

CIMB-Principal China Direct Opportunities Fund-Class USD

31 July 2019

Fund Objective

The Fund seeks opportunities through investments primarily in China A-Shares with the aim to provide capital appreciation. The Fund is established with a multi-class structure and is allowed to establish new Class(es) from time to time.

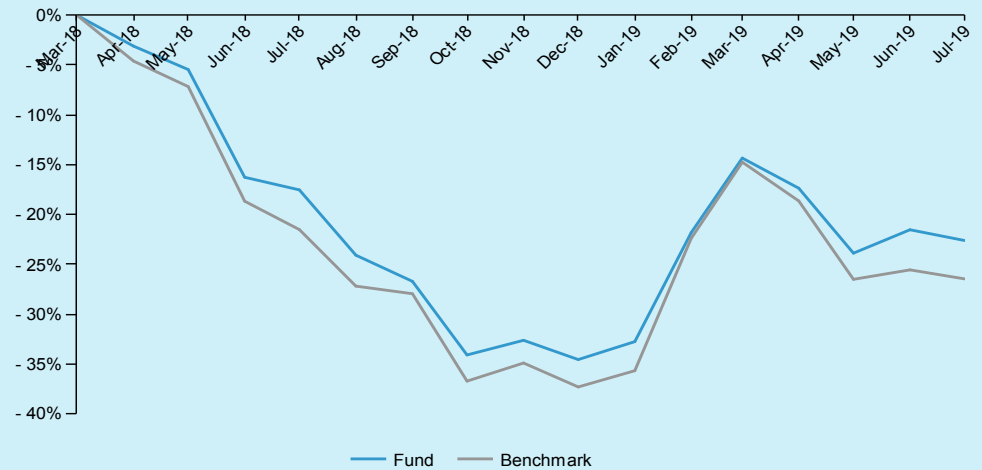
Currency: USD ISIN Code: MYU1002GF009

Bloomberg Ticker: CPCDUSD MK

Fund Information

Domicile	Malaysia
Base Currency	RMB
Fund Inception	8 March 2018
Benchmark	CSI500 Index
Application Fee	Up to 5.50% of the NAV per unit
Management Fee	Up to 1.80% per annum of the NAV of the Class
Trustee Fee	Up to 0.06% per annum of the NAV of the Fund
Switching Fee	USD35
Fund Size (USD)	USD 24.26 million
NAV per unit (As at 31 July 2019)	USD 0.7739
Distribution Frequency	Ad-hoc basis
Trustee	HSBC (Malaysia) Trustee Berhad

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	18.26	-1.38	-6.35	15.10	-6.16	N/A	N/A	-22.61
Benchmark/Target Return	17.30	-1.20	-9.61	14.33	-6.31	N/A	N/A	-26.46

Calendar Year Returns (%)

	2018	2017	2016	2015	2014	2013
Fund	N/A	N/A	N/A	N/A	N/A	N/A
Benchmark	N/A	N/A	N/A	N/A	N/A	N/A

Note: March 2018 to July 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.

