

Principal Emerging Markets Multi Asset Fund

Quarterly Report

For The Quarter And Financial Period Ended 31 October 2021

PRINCIPAL EMERGING MARKETS MULTI ASSET FUND

QUARTERLY REPORT

FOR THE QUARTER AND FINANCIAL PERIOD ENDED 31 OCTOBER 2021

CONTENTS	PAGE(S)
INVESTORS' LETTER	1
MANAGER'S REPORT	2 - 19
Fund Objective and Policy	
Performance Data	
Market Review	
Fund Performance	
Portfolio Structure	
Market Outlook	
Investment Strategy	
Unit Holdings Statistics	
Soft Commissions and Rebates	
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME	20
UNAUDITED STATEMENT OF FINANCIAL POSITION	21 - 22
UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	23
UNAUDITED STATEMENT OF CASH FLOWS	24
DIRECTORY	25

INVESTORS' LETTER

Dear Valued Investor,

Greetings from Principal Asset Management Berhad and thank you for investing with us!

We are pleased to bring you a copy of the Quarterly Fund Report of the Principal Global Multi Asset Income Fund for the financial period ended 31 October 2021. You may also download this report from our website at www.principal.com.my.

We are happy to share that we won the Most Innovative New Money Market Fund – Principal e-Cash Fund at the Global Business Outlook Awards 2021 and the Best Online & Mobile Platform (Asset Manager) Malaysia 2021 at the World Business Outlook Annual Awards 2021. Meanwhile, Principal Islamic won the Best 3-Year ROI Global Sukuk Fund Manager 2020 award at the EPF 2021 External Fund Manager Awards and was named Best Islamic Asset Manager of the Year (Asia Pacific) at The Asset Triple A Islamic Finance Awards 2021.

Digital innovation is central to our strategy, as we use data and technology to develop the right solutions for you. We will continue to advance our digital capabilities to provide easy access to your investment portfolio and enable you to carry out transactions seamlessly. Please continue to check out our website (www.principal.com.my), like our Facebook page (@PrincipalAssetMY) and follow us on our Instagram account (@principalassetmanagement_my) for the latest updates, market insights and investment articles.

We appreciate your continuous support and the trust you place in us.

Yours faithfully,
for **Principal Asset Management Berhad**



Munirah Khairuddin
Chief Executive Officer

MANAGER'S REPORT**FUND OBJECTIVE AND POLICY****What is the investment objective of the Fund?**

The Fund aims to maximise total return through investments in one collective investment scheme, which invests primarily in assets of the Emerging Markets ("EM").

Has the Fund achieved its objective?

The Fund is in line with achieving its long-term objective as stated under the Fund Performance section.

What are the Fund investment policy and principal investment strategy?

The Fund is a feeder fund and it invests in a single collective investment scheme, i.e. AllianceBernstein Société d'Investissement à Capital Variable ("AB SICAV") I Emerging Markets Multi-Asset Portfolio ("Target Fund"). The Fund may also invest in liquid asset for liquidity purpose.

In order to achieve its investment objective, the Fund will invest at least 95% of its Net Asset Value ("NAV") in the Target Fund; a Undertaking for Collective Investment in Transferable Securities ("UCITS") domiciled in Luxembourg and established on 23 May 2011. Currently, the Fund will invest in Class AD of the Target Fund, which is a share class denominated in USD and launched on 21 March 2013. The Fund will also maintain up to 5% of its NAV in liquid assets for liquidity purposes. The Fund may invest into any other classes of the Target Fund which must be denominated in USD if the Manager and the Target Fund Manager are of the opinion that the change is in the interest of the Unit holders.

Asset Allocation

- At least 95% of the Fund's NAV will be invested in the Target Fund; and
- Up to 5% of the Fund's NAV will be invested in liquid assets for liquidity purposes.

Information on the Target Fund:

Company	: AB SICAV I, an open-ended investment company with variable capital (société d'investissement à capital variable) incorporated on 8 June 2006 with limited liability in the Grand Duchy of Luxembourg.
Investment Manager	: AllianceBernstein L.P.
Management Company	: AllianceBernstein (Luxembourg) S.à r.l.
Regulatory authority	: Commission de Surveillance du Secteur Financier

Base Currency

US Dollar ("USD")

Fund category/type

Feeder Fund/Income & Growth

When was the Fund launched?

Name of Class	Launch date
Class AUD-Hedged ("AUD-H")	1 July 2017
Class EUR-Hedged ("EUR-H")	2 July 2018
Class GBP-Hedged ("GBP-H")	2 July 2018
Class HKD-Hedged ("HKD-H")	2 July 2018
Class MYR	6 January 2017
Class MYR-Hedged ("MYR-H")	27 February 2017
Class RMB-Hedged ("RMB-H")	2 July 2018
Class SGD-Hedged ("SGD-H")	1 July 2017
Class USD	6 January 2017

FUND OBJECTIVE AND POLICY (CONTINUED)

What was the size of the Fund as at 31 October 2021?

USD11.70 million (33.92 million units)

What is the Fund's benchmark?

The Fund is benchmark unconstrained as the Target Fund is benchmark unconstrained i.e. it will be actively managed without references to any specific benchmark.

What is the Fund distribution policy?

Quarterly, depending on the availability of realised income and/or realised gains and at the Manager's discretion. The Manager has the right to make provisions for reserves in respect of distribution of the Class. If the income available is too small or insignificant, any distribution may not be of benefit to unit holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed. The Manager also has the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of its realised income and/or realised gains, as well as the performance of the Fund.

What was the net income distribution for the financial period from 1 August 2021 to 31 October 2021?

The Fund distributed a total net income of USD0.30 million to unit holders for the financial period from 1 August 2021 to 31 October 2021.

The Fund's NAV per unit were as follows:

Date	NAV per unit	NAV per unit
	(before distribution) USD	(after distribution) USD
09.09.2021		
Class AUD-H	0.7845	0.7776
Class GBP-H	1.8241	1.7925
Class HKD-H	0.1638	0.1625
Class MYR	0.2604	0.2582
Class MYR-H	0.2657	0.2633
Class RMB-H	0.2027	0.2011
Class SGD-H	0.7826	0.7760
Class USD	1.1873	1.1758

PERFORMANCE DATA

Details of portfolio composition of the Fund for the last three unaudited financial periods were as follows:

	31.10.2021	31.10.2020	31.10.2019
	%	%	%
Collective investment scheme	99.03	99.58	99.04
Cash and other assets	1.81	4.51	6.93
Liabilities	(0.84)	(4.09)	(5.97)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Performance details of the Fund for the last three unaudited financial periods were as follows:

	31.10.2021	31.10.2020	31.10.2019
NAV (USD Million)			
- Class AUD-H	1.66	2.89	5.65
- Class EUR-H	0.00*	0.00*	0.00*
- Class GBP-H	0.01	0.08	0.02
- Class HKD-H	0.00*	0.01	0.00*
- Class MYR	1.59	2.95	7.21
- Class MYR-H	4.65	9.18	17.82
- Class RMB-H	0.66	0.42	0.05
- Class SGD-H	1.58	2.59	6.86
- Class USD	1.55	2.98	5.57
Units in circulation (Million)			
- Class AUD-H	2.26	4.60	8.95
- Class EUR-H	0.00*	0.00*	0.00*
- Class GBP-H	0.01	0.05	0.02
- Class HKD-H	0.00*	0.04	0.00*
- Class MYR	6.40	13.18	32.18
- Class MYR-H	18.33	40.46	78.65
- Class RMB-H	3.40	2.57	0.33
- Class SGD-H	2.15	3.93	10.20
- Class USD	1.37	2.91	5.43
NAV per unit (USD)			
- Class AUD-H	0.7343	0.6287	0.6314
- Class EUR-H	1.4252	1.2693	1.1860
- Class GBP-H	1.6721	1.4526	1.4302
- Class HKD-H	0.1561	0.1418	0.1360
- Class MYR	0.2478	0.2238	0.2239
- Class MYR-H	0.2536	0.2269	0.2265
- Class RMB-H	0.1942	0.1636	0.1518
- Class SGD-H	0.7363	0.6598	0.6722
- Class USD	1.1337	1.0246	1.0249

Note: 0.00* denotes fair value less than 0.01 million.

