

# Principal Greater China Equity Fund - Class RMB-Hedged

31 May 2024



## Fund Objective

The Fund aims to achieve medium to long-term capital growth primarily through investment in a portfolio of equity securities with exposure to the Greater China region consisting of the Peoples Republic of China, Hong Kong SAR and Taiwan. The Fund is a feeder Fund which invests at least 95% of its NAV in the Schroder ISF Greater China (Target Fund), a fund of the Schroder International Selection Fund. The Target Fund aims to provide capital growth in excess of the MSCI Golden Dragon (Net TR) index after fees have been deducted over a three to five year period.

## Lipper Score

Total Return

Consistent Return



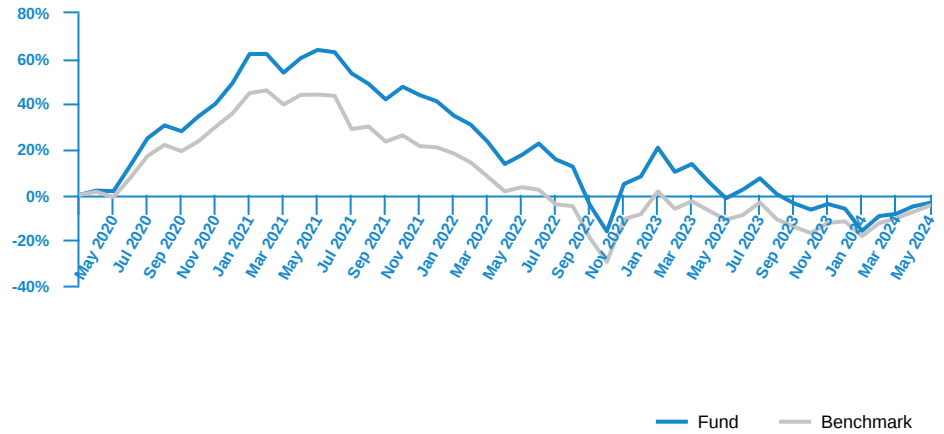
## Morningstar Rating



## Fund Information

ISIN Code	MYU1007AD006
Lipper ID	68604903
Bloomberg Ticker	CIMGCRH MK
Domicile	Malaysia
Currency	CNH
Base Currency	USD
Fund Inception	20 Apr 2020
Benchmark	The Fund adheres to the benchmark of the Target Fund. The benchmark of the Target Fund is the MSCI Golden Dragon Index
Application Fee	5.50% of the NAV per unit
Management Fee	1.80% p.a. of the NAV
Trustee Fee	0.03% p.a. of the NAV
Fund Size (CNH)	CNH 66.76 million
Fund Unit	72.86 million units
NAV per unit (As at 31 May 2024)	CNH 0.9164
Initial Offering Period (IOP) Date	21 Apr 2020
Initial Offering Period (IOP) Price	CNH 1.00

## 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	2.71	1.65	6.42	0.53	-2.05	-41.14	N/A	-3.55
Benchmark	7.96	3.14	8.99	8.78	7.09	-33.87	N/A	-4.65

Calendar Year Returns (%)						
	2023	2022	2021	2020	2019	2018
Fund	-13.12	-23.49	-5.37	N/A	N/A	N/A
Benchmark	-3.45	-24.38	-11.02	N/A	N/A	N/A

Most Recent Fund Distributions		
	2022 Mar	2021 Mar
Gross (cent/unit)	1.26	6.55
Annualised Yield (%)	1.08	3.95

Note: April 2020 to May 2024.

