

Principal Global Technology Fund - Class USD

31 December 2021



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.

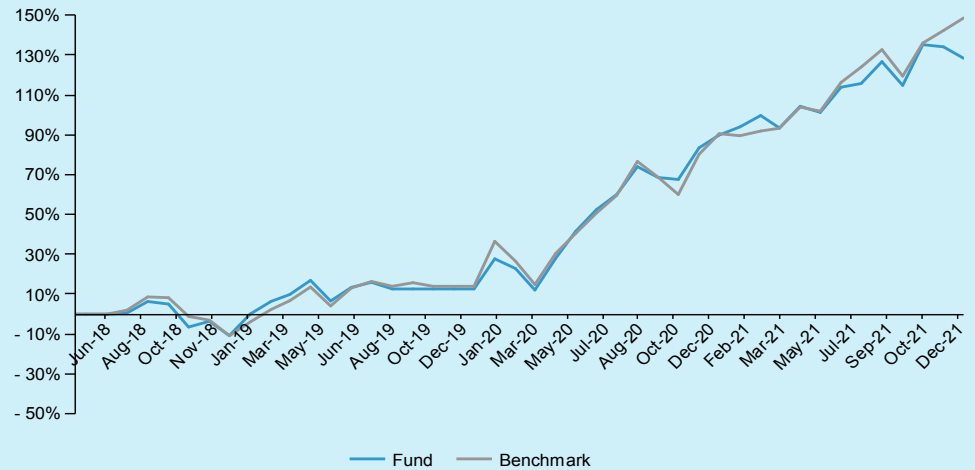
Currency: USD ISIN Code: MYU1002GG007

Bloomberg Ticker: CPGTUSD MK

Fund Information

Domicile	Malaysia
Base Currency	USD
Fund Inception	17 May 2018
Benchmark	The Fund adheres to the benchmark of the Target Fund for performance comparison.
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
Switching Fee	USD35
Fund Size (USD)	USD 40.11 million
NAV per unit (As at 31 December 2021)	USD 1.4097
Trustee	Deutsche Trustees Malaysia 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	24.03	-2.45	6.32	6.79	24.03	163.97	N/A	128.39
Benchmark/Target Return	30.15	2.61	13.30	14.97	30.15	178.15	N/A	148.66

Calendar Year Returns (%)

	2021	2020	2019	2018	2017	2016
Fund	24.03	54.78	37.51	N/A	N/A	N/A
Benchmark	30.15	33.03	48.15	N/A	N/A	N/A

Most Recent Fund Distributions

	2021 Sep	2020 Aug
Gross (Cent/Unit)	3.49	4.55
Annualised Yield (%)	2.37	2.84

Most Recent Unit Splits

	2020 Sep
Ratio	1:2

Note: May 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. 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 *

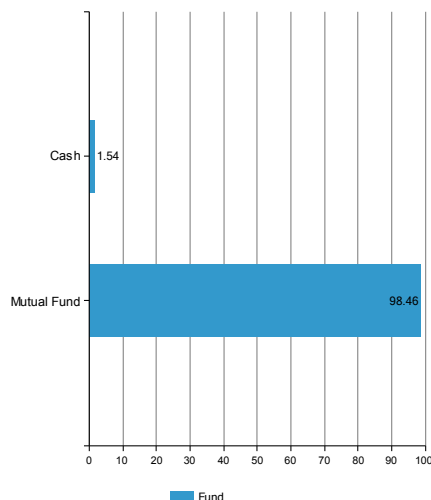
	Country	% of net assets
MICROSOFT CORP	United States	4.89
APPLE INC	United States	4.23
NVIDIA CORP	United States	4.11
AMAZON.COM INC	United States	4.00
SERVICENOW INC	United States	2.42
ASML HOLDING NV	Netherlands	2.15
ADVANCED MICRO DEVICES INC	United States	2.10
ALPHABET INC	United States	2.04
APPLIED MATERIALS INC	United States	2.04
WORKDAY INC	United States	2.03

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.