PERFORMANCE DATA (CONTINUED)

Performance details of the Fund for the last three unaudited financial periods were as follows (continued):

	01.08.2021 to 31.10.2021	01.08.2020 to 31.10.2020	01.08.2019 to 31.10.2019
Highest NAV per unit (USD)			
- Class AUD-H	0.7669	0.6813	0.6355
- Class EUR-H	1.5304	1.3308	1.1862
- Class GBP-H	1.7989	1.5563	1.4316
- Class HKD-H	0.1648	0.1459	0.1361
- Class MYR	0.2612	0.2317	0.2255
- Class MYR-H	0.2662	0.2347	0.2284
- Class RMB-H	0.2025	0.1681	0.1532
- Class SGD-H	0.7799	0.6844	0.6742
- Class USD	1.1967	1.0609	1.0319
Lowest NAV per unit (USD)			
- Class AUD-H	0.6952	0.6099	0.5894
- Class EUR-H	1.4081	1.2297	1.1202
- Class GBP-H	1.6314	1.3850	1.2649
- Class HKD-H	0.1544	0.1378	0.1273
- Class MYR	0.2452	0.2172	0.2125
- Class MYR-H	0.2465	0.2188	0.2136
- Class RMB-H	0.1892	0.1550	0.1419
- Class SGD-H	0.7227	0.6350	0.6260
- Class USD	1.1218	0.9946	0.9723
Total return (%)			
- Class AUD-H	(2.31)	0.49	(0.36)
- Class EUR-H	(2.07)	0.04	(0.50)
- Class GBP-H	(3.47)	0.27	(0.83)
- Class HKD-H	(2.58)	0.48	0.10
- Class MYR	(4.19)	(1.52)	0.28
- Class MYR-H	(2.01)	0.73	0.39
- Class RMB-H	(1.63)	1.32	0.13
- Class SGD-H	(2.50)	0.50	0.04
- Class USD	(2.46)	0.50	0.28
Capital growth (%)			
- Class AUD-H	(1.45)	(0.52)	(1.34)
- Class EUR-H	(2.07)	0.04	(0.50)
- Class GBP-H	(1.77)	(0.34)	(1.20)
- Class HKD-H	(1.80)	0.48	0.10
- Class MYR	(3.37)	(2.40)	(0.71)
- Class MYR-H	(1.15)	(0.25)	(0.59)
- Class RMB-H	(0.84)	0.65	0.13
- Class SGD-H	(1.67)	(0.51)	(0.93)
- Class USD	(1.51)	(0.41)	(0.70)

PERFORMANCE DATA (CONTINUED)

Performance details of the Fund for the last three unaudited financial periods were as follows (continued):

	01.08.2021 to 31.10.2021	01.08.2020 to 31.10.2020	01.08.2019 to 31.10.2019
Income distribution (%)			
- Class AUD-H	0.88	0.94	0.99
- Class EUR-H	-	-	-
- Class GBP-H	1.76	1.02	0.38
- Class HKD-H	0.80	-	-
- Class MYR	0.86	1.06	1.00
- Class MYR-H	0.88	0.98	1.00
- Class RMB-H	0.80	0.92	-
- Class SGD-H	0.85	1.18	0.98
- Class USD	0.98	1.01	0.99
Management Expense Ratio ("MER") (%) ^	0.48	1.38	0.47
Portfolio Turnover Ratio ("PTR") (times) #	0.10	0.11	0.08

^ The Fund's MER decreased from 1.38% to 0.48% due to the increase in average NAV during the financial period under review.

The Fund's PTR decrease to 0.10 times from 0.11 times from the last reporting period, mainly due to lower trading activities within the reporting period.

Gross/Net distribution per unit (cent)

Distribution on 9 September 2021

- Class AUD-H	0.67	-	-
- Class GBP-H	3.08	-	-
- Class HKD-H	0.13	-	-
- Class MYR	0.22	-	-
- Class MYR-H	0.23	-	-
- Class RMB-H	0.16	-	-
- Class SGD-H	0.65	-	-
- Class USD	1.15	-	-

Distribution on 9 September 2020

- Class AUD-H	-	0.61	-
- Class GBP-H	-	1.33	-
- Class MYR	-	0.22	-
- Class MYR-H	-	0.22	-
- Class RMB-H	-	0.11	-
- Class SGD-H	-	0.63	-
- Class USD	-	1.03	-

Distribution on 4 October 2019

- Class AUD-H	-	-	0.60
- Class GBP-H	-	-	0.51
- Class MYR	-	-	0.22
- Class MYR-H	-	-	0.22
- Class SGD-H	-	-	0.64
- Class USD	-	-	0.99

PERFORMANCE DATA (CONTINUED)

	31.10.2021	31.10.2020	31.10.2019	31.10.2018	Since inception to 31.10.2017
	%	%	%	%	%
Annual total return					
- Class MYR	14.34	3.56	9.62	(13.32)	13.11
- Class USD	14.71	4.21	9.55	(13.32)	13.32

(Launch date: 6 January 2017)

	31.10.2021	31.10.2020	31.10.2019	31.10.2018	Since inception to 31.10.2017
	%	%	%	%	%
Annual total return					
- Class MYR-H	15.43	3.74	9.92	(12.88)	11.72

(Launch date: 27 February 2017)

	31.10.2021	31.10.2020	31.10.2019	31.10.2018	Since inception to 31.10.2017
	%	%	%	%	%
Annual total return					
- Class AUD-H	12.87	2.04	7.66	(13.98)	1.24
- Class SGD-H	14.03	1.81	8.48	(14.33)	3.47

(Launch date: 1 July 2017)

	31.10.2021	31.10.2020	31.10.2019	Since inception to 31.10.2018
	%	%	%	%
Annual total return				
- Class EUR-H	12.49	2.32	9.46	(2.90)
- Class GBP-H	12.55	4.42	9.94	0.98
- Class HKD-H	13.36	3.91	4.19	(0.10)
- Class RMB-H	17.12	5.63	2.30	4.62

(Launch date: 2 July 2018)

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures for the financial period have been extracted from Lipper.

MARKET REVIEW (1 AUGUST 2021 TO 31 OCTOBER 2021)

Emerging Market (“EM”) equities, as measured by the MSCI EM Index, rose by 2.6% in August 2021. After falling early in the month on Coronavirus Disease 2019 (“COVID-19”) concerns and anxiety around Chinese regulatory actions, EM stocks staged a recovery later in the month to finish in positive territory. Chinese stocks were weighed down by investor concern about expanding regulatory scrutiny across a range of industries, including technology, education and online gaming. Recent Purchasing Managers’ Index (“PMI”) data also suggested slowing economic momentum, particularly within China’s manufacturing and services sectors, which is likely correlated to a resurgence in COVID-19 cases.

EM equities, fell by 4.0% in September 2021 as concerns over inflation, a slowing global economy and the imminent tightening of US monetary policy weighed on investors. The potential for contagion from the collapse of the heavily indebted Chinese real estate developer Evergrande and a slowdown in China’s economy also pressured EM stocks.

EM equities, gained 1.0% in October 2021, underperforming Developed Market (“DM”), which were led by US equities on the back of upbeat earnings results despite cost pressures driven by supply-chain disruptions, labour shortages and inflation. A number of EM central banks chose to front-load rate hikes to keep inflation expectations anchored. Chinese authorities also moved to calm fears related to China’s property and energy sectors, alleviating investors’ concerns, at least temporarily.

