Principal Global Titans Fund - Class MYR

29 February 2024

3-year Fund Volatility
13.06
High
Lipper Analytics
15 Feb 2024

Fund Objective

The Fund seeks to grow the value of Unit holders' investments over the Medium to long term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to Malaysian equities market to balance any short term volatilities. The Fund will invest at least 50% of its NAV in at least three collective investment schemes, subject to a maximum of 98% of its NAV. The Fund may invest in Malaysian securities but only up to 50% of its NAV. The Fund seeks to give investors a broad exposure to three major global developed markets.

Lipper Score

Total Return

5

Consistent Return

5

Morningstar Rating

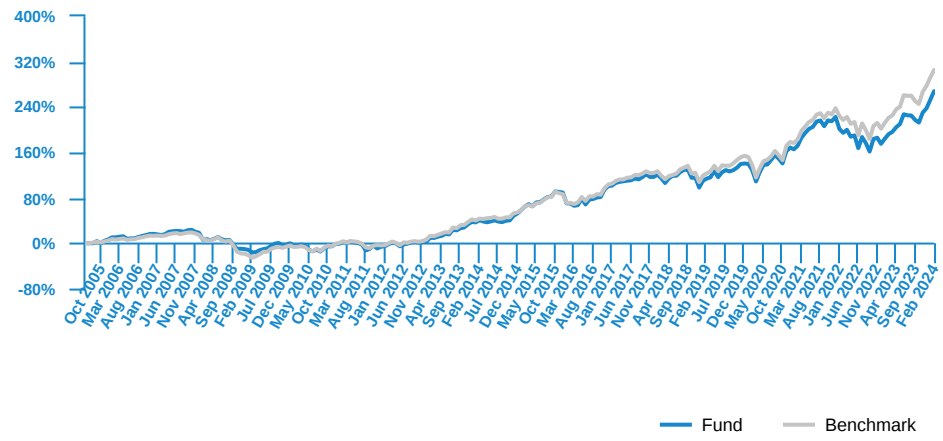
MORNINGSTAR ★★★★ TM

Sustainability

Fund Information

ISIN Code	MYU1000AD001
Lipper ID	61501264
Bloomberg Ticker	CIMTTAN MK
Domicile	Malaysia
Currency	MYR
Base Currency	MYR
Fund Inception	18 Jul 2005
Benchmark	42% S&P 500 + 36% MSCI Europe + 12% MSCI Japan + 10% CIMB Bank 1-Month Fixed Deposit Rate
Application Fee	Up to 5.50% of the NAV per unit
Management Fee	Up to 1.80% p.a. of the NAV
Trustee Fee	0.045% p.a. of the NAV
Fund Size (MYR)	MYR 733.99 million
Fund Unit	777.77 million units
NAV per unit (As at 29 Feb 2024)	MYR 0.9437
Initial Offering Period (IOP) Date	8 Aug 2005
Initial Offering Period (IOP) Price	MYR 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	8.96	4.37	11.50	13.15	25.93	35.35	72.02	268.07
Benchmark	7.44	3.41	10.56	12.58	26.26	43.26	81.64	305.52

Calendar Year Returns (%)	2023	2022	2021	2020	2019	2018
Fund	22.74	-14.70	20.08	11.72	21.43	-8.68
Benchmark	25.01	-10.71	21.40	9.58	22.40	-7.21

Most Recent Fund Distributions	2023 Oct	2022 Oct	2021 Oct	2020 Oct	2019 Oct	2017 Apr
Gross (sen/unit)	1.70	2.24	2.64	2.20	2.01	5.00
Annualised Yield (%)	2.12	3.02	3.09	3.06	2.91	5.36

Note: July 2005 to February 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
SPDR S&P 500 ETF	United States	32.51
iShares Core MSCI Europe ETF	United Kingdom	19.66
NEXT FUNDS TOPIX ETF	Japan	11.19
FTGF ClearBridge US Large Cap Growth	Ireland	6.16
JPMorgan Funds - US Growth Fund	Luxembourg	5.41
JP Morgan Europe REI ESG UCITS	United Kingdom	3.54
JP Morgan Europe Strategic Growth C (acc) - EUR	Luxembourg	3.52
NEXT FUNDS TOPIX Banks ETF	Japan	2.21
Fast Retailing Co Ltd	Japan	1.74
Synopsys Inc	United States	1.52

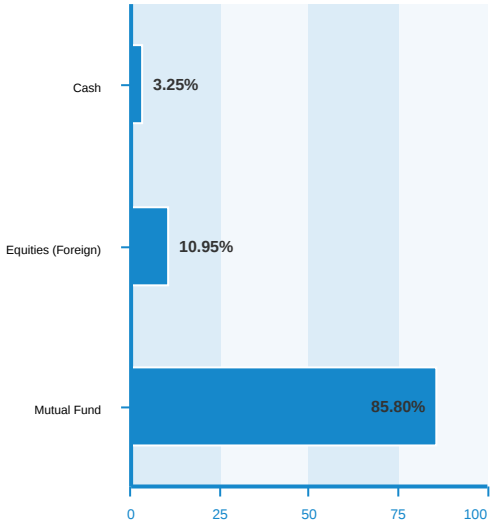
Fund Risk Statistics	
Beta	1.03
Information Ratio	-0.27
Sharpe Ratio	0.16

