

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

31 March 2021

Available under the EPF Members Investment Scheme.



## Fund Objective

To provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

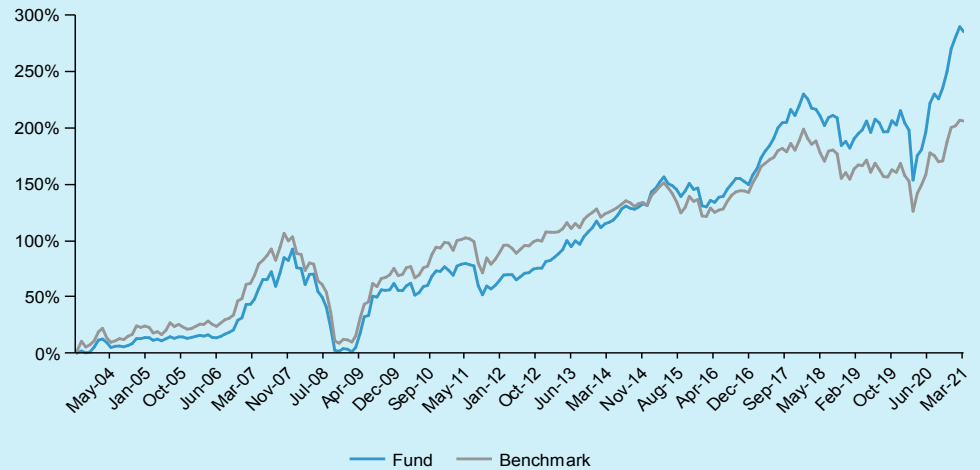
Currency: MYR ISIN Code: MYU1000BI008

Bloomberg Ticker: SBBEQIF MK

## Fund Information

Location	Malaysia
Domicile	Malaysia
Fund Currency	Ringgit Malaysia
Fund Size (MYR)	MYR 77.12 million
Fund Unit	52.37 million units
Fund Launch	1 October 2003
Benchmark	50% FTSE Bursa Malaysia Top 100 Index + 50% MSCI AC Asia ex Japan
Dealing	Daily (as per Bursa Malaysia trading day)
Application Fee	6.50% of the NAV per unit
Management Fee	1.85% p.a. of the NAV per unit
Trustee Fee	0.06% p.a. of the NAV
Unit NAV (MYR)	MYR 1.4725

## 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	4.11	-1.13	4.11	18.31	51.87	21.38	63.52	285.41
Benchmark	1.95	-0.22	1.95	13.42	35.38	7.25	33.78	206.21

## Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015
Fund	17.38	11.79	-11.75	28.01	1.22	6.70
Benchmark	11.84	5.52	-11.83	18.90	2.66	2.98

## Most Recent Fund Distributions

	2020 Aug	2019 Aug	2018 Jul	2017 Jul	2016 Jul	2015 Jul
Gross (Sen/Unit)	4.70	5.40	9.00	8.50	8.50	7.00
Annualised Yield (%)	3.62	4.39	6.12	6.97	7.26	5.36

Note: October 2003 to March 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

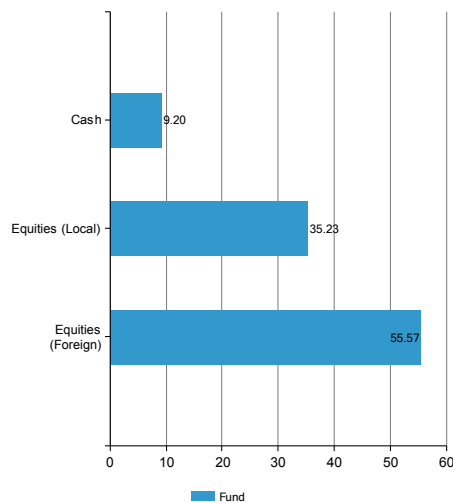
	Country	% of net assets
Tencent Hldg Ltd	HK, China	3.96
Alibaba Group Holding Ltd	Cayman Islands	3.42
United Overseas Bank Ltd	Singapore	3.40
Genting Bhd	Malaysia	3.37
LG Chem Ltd	South Korea	3.03
Samsung Electronics Co. Ltd	South Korea	2.99
SEA LTD	United States	2.94
Techtronic Industries Co	HK, China	2.62
RHB Bank Bhd	Malaysia	2.61
Malaysia Airports Hldg Bhd	Malaysia	2.58

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.

