

# Principal Asia Pacific Dynamic Income Fund - Class D

31 March 2024

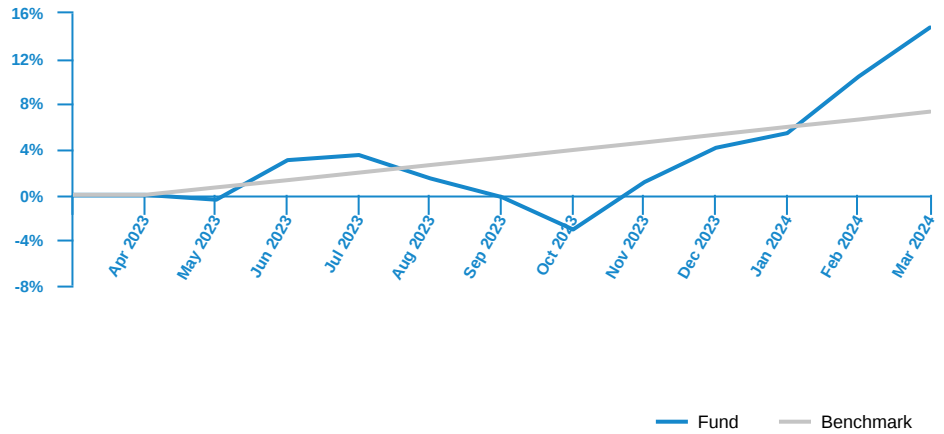
## Fund Objective

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long term. The Fund will be managed with the aim of achieving a stable and positive investment returns over the medium to long term through investments primarily in Asia Pacific ex Japan region, i.e. companies that are domiciled in, listed in, and/or have significant operations in the Asia Pacific ex Japan region. The fund may also invest up to 20% of its NAV in companies that are listed globally with some business/operations within the Asia Pacific ex Japan region to capture growth opportunities.

## Fund Information

<b>ISIN Code</b>	MYU0100A6408
<b>Lipper ID</b>	68761410
<b>Bloomberg Ticker</b>	CPAINCD MK
<b>Domicile</b>	Malaysia
<b>Currency</b>	MYR
<b>Base Currency</b>	USD
<b>Fund Inception</b>	28 Apr 2023
<b>Benchmark</b>	The Fund has a target return of eight percent (8%) per annum.
<b>Application Fee</b>	Up to 5.00% of the NAV
<b>Management Fee</b>	Up to 1.50% p.a. of the NAV
<b>Trustee Fee</b>	Up to 0.05% p.a. of the NAV
<b>Fund Size (MYR)</b>	MYR 841.24 thousand
<b>Fund Unit</b>	0.74 million units
<b>NAV per unit (As at 31 Mar 2024)</b>	MYR 1.1440
<b>Initial Offering Period (IOP) Date</b>	2 May 2023
<b>Initial Offering Period (IOP) Price</b>	MYR 1.00

## Fund Performance



Past performance does not guarantee future results. Asset allocation and diversification do not ensure a profit or protect against a loss.

	YTD	1M	3M	6M	1Y	3Y	5Y	Since Inception
<b>Fund</b>	10.19	3.92	10.19	14.99	N/A	N/A	N/A	14.76
<b>Benchmark</b>	1.93	0.65	1.93	3.93	N/A	N/A	N/A	7.38

	2023	2022	2021	2020	2019	2018
<b>Fund</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Benchmark</b>	N/A	N/A	N/A	N/A	N/A	N/A

	2023 Aug
<b>Gross (sen/unit)</b>	0.32
<b>Annualised Yield (%)</b>	1.25

Note: April 2023 to March 2024.

