

# Principal Dynamic Growth Fund (formerly known as CIMB-Principal Dynamic Growth Fund)-Class USD

31 May 2021



## Fund Objective

The Fund aims to achieve capital appreciation over the medium to long term.

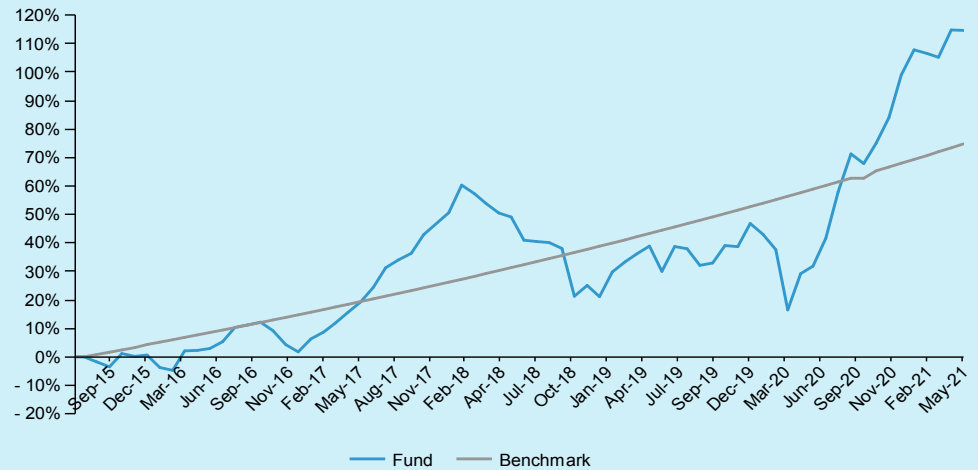
Currency: USD ISIN Code: MYU1002FF001

Bloomberg Ticker: CIMDYGU MK

## Fund Information

Domicile	Malaysia
Base Currency	US Dollar (USD)
Fund Inception	22 July 2015
Benchmark	10% per annum
Application Fee	Up to 2.0% of the NAV per Unit
Management Fee	Up to 1.50% per annum of the NAV of the Class
Trustee Fee	0.05% per annum of the NAV of the Class
Fund Size (USD)	USD 15.16 million
NAV per unit (As at 31 May 2021)	USD 2.1469

## 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	7.85	-0.06	3.93	16.63	62.84	43.97	108.64	114.69
Benchmark/Target Return	4.05	0.80	2.41	4.88	10.00	33.10	61.05	74.81

## Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015
Fund	35.55	21.21	-19.57	48.08	1.09	N/A
Benchmark	10.00	10.00	10.00	10.00	10.00	N/A

Note: July 2015 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.

Source : Lipper

## Top 10 Holdings

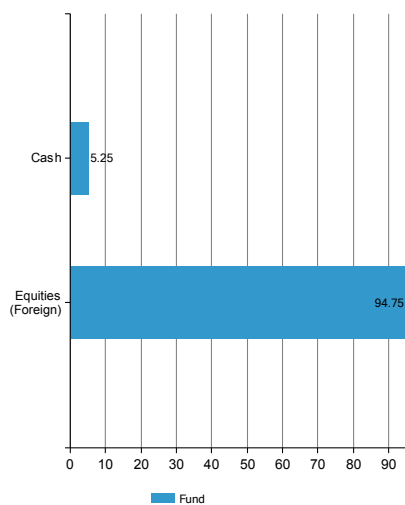
	Country	% of net assets
Taiwan Semiconductor Manuf	Taiwan	6.15
Tencent Hldg Ltd	HK, China	5.13
Samsung Electronics Co. Ltd	South Korea	4.82
Techtronic Industries Co	HK, China	4.47
LG Chem Ltd	South Korea	4.01
Kingboard Laminates Hldg Ltd	HK, China	3.58
SEA LTD	United States	3.50
Reliance Industries Ltd	India	3.10
United Overseas Bank Ltd	Singapore	2.97
Alibaba Group Holding Ltd	Cayman Islands	2.92

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.