FUND PERFORMANCE

	3 months to 31.10.2021								
	Class AUD-H	Class EUR-H	Class GBP-H	Class HKD-H	Class MYR	Class MYR-H	Class RMB-H	Class SGD-H	Class USD
	%	%	%	%	%	%	%	%	%
Income									
Distribution	0.88	-	1.76	0.80	0.86	0.88	0.80	0.85	0.98
Capital									
Growth	(1.45)	(2.07)	(1.77)	(1.80)	(3.37)	(1.15)	(0.84)	(1.67)	(1.51)
Total Return	(2.31)	(2.07)	(3.47)	(2.58)	(4.19)	(2.01)	(1.63)	(2.50)	(2.46)
Benchmark	-	-	-	-	-	-	-	-	-
Average									
Total									
Return	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	6 months to 31.10.2021								
	Class AUD-H	Class EUR-H	Class GBP-H	Class HKD-H	Class MYR	Class MYR-H	Class RMB-H	Class SGD-H	Class USD
	%	%	%	%	%	%	%	%	%
Income									
Distribution	1.63	-	2.51	0.80	1.62	1.62	1.54	1.59	1.73
Capital									
Growth	(5.21)	(4.20)	(7.08)	(4.75)	(3.83)	(4.61)	(3.86)	(5.11)	(5.18)
Total Return	(3.66)	(4.20)	(4.74)	(3.98)	(2.27)	(3.06)	(2.38)	(3.60)	(3.54)
Benchmark	-	-	-	-	-	-	-	-	-
Average									
Total									
Return	(7.19)	(8.22)	(9.26)	(7.81)	(4.49)	(6.03)	(4.90)	(4.90)	(6.96)

FUND PERFORMANCE (CONTINUED)

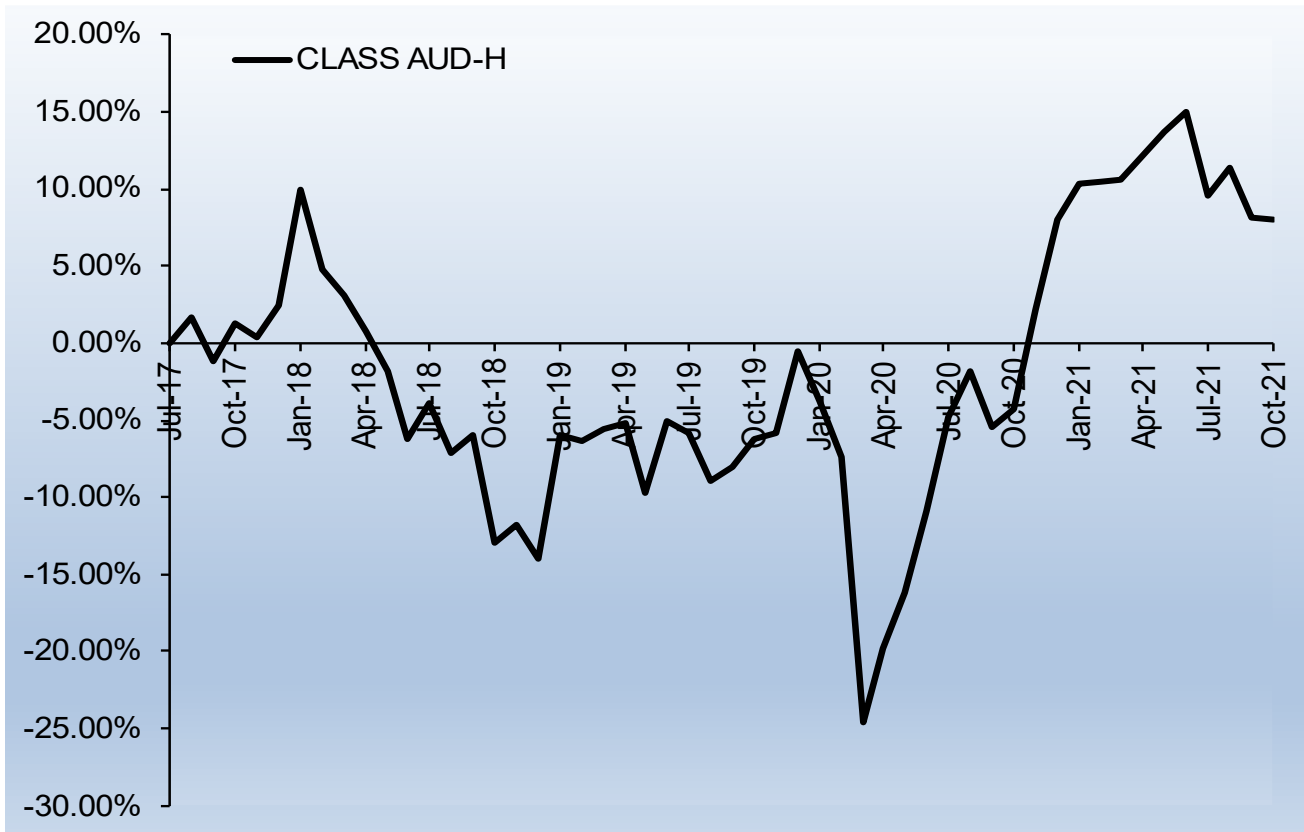
	1 year to 31.10.2021								
	Class AUD-H %	Class EUR-H %	Class GBP-H %	Class HKD-H %	Class MYR %	Class MYR-H %	Class RMB-H %	Class SGD-H %	Class USD %
Income									
Distribution	3.56	-	4.20	2.65	3.61	3.62	3.15	3.71	3.67
Capital									
Growth	8.98	12.49	8.02	10.43	10.35	11.40	13.54	9.95	10.65
Total Return	12.87	12.49	12.55	13.36	14.34	15.43	17.12	14.03	14.71
Benchmark	-	-	-	-	-	-	-	-	-
Average									
Total									
Return	12.87	12.49	12.55	13.36	14.34	15.43	17.12	14.03	14.71
	3 years to 31.10.2021								
	Class AUD-H %	Class EUR-H %	Class GBP-H %	Class HKD-H %	Class MYR %	Class MYR-H %	Class RMB-H %	Class SGD-H %	Class USD %
Income									
Distribution	10.83	-	7.51	3.01	9.84	11.56	6.30	11.57	9.56
Capital									
Growth	11.87	25.99	20.18	19.14	17.99	17.98	18.84	13.98	19.54
Total Return	23.99	25.99	29.21	22.73	29.60	31.62	26.32	27.17	30.97
Benchmark	-	-	-	-	-	-	-	-	-
Average									
Total									
Return	7.43	8.01	8.92	7.07	9.03	9.59	8.08	5.40	9.41
	Since inception to 31.10.2021								
	Class AUD-H %	Class EUR-H %	Class GBP-H %	Class HKD-H %	Class MYR %	Class MYR-H %	Class RMB-H %	Class SGD-H %	Class USD %
Income									
Distribution	10.83	-	7.51	3.01	15.92	22.04	6.30	13.84	13.47
Capital									
Growth	(2.57)	22.34	21.36	21.42	2.56	4.97	24.33	(0.97)	13.37
Total Return	7.98	22.34	30.47	25.08	18.89	28.11	32.16	12.73	28.64
Benchmark	-	-	-	-	-	-	-	-	-
Average									
Total									
Return	1.79	6.23	8.30	6.95	3.65	5.44	8.62	3.40	5.36

For the quarter period under review, the Fund posted negative returns for all 9 classes, namely Class AUD-H, Class EUR-H, Class GBP-H, Class HKD-H, Class MYR, Class MYR-H, Class RMB-H, Class SGD-H, and Class USD, and down by 2.31%, 2.07%, 3.47%, 2.58%, 4.19%, 2.01%, 1.63%, 2.50% and 2.46% respectively.

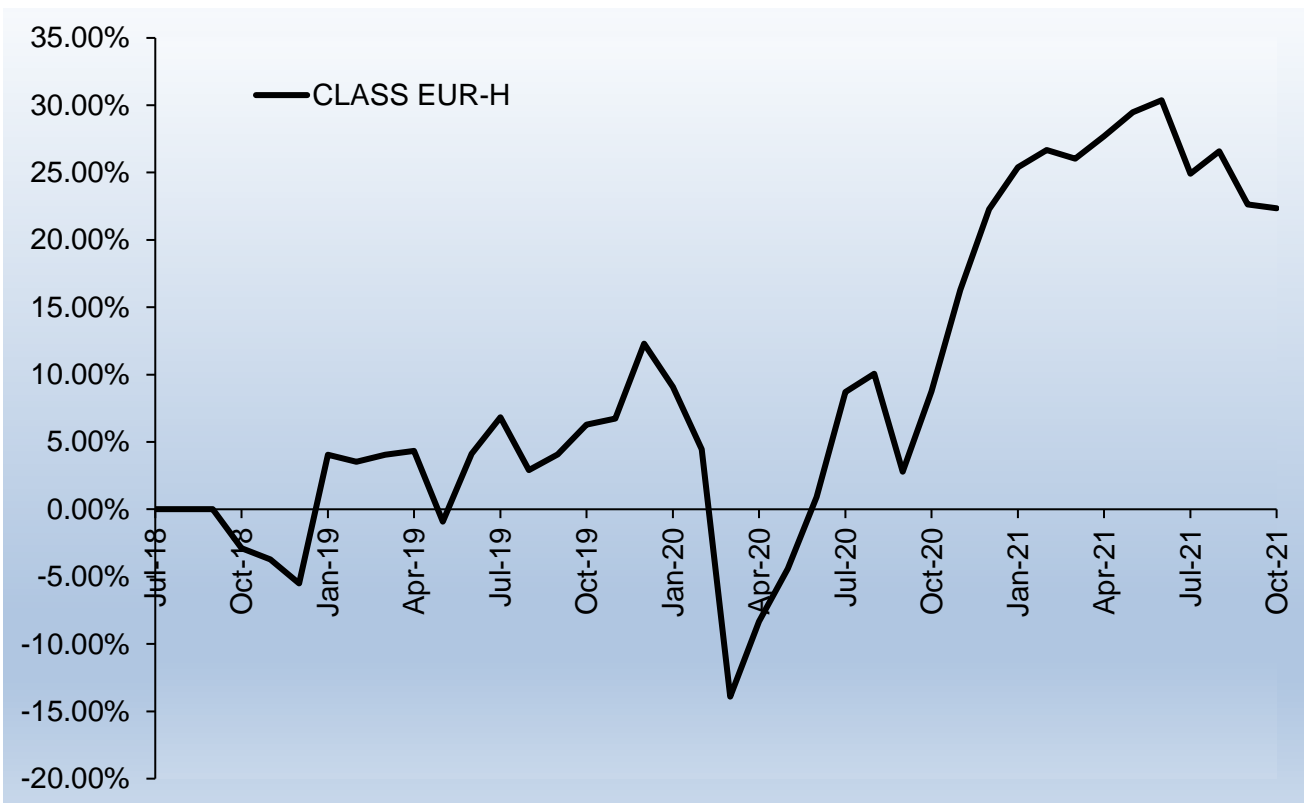
To note, the Fund is benchmark unconstrained. The performance during the financial period under review was in line with the overall EM market performance, as highlighted under the Market Review section.

