

# Principal Global Titans Fund - Class MYR

30 June 2024



## Fund Objective

The Fund seeks to grow the value of Unit holders' investments over the Medium to long term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to Malaysian equities market to balance any short term volatilities. The Fund will invest at least 50% of its NAV in at least three collective investment schemes, subject to a maximum of 98% of its NAV. The Fund may invest in Malaysian securities but only up to 50% of its NAV. The Fund seeks to give investors a broad exposure to three major global developed markets.

## Lipper Score

Total Return

Consistent Return

5

5

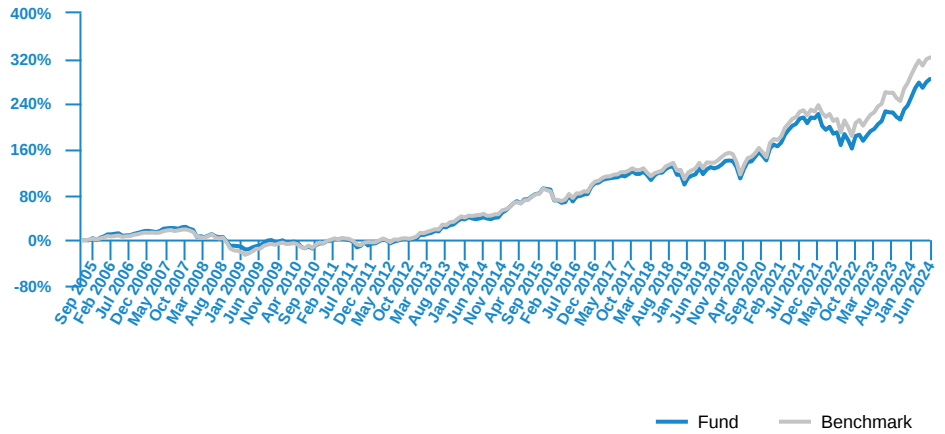
## Morningstar Rating



## Fund Information

|                                     |   |
|-------------------------------------|---|
| ISIN Code                           | MYU1000AD001  |
| Lipper ID                           | 61501264  |
| Bloomberg Ticker                    | CIMTTAN MK  |
| Domicile                            | Malaysia  |
| Currency                            | MYR   |
| Base Currency                       | MYR   |
| Fund Inception                      | 18 Jul 2005   |
| Benchmark                           | 42% S&P 500 + 36% MSCI Europe + 12% MSCI Japan + 10% CIMB Bank 1-Month Fixed Deposit Rate |
| Application Fee                     | Up to 5.50% of the NAV per unit   |
| Management Fee                      | Up to 1.80% p.a. of the NAV   |
| Trustee Fee                         | 0.045% p.a. of the NAV  |
| Fund Size (MYR)                     | MYR 799.81 million  |
| Fund Unit                           | 811.54 million units  |
| NAV per unit (As at 30 Jun 2024)    | MYR 0.9855  |
| Initial Offering Period (IOP) Date  | 8 Aug 2005  |
| Initial Offering Period (IOP) Price | MYR 0.50  |

## 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   | 1M   | 3M   | 6M    | 1Y    | 3Y    | 5Y    | Since Inception |
| Fund                       | 13.79 | 1.46 | 1.68 | 13.79 | 17.39 | 25.96 | 70.97 | 284.37          |
| Benchmark                  | 11.89 | 0.80 | 1.26 | 11.89 | 16.95 | 33.16 | 78.01 | 322.31          |

| Calendar Year Returns (%) |       |        |       |       |       |       |
|---------------------------|-------|--------|-------|-------|-------|-------|
|                           | 2023  | 2022   | 2021  | 2020  | 2019  | 2018  |
| Fund                      | 22.74 | -14.70 | 20.08 | 11.72 | 21.43 | -8.68 |
| Benchmark                 | 25.01 | -10.71 | 21.40 | 9.58  | 22.40 | -7.21 |

| Most Recent Fund Distributions |          |          |          |          |          |          |
|--------------------------------|----------|----------|----------|----------|----------|----------|
|                                | 2023 Oct | 2022 Oct | 2021 Oct | 2020 Oct | 2019 Oct | 2017 Apr |
| Gross (sen/unit)               | 1.70     | 2.24     | 2.64     | 2.20     | 2.01     | 5.00     |
| Annualised Yield (%)           | 2.12     | 3.02     | 3.09     | 3.06     | 2.91     | 5.36     |

Note: July 2005 to June 2024.

