

# Principal Global Technology Fund - Class AUD-Hedged

31 October 2024



## Fund Objective

The Fund aims to provide capital appreciation through investments in one collective investment scheme, which invests primarily in a diversified portfolio of technology related companies. The Fund will invest 95% of its NAV in the Franklin Technology Fund Class I (USD), which is an institutional share class denominated in USD (Target Fund). The Target Fund invests at least two thirds of its net invested assets in equity securities of US and non US companies expected to benefit from the development, advancement, and use of technology and communication services and equipment.

## Lipper Score

Total Return

Consistent Return

2

3

## Morningstar Rating

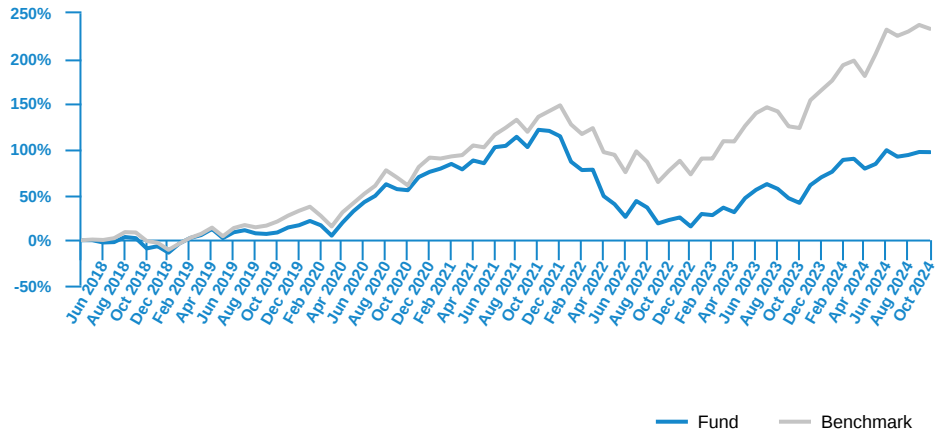
Sustainability



## Fund Information

ISIN Code	MYU1003FX002
Lipper ID	68490905
Bloomberg Ticker	CPGTAUH MK
Domicile	Malaysia
Currency	AUD
Base Currency	USD
Fund Inception	17 May 2018
Benchmark	The Fund adheres to the benchmark of the Target Fund for performance comparison. The benchmark of the Target Fund is MSCI World Information Technology 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 0.06% per annum of the NAV of the Fund
Fund Size (AUD)	AUD 43.11 million
Fund Unit	34.07 million units
NAV per unit (As at 31 Oct 2024)	AUD 1.2653
Initial Offering Period (IOP) Date	7 Jun 2018
Initial Offering Period (IOP) Price	AUD 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	16.38	-0.08	2.62	10.15	39.65	-11.09	81.59	97.07
Benchmark	25.57	-1.27	2.38	18.51	48.89	41.06	176.05	232.96

Calendar Year Returns (%)						
	2023	2022	2021	2020	2019	2018
Fund	47.05	-46.32	22.37	50.51	35.10	N/A
Benchmark	53.66	-30.60	30.15	44.26	48.15	N/A

Most Recent Fund Distributions					
	2024 Sep	2022 Sep	2021 Sep	2020 Aug	
Gross (cent/unit)	7.45	3.84	3.75	4.27	
Annualised Yield (%)	5.88	4.77	2.39	2.78	

Most Recent Unit Splits					
					2020 Sep
Ratio					1:3

Note: May 2018 to October 2024.