FUND PERFORMANCE (CONTINUED)

CLASS AUD-H

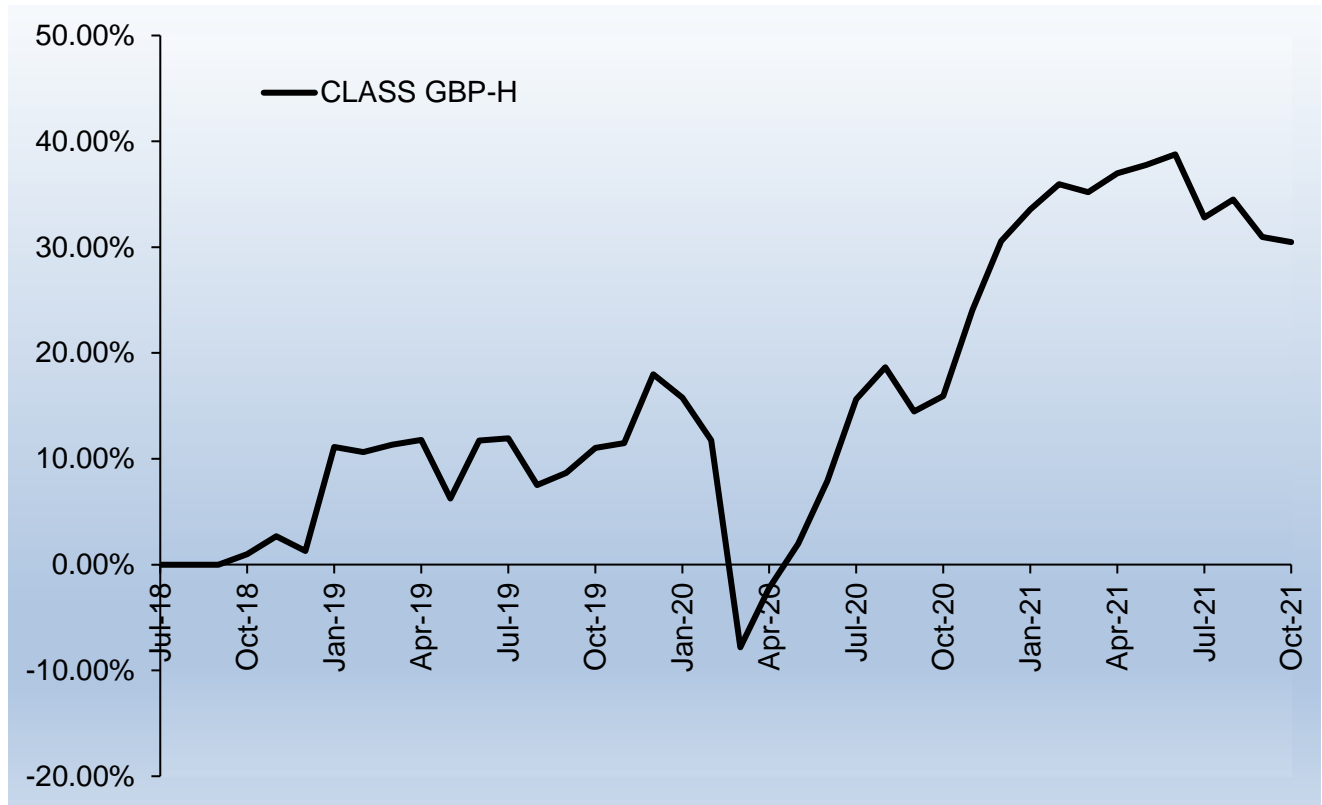


CLASS EUR-H

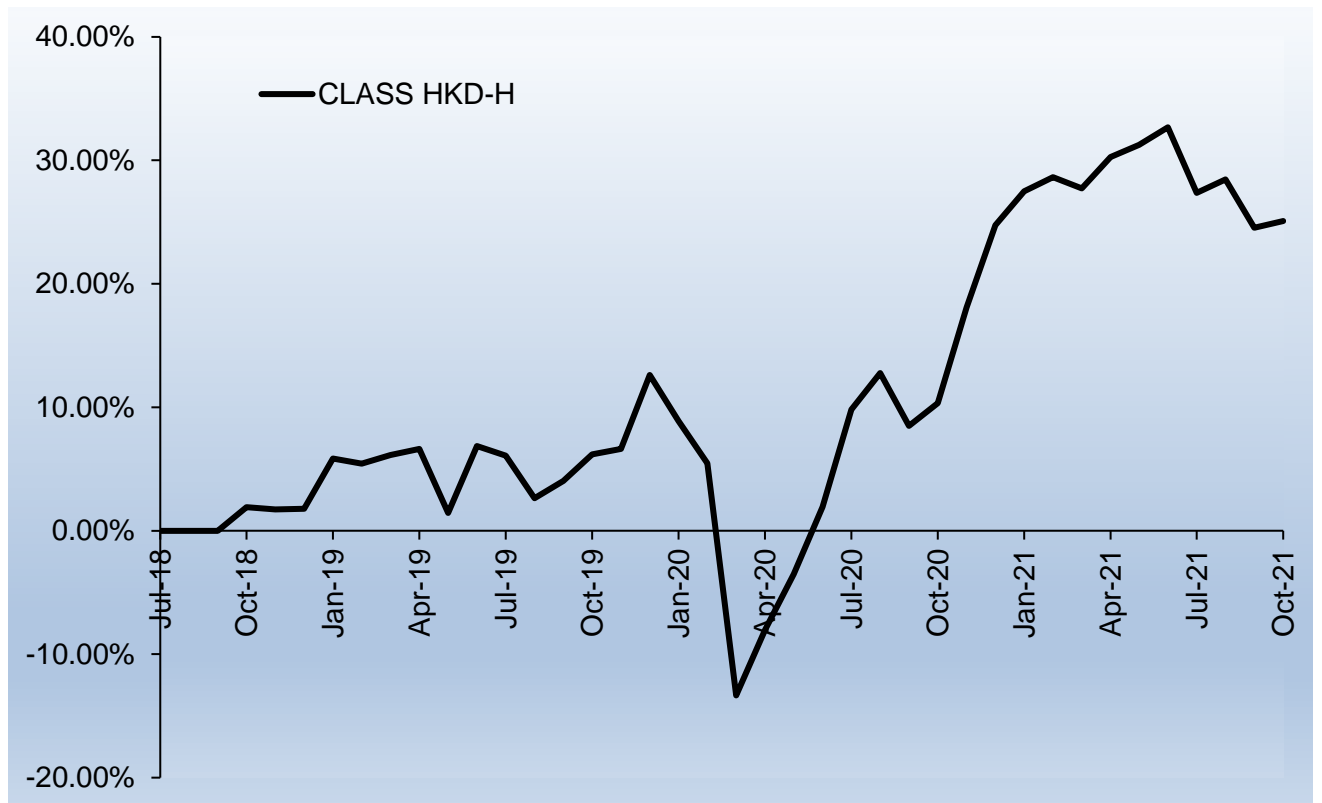


FUND PERFORMANCE (CONTINUED)

