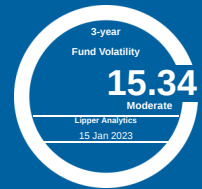


# Principal Asia Pacific Dynamic Income Fund - Class MYR

31 January 2023



## Fund Objective

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long term. The Fund will be managed with the aim of achieving a stable and positive investment returns over the medium to long term through investments primarily in Asia Pacific ex Japan region, i.e. companies that are domiciled in, listed in, and/or have significant operations in the Asia Pacific ex Japan region. Under general market conditions, the Fund's investment will focus on high dividend yielding equities of companies, sustainable dividend payments and/or will exhibit above average growth potential when compared to its industry or the overall market at the point of purchase.

## Lipper Score

Total Return



Consistent Return



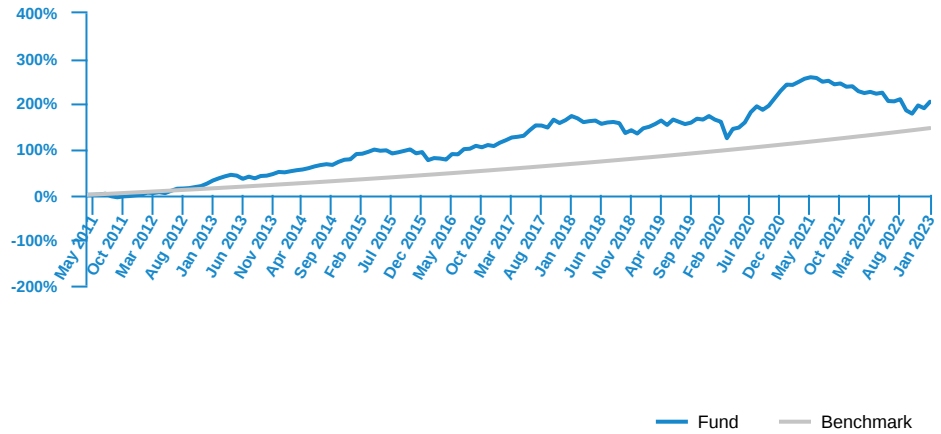
## Morningstar Rating



## Fund Information

ISIN Code	MYU1000DP009
Lipper ID	68094500
Bloomberg Ticker	CPASPD1 MK
Domicile	Malaysia
Currency	MYR
Base Currency	USD
Fund Inception	25 Apr 2011
Benchmark	The Fund has a target return of eight percent (8%) per annum.
Application Fee	Principal Agency Distributor: Up to 6.50% of the NAV per unit IUTAs: Up to 5.50% of the NAV per unit
Management Fee	Up to 1.80% p.a. of the NAV
Trustee Fee	Up to 0.05% p.a. of the NAV
Fund Size (MYR)	MYR 4129.03 million
Fund Unit	18942.29 million units
NAV per unit (As at 31 Jan 2023)	MYR 0.2179

## 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	4.95	4.95	9.45	-0.24	-7.03	14.89	11.57	205.34
Benchmark	0.66	0.66	1.96	3.96	8.00	25.97	46.93	147.40

Calendar Year Returns (%)							
	2022	2021	2020	2019	2018	2017	
Fund	-14.27	3.06	20.33	16.36	-11.13	27.52	
Benchmark	8.00	8.00	8.00	8.00	8.00	8.00	

Most Recent Fund Distributions						
	2023 Jan	2022 Oct	2022 Jul	2022 Apr	2022 Jan	2021 Oct
Gross (sen/unit)	0.16	0.19	0.18	0.19	0.17	0.08
Annualised Yield (%)	2.84	3.76	3.21	3.17	2.77	1.30

Most Recent Unit Splits					
				2014 Oct	2020 Dec
Ratio				2:5	3:4

Note: April 2011 to January 2023.