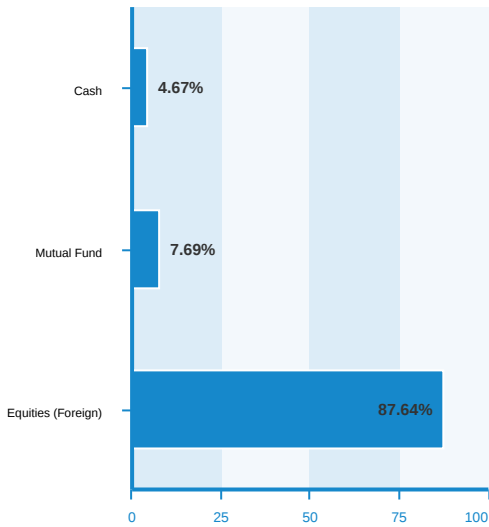
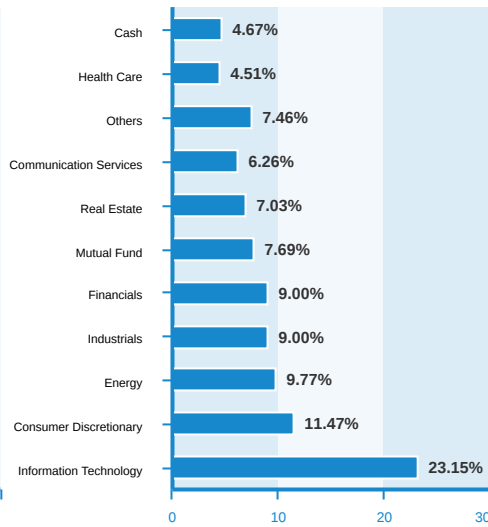
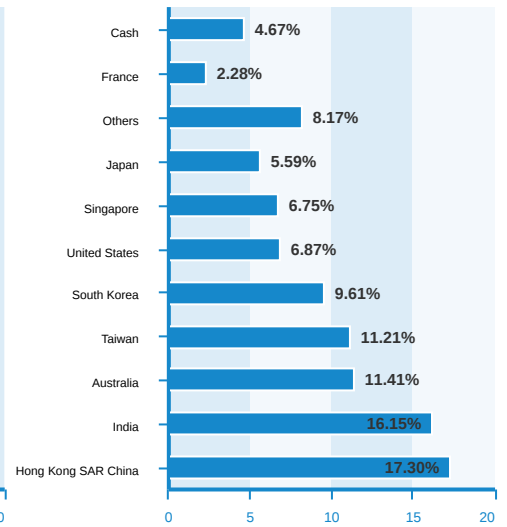
Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

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
Taiwan Semiconductor Manufacturing	Taiwan	9.68	<b>Beta</b> -
Reliance Industries Ltd	India	5.08	<b>Information Ratio</b> -
CNOOC Ltd	Hong Kong SAR China	4.69	<b>Sharpe Ratio</b> -
Samsung Electronics Co Ltd	South Korea	4.35	(3 years monthly data)
SK Hynix Inc	South Korea	3.45	
NEXT FUNDS TOPIX Banks ETF	Japan	3.30	
Goodman Group	Australia	2.97	
Linde Plc	United States	2.70	
Jio Financial Services Ltd	India	2.70	
CapitaLand Integrated Commercial Trust	Singapore	2.61	

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 was up 3.92% in MYR terms in March, outperforming the benchmark by 327 bps. YTD, the Fund is up 10.19%, outperforming the benchmark by 826 bps.

The MSCI AC Asia Pacific ex Japan Index rose by 2.3% in USD terms in March. Inflation proved to be more persistent than expected in the US as headline inflation increased 0.4%MoM or 3.2%YoY in February. All eyes were on FOMC meeting if the dot plot will reflect a lower number of rate cuts this year, especially after a strong February nonfarm payrolls number too. Eventually, the Fed decided to maintain its median forecast for three cuts for this year, in line with market expectations. Moreover, the Fed raised the core PCE inflation forecast for 2024 from 2.4% to 2.6%, implying that they do not need to see inflation drop below 2.5% before cutting rates. China manufacturing PMI surprised on the upside, with NBS PMI exceeding 50 in March and exports grew more than expected. These are green shoots that indicate the policies are working its way through the economy. We retain our view that China growth outlook hinges critically on government policies. There are also upcoming elections in South Korea and India. We expect stability in India politics, while the polls in South Korea are casting doubts on the execution of the "Corporate Value-Up Program". The current government aim to promote shareholder returns through "Corporate Value-up Program", akin to what happened in Japan, which could result in a re-rating in the stock market in the longer run. We have a positive view on Asian equities. Within China, being selective on companies with strong cashflow and dividends has been rewarding. Our current ideas include semiconductor manufacturing and the value chain for more advanced chips, demand for better engineering solutions as industries grow, discretionary consumption, beneficiaries of Korea's value-up program, India's private sector revival and high dividend yielders. We took profit on our Japanese investments and switch to consumer discretionary and healthcare sectors. Other risks would be (1) Inflation may prove more sticky than expected, (2) continued weak business and consumer sentiment in China, (3) rising geopolitical risks.

^Based on the fund's portfolio returns as at 15 March 2024, the Volatility Factor (VF) for this fund is and is classified as "" (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 Asia Pacific Dynamic Income Fund Prospectus Issue No. M5 dated 14 April 2023 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 to 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 . 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 Fund. 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 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.