CLASS GBP-H

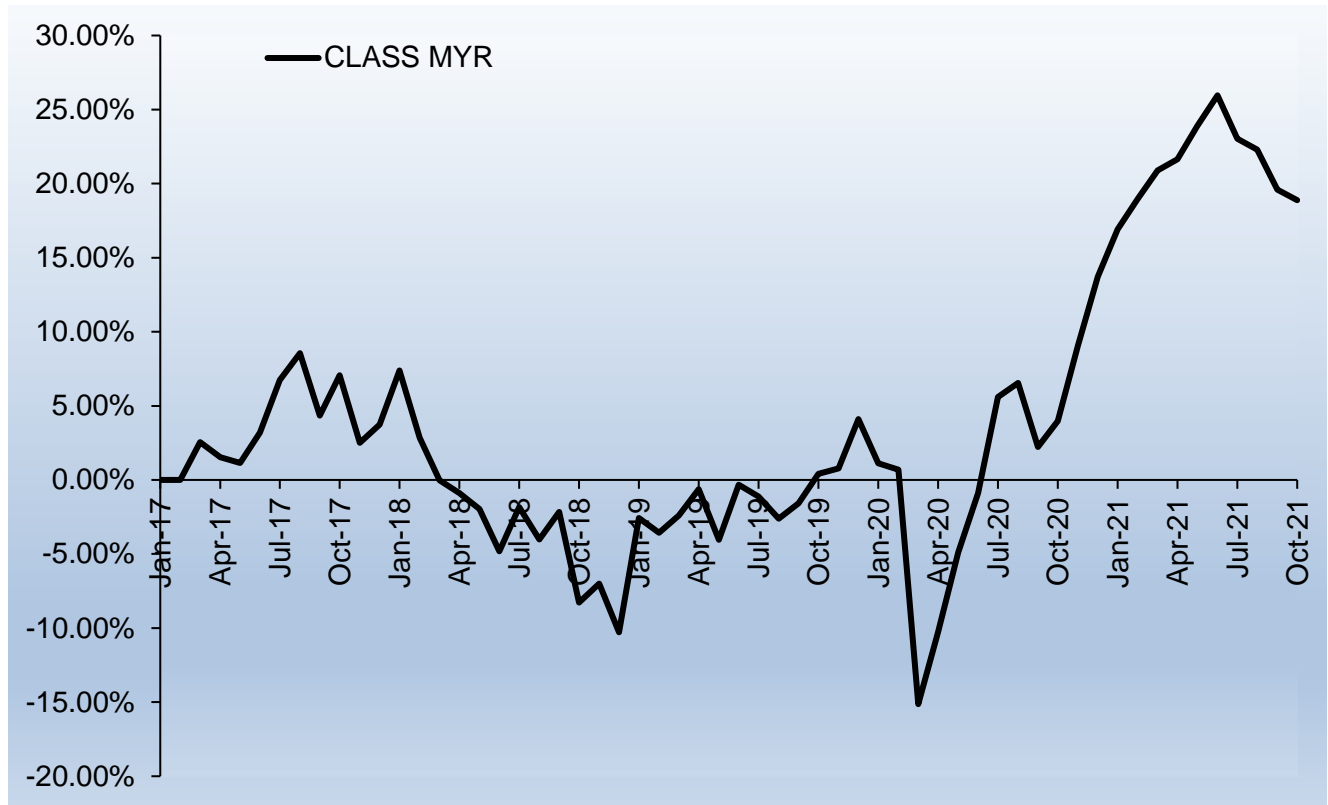


CLASS HKD-H

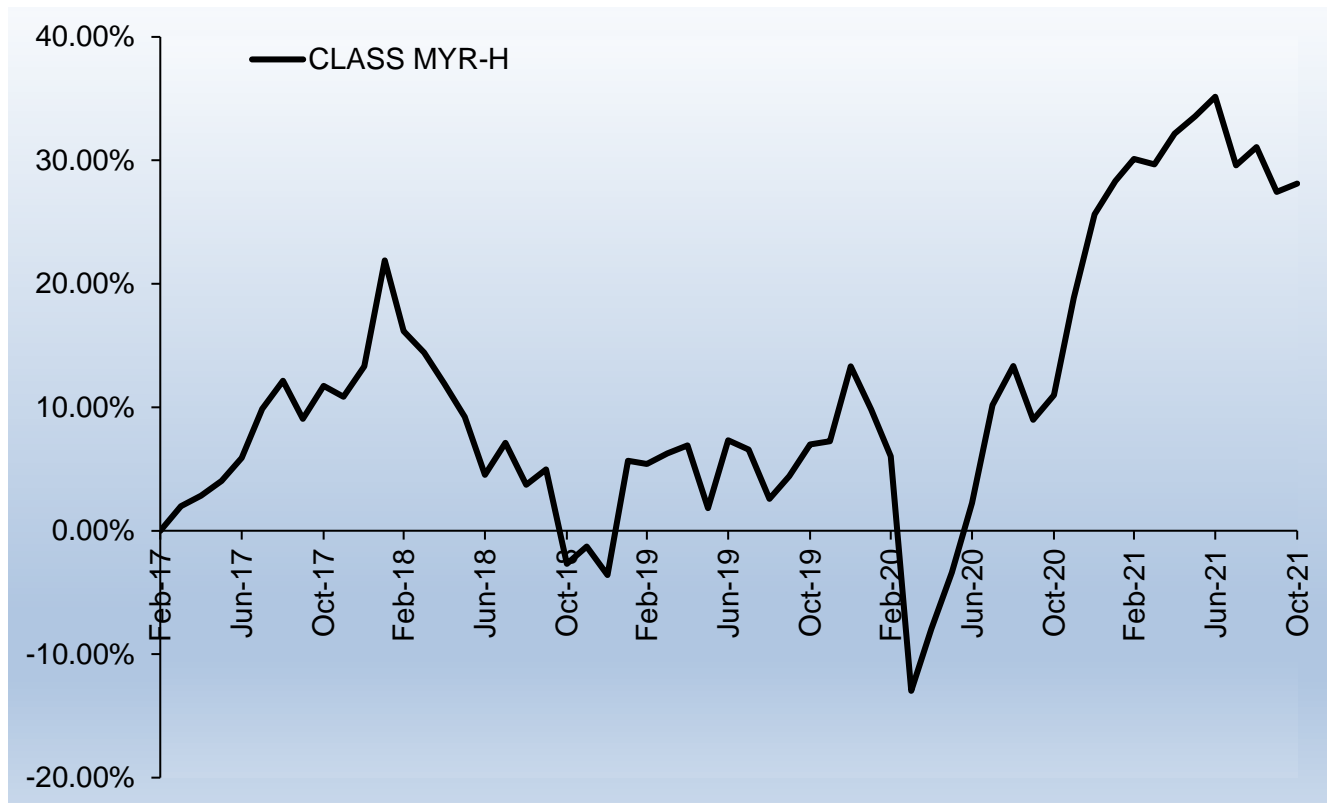


FUND PERFORMANCE (CONTINUED)

