

Principal China Direct Opportunities Fund - Class MYR

31 July 2021



Fund Objective

The Fund seeks opportunities through investments primarily in China A-Shares with the aim to provide capital appreciation. The Fund is established with a multi-class structure and is allowed to establish new Class(es) from time to time.

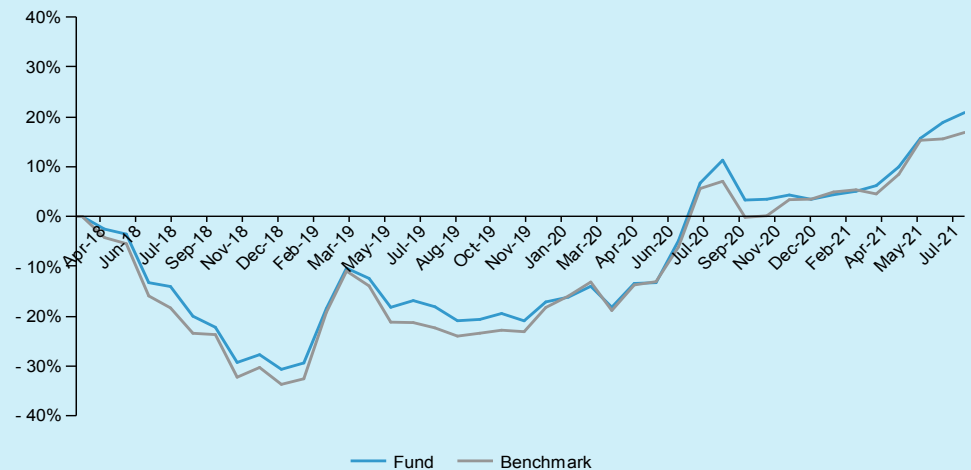
Currency: MYR ISIN Code: MYU1000GW008

Bloomberg Ticker: CPCDMYR MK

Fund Information

Domicile	Malaysia
Base Currency	RMB
Fund Inception	8 March 2018
Benchmark	CSI500 Index
Application Fee	Up to 5.50% of the NAV per unit
Management Fee	Up to 1.80% per annum of the NAV of the Class
Trustee Fee	Up to 0.06% per annum of the NAV of the Fund
Fund Size (MYR)	MYR 151.13 million
NAV per unit (As at 31 July 2021)	MYR 1.2086
Distribution Frequency	Ad-hoc basis
Trustee	HSBC (Malaysia) Trustee Berhad

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	16.85	1.67	9.92	15.81	13.27	40.66	N/A	20.87
Benchmark	12.95	1.12	7.74	11.40	10.66	43.16	N/A	16.87

Calendar Year Returns (%)		2020	2019	2018	2017	2016	2015
Fund		24.85	19.52	N/A	N/A	N/A	N/A
Benchmark		26.60	23.30	N/A	N/A	N/A	N/A

Note: March 2018 to July 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.

Source : Lipper

Top 10 Holdings

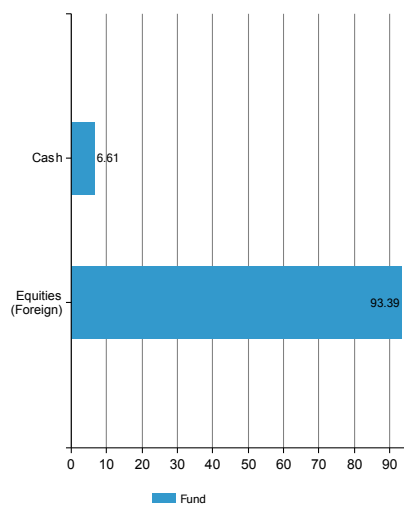
	Country	% of net assets
Tongling Nonferrous Metals Gro	China	1.73
Zhejiang Jingsheng Mechanical	China	1.57
Shenzhen Sunlord Electronics C	China	1.54
Anhui Water Resources Developm	China	1.21
Minmetals Capital Co Ltd	China	1.08
Angang Steel Co Ltd	China	1.07
Zhejiang Fuchunjiang Environme	China	1.07
Tengda Construction Group Co L	China	1.05
Sinopec Shanghai Petrochemical	China	1.01
Hangzhou Silan Microelectronic	China	0.99

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.

