

CIMB-Principal Asia Pacific Dynamic Income Fund - Class SGD

30 November 2019



Fund Objective

The investment objective of the Fund is to aim to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time to achieve capital appreciation over the medium to long term.

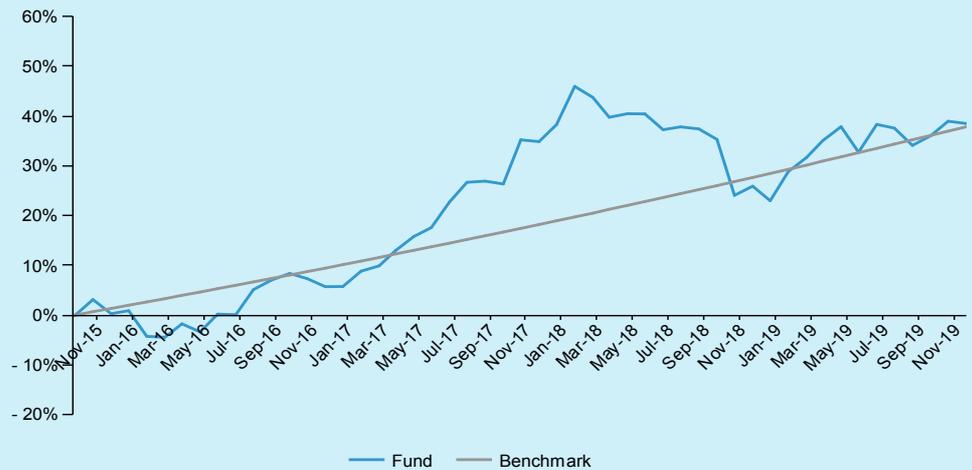
Currency: SGD ISIN Code: MYU1001DP007

Bloomberg Ticker: CPASSGD MK

Fund Information

| | |
|---------------------------------------|---|
| Domicile | Malaysia |
| Base Currency | U.S Dollar |
| Fund Inception | 30 September 2015 |
| Benchmark | 8% p.a. |
| Application Fee | Up to 5.00% of the NAV |
| Management Fee | Up to 1.50% p.a. of the NAV |
| Trustee Fee | Up to 0.05% p.a. of the NAV |
| Total Fund Size (USD) | USD 997.24 million |
| NAV per unit (As at 30 November 2019) | SGD 1.2716 |
| Trustee | HSBC (Malaysia) Trustee Berhad |
| Custodian | The Hong Kong and Shanghai Banking Corporation Ltd and assets held through HSBC Nominees (Tempatan) Sdn Bhd (in Malaysia) and HSBC Institutional trust Services (Asia) Limited (outside Malaysia) |

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 | 12.63 | -0.33 | 3.28 | 4.34 | 10.00 | 31.03 | N/A | 38.51 |
| Benchmark/Target Return | 7.31 | 0.64 | 1.94 | 3.92 | 8.00 | 25.97 | N/A | 37.86 |

Calendar Year Returns (%)

| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|-----------|--------|-------|------|------|------|------|
| Fund | -11.08 | 30.79 | 4.81 | N/A | N/A | N/A |
| Benchmark | 8.00 | 8.00 | 8.00 | N/A | N/A | N/A |

Most Recent Fund Distributions

| | 2019 Oct | 2019 Jul | 2019 Mar | 2018 Dec | 2018 Jul | 2018 Apr |
|----------------------|----------|----------|----------|----------|----------|----------|
| Gross (Sen/Unit) | 1.10 | 0.91 | 0.95 | 0.52 | 1.32 | 1.37 |
| Annualised Yield (%) | 3.52 | 2.84 | 3.00 | 1.56 | 3.92 | 4.04 |

Note: September 2015 to November 2019.

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.

