

Principal China Direct Opportunities Fund - Class MYR

31 December 2021



Fund Objective

The Fund seeks opportunities through investments primarily in China A-Shares with the aim to provide capital appreciation. The Fund is established with a multi-class structure and is allowed to establish new Class(es) from time to time.

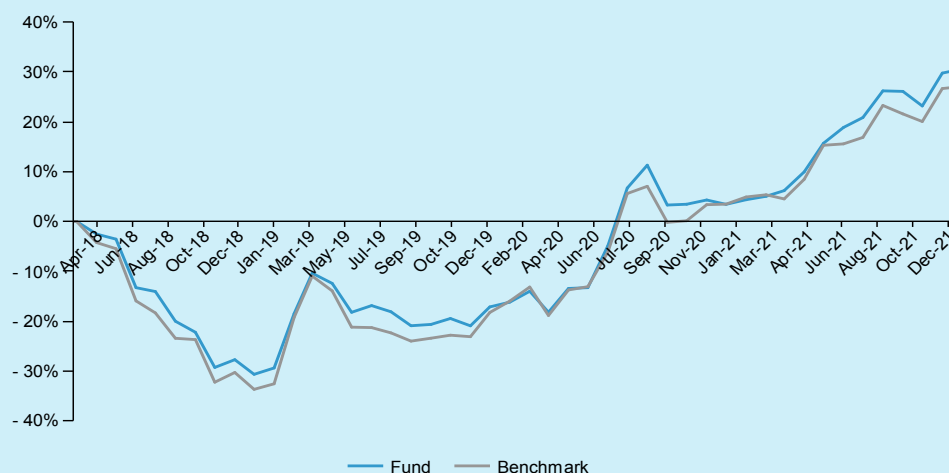
Currency: MYR ISIN Code: MYU1000GW008

Bloomberg Ticker: CPCDMYR MK

Fund Information

Domicile	Malaysia
Base Currency	RMB
Fund Inception	8 March 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 0.06% per annum of the NAV of the Fund
Fund Size (MYR)	MYR 133.29 million
NAV per unit (As at 31 December 2021)	MYR 1.2439
Distribution Frequency	Ad-hoc basis
Trustee	HSBC (Malaysia) Trustee Berhad

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	26.26	0.62	3.55	9.86	26.26	88.40	N/A	30.60
Benchmark	22.83	0.34	4.53	9.97	22.83	91.75	N/A	27.11

Calendar Year Returns (%)		2021	2020	2019	2018	2017	2016
Fund		26.26	24.85	19.52	N/A	N/A	N/A
Benchmark		22.83	26.60	23.30	N/A	N/A	N/A

Note: March 2018 to December 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

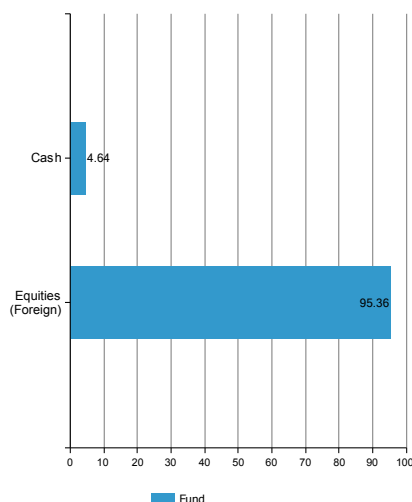
	Country	% of net assets
China Everbright Bank Co Ltd	China	1.23
Shenwan Hongyuan Group Co Ltd	China	1.07
Guangzhou Port Co Ltd	China	0.97
Northeast Securities Co Ltd	China	0.94
Anhui Kouzi Distillery Co Ltd	China	0.87
North Industries Group Red Arrow	China	0.82
Huagong Tech Co Ltd	China	0.81
Wuhu Token Science Co Ltd	China	0.81
GigaDevice Semiconductor Beijing	China	0.79
Suzhou Dongshan Precision Manuf	China	0.77

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.

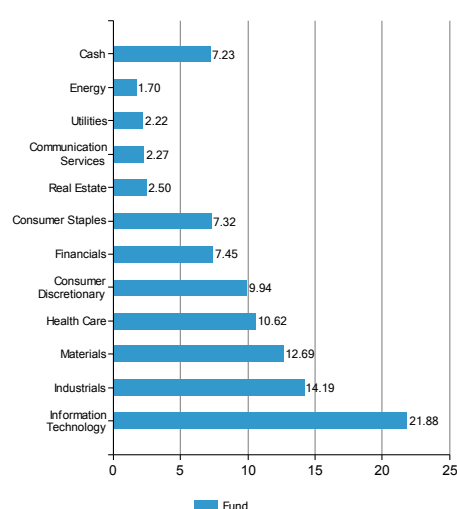
Fund Risk Statistics

Beta	0.86
Information Ratio	-0.28
Sharpe Ratio	1.28
3 years monthly data	

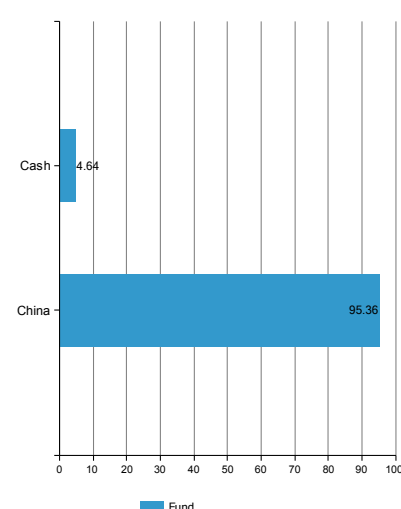
Asset Allocation (%)



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 0.62% in December 2021, outperforming the benchmark by 0.28ppt. YTD, the fund rose by 26.26%, outperforming the benchmark by 3.43ppt.

The market is gradually recovering from the worries of the mutant strain of Omicron. Crude oil prices rebounded in December after experiencing a sharp drop in the previous period. In terms of foreign exchange, the RMB exchange rate remained resilient, and foreign capital continued to flow into the A-share market.

The market in the spring of 2022 is still expected to be upward, with stable growth allocation as the main theme. 1) From January to early March, the local two sessions and the central two committees will be held, and favorable policies will promote stable growth and industrial reform expectations; 2) stabilizing growth policy is expected to continue to be actively promoted, and traditional infrastructure construction will focus on efforts; 3) real estate policy requires "stability", the central bank encourages real estate companies to merge, resolve industry risks, and achieve clearing; 4) High-end manufacturing, hard technology, and new energy industry chains are still key support directions.

[^]Based on the fund's portfolio returns as at 15 December 2021, the Volatility Factor (VF) for this fund is 16.860 and is classified as "Very 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 Prospectus Issue No. 2 for Principal China Direct Opportunities Fund (formerly known as CIMB-Principal China Direct Opportunities Fund) dated 16 January 2020, 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, 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.

Principal Asset Management Berhad

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