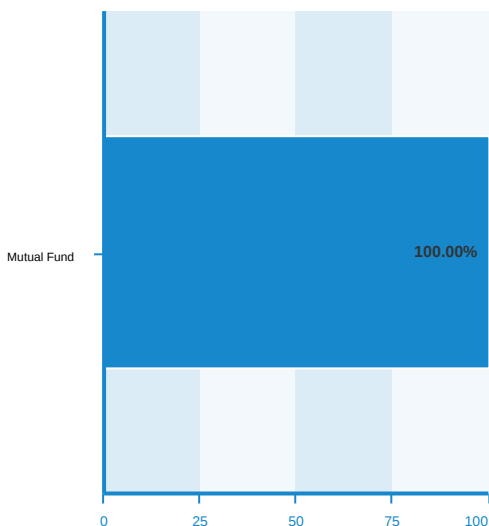
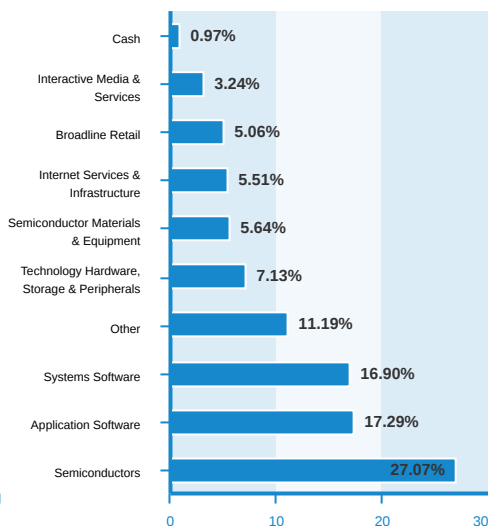
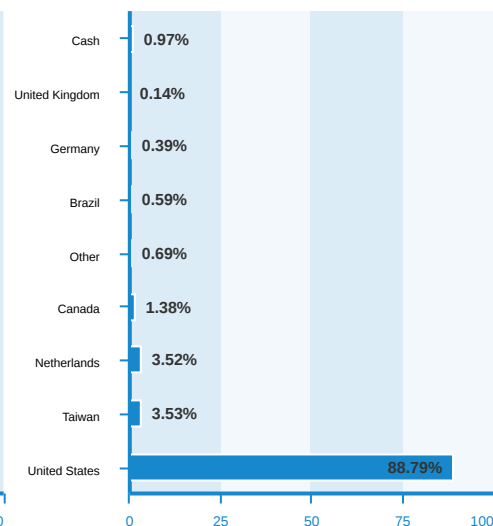
Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

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	
Nvidia Corporation	United States	10.28	Beta	1.09
Microsoft Corporation	United States	7.75	Information Ratio	-0.39
Broadcom Inc	United States	5.24	Sharpe Ratio	-0.07
Amazon.com Inc	United States	5.06	(3 years monthly data)	
Apple Inc	United States	4.94		
Taiwan Semiconductor Manufacturing	Taiwan	3.53		
Synopsys Inc	United States	2.91		
ServiceNow Inc	United States	2.87		
Oracle Corporation	United States	2.62		
Alphabet Inc	United States	2.49		

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 (%) \***

\* Of the target fund

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 0.08% during the month, outperformed the benchmark by 1.19%

Global equities collectively declined in October 2024 amid investor concerns about economic growth and the path of major central banks' interest-rate easing cycles, along with uncertainty about the upcoming US presidential election in early November. On the economic front, global manufacturing activity generally remained weak, while flash reports indicated services activity continued to expand in many regions. The information technology (IT) sector saw its global standing improve in October as it finished the month in fourth place out of the 11 sectors despite the group's negative returns. At the industry level, semiconductor and communications equipment stocks were outliers to the upside, partially offsetting the combined loss from four other industries that were anchored to the downside by IT services. The communication services sector fared better than IT as it posted a small October gain, with most of the support stemming from media and entertainment companies.

Despite recent market volatility, IT sector fundamentals remain fairly stable relative to recent quarters. We continue to believe the sector can outpace the broader market on earnings growth this year and next, driven by strong secular tailwinds including GenAI. We also remain optimistic about the potential for an economic soft landing, which, alongside the US Federal Reserve's interest-rate-cutting cycle, has the potential to support increased corporate investment in technology. Industries such as software have faced several quarters of muted demand, due in part to macro uncertainty driving tighter corporate budgets. We continue to view this as a temporary phenomenon. Additionally, we believe more certainty around the macro path should encourage greater breadth in the IT sector.

We recommend that you read and understand the contents of the Principal Global Technology Fund Information Memorandum No.2 dated 31 December 2019, which have been deposited with Securities Commission Malaysia before investing and that you keep the said Information Memorandum for your record. Any issue of units to which the Information Memorandum relates will only be made upon receipt of the completed application form referred to in and accompanying the Information Memorandum, subject to the terms and conditions therein. The principal risks are returns not guaranteed, market risk, inflation risk, and loan financing risk. The specific risks of the Fund are Fund manager risk, country risk and currency risk. You can obtain a copy of the Information Memorandum 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](http://www.principal.com.my) for a prospectus containing this and other information. Please read it carefully before investing.