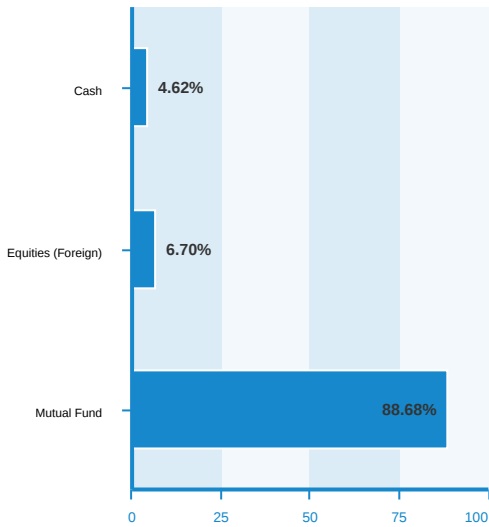
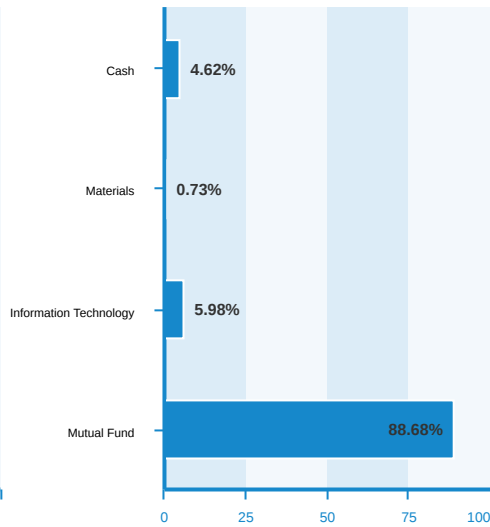
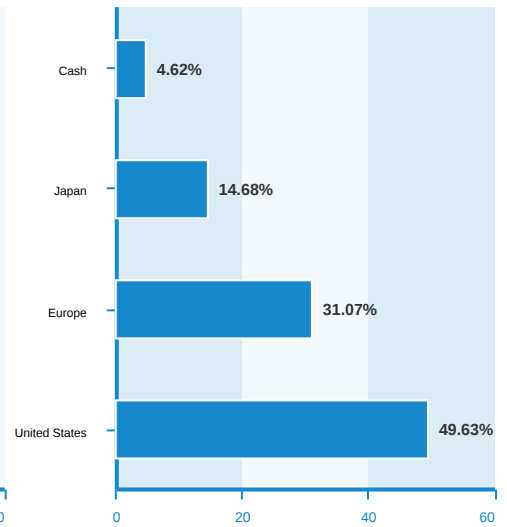
Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

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 Holdings                          | Country       | % of Net Assets | Fund Risk Statistics   |       |
|---------------------------------------|---------------|-----------------|------------------------|-------|
| SPDR S&P 500 ETF                      | United States | 25.94           | Beta                   | 1.03  |
| iShares Core MSCI Europe ETF          | Europe        | 16.87           | Information Ratio      | -0.26 |
| NEXT FUNDS TOPIX ETF                  | Japan         | 7.45            | Sharpe Ratio           | 0.11  |
| JPMorgan US Growth Fund               | United States | 6.97            | (3 years monthly data) |       |
| JP Morgan Europe REI ESG UCITS        | Europe        | 6.40            |                        |       |
| JP Morgan US REI Equity ESG           | United States | 5.79            |                        |       |
| JPMorgan Europe Strategic Growth Fund | Europe        | 3.85            |                        |       |
| FTGF ClearBridge - US Large Cap       | United States | 3.52            |                        |       |
| Principal GLB - EUR EQ-INS ACC        | Europe        | 3.13            |                        |       |
| NEXT FUNDS TOPIX Banks ETF            | Japan         | 2.70            |                        |       |

The holdings listed do not constitute a recommendation to purchase or sell a particular security. Any repeated issuer shown means same issuer with different coupon rate and/or maturity date. Cash and/or derivative positions that are not part of the core investment strategy will not be reflected in the top holdings list.

**Asset Allocation (%)****Sector Allocation (%)****Regional Allocation (%)**

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 increased by 1.46% in June, outperforming the benchmark by 66bps. YTD, the Fund is up 13.79%, outperforming the benchmark by 1.9%.

Developed markets equities continued to advance in June with S&P 500 and MSCI Japan increasing by 3.6% and 1.6% respectively, in local current terms. Continued optimism towards tech contributed to the rally. However, MSCI Europe was lagging with -1% return in EUR after the French snap election announcement triggered concerns on France fiscal deficit and broader implications on the European equity market. The Bank of Japan kept interest rates unchanged in the June monetary policy meeting and kept the same monthly purchase amount of Japanese Government Bonds (JGBs). However, Governor Ueda kept the July meeting a live one mentioning the reduction in JGB purchase will be "sizeable" and a possibility of interest rate increase. Nevertheless, the Japanese Yen weakened 2% against the U.S. Dollar as carry trade remains profitable with large interest rate differentials between Japan and US. Euro gained back the loss after the first round of French election result showing the far-right party Rassemblement National falling short of winning an outright majority in French parliament.

Strategy: Maintain a Slight Overweight in US and an Underweight in Europe. Despite incremental positive economic surprises in Europe, both economic and earnings growth expectations fall short of those in the US. Interest rate differentials support a stronger dollar until there are clearer signs that inflation is consistently moderating towards the Fed's 2% target. Maintain Overweight Japan. Despite currency market volatility, the fundamental themes of reflation and ongoing corporate governance reforms remain intact. Corporate earnings growth continues to be revised higher. Despite the rally since 2023, Japan's equity valuation remains reasonable. The BOJ's removal of the reference amount for JGB purchases in the latest monetary policy meeting opens the possibility of future reductions of JGB purchases. However, any policy normalization is likely to be gradual to avoid sudden increases in JGB yields. The FX interventions by the Ministry of Finance will slow down any further depreciation of Japanese Yen. If the interventions fail to prevent further Yen weakening, the BOJ may need to increase interest rates or reduce JGB purchases to support the Yen, especially if US interest rates remain high. However, monetary policy would stay accommodative given that real interest rate will likely stay negative for Japan.

^Based on the fund's portfolio returns as at 15 June 2024, the Volatility Factor (VF) for this fund is 13.08 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 the Principal Global Titans Fund Prospectus Issue No. M4 dated 28 February 2023 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 country risk, credit and default risk, currency risk, fund manager's risk, stock specific risk. You can obtain a copy of the Master 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 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.