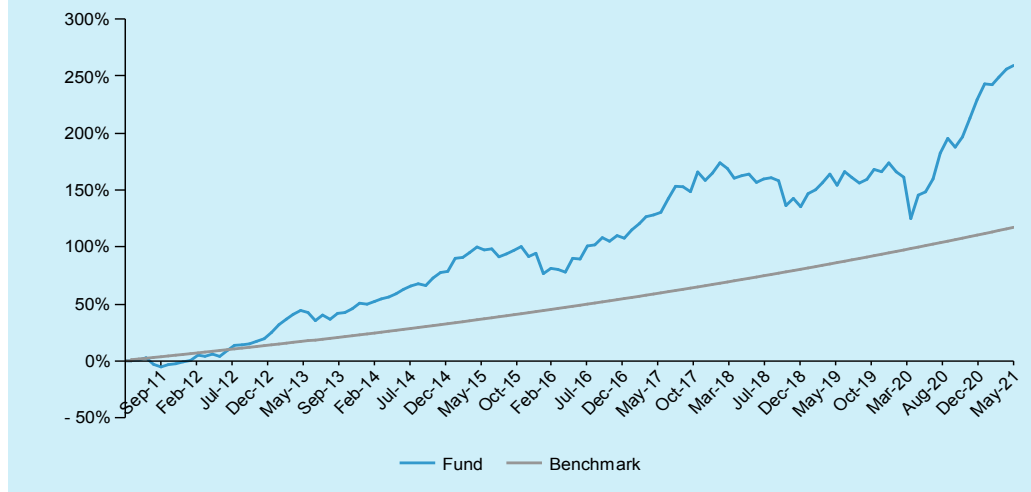
Currency: MYR ISIN Code: MYU1000DP009

Bloomberg Ticker: CPASPD1 MK

Fund Information

Domicile	Malaysia
Base Currency	U.S Dollar
Fund Inception	16 May 2011
Benchmark	8% p.a.
Application Fee	Principal Agency Distributor: Up to 6.50% of the NAV per unit IUTAs: Up to 5.50% of the NAV per unit
Management Fee	Up to 1.80% p.a. of the NAV
Trustee Fee	Up to 0.05% p.a. of the NAV
Fund Size (MYR)	MYR 4.77 billion
NAV per unit (As at 31 May 2021)	MYR 0.2697

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	9.09	0.94	4.94	14.80	44.71	36.20	89.20	259.49
Benchmark	3.26	0.64	1.94	3.92	8.00	25.97	46.93	117.28

Calendar Year Returns (%)		2020	2019	2018	2017	2016	2015
Fund		20.33	16.36	-11.13	27.52	6.82	8.91
Benchmark		8.00	8.00	8.00	8.00	8.00	8.00

Most Recent Fund Distributions		2021 Apr	2021 Jan	2020 Oct	2020 Jul	2020 Apr	2020 Jan
Gross (Sen/Unit)		0.21	0.20	0.37	0.21	0.17	0.37
Annualised Yield (%)		3.08	2.96	3.72	2.32	2.16	3.80

Most Recent Unit Splits		2020 Dec	2014 Oct
Ratio		3:4	2:5

Note: May 2011 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

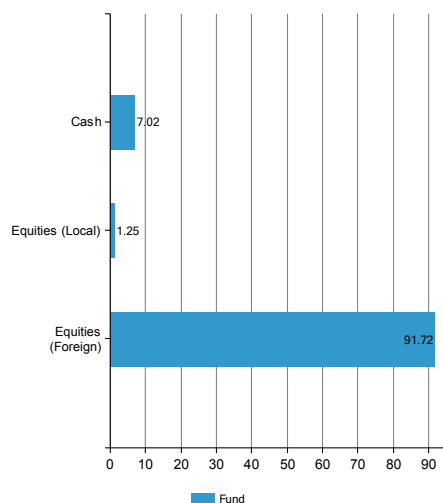
	Country	% of net assets
Tencent Hldg Ltd	HK, China	6.04
Taiwan Semiconductor Manuf	Taiwan	5.91
Samsung Electronics Co. Ltd	South Korea	5.63
LG Chem Ltd	South Korea	3.86
Techtronic Industries Co	HK, China	3.17
Alibaba Group Holding Ltd	Cayman Islands	3.11
Volkswagen AG	Germany	3.03
DBS Group Hldg Ltd	Singapore	2.91
AIA Group Ltd	HK, China	2.91
Kingboard Laminates Hldg Ltd	HK, China	2.73

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.