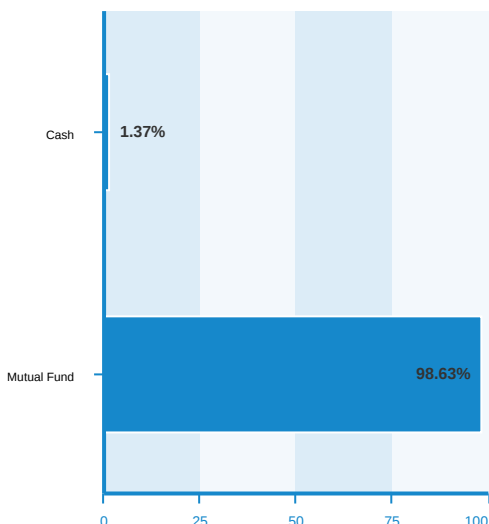
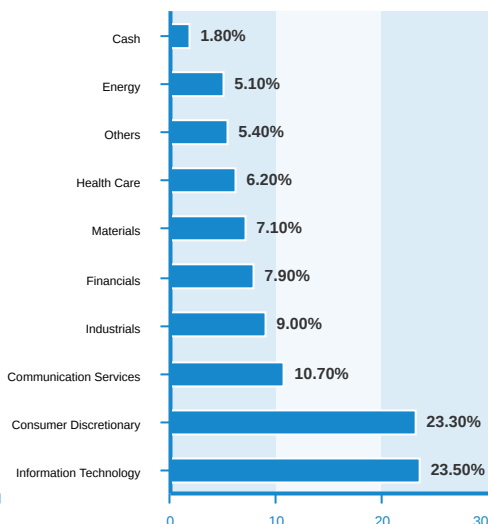
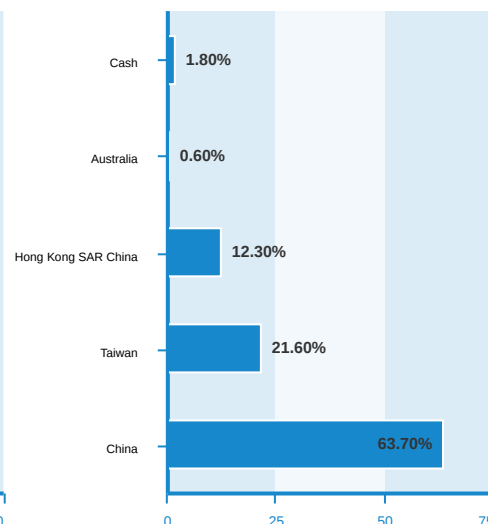
Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

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 *	Country	% of Net Assets	Fund Risk Statistics	
Taiwan Semiconductor Manufacturing	Taiwan	9.69	Beta	1.10
Tencent Holdings Ltd	China	9.56	Information Ratio	-0.33
Alibaba Group Holding Ltd	China	6.50	Sharpe Ratio	-0.23
AIA Group Ltd	Hong Kong SAR China	4.59	(3 years monthly data)	
Mediatek Inc	Taiwan	3.18		
Petrochina Co Ltd	China	2.66		
Shenzhou International Group Holdings Ltd	China	2.52		
China Petroleum & Chemical Corporation	China	2.45		
Meituan	Hong Kong SAR China	2.42		
Hong Kong Exchanges & Clearing Ltd	Hong Kong SAR China	2.37		

The holdings listed do not constitute a recommendation to purchase or sell a particular security. Any repeated issuer shown means same issuer with different coupon rate and/or maturity date. 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 (%) \***

\* Of the target fund

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**

During the month, the Fund rose 1.65%, underperformed the benchmark by 1.49%.

In May 2024, Chinese equities rose over the month and outperformed other Asian and emerging markets. Higher-than-expected first-quarter economic growth helped boost investor sentiment. Whether China's markets can resume their recovery depends on the sustainability of the economic improvement. A meaningful turning point in key macroeconomic data and positive corporate guidance will likely be required for a substantial and lasting recovery. A friendlier US-China relationship would likely contribute to keeping investor sentiment positive.

Valuations for Chinese stocks remain cheap, despite the recent recovery. Share buybacks, state-backed institutional buying and a reduction in capital fund raising are also providing strong technical support. Given investors' very light positioning in China, there is certainly scope for more fund inflows, especially if the cyclical recovery persists. Longer term, China will need to restructure its economy given the numerous structural headwinds it is facing. Without the emergence of clear new growth drivers and firm signals of property market stabilisation, investors may remain reluctant to take a material interest in China.

We recommend that you read and understand the contents of the Principal Greater China Equity Fund Prospectus Issue No.3 dated 3 July 2023 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 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 currency risk and Fund manager's 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 funds. 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 advised to read and understand the contents of the Unit Trust Loan Financing Risk Disclosure Statement before deciding to borrow to purchase units. 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](http://www.principal.com.my) for a prospectus containing this and other information. Please read it carefully before investing.