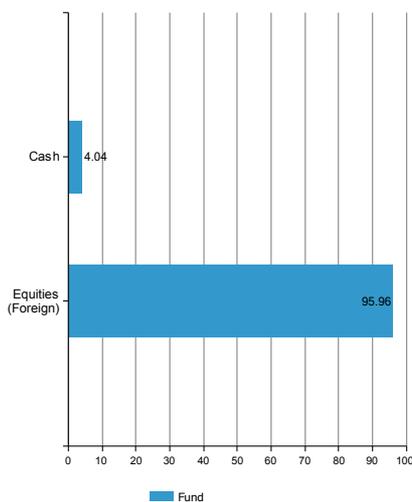
Source : Lipper

Top 10 Holdings

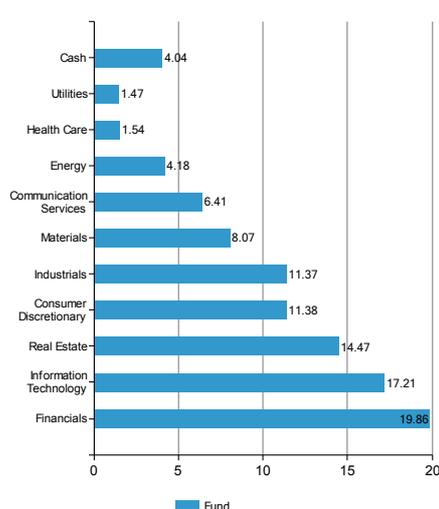
| | Country | % of net assets |
|-----------------------------|----------------|-----------------|
| Taiwan Semiconductor Manuf | Taiwan | 5.88 |
| Samsung Electronics Co. Ltd | South Korea | 5.78 |
| HDFC Bank Ltd | India | 3.93 |
| AIA Group Ltd | HK SAR China | 3.68 |
| Alibaba Group Holding Ltd | Cayman Islands | 3.41 |
| Ping An Insurance Group Co. | China | 2.95 |
| Reliance Industries Ltd | India | 2.50 |
| Tencent Hldg Ltd | HK SAR China | 2.38 |
| Techtronic Industries Co | HK SAR China | 2.30 |
| Lendlease Global Commercial | Singapore | 2.15 |

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.

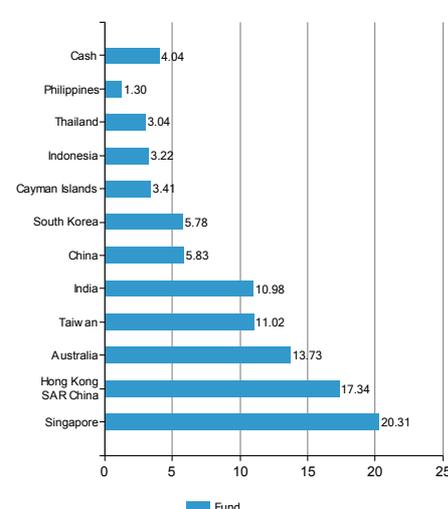
Asset Allocation (%)



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 down 0.33% in SGD terms in November. YTD, the Fund has gained 12.63% or 532bps above the absolute return benchmark. Sector wise, Industrials contributed positively while Financials and Consumer were drags.

Asia Pacific ex-Japan equities were flat in US\$ terms in November as investors digest the progress of a limited trade deal between US and China. Year-to-date, Asia Pacific ex-Japan equities rose +9.7% in US\$ terms, Australia was the best performing market, benefiting from investors' appetite for high quality dividend yielders, followed by Taiwan. Malaysia was the worst performing market amidst political uncertainty and broad-based slowdown. We expect economic growth in Asia to bottom in the near future. Several Asian governments, including China and India are putting in place fiscal stimulus to provide support to their economies. After reducing policy rates throughout the year, most Asian central banks will probably be on hold for the next 6 months except for India and Philippines. Nevertheless, we expect Asian central banks to remain dovish in the absence of inflation. Earnings recovery is likely to be led by Asia internet, semiconductor and industrial stocks. Asia Pacific ex Japan equity valuation at 13.5x PER FY20 is slightly expensive vs 5-year average of 12.9x. We reiterate our positive view on Asian equities as the markets should be supported by stable EPS forecast revisions, transmission of monetary easing that was recently implemented and fiscal stimulus. Furthermore, the Fed's resumption of balance sheet expansion places a tailwind for fund flows into Asia. Taiwan and India are seeing pickup in foreign fund inflows recently. As such, we are fully invested and had deployed cash into selected countries which are expected to do well in 2020, including India and China, where lower interest rates coupled with fiscal stimulus could trigger a new cycle of credit growth. The portfolio has been reducing REITs in favour of cyclical and growth in the financials and technology sectors. Our least preferred sectors continued to be utilities and consumer staples.

The Manager of the CIMB-Principal Asia Pacific Dynamic Income Fund is Principal Asset Management Berhad (formerly known as CIMB-Principal Asset Management Berhad). The Manager has appointed Principal Asset Management (S) Pte. Ltd. (formerly known as CIMB-Principal Asset Management (S) Pte. Ltd.) (Company Registration No. 200607208K) as its Singapore Representative and agent for service of process in Singapore. Copies of the prospectus are available from the Singapore Representative at 50 Raffles Place, #22-03A Singapore Land Tower, Singapore 048623 or at www.cimb-principal.com.sg. Investors should read the prospectus before deciding to purchase any units in the Fund ("Units"). The listing of the Units does not guarantee a liquid market for the Units. The value of the Units and the income derived from them, if any, may fall as well as rise. Past performances of the Fund, the Manager are not necessarily indicative of their future performance. The information contained herein is for your general information only and does not have any regard to your specific investment objectives, financial situation and any of your particular needs. You may wish to seek advice from a financial adviser before making a commitment to purchase Units. If you choose not to seek advice from a financial adviser, you should consider whether the Fund is suitable for you.

Although the information contained herein has been taken from sources that are believed to be accurate, no warranty or representation is made as to its correctness, completeness or accuracy. The Manager accepts no liability whatsoever for any direct, indirect or consequential loss arising from any use or reliance of the information herein.

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.

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