CLASS MYR

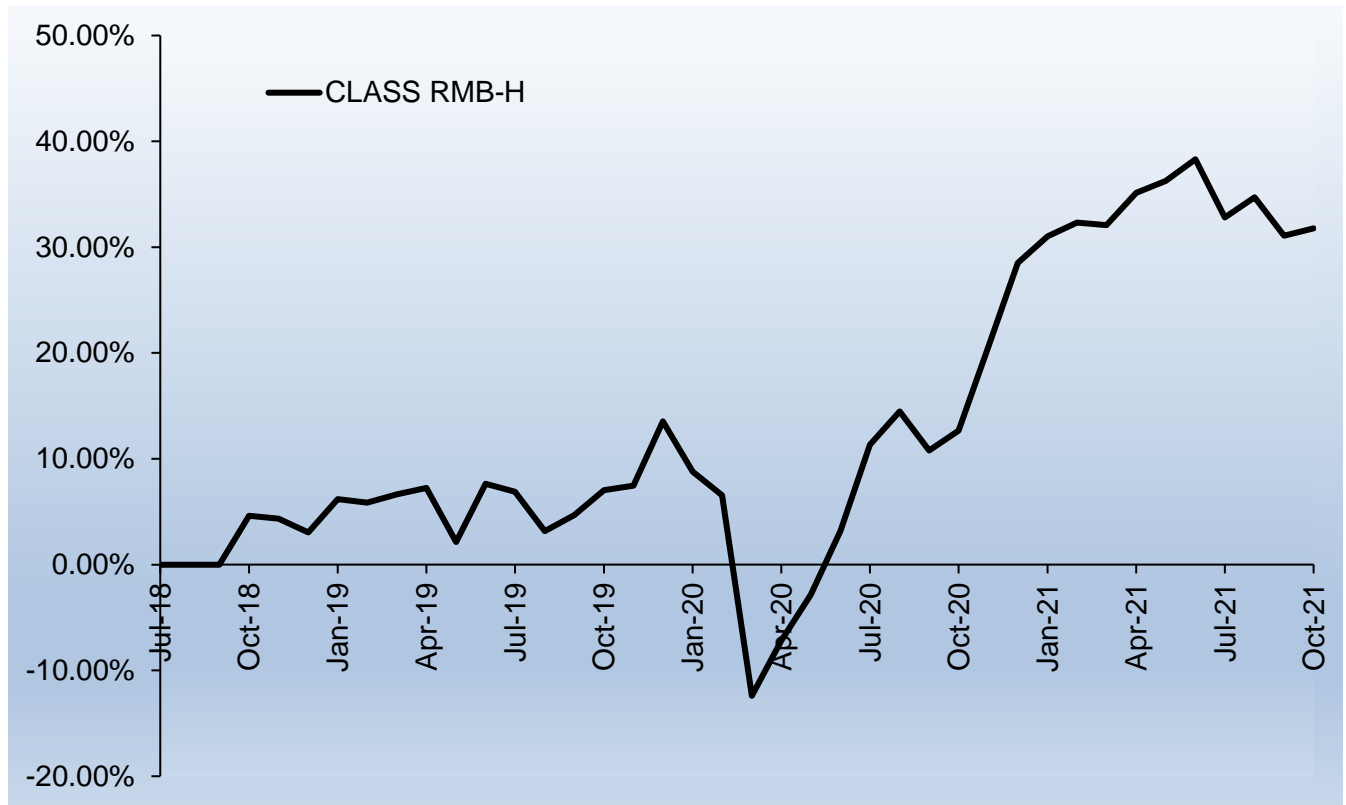


CLASS MYR-H

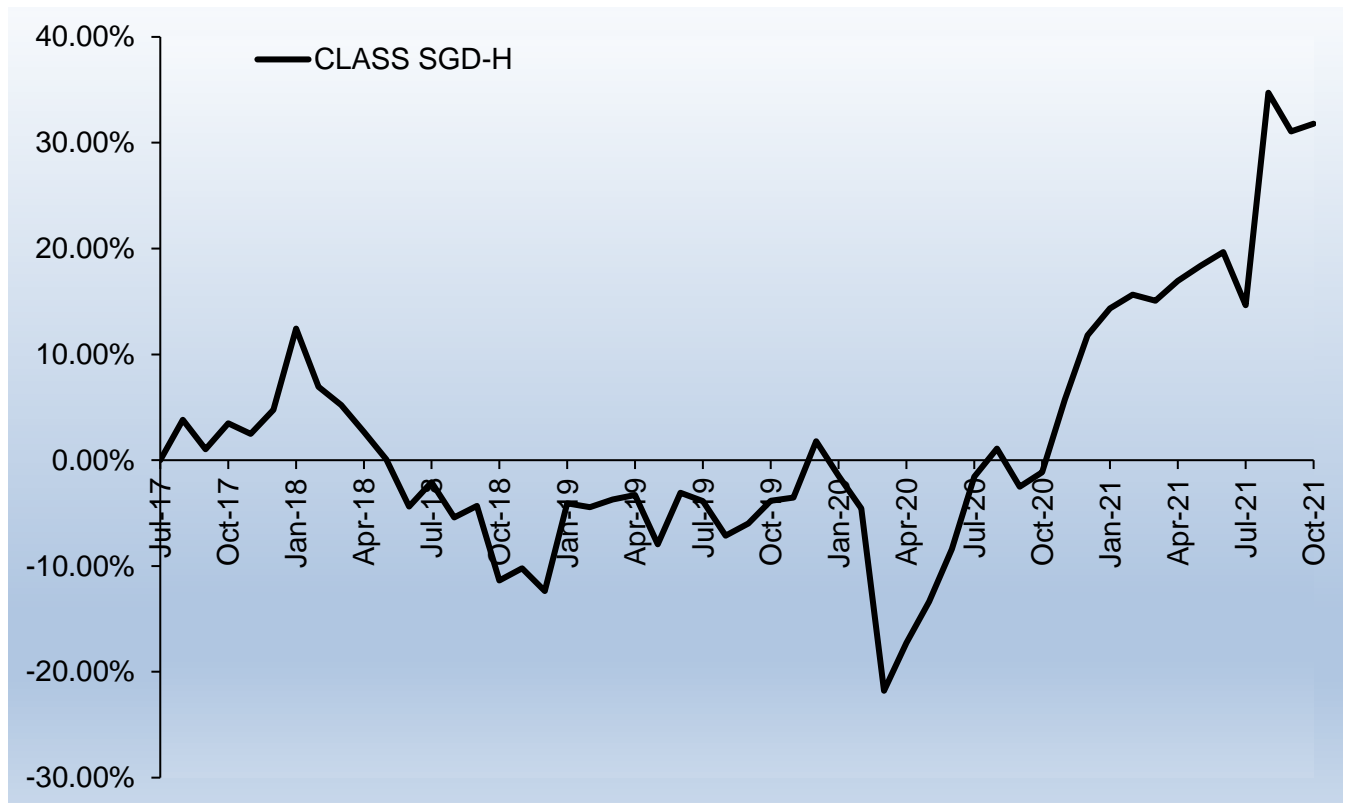


FUND PERFORMANCE (CONTINUED)

CLASS RMB-H

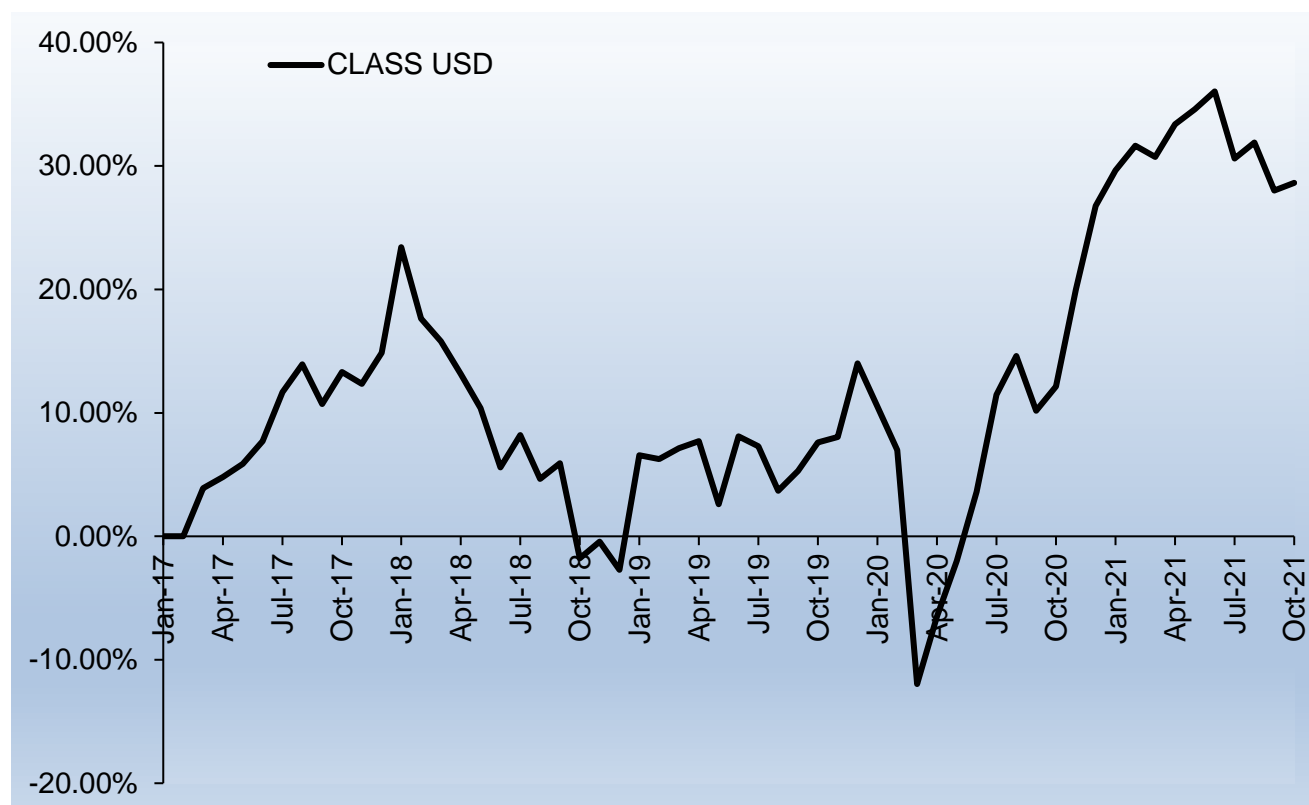


CLASS SGD-H



FUND PERFORMANCE (CONTINUED)

