

# Principal Titans Growth & Income Fund (formerly known as CIMB-Principal Equity Growth & Income Fund)

28 February 2021

Available under the EPF Members Investment Scheme.



## Fund Objective

To achieve capital appreciation over the medium to long-term through all types of investments that have the potential for above average growth over time.

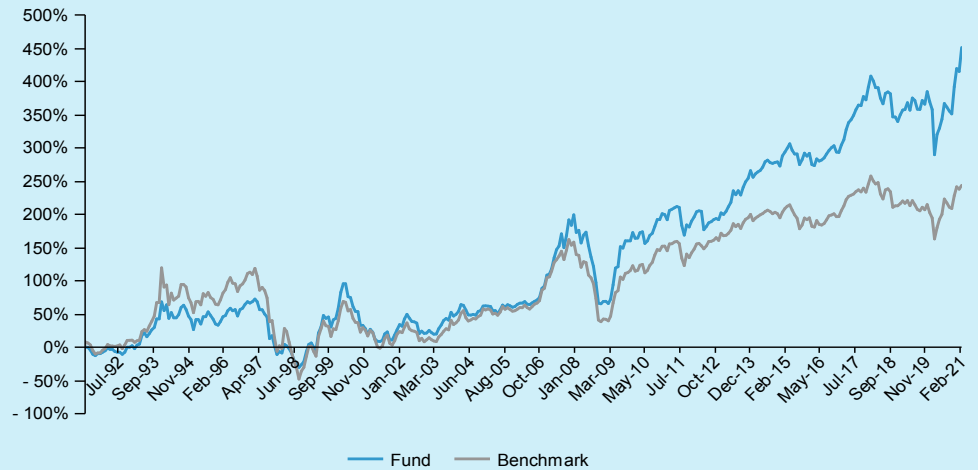
Currency: MYR ISIN Code: MY1000BF004

Bloomberg Ticker: BPTDGF MK

## Fund Information

Location	Malaysia
Domicile	Malaysia
Fund Currency	Ringgit Malaysia
Fund Size (MYR)	MYR 162.87 million
Fund Unit	118.18 million units
Fund Launch	15 May 1991
Benchmark	70% FTSE Bursa Malaysia Top 100 Index + 30% MSCI AC Asia ex Japan
Dealing	Daily (as per Bursa Malaysia trading day)
Application Fee	6.50% of the NAV per unit
Management Fee	1.50% p.a. of the NAV
Trustee Fee	0.07% p.a. of the NAV
Unit NAV (MYR)	MYR 1.3781

## 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	6.12	7.02	12.03	19.45	20.41	10.05	47.59	451.52
Benchmark	0.64	1.72	4.78	8.33	16.69	-1.83	22.38	243.90

## Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015
Fund	7.18	10.19	-10.49	24.96	0.33	5.15
Benchmark	8.48	2.10	-9.41	16.41	0.66	0.67

## Most Recent Fund Distributions

	2020 Jul	2019 Jul	2018 Jul	2017 Jul	2016 Jul	2015 Jul
Gross (Sen/Unit)	4.50	5.45	7.75	7.25	7.25	7.00
Annualised Yield (%)	3.74	4.22	5.50	5.45	5.93	5.07

Note: May 1991 to February 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

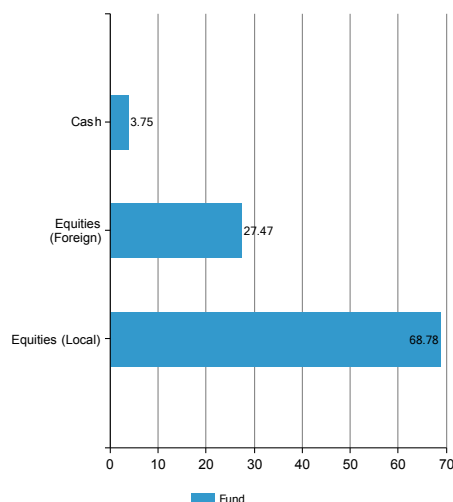
	Country	% of net assets
Malayan Banking Bhd	Malaysia	5.06
Press Metal Aluminium Hldg Bhd	Malaysia	3.48
CIMB Group Hldgs Bhd	Malaysia	3.27
Petronas Chemicals Group Bhd	Malaysia	3.06
Ann Joo Resources Bhd	Malaysia	3.06
RHB Bank Bhd	Malaysia	2.88
Public Bank Bhd	Malaysia	2.85
Genting Malaysia Bhd	Malaysia	2.77
Inari Amertron Bhd	Malaysia	2.51
Mr D.I.Y. Group (M) Bhd	Malaysia	2.41

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.

