

Principal China Direct Opportunities Fund - Class SGD

31 July 2024



Fund Objective

The Fund seeks opportunities through investments primarily in China A-Shares with the aim to provide capital appreciation. The Fund will invest at least 70% of its NAV (both inclusive) in equities that are listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange (China A-Shares) directly via RQFII quota. Under general market conditions, the Fund will seek opportunities within the China A-Shares universe by focusing mainly in mid-capitalization and/or small-capitalization companies which have good growth potential when compared against its peers or the overall market.

Lipper Score

Total Return

Consistent Return

5

5

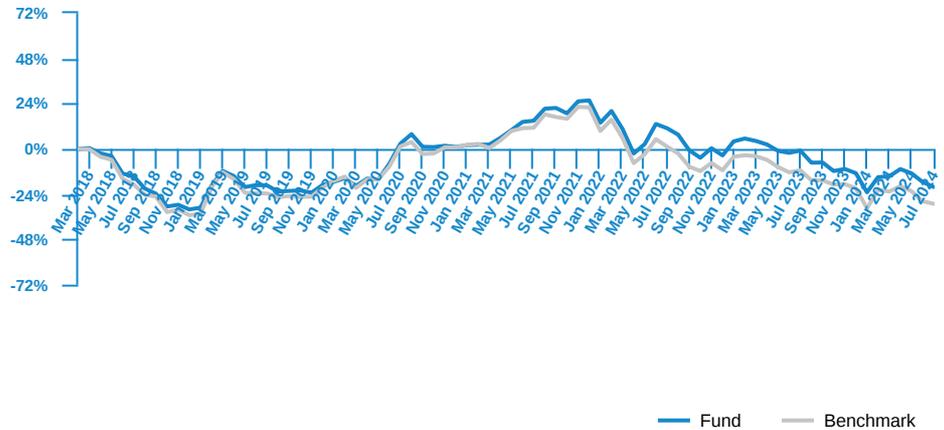
Morningstar Rating



Fund Information

ISIN Code	MYU1001FY004
Lipper ID	68476162
Bloomberg Ticker	CPCDSGD MK
Domicile	Malaysia
Currency	SGD
Base Currency	CNY
Fund Inception	8 Mar 2018
Benchmark	CSI500 Index
Application Fee	Up to 5.50% of the NAV per unit
Management Fee	Up to 1.80% per annum of the NAV of the Class
Trustee Fee	Up to 0.045% per annum of the NAV of the Fund
Fund Size (SGD)	SGD 883.37 thousand
Fund Unit	1.14 million units
NAV per unit (As at 31 Jul 2024)	SGD 0.7739
Initial Offering Period (IOP) Date	29 Mar 2018
Initial Offering Period (IOP) Price	SGD 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.

Cumulative Performance (%)								
	YTD	1M	3M	6M	1Y	3Y	5Y	Since Inception
Fund	-8.41	-3.25	-10.64	3.66	-19.49	-30.57	-1.01	-20.18
Benchmark	-10.44	-1.90	-11.74	3.45	-20.04	-36.28	-7.20	-29.12

Calendar Year Returns (%)							
	2023	2022	2021	2020	2019	2018	
Fund	-9.74	-23.21	24.42	24.91	19.15	N/A	
Benchmark	-10.75	-27.32	20.98	26.54	22.89	N/A	

Most Recent Fund Distributions						
						2022 Jun
Gross (cent/unit)						3.40
Annualised Yield (%)						3.10

Note: March 2018 to July 2024.

