

Principal ASEAN Dynamic Fund (formerly known as CIMB-Principal ASEAN Total Return Fund) -Class MYR

31 May 2021

Available under the EPF Members Investment Scheme.



Fund Objective

The Fund aims to achieve capital appreciation over the medium to long term by investing in the ASEAN region.

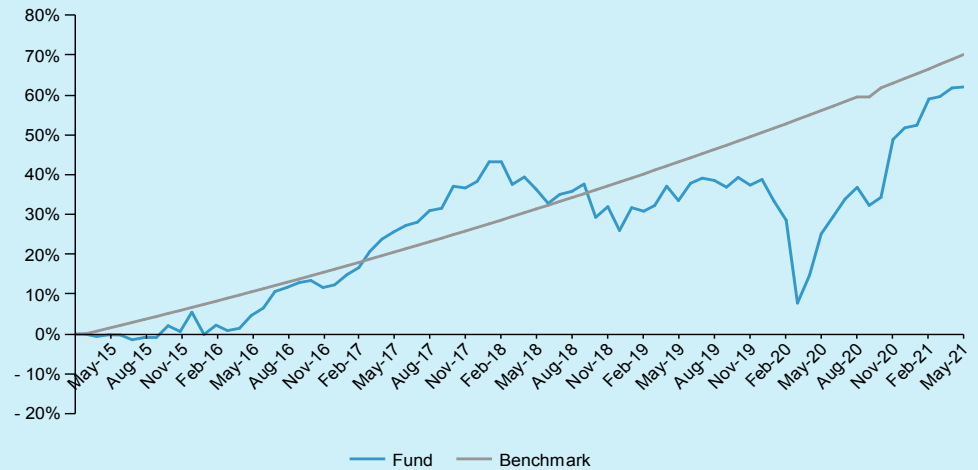
Currency: MYR
ISIN Code: MYU1000FG003

Bloomberg Ticker: CIMPATR MK

Fund Information

Domicile	Malaysia
Base Currency	US Dollar (USD)
Fund Inception	3 March 2015
Benchmark	9% p.a.
Application Fee	Principal Agency Distributor: Up to 6.50% of the NAV per unit IUTAs: Up to 5.50% of the NAV per unit
Management Fee	1.80% per annum of the NAV of the Class in Malaysia
Trustee Fee	0.06% per annum of the NAV of the Class in Malaysia
Fund Size (MYR)	MYR 59.82 million
NAV per unit (As at 31 May 2021)	MYR 0.8100

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	6.76	0.15	1.90	8.84	29.46	18.79	54.82	62.00
Benchmark	3.66	0.72	2.18	4.40	9.00	29.50	53.86	70.14

Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015
Fund	9.34	10.14	-8.89	23.09	6.52	N/A
Benchmark	9.00	9.00	9.00	9.00	9.00	N/A

Note: March 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

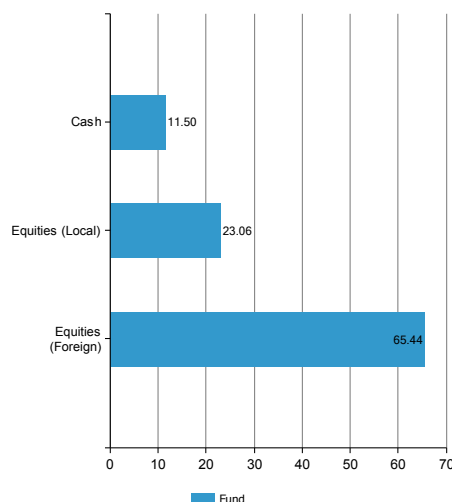
	Country	% of net assets
United Overseas Bank Ltd	Singapore	6.79
Oversea-Chinese Banking Corp	Singapore	6.77
DBS Group Hldg Ltd	Singapore	4.77
Bank Central Asia	Indonesia	4.20
SEA LTD	United States	3.11
Bank Rakyat Indonesia	Indonesia	3.06
Genting Bhd	Malaysia	2.48
Minor International PCL	Thailand	2.47
Press Metal Aluminium Hldg Bhd	Malaysia	2.38
Bank for Foreign Trade of Viet	Vietnam	2.23

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.