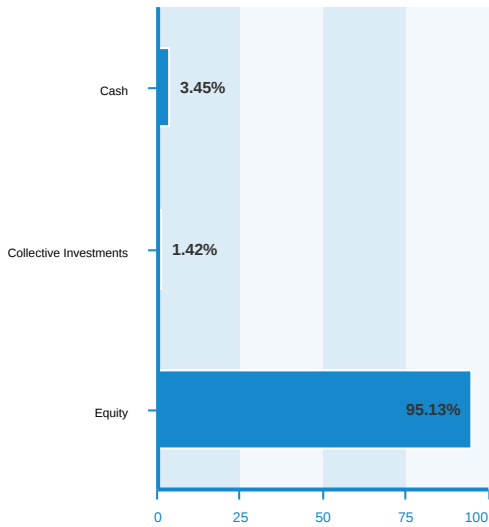
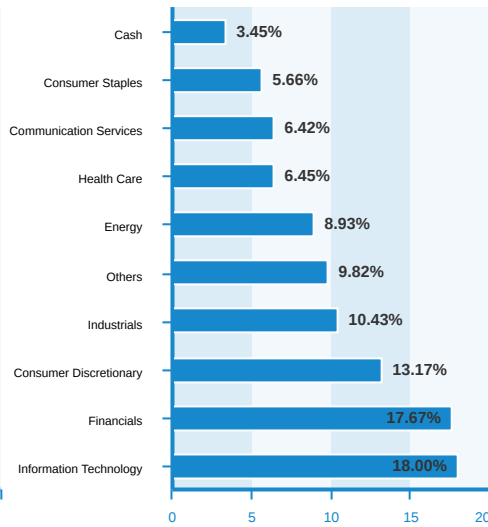
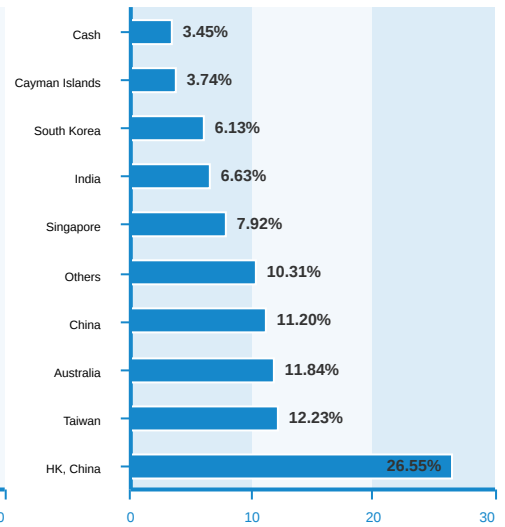
Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

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			Fund Risk Statistics	
	Country	% of Net Assets		
Taiwan Semiconductor Manufacturing	Taiwan	6.79	Beta	N/A
Tencent Holding Ltd	HK, China	4.41	Information Ratio	-0.06
Samsung Electronics Co Ltd	South Korea	3.88	Sharpe Ratio	0.04
Alibaba Group Holding Ltd	Cayman Islands	3.74	(3 years monthly data)	
CNOOC Ltd	HK, China	3.69		
CSL Ltd	Australia	3.61		
AIA Group Ltd	HK, China	3.46		
HDFC Bank Ltd	India	3.13		
Galaxy Entertainment Group Ltd	HK, China	2.75		
Shell PLC	United Kingdom	2.57		

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.

**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 was up 4.95% in MYR terms in January, outperforming the benchmark by 429 bps. YTD, the Fund is up 4.95%, outperforming the benchmark by 429 bps.

The MSCI AC Asia Pacific ex Japan Index surged 8.6% in USD terms in January 2022. Taiwan, Korea and China were the best performing markets on the back of China's pivot to growth, while India and Indonesia were among the worst performers. China's Covid, economic and regulatory policies are coordinated in favour of growth for the first time in 3 years. Caixin China PMI rebounded to above 50 as recovery in services led the improvement. We expect continued improvement in manufacturing PMI, which is likely to print above 50 in the coming months. We expect a more enhanced execution on economic growth, following its Two Session Meeting in March 2023 by the Chinese government. Hence, we favour beneficiaries of policy tailwinds and economic reopening. US CPI eased to 6.5%YoY from 7.1% in December, signaling a clear slowing trend in price rises. With clear signs emerging of slowing economic activity, the US has probably entered a disinflationary period and the rate hike cycle is nearing the end. We expect Asia to print positive earnings growth in 2023 given the gradual reopening of the Asian economies and international borders and possible easing of inflation. Asia is under owned, and we expect inflows into Asia as China re-opens and Asian economic growth is likely to be stronger than developed markets. Hence, we have a positive view on Asian equities.

We have reduced defensive positions in favour of beneficiaries of China reopening and technology names. Main focus of portfolio remains to be quality companies which have good earnings visibility, robust balance sheet, long term winners, market share gainers and those with pricing power to overcome cost pressures. Risks would be (1) inflation not falling as fast as anticipated, (2) US hard landing, (3) China economic growth lower than expected, and (4) geopolitics such as Russia-Ukraine, and US-China relations.

<sup>^</sup>Based on the fund's portfolio returns as at 15 January 2023, the Volatility Factor (VF) for this fund is 15.34 and is classified as "Moderate" (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 Principal Asia Pacific Dynamic Income Fund (formerly known as CIMB-Principal Asia Pacific Dynamic Income Fund) Prospectus Issue No. M4 dated 23 December 2019, which has been duly registered with the Securities Commission Malaysia, before investing and that you keep the said Fund Prospectus for your record. Any issue of units to which the Fund Prospectus relates to will only be made upon receipt of the completed application form referred to in and accompanying the Fund 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, liquidity risk, risk of investing in emerging markets, stock specific risk. You can obtain a copy of the Fund 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 Fund. We suggest that you consider these 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.