

Principal Greater China Equity Fund- Class MYR (formerly known as CIMB-Principal Greater China Equity Fund)

30 November 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

Domicile Malaysia

Base Currency US Dollar

Fund Inception 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

Application Fee 5.50% of the NAV per unit

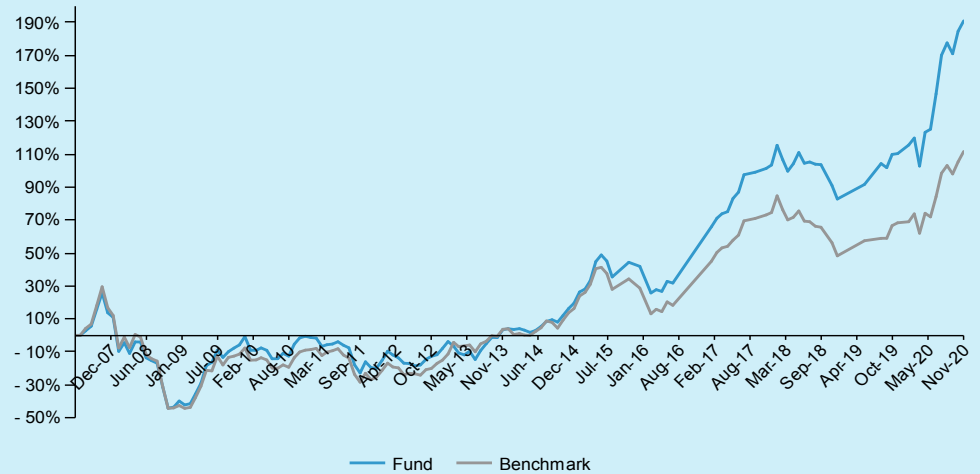
Management Fee 1.80% p.a. of the NAV

Trustee Fee 0.08% p.a. of the NAV

Fund Size (MYR) MYR 1.35 billion

NAV per unit (As at 30 November 2020) MYR 1.2409

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	29.80	2.19	4.81	29.18	38.29	44.49	107.86	190.90
Benchmark	19.53	3.06	4.20	23.06	25.69	22.25	64.39	111.63

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

	2020 Aug	2019 Nov
Gross (Sen/Unit)	9.92	2.45
Annualised Yield (%)	7.77	2.40

Note: June 2007 to November 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 *

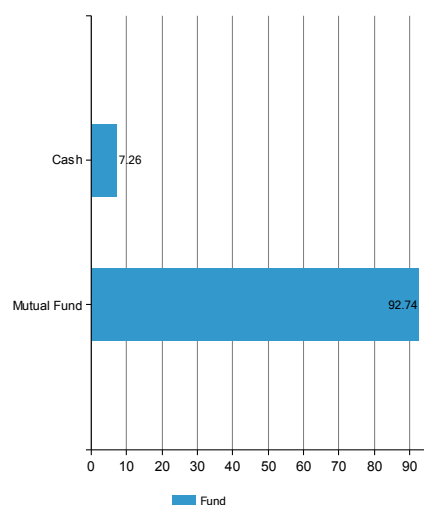
	Country	% of net assets
Taiwan Semiconductor Manufacturing Co Ltd	Taiwan	7.70
Alibaba Group Holding Ltd	China	6.80
Tencent Holdings Ltd	China	5.40
AIA Group Ltd	HK, China	3.50
MediaTek Inc	Taiwan	2.90
China Life Insurance Co Ltd	China	2.50
Sands China Ltd	China	2.30
China Pacific Insurance Group Co Ltd	China	2.20
BYD Co Ltd	China	2.00
China Petroleum & Chemical Corp	China	1.90

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.

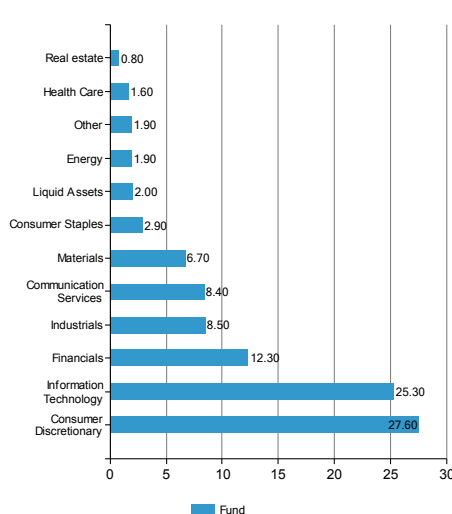
Fund Risk Statistics

Beta	1.00
Information Ratio	1.51
Sharpe Ratio	0.52
3 years monthly data	

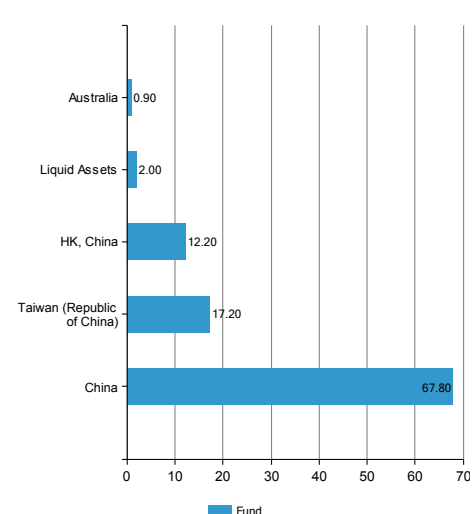
Asset Allocation (%)



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 rose by 2.19% during the month of November 2020, underperforming the benchmark by 0.87%. On a Year to date basis, the Fund rose 29.80% and outperformed the Benchmark by 10.27%. Stock selection was positive at the sector level, notably in the consumer discretionary sector. This offset weaker performance from materials and real estate. The underweight exposure to financials was a negative factor. However, the underweighting of communication services and overweighting of information technology boosted relative returns.

The MSCI China index rose over the month as the news regarding the impending production and distribution of Covid-19 vaccines across the globe boosted investor sentiment. However, China, which has outperformed significantly on a year-to-date basis, underperformed other Asian and global markets amid a rotation in market leadership. The Hong Kong market, which has been a distinct laggard in the year-to-date, rose strongly in November and outperformed China. Taiwanese equities were also very strong.

Despite the global pandemic, exports have done surprisingly well in 2020, due to strong global demand on healthcare products and China's fast resumption of industrial activities. China's solid economic recovery has also been supported by the government's unprecedented levels of fiscal and monetary stimulus. This has, in turn, dramatically reduced bankruptcy risks and allowed investors to look through the current slump in earnings towards a more normal operating environment into 2021.

In terms of strategy, we remain focused on those stocks exposed to the more secular growth themes in the country. In the medium term, we continue to favour domestic Chinese consumer-facing businesses and Hong Kong consumer goods companies, with strong brand value and pricing power, which will benefit from upgrades. We also remain positive on online businesses as the adoption of digital life during the pandemic has accelerated the online migration process in China. This bodes well for the sector's business outlook. We maintain our overweight position in the industrials sector, specifically in EV stocks and machinery companies that will benefit from the pickup in infrastructure investment and the localisation trend in China. We also favour selective technology, media and 5G companies. On the other hand, banks remain our major funding source

We recommend that you read and understand the contents of the Principal Greater China Equity Fund Prospectus Issue No.1 dated 17 April 2020 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 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 currency risk and Fund manager's 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 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 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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