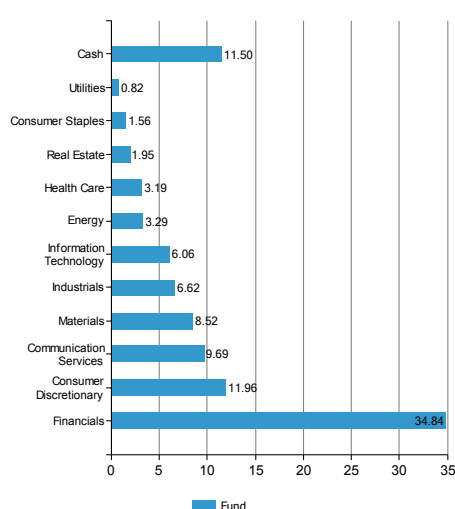
Fund Risk Statistics

Beta	0.35
Information Ratio	-0.15
Sharpe Ratio	0.21
3 years monthly data	

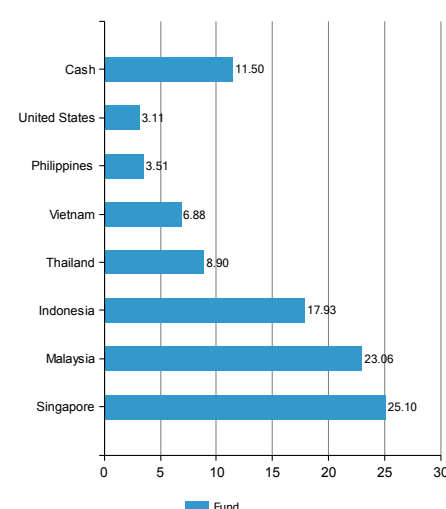
Asset Allocation (%)



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 +0.15% for the month, underperforming the absolute benchmark by -0.57%. At the country level, Malaysia, United States and Thailand were the underperformers. Meanwhile, Information Technology, Industrials and Energy were the sector detractors.

MSCI ASEAN index (USD terms) declined -0.32% in May and YTD flat at -0.02%. Outperformers were Philippines (+5.66%), Vietnam (+3.21%) and Indonesia (+1.10%), whilst Malaysia (-2.65%), Singapore (-0.97%) and Thailand (-0.64%) underperformed.

ASEAN and other EM countries faced a resurgence of COVID-19 cases, while the roll-out of vaccination is still being ramped up. Hence, movement control measures were re-tightened in Malaysia, Singapore and Vietnam. Earnings revision has been mixed. Countries that re-introduced movement control continue to see soft earnings. Meanwhile, banks and companies exposed to commodities reported stronger earnings.

ASEAN markets continue to see foreign outflows for the month except for Indonesia. Interestingly, Philippines, Malaysia and Indonesia started to see foreign inflows towards the end of the month. ASEAN currencies appreciated along China Renminbi against USD except for Malaysia Ringgit and Thai Baht due to the resurgence in COVID-19 cases. MSCI ASEAN is currently trading at 14.7x forward Price-to-Earnings Ratio which is slightly above the 10-year historical average of 13.6x. Earnings revision has flattened out. Meanwhile, in terms of P/BV, it is still trading below 10-year average.

We believe ASEAN equities will provide investors a combination of recovery plays and long-term structural themes. Hence, we have adopted a barbell approach of cyclical and growth. As economic activities continue to improve and vaccine development progresses, we are increasingly more positive on cyclical sectors and stocks benefiting from reopening such as tourism-related. Cyclical sectors include financials, consumer, basic materials, energy, real estates. We continue to like structural growth themes of ASEAN e-commerce, Vietnam and technology & supply chain shift.

From a technical viewpoint, ASEAN has been under-performing North Asia since 2018 and we do think that 2021 will be a year where this asset class will shine simply because it is under-owned and foreign investor positioning is too underweight.

^aBased on the fund's portfolio returns as at 15 May 2021, the Volatility Factor (VF) for this fund is 15.800 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 ASEAN Dynamic Fund (formerly known as CIMB-Principal ASEAN Total Return Fund) Prospectus Issue No. 4 dated 23 December 2019 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 country risk, credit (default) risk, currency risk, Equity specific risk, interest rate risk, liquidity risk, risk associated with temporary defensive positions and risk of investing in emerging markets. 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 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 for a prospectus containing this and other information. Please read it carefully before investing.

Principal Asset Management Berhad

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