(3 years monthly data)

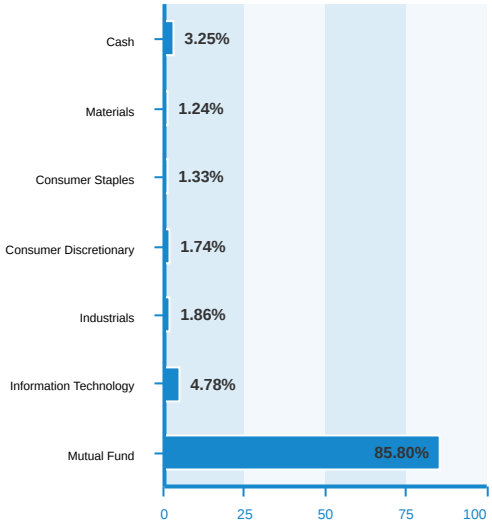
The holdings listed do not constitute a recommendation to purchase or sell a particular security. Any repeated issuer shown means same issuer with different coupon rate and/or maturity date. Cash and/or derivative positions that are not part of the core investment strategy will not be reflected in the top holdings list.

In alliance with CIMB

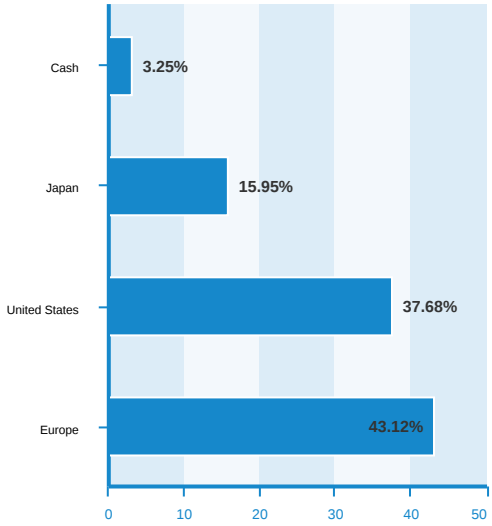
Asset Allocation (%)



Sector Allocation (%)



Regional Allocation (%)



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 increased by 4.37% in February, outperforming the benchmark by 96 bps. YTD, the Fund is up 8.96%, outperforming the benchmark by 1.52%.

Developed market equities continued to perform well with S&P 500, MSCI Europe and MSCI Japan increased by 5.3%, 2.0% and 5.5% respectively, in local currency terms. Resilient economic data and stronger than expected inflation numbers reduced market's expectations to 3-4 interest cuts by the Fed in 2024. The 10-year Treasury yield increased to 4.3% before moderating to 4.14% at the time of writing. The U.S. Dollar appreciated slightly by 0.4%, the Euro appreciated slightly by 0.4% and Japanese Yen depreciated by 1.7%.

The January US inflation came in higher than expected, with core inflation increasing 0.4% MoM and 3.9% YoY. However, there are some cooling signs of US labor market with slightly higher initial jobless claims and continuing jobless claims. The ISM Manufacturing Employment Index declined to 45.9 whereas the Services Employment Index also indicated a cooling print. The S&P Manufacturing PMI points to expansion in US whereas Europe and Japan is in the contraction zone. Services PMIs remain resilient across developed markets. Japan's core inflation came in higher than expected. Japan's labor market remains robust with low unemployment rate. Forward 12-month corporate earnings have been revised up for US and Japan but revised down for Europe.

Position: Overweight US, funded by Underweight in Europe. With inflation gradually rolling over, central banks including the Fed have hinted at peak interest rates and potential cuts in 2024. Meanwhile, economic activity remained robust with strong consumption and resilient jobs market. Our overweight position in US is mainly driven by the higher exposure to semiconductor related tech names. Strong earnings and secular tailwinds of increasing AI adoption may continue to support mega tech names and their valuations could remain high if interest rates don't surge sharply. Maintain Overweight Japan. Despite Japan experiencing some economic slowdown, there are increasing signs that inflation and wage increases may be sustainable in 2024. Sustainable nominal wage growth is expected to lift household real income and support a virtuous cycle between wage and price increases. This may lead to the BOJ exiting its Negative Interest Rate Policy, although the shift is anticipated to be gradual to prevent market disruption. Despite short-term volatility in currency markets, Japan remains attractive with corporate governance reforms and a virtuous cycle between wage and price increases as the key drivers.

^Based on the fund's portfolio returns as at 15 February 2024, the Volatility Factor (VF) for this fund is 13.06 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. We recommend that you read and understand the contents of the Prospectus Issue No. M3 dated 1 April 2020, which has been duly registered with the Securities Commission Malaysia, before investing and that you keep the said Master Prospectus for your records. Any issue of units to which the Master Prospectus relates will only be made upon receipt of the completed application form referred to in and accompanying the Master Prospectus, subject to the terms and conditions therein. Investments in the Fund are exposed to country risk, credit and default risk, currency risk, fund manager's risk, stock specific risk. You can obtain a copy of the Master 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 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. 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 for a prospectus containing this and other information. Please read it carefully before investing.