CLASS USD



Changes in NAV

CLASS AUD-H

	31.10.2021	31.01.2021 Audited	Changes %
NAV (USD Million)	1.66	2.85	(41.75)
NAV/Unit (USD)	0.7343	0.7825	(6.15)

CLASS EUR-H

	31.10.2021	31.01.2021 Audited	Changes %
NAV (USD Million)	0.00*	0.00*	0.00
NAV/Unit (USD)	1.4252	1.5200	(6.24)

CLASS GBP-H

	31.10.2021	31.01.2021 Audited	Changes %
NAV (USD Million)	0.01	0.15	(93.33)
NAV/Unit (USD)	1.6721	1.7613	(5.06)

Note: 0.00* denotes fair value less than 0.01 million.

FUND PERFORMANCE (CONTINUED)

Changes in NAV (continued)

CLASS HKD-H

	31.10.2021	31.01.2021 Audited	Changes %
NAV (USD Million)	0.00*	0.02	0.00
NAV/Unit (USD)	0.1561	0.1625	(3.94)

CLASS MYR

	31.10.2021	31.01.2021 Audited	Changes %
NAV (USD Million)	1.59	2.50	(36.40)
NAV/Unit (USD)	0.2478	0.2562	(3.28)

CLASS MYR-H

	31.10.2021	31.01.2021 Audited	Changes %
NAV (USD Million)	4.65	7.94	(41.44)
NAV/Unit (USD)	0.2536	0.2671	(5.05)

CLASS RMB-H

	31.10.2021	31.01.2021 Audited	Changes %
NAV (USD Million)	0.66	1.33	(50.38)
NAV/Unit (USD)	0.1942	0.1956	(0.72)

CLASS SGD-H

	31.10.2021	31.01.2021 Audited	Changes %
NAV (USD Million)	1.58	2.25	(29.78)
NAV/Unit (USD)	0.7363	0.7759	(5.10)

CLASS USD

	31.10.2021	31.01.2021 Audited	Changes %
NAV (USD Million)	1.55	2.67	(41.95)
NAV/Unit (USD)	1.1337	1.1736	(3.40)

Note: 0.00* denotes fair value less than 0.01 million.

FUND PERFORMANCE (CONTINUED)
Changes in NAV (continued)

For the financial period under review, the Fund's NAV for Class AUD-H, Class GBP-H, Class MYR, Class MYR-H, Class RMB-H, Class SGD-H, and Class USD decreased by 41.75%, 93.33%, 36.40%, 41.44%, 50.38%, 29.78%, and 41.95% respectively due to outflows from redemptions. The Fund's NAV for Class EUR-H and Class HKD-H remained flat during the financial period under review.

The Fund's NAV per unit for all classes decreased during the financial period under review mainly due to the negative investment performance.

Performance data represents the combined income and capital return as a result of holding units in the Fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the Fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. All performance figures for the financial period have been extracted from Lipper.

PORTFOLIO STRUCTURE
Asset allocation

(% of NAV)	31.10.2021	31.01.2021 Audited
Collective investment scheme	99.04	99.20
Cash and other assets	2.11	4.26
Liabilities	(1.15)	(3.46)
TOTAL	100.00	100.00

The Fund was fully invested during the financial period under review. A minimal level of liquid assets was maintained primarily for redemption purposes.

MARKET OUTLOOK*

As we have seen this year, investors have been concerned about EM, given the likely tightening of policy in the US and the risks of a repeat of the 2013 "taper tantrum." We believe that these risks are low, as external balances are in surplus across emerging countries today, while they were in deficit in 2013 and highly reliant on continued foreign flows. Additionally, economic growth in EM has been strong. Unlike in 2013, the Fed's intention to begin tapering has been well communicated, leaving little room for surprise. Overall, these dynamics led us to maintain our equity allocation around 75% of the Portfolio - which is slightly above the long-term average and reflects our positive view on EM risk assets.

As we move toward the last two months of 2021, our favorable view on EM continues to be backed by solid fundamentals, attractive relative valuations (compared with DM) and supportive technicals. Against this backdrop, we expect to see good returns in EM; but as we have continued to see, it may be a bumpy ride, which is why a risk-managed solution for EM such as the Portfolio should be effective.

* This market outlook does not constitute an offer, invitation, commitment, advice or recommendation to make a purchase of any investment. The information given in this article represents the views of Principal Asset Management Bhd ("Principal Malaysia") or based on data obtained from sources believed to be reliable by Principal Malaysia. Whilst every care has been taken in preparing this, Principal Malaysia makes no guarantee, representation or warranty and is under no circumstances liable for any loss or damage caused by reliance on, any opinion, advice or statement made in this market outlook.

INVESTMENT STRATEGY

The Fund will continue to remain fully invested in the Target Fund with minimal cash kept for liquidity purposes.

UNIT HOLDINGS STATISTICS

Breakdown of unit holdings by size as at 31 October 2021 were as follows:

CLASS AUD-H

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1	-	-
5,001 - 10,000	-	-	-
10,001 - 50,000	1	0.04	1.77
50,001 - 500,000	4	1.14	50.44
500,001 and above	1	1.08	47.79
Total	7	2.26	100.00

CLASS EUR-H

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1	0.00*	100.00
5,001 - 10,000	-	-	-
10,001 - 50,000	-	-	-
50,001 - 500,000	-	-	-
500,001 and above	-	-	-
Total	1	0.00*	100.00

CLASS GBP-H

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1	0.00*	0.00
5,001 - 10,000	1	0.01	100.00
10,001 - 50,000	-	-	-
50,001 - 500,000	-	-	-
500,001 and above	-	-	-
Total	2	0.01	100.00

CLASS HKD-H

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	2	0.00*	100.00
5,001 - 10,000	-	-	-
10,001 - 50,000	-	-	-
50,001 - 500,000	-	-	-
500,001 and above	-	-	-
Total	2	0.00*	100.00

Note: 0.00* denotes unit count less than 0.01 million.

UNIT HOLDINGS STATISTICS (CONTINUED)

Breakdown of unit holdings by size as at 31 October 2021 were as follows: (continued)

CLASS MYR

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	2	0.00*	0.00
5,001 - 10,000	-	-	-
10,001 - 50,000	11	0.24	3.75
50,001 - 500,000	3	0.34	5.31
500,001 and above	3	5.82	90.94
Total	19	6.40	100.00

CLASS MYR-H

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	-	-	-
5,001 - 10,000	-	-	-
10,001 - 50,000	1	0.02	0.11
50,001 - 500,000	1	0.20	1.09
500,001 and above	5	18.11	98.80
Total	7	18.33	100.00

CLASS RMB-H

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1	0.00*	0.00
5,001 - 10,000	-	-	-
10,001 - 50,000	-	-	-
50,001 - 500,000	1	0.10	2.94
500,001 and above	1	3.30	97.06
Total	3	3.40	100.00

CLASS SGD-H

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1	0.00*	0.00
5,001 - 10,000	-	-	-
10,001 - 50,000	1	0.04	1.86
50,001 - 500,000	3	0.62	28.84
500,001 and above	2	1.49	69.30
Total	7	2.15	100.00

Note: 0.00* denotes unit count less than 0.01 million.