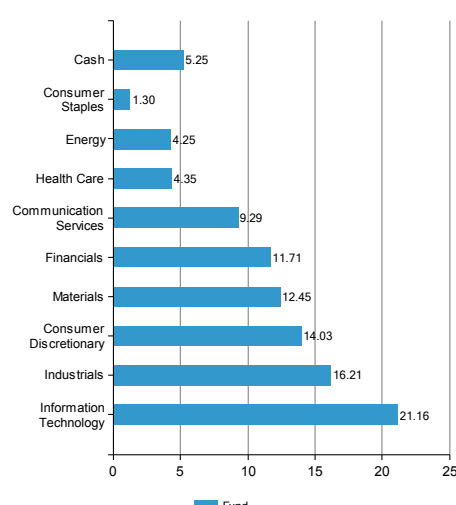
## Fund Risk Statistics

Beta	-0.40
Information Ratio	0.23
Sharpe Ratio	0.63
3 years monthly data	

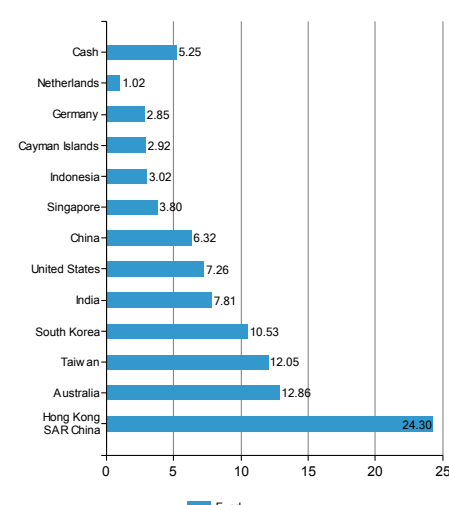
## Asset Allocation (%)



## 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 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. Hence, energy was the best performing sector for May and information technology underperformed on the back of rising regulatory risks. The Fund recorded a loss of 0.06% in USD terms last month as the Taiwan stock exposure corrected. This was 0.86% below the absolute return benchmark of 0.80% over the one month period. YTD, the Fund has gained 7.85% or 3.80% above the benchmark.

We rate Asian equities a BUY over a 12-month horizon. As we expect a broadening out of economic recovery, we have diversified to industrials, materials and communication services. The focus is also on quality companies which are long term winners, or benefit from structural changes in their respective industries through market share gain or exhibit stronger earnings growth prospects. Asian equities offer high potential domestic driven growth, quality companies, less over-owned markets, low to negative real bond yields and reasonable valuations. Risks on regulation and higher taxes is also arguably lower in Asia than developed markets. Emerging Asia's vaccination rate is still low though the pace is improving. We maintain our view that fund flows are more likely to move to Asia since it is under-owned and valuation is more attractive compared to global equities. Based on our estimates, Asia is attractively valued at a 25% discount to global averages based on P/B to ROE basis.

The current key positions are Tencent, TSMC, Samsung Electronics, Alibaba, LG Chem, Techtronic, Kingboard Laminate, Sea Limited, Reliance Industries.

\*Based on the fund's portfolio returns as at 15 May 2021, the Volatility Factor (VF) for this fund is 17.310 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 the Principal Dynamic Growth Fund (formerly known as CIMB-Principal Dynamic Growth Fund) Information Memorandum Issue No.2 dated 31 December 2019 which has been duly registered with the 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. Investments in the Fund are exposed to stock specific risk, country risk, liquidity risk, currency risk, credit (default) and counterparty risk, interest rate risk and risk of investing in emerging markets. You can obtain a copy of the Information Memorandum 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 funds. 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 advised to read and understand the contents of the Unit Trust Loan Financing Risk Disclosure Statement before deciding to borrow to purchase units. 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 in U.S. Dollar 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.

Principal Asset Management Berhad

10th Floor, Bangunan CIMB, Jalan Semantan Damansara Heights, 50490 Kuala Lumpur.

Tel: (603) 2084 8888 Fax: (603) 2084 8899 Website: [www.principal.com.my](http://www.principal.com.my)