

# Principal Asia Pacific Dynamic Income Fund - Class USD

31 August 2022



## Fund Objective

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. The Fund's investment will focus on high dividend yielding equities of companies, which the Sub-Manager believes will offer attractive yields, sustainable dividend payments and will exhibit above average growth potential when compared to its industry or the overall market at the point of purchase.

## Lipper Score

Total Return

4

Consistent Return

5

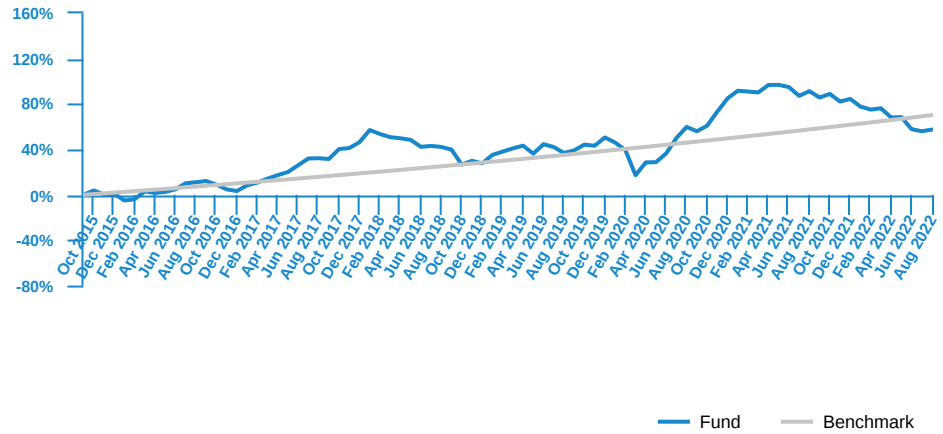
## Morningstar Rating



## Fund Information

ISIN Code	MYU1002DP005
Lipper ID	68336980
Bloomberg Ticker	CPASUSD MK
Domicile	Malaysia
Currency	USD
Base Currency	USD
Fund Inception	9 Sep 2015
Benchmark	The Fund has a target return of eight percent (8%) per annum.
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
Fund Size (USD)	USD 96.64 million
Fund Unit	125.53 million units
NAV per unit (As at 30 Aug 2022)	USD 0.7729

## 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	-14.63	0.95	-6.52	-10.04	-17.69	15.12	19.11	59.31
Benchmark	5.26	0.66	1.96	3.96	8.00	25.97	46.93	71.06

Calendar Year Returns (%)							
	2021	2020	2019	2018	2017	2016	
Fund	-0.25	22.86	17.91	-12.76	41.69	2.38	
Benchmark	8.00	8.00	8.00	8.00	8.00	8.00	

Most Recent Fund Distributions						
	2022 Jul	2022 Apr	2022 Jan	2021 Oct	2021 Jul	2021 Apr
Gross (cent/unit)	0.58	0.65	0.68	0.38	0.83	0.74
Annualised Yield (%)	3.03	3.13	3.07	1.60	3.44	3.00

Most Recent Unit Splits					
					2020 Dec
Ratio					3:4

Note: September 2015 to August 2022.