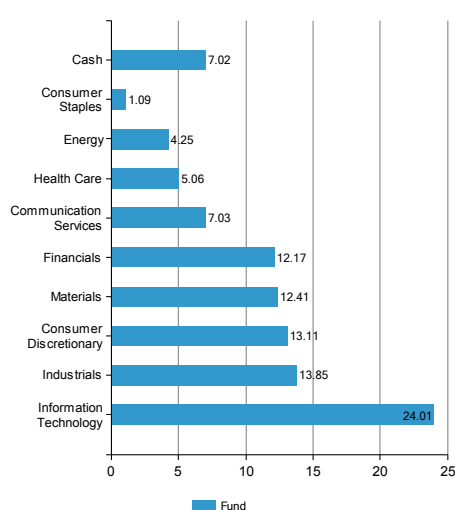
Fund Risk Statistics

Beta	
Information Ratio	0.26
Sharpe Ratio	0.57
3 years monthly data	

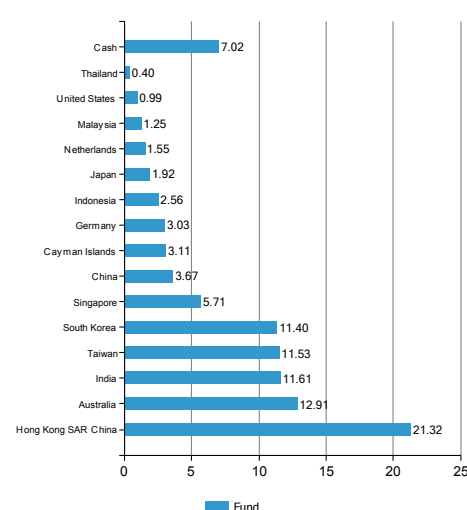
Asset Allocation (%)



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 was up 0.94% in MYR terms in May, outperforming the absolute return benchmark by 30bps. YTD, the Fund is up 9.09%, outperforming the absolute return benchmark by 583bps.

MSCI AC Asia Pacific ex Japan Index gained 1.2% in USD terms in May. This was led by India and the Philippines while Malaysia and Taiwan lagged, as the number of new Covid-19 cases peaked in India but surged in Malaysia and Taiwan. Commodities prices surged in the first half of May before China attempted to cool commodities prices. Crude oil advanced another 3.1% during the month as demand improved. Rising Covid-19 infections in Asia has been a headwind for the Asian markets as we saw the resurgence of new cases such as in Malaysia, Singapore and Taiwan. Due to the various movement restrictions to combat the rising infections, most of Asian PMIs in May recorded some deterioration. However, we believe that countries are now better prepared to deal with the resurgence of Covid-19 cases and some countries are stepping up on vaccination program, hence the impact of current restrictions will not be as significant as a year before. Global inflation has risen due to higher input prices from raw materials and energy, as well as cost pressures arising from the shortage of component parts. Eurozone inflation rose to 2%YoY in May and US inflation surged 4.2%YoY in April. While we maintain our view that the rise in inflation is transitory, we need to keep an eye on signs of sustained inflationary pressures. Volatility in equities market will ensue when inflation concerns and tapering expectations build. Other risks that could derail the positive fundamental outlook are slower take-up of vaccines or any sharp surge in Covid cases leading to slower than expected economic recovery and stronger than expected USD. Fund flows are more likely to move to Asia since it is under-owned and based on our estimates, Asia is attractively valued at a 25% discount to global averages based on P/B to ROE basis. We are therefore positive on Asian equities over a 12-month horizon. As we expect a broadening out of economic recovery, we have diversified to industrials, materials and communication services.

^aBased on the fund's portfolio returns as at 15 May 2021, the Volatility Factor (VF) for this fund is 15.250 and is classified as "High" (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 Principal Asia Pacific Dynamic Income Fund (formerly known as CIMB-Principal Asia Pacific Dynamic Income Fund) Prospectus Issue No. M4 dated 23 December 2019, which has been duly registered with the Securities Commission Malaysia, before investing and that you keep the said Fund Prospectus for your record. Any issue of units to which the Fund Prospectus relates to will only be made upon receipt of the completed application form referred to in and accompanying the Fund Prospectus, 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, liquidity risk, risk of investing in emerging markets and stock specific risk. You can obtain a copy of the Fund 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 Fund. We suggest that you consider these 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.

Principal Asset Management Berhad

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