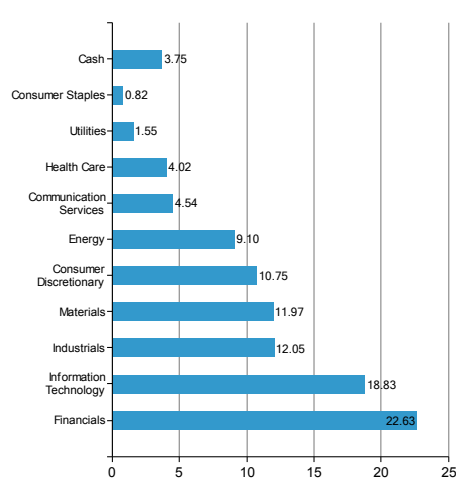
## Fund Risk Statistics

Beta	1.09
Information Ratio	0.64
Sharpe Ratio	0.09
3 years monthly data	

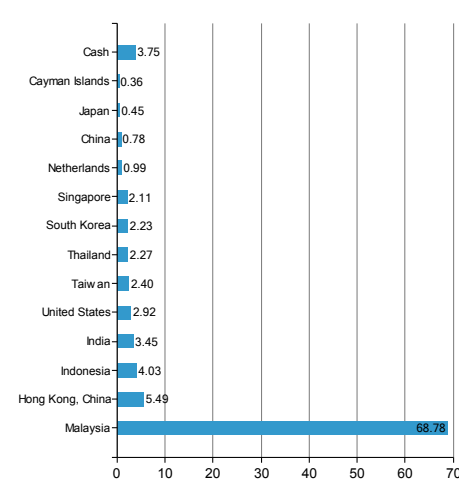
## Asset Allocation (%)



## 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

In February, the Fund rose 702 basis points (bps), outperforming the Benchmark by 530 bps due to overweight in materials, industrials, energy and technology.

The FTSE Bursa Malaysia Composite Index ("KLCI") eased during the month of February giving up 3.04% ytd to end the month at 1577.8 pts. The softer sentiment in the market was dampened by the jump in the number of COVID-19 cases that reached new peak over 5000 cases per day. Despite the market weakness the Tech sector remained robust at +27.5% ytd. On the other end, the Construction sector was the worst performer -8.6% ytd followed by the Property sector at -5.3%.

On valuations, FBMKLCI is currently trading at 2021 PE of 14.25x at par vs the 5-year mean of 15.9x. Low interest rate environment expected to continue until the economy is on a firmer footing. With such a low interest rate, equity risk premium (ERP) stands at 3.7% against the mean of 2.72%. This means equity valuation remains cheap against fixed income hence the preference for equities over FI. We value KLCI at 1,730 for the base case for 2021 as we peg it to 15.9x PE. All things being considered, we are positive on Malaysia market from Valuations perspective.

We remain constructive on the market and look ahead towards normalization. With that, we maintain our high AA of 94-98% and focusing on post COVID-19 recovery theme. The sectors in focus are Consumer & Retail, Technology and Commodity-related (weakening of USD), whilst underweighting Healthcare and Plantations.

We rate Asian equities a BUY over a 12-month horizon. We are positive on China and the more developed Asian economies. Sectors such as financials, materials and industrials are preferred as we position the portfolio to benefit from the cyclical economic recovery. We continue to avoid companies with high financial leverage. The focus is also on quality companies which are long term winners, or benefit from structural changes in their respective industries.

<sup>a</sup>Based on the fund's portfolio returns as at 15 February 2021, the Volatility Factor (VF) for this fund is 14.510 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 Master Prospectus Issue No. 22 dated 17 April 2020, 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, currency risk, risk of investing in emerging markets and 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.**

Principal Asset Management Berhad

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