UNIT HOLDINGS STATISTICS (CONTINUED)

Breakdown of unit holdings by size as at 31 October 2021 were as follows: (continued)

CLASS USD

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	2	0.00*	0.00
5,001 - 10,000	-	-	-
10,001 - 50,000	1	0.03	2.19
50,001 - 500,000	3	0.71	51.82
500,001 and above	1	0.63	45.99
Total	7	1.37	100.00

Note: 0.00* denotes unit count less than 0.01 million.

SOFT COMMISSIONS AND REBATES

Principal Asset Management Berhad (the “Manager”) and the Trustee will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investments of the Principal Malaysia Funds (“Funds”) unless the soft commission received is retained in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds. All dealings with brokers are executed on best available terms.

During the financial period under review, the Manager and Trustee did not receive any rebates from the brokers or dealers but the Manager has retained soft commission in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds.

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 OCTOBER 2021**

	01.08.2021 to 31.10.2021 USD	01.08.2020 to 31.10.2020 USD
INCOME		
Dividend income	137,508	286,561
Net loss on financial assets at fair value through profit or loss	(253,972)	(76,665)
Net gain on derivative assets at fair value through profit or loss	158,880	212,221
Net foreign exchange loss	(1,284)	(4,087)
	<u>41,132</u>	<u>418,030</u>
EXPENSES		
Management fee	56,801	12,873
Trustee fees	1,262	2,381
Audit fee	579	1,417
Tax agent's fee	303	227
Other expenses	864	778
	<u>59,809</u>	<u>17,676</u>
(LOSS)/PROFIT BEFORE FINANCE COST AND TAXATION	(18,677)	400,354
Finance costs:		
- Class AUD-H	42,361	30,740
- Class GBP-H	1,034	498
- Class HKD -H	6	-
- Class MYR	38,069	31,463
- Class MYR -H	119,638	98,244
- Class RMB-H	15,526	2,728
- Class SGD-H	37,925	30,797
- Class USD	41,928	31,394
	<u>296,487</u>	<u>225,864</u>
(LOSS)/PROFIT BEFORE TAXATION	(315,164)	174,490
Taxation	<u>-</u>	<u>-</u>
(LOSS)/PROFIT BEFORE TAXATION REPRESENTING TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD	<u>(315,164)</u>	<u>174,490</u>
(Loss)/Profit after taxation is made up as follows:		
Realised amount	12,797	(87,112)
Unrealised amount	(327,961)	261,602
	<u>(315,164)</u>	<u>174,490</u>

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2021**

	31.10.2021	31.01.2021
	USD	Audited USD
ASSETS		
Cash and cash equivalents	155,378	290,277
Financial assets at fair value through profit or loss	11,586,440	19,547,377
Amount due from dealer	36,540	295,755
Amount due from Manager	684	242,057
Amount due from Manager of collective investment scheme		
- managements fee rebate	(1,179)	12,526
- disposal of collective investment scheme	20,000	-
TOTAL ASSETS	11,797,863	20,387,992
LIABILITIES		
Derivative liabilities at fair value through profit or loss	3,958	2,242
Amount due to dealer	36,441	296,241
Amount due to Manager	36,540	347,966
Accrued management fee	18,175	31,568
Amount due to Trustee	404	701
Other payables and accruals	2,591	3,382
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)	98,109	682,100
NET ASSET VALUE OF THE FUND	11,699,754	19,705,892
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	11,699,754	19,705,892
REPRESENTED BY:		
FAIR VALUE OF OUTSTANDING UNITS (USD)		
- Class AUD-H	1,657,534	2,852,459
- Class EUR-H	1,425	1,520
- Class GBP-H	13,516	144,546
- Class HKD-H	307	18,081
- Class MYR	1,585,862	2,501,791
- Class MYR-H	4,648,747	7,938,572
- Class RMB-H	659,447	1,324,731
- Class SGD-H	1,583,196	2,252,726
- Class USD	1,549,720	2,671,466
	11,699,754	19,705,892

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2021 (CONTINUED)**

	31.10.2021	31.01.2021
	USD	Audited USD
NUMBER OF UNITS IN CIRCULATION (UNITS)		
- Class AUD-H	2,257,149	3,645,050
- Class EUR-H	1,000	1,000
- Class GBP-H	8,083	82,066
- Class HKD-H	1,964	111,256
- Class MYR	6,400,866	9,762,518
- Class MYR-H	18,330,439	29,715,935
- Class RMB-H	3,396,572	6,769,728
- Class SGD-H	2,150,135	2,903,093
- Class USD	1,367,012	2,276,206
	<u>33,913,220</u>	<u>55,266,852</u>
NET ASSET VALUE PER UNIT (USD)		
- Class AUD-H	0.7343	0.7825
- Class EUR-H	1.4252	1.5200
- Class GBP-H	1.6721	1.7613
- Class HKD-H	0.1561	0.1625
- Class MYR	0.2478	0.2562
- Class MYR-H	0.2536	0.2671
- Class RMB-H	0.1942	0.1956
- Class SGD-H	0.7363	0.7759
- Class USD	<u>1.1337</u>	<u>1.1736</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- Class AUD-H	AUD0.9742	AUD1.0214
- Class EUR-H	EUR1.2234	EUR1.2537
- Class GBP-H	GBP1.2136	GBP1.2859
- Class HKD-H	HKD1.2142	HKD1.2600
- Class MYR	RM1.0256	RM1.0347
- Class MYR-H	RM1.0497	RM1.0788
- Class RMB-H	RMB1.2344	RMB1.2598
- Class SGD-H	SGD0.9903	SGD1.0313
- Class USD	<u>USD1.1337</u>	<u>USD1.1736</u>

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 OCTOBER 2021**

	01.08.2021 to 31.10.2021 USD	01.08.2020 to 31.10.2020 USD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>13,431,746</u>	<u>26,001,833</u>
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
- Class AUD-H	89,257	105,010
- Class GBP-H	897	21,986
- Class HKD-H	3	20
- Class MYR	37,693	-
- Class MYR-H	110,686	62,226
- Class RMB-H	84,831	177,419
- Class SGD-H	62,174	34,038
- Class USD	29,928	1,000
	<u>415,469</u>	<u>401,699</u>
Creation of units from distribution		
- Class AUD-H	15,320	24,906
- Class GBP-H	245	498
- Class HKD-H	3	-
- Class MYR	13,966	30,889
- Class MYR-H	40,846	90,589
- Class RMB-H	5,870	2,728
- Class SGD-H	8,127	11,557
- Class USD	12,664	23,429
	<u>97,041</u>	<u>184,596</u>
Cancellation of units		
- Class AUD-H	(338,816)	(579,431)
- Class MYR	(80,571)	(938,152)
- Class MYR-H	(755,920)	(2,410,065)
- Class RMB-H	(520,145)	(138,327)
- Class SGD-H	(99,082)	(1,009,186)
- Class USD	(134,804)	(587,848)
	<u>(1,929,338)</u>	<u>(5,663,009)</u>
Total comprehensive (loss)/income for the financial period	<u>(315,164)</u>	<u>174,490</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD	<u>11,699,754</u>	<u>21,099,609</u>

**UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 OCTOBER 2021**

	01.08.2021 to 31.10.2021 USD	01.08.2020 to 31.10.2020 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from disposal of collective investment scheme	2,269,963	4,279,000
Purchase of collective investment scheme	(622,472)	(304,621)
Dividend income received	137,508	304,621
Management fee paid	(60,152)	(113,030)
Management fee rebate received	53,032	99,372
Trustee's fees paid	(1,336)	(2,512)
Payments for other fees and expenses	(3,172)	(2,110)
Net realised foreign exchange loss	133	(4,093)
Net realised gain on forward foreign currency contracts	175,978	744,049
Net cash generated from operating activities	1,949,482	5,000,676
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	455,146	417,434
Payments for cancellation of units	(2,215,969)	(5,517,356)
Distributions paid	(199,445)	(41,268)
Net cash used in financing activities	(1,960,268)	(5,141,190)
Net decrease in cash and cash equivalents	(10,786)	(140,514)
Effects of foreign exchange differences	(1,420)	965
Cash and cash equivalents at the beginning of the financial period	167,584	251,773
Cash and cash equivalents at the end of the financial period	<u>155,378</u>	<u>112,224</u>
<u>Cash and cash equivalents comprised of:</u>		
Bank balances	155,378	112,224
Cash and cash equivalents at the end of the financial period	<u>155,378</u>	<u>112,224</u>

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