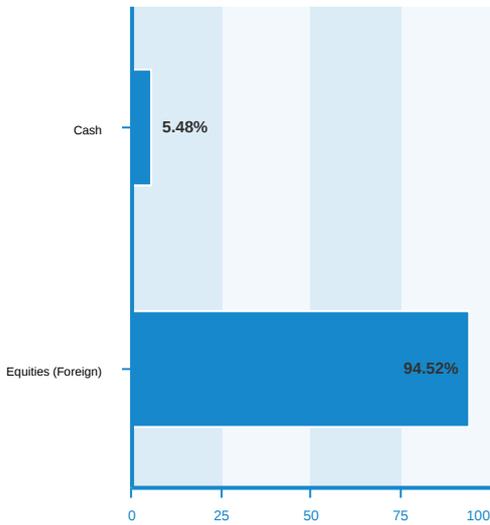
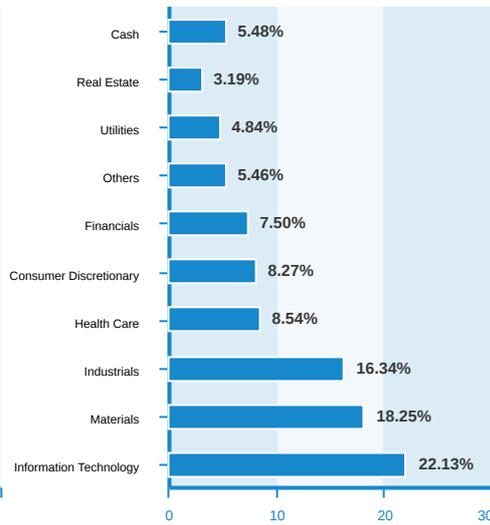
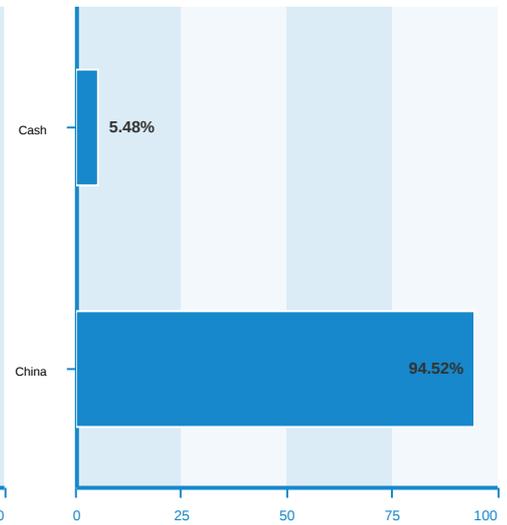
Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

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	
Bluestar Adisseo Co Ltd	China	2.24	Beta	0.92
Beijing Capital Co Ltd	China	1.89	Information Ratio	0.19
Tianshui Huatian Technology	China	1.78	Sharpe Ratio	-0.22
Jiangsu Financial Leasing Co Ltd	China	1.76	(3 years monthly data)	
Joincare Pharmaceutical Group	China	1.75		
Shenwan Hongyuan Group Co Ltd	China	1.32		
Shanghai Tunnel Engineering Co Ltd	China	1.30		
Huabei Mining Holdings Co Ltd	China	1.29		
Eoptolink Technology Inc	China	1.29		
Kunshan Huguang Auto Harness Co Ltd	China	1.21		

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 fell 3.25% during the month, underperforming the benchmark by 1.35%.

The various data released in July showed that the economic prosperity has weakened, and the priority of stabilizing growth at the policy level has been raised. Fundamentally, the year-on-year GDP growth rate in the second quarter has declined, increasing the pressure to achieve the annual growth target. In terms of liquidity, the overall funding situation in July was loose, and financial data shows that the demand for physical financing is still weak. The central bank's two interest rate cuts combined with large-scale injections have released signals of easing. The Third Plenum of the 20th Central Committee in July pointed out the direction of medium- and long-term reforms. A series of stable growth policies were introduced in late July, and the deployment of the Politburo meeting at the end of the month further clarified the priority of stable growth goals.

The downside to equity markets is likely limited, but the upside is capped by a mixed macro backdrop and earnings that have yet to show meaningful upside. We believe a structural improvement in real estate, employment and consumer spending is needed to drive a more sustainable turnaround in China equity markets.

We recommend that you read and understand the contents of the Master Prospectus dated 10 July 2023, which have been deposited with Securities Commission Malaysia before investing and that you keep the said Master Prospectus for your record. 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. The principal risks are returns not guaranteed, general market environment risk, manager's risk, inflation risk and loan financing risk. The specific risks of the Target Fund are stock specific risk, country risk, credit and default risk, liquidity risk, currency risk and RQFII regime risk. You can obtain a copy of the Prospectus from the head office of Principal Asset Management Berhad or from any of our approved distributors. 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. 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. All performance figures have been extracted from Lipper. 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.