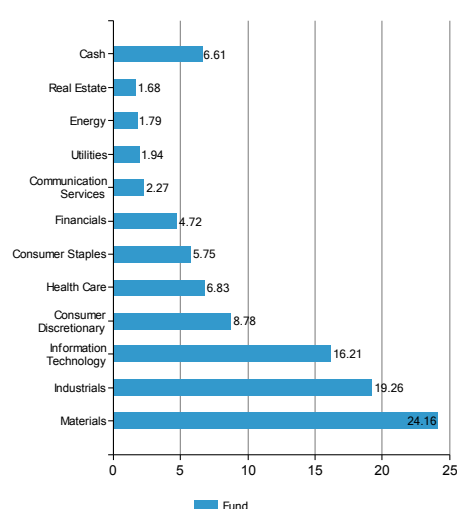
Fund Risk Statistics

Beta	0.87
Information Ratio	-0.27
Sharpe Ratio	0.61
3 years monthly data	

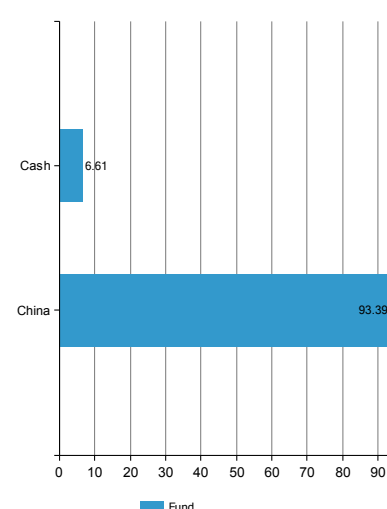
Asset Allocation (%)



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 rose by 1.67% in July 2021, outperforming the benchmark by 0.55ppt. YTD, the fund rose by 16.85%, outperforming the benchmark by 3.90ppt.

In July, the market fluctuated significantly. The Shanghai Stock Exchange Index temporarily dropped below 3400 points, but we still expect the market to recover and stabilize. Overseas economies have recovered steadily whilst domestic economic operations have been stable in the second quarter. The central bank's overall RRR cut has released trillions of liquidity, and interest rates have fallen, combined with northbound funding support, which will contribute to the smooth operation of funds in the third quarter. In particular, at the end of July, the Politburo meeting deployed economic work and clarified the policy direction for the second half of the year. Since the domestic economic operation continued to improve, opening to the outside world continued to increase and the registration system reforms continue to advance, the fundamentals of the long-term and stable development of the capital market have not changed, and the market does not have the basis for a sustained decline.

With the release of market selling pressure, market sentiment will gradually ease. Driven by clear policy expectations and stable funding, it is expected that the market will gradually recover and stabilize in August.

^aBased on the fund's portfolio returns as at 15 July 2021, the Volatility Factor (VF) for this fund is 18.420 and is classified as "Very 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 Prospectus Issue No. 2 for Principal China Direct Opportunities Fund (formerly known as CIMB-Principal China Direct Opportunities Fund) dated 16 January 2020, which have been deposited with Securities Commission Malaysia before investing and that you keep the said Information Memorandum for your record. Any issue of units to which the Information Memorandum relates will only be made upon receipt of the completed application form referred to in and accompanying the Information Memorandum, subject to the terms and conditions therein. The principal risks are returns not guaranteed, general market environment risk, manager's risk, inflation risk and loan financing risk. The specific risks of the Target Fund are stock specific risk, country risk, credit and default risk, liquidity risk, currency risk and RQFII regime risk. You can obtain a copy of the Prospectus from the head office of Principal Asset Management Berhad or from any of our approved distributors. 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. 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. All performance figures have been extracted from Lipper. Where a unit split/distribution is declared, investors 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 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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