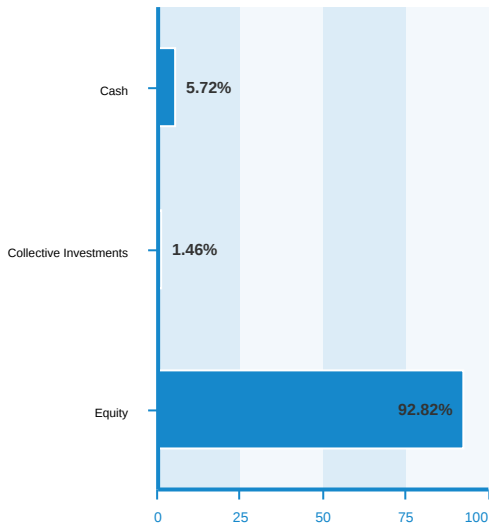
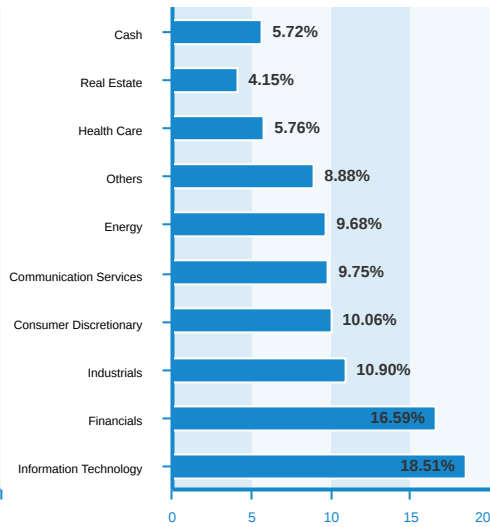
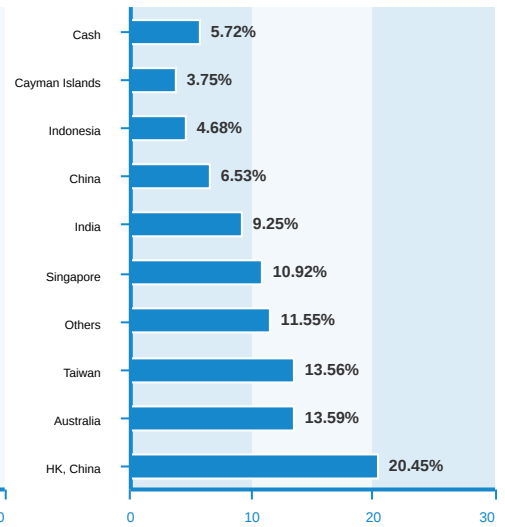
Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

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	6.59	Beta	N/A
Tencent Holding Ltd	HK, China	4.15	Information Ratio	-0.05
Alibaba Group Holding Ltd	Cayman Islands	3.75	Sharpe Ratio	0.07
E Ink Holding Inc	Taiwan	3.54	(3 years monthly data)	
CNOOC Ltd	HK, China	3.50		
Reliance Industries Ltd	India	3.23		
HDFC Bank Ltd	India	3.03		
AIA Group Ltd	HK, China	3.01		
Santos Ltd	Australia	2.95		
CSL Ltd	Australia	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 0.95% in USD terms in August, outperforming the benchmark by 29 bps. YTD, the Fund is down -14.63%, underperforming the benchmark by 1989 bps.

The MSCI AC Asia Pacific ex Japan Index declined by 0.46% in USD terms on Aug 2022. Indonesia and Thailand were the best performers while Korea and Singapore were laggards. Core PCE inflation in the US increased by only 0.1% MoM in July. However, the August jobs report pointed to a strong labour market which imply wage pressure is likely to remain. This further reinforced Fed Chair Powell's intention to continue the rate hikes to combat inflation "until the job is done". Despite some softening in economic data, Powell continues to consider US economy as fundamentally strong. With US policy rate likely to move above the neutral rate, and most of Asia also experiencing higher inflation, with the exception of China, Asian central banks will most likely follow a similar path in raising rates. In China, data continued to point to economic weakness with the manufacturing PMI at 49.4 in August, together with a prolonged property market slump and a resurgence of new COVID cases. With the 20th CPC Party Congress meeting set on Oct 16th, clarity on wide-ranging policies and its approach toward zero-COVID post meeting would be key.

We remain selective in China, focusing on stocks with policy tailwinds and structural growth drivers such as renewables and electrification. Earnings growth in Asia is reasonable in 2022 and valuation is attractive. Other risks would include (1) persistently high inflation, (2) hard landing, (3) renewed US and China tension. We will also continue to focus on 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. We currently prefer North Asia, Australia and Singapore.

^Based on the fund's portfolio returns as at 15 August 2022, the Volatility Factor (VF) for this fund is 14.21 and is classified as "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. The Manager of the Principal Asia Pacific Dynamic Income Fund (formerly known as CIMB-Principal Asia Pacific Dynamic Income Fund) is 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](http://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.

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