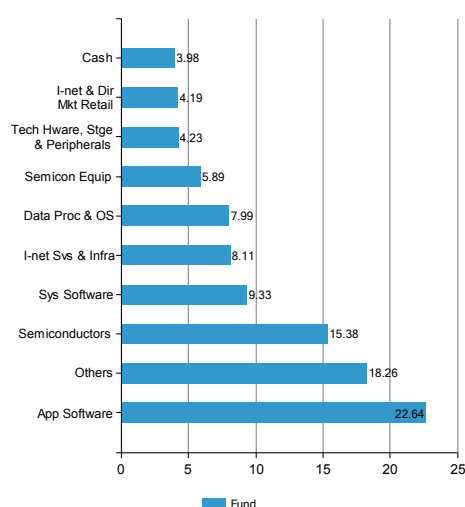
Fund Risk Statistics

Beta	0.92
Information Ratio	-0.23
Sharpe Ratio	1.64
3 years monthly data	

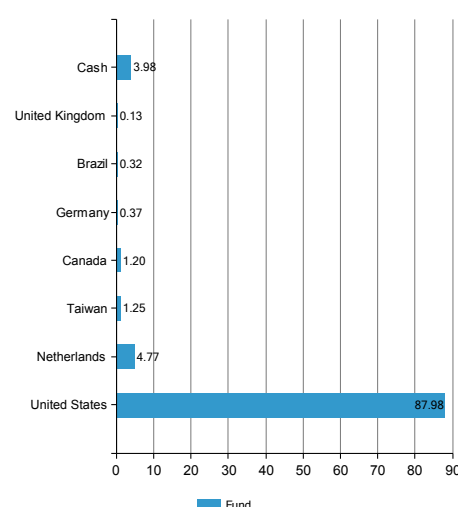
Asset Allocation (%)



Sector Allocation (%) *



Regional Allocation (%) *



* Of the target fund

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 fell 2.45% during the month, underperforming the benchmark by 5.06ppt.

Global equity markets advanced in US-dollar terms during the fourth quarter of 2021. The quarterly result was largely due to gains in December as investors grew less fearful of the potential economic impact from a new COVID-19 variant. Meanwhile, key central banks turned more hawkish in response to inflation, with the Bank of England raising rates and the US Federal Reserve indicating it could do so three times in 2022. In terms of investment style, global growth stocks outperformed a global index and global value equities. Information technology (IT) stocks outperformed all other major equity sectors (according to MSCI index data) by a comfortable margin. However, as the quarter progressed IT and communication services investors began to grapple with the impact of rising interest rates and high inflation, supply chain headwinds, tougher quarter-over-quarter financial comparisons, the emergence of the Omicron variant, and higher valuations. Amongst IT industries, semiconductor-related stocks were leaders to the upside during the fourth quarter and 2021 as a whole (having collectively risen more than 50% for the year), while data processing and outsourced services names were key laggards that shed equity value in both periods.

Despite a relatively strong showing for IT over the course of 2021, the fourth quarter and calendar year were a volatile period for tech investors as they grappled with the impacts of rising interest rates, inflation, supply chain disruptions, a rapidly changing regulatory environment, and the unpredictability of COVID-19. Despite the recent selloff, we still considered valuations in the IT and communications services sectors to be elevated heading into 2022. And while we remain confident in our Digital Transformation (DT) thesis, it is apparent that some investors will steer clear of the tech sector until (1) they can develop confidence in the rate and pace of Federal Reserve policy actions; and (2) they can better understand the durability of growth within the sector after a period of strong technology adoption during the pandemic.

^aBased on the fund's portfolio returns as at 15 December 2021, the Volatility Factor (VF) for this fund is 18.190 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 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 for a prospectus containing this and other information. Please read it carefully before investing.

Principal Asset Management Berhad

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