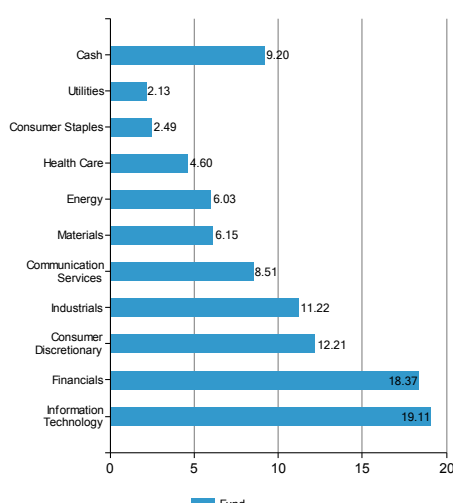
## Fund Risk Statistics

Beta	1.09
Information Ratio	0.95
Sharpe Ratio	6.94
3 years monthly data	

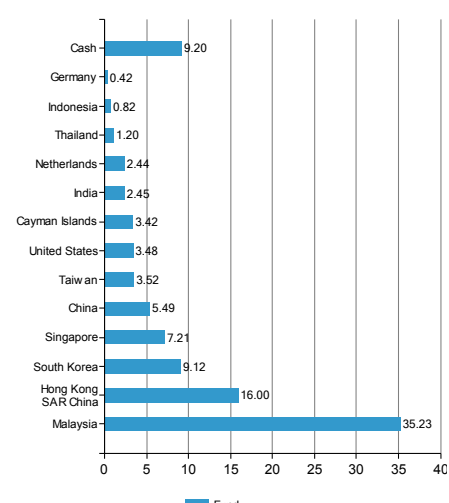
## Asset Allocation (%)



## 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 March, the fund declined -1.13% in MYR terms, underperforming the benchmark by -91bps. The underperformance of the month was driven by Financials, Materials and Industrials.

FBMKLCI ended March flat at 1,573pts, down 4pts or -0.3%. The latest tally placed Property and Construction as top performing sector indices, up 8% and 6% respectively during the month, while Healthcare (-9%) and Technology (-6%) were the worst performers. Bank Negara in the recent release of its Annual Report pegs 2021 GDP growth at 6.0-7.5% premised on improved external demand driven by the tech upcycle and containment of Covid19 – daily cases now at low 1,000s versus over 3,000 in February – and with vaccination roll-out well underway. Labour market is improving with strong policy support for businesses and households.

We are Neutral on Malaysia considering the balance of risk – improving fiscal position and corporate earnings recovery weighed against near-term political uncertainty. We remain proponents of the reopening theme and thus constructive on sectors such as Financials, Cyclical, Commodities and select Transports. We continue to like Tech names due to the structural growth story, but near-term sentiment could be tempered by jitters on interest rates and US-China relations.

Asia: The MSCI AC Asia Pacific ex Japan Index declined by 2.3% in USD terms in March 2021 led by Singapore and India while China and Indonesia lagged. Governments around the world, together with the central banks, continue to be focused on ensuring that the economy recovery continues. The pace of the roll-out of the vaccines and improving employment rate remain the key objectives. Liquidity will continue to be ample and fund flows are more likely to move to Asia given that (1) Asia is still under-owned, (2) earnings growth momentum is strong and (3) valuation is still attractive relative to global equities.

We rate Asian equities a BUY over a 12-month horizon. We expect a broadening out of economic recovery and have added more cyclical positions outside of China, where we prefer financials and materials. 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.

\*Based on the fund's portfolio returns as at 15 March 2021, the Volatility Factor (VF) for this fund is 15.100 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, credit and default risk, currency risk, interest rate risk, risk of investing in emerging markets, risks associated with investment in warrants 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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