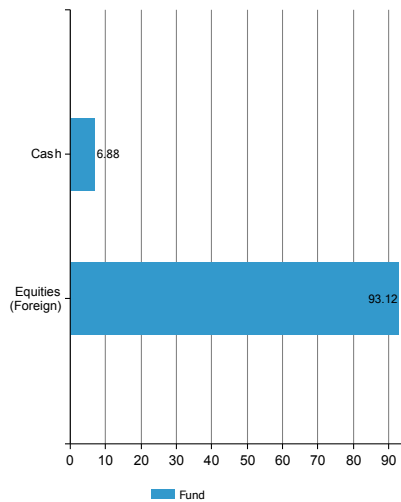
Source : Lipper

Top 10 Holdings

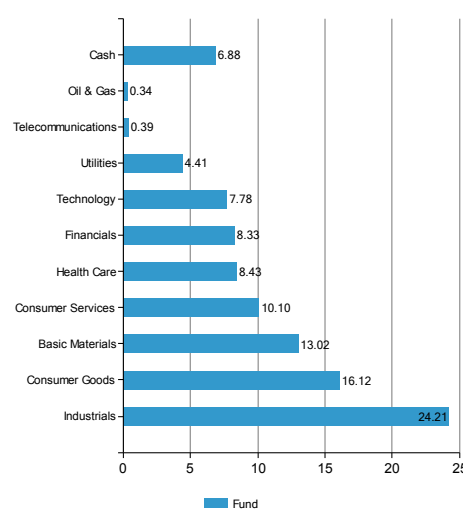
	Country	% of net assets
JILIN AODONG MEDICINE INDU-A	China	1.87
WASU MEDIA HOLDING CO LTD-A ORD CNY1	China	1.73
SHENZHEN ENERGY GROUP CO L-A ORD CNY1	China	1.68
ZHONGSHAN PUBLIC UTILITIES-A SHRS ORD CNY1	China	1.53
CHINA RESOURCES SANJIU MEDICAL & PHARMACEUTICAL CO LTD A SHS ORD CNY1	China	1.39
JOEONE CO LTD -A SHRS ORD CNY1	China	1.30
HUOLINHE OPENCUT COAL INDUSTRY CORP LTD OF INNER MONGOLIA A SHS ORD CNY1	China	1.28
JIANGXI GANYUE EXPRESSWAY CO L ORD CNY 1	China	1.17
INDUSTRIAL BANK CO LTD A SHS ORD CNY1	China	1.16
DAZHONG TRANSPORTATION GROUP C ORD CNY 1	China	1.12

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.

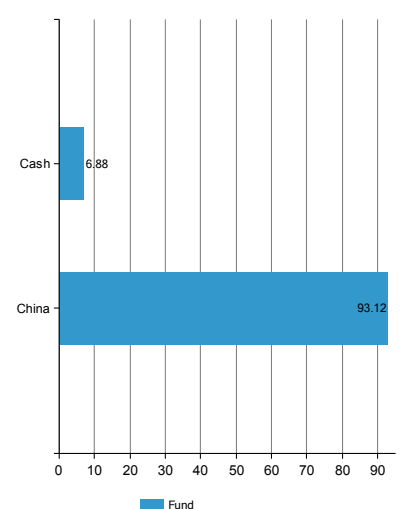
Asset Allocation (%)



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 (USD Class) declined by 1.38% in July, underperforming the Benchmark by 0.18%. Year to Date, the Fund outperformed the Benchmark by 0.96%.

In July, the large cap stocks generally outperformed the small-mid cap stocks, the performance of CSI300, CSI500 and CSI1000 were 0.26%, -0.95% and -2.28% respectively. 6 sectors out of all 28 sectors (SW industries) have risen, with leading sectors of Agriculture, Forestry and Fishing (increase rate of 7.31%) and Electronics (increase rate of 7.00%). On the contrary, Nonferrous Metals and Steel industries witnessed the largest decrease rate of 5.64% and 5.35%. The macro funds status remained stable in July, with reasonable interest rate and interbank liquidity. But it is possible that recent currency fluctuation will affect the foreign funds inflow to some extent.

Since the beginning of Q3, under the pressure of escalated trade friction, depreciated currency and unstable situation of HK and Taiwan, China's stock market has become more sensitive with negative factors. But as the latest PMI data and semi-annual financial results show signs of turning better, more market participants are expecting the stock market to steadily grow in the future. We believe that A-share market is currently waiting for the rebound, but in the short term there is indeed a lack of a clear catalyst to stimulate the market.

We recommend that you read and understand the contents of Prospectus Issue No. 1 for the CIMB-Principal China Direct Opportunities Fund is dated 8 March 2018, which have been deposited with Securities Commission Malaysia before investing and that you keep the said Information Memorandum for your record. Any issue of units to which the Information Memorandum relates will only be made upon receipt of the completed application form referred to in and accompanying the Information Memorandum, subject to the terms and conditions therein. The principal risks are returns not guaranteed, general market environment risk, manager's risk, inflation risk and loan financing risk. The specific risks of the Target Fund are stock specific risk, country risk, credit and default risk, liquidity risk, currency risk and RQFII regime risk. You can obtain a copy of the Prospectus from the head office of Principal Asset Management Berhad (formerly known as CIMB-Principal Asset Management Berhad) or from any of our approved distributors. 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. 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. All performance figures have been extracted from Lipper. 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 for a prospectus containing this and other information. Please read it carefully before investing.

Principal Asset Management Berhad

10th Floor, Bangunan CIMB, Jalan Semantan Damansara Heights, 50490 Kuala Lumpur.

Tel: (603) 2084 8888 Fax: (603) 2084 8899 Website: www.principal.com.my

IMPORTANT: Investment involves risk, including the loss of principal. Investors should refer to the Prospectus and Key Facts Statement of the iShares FTSE A50 China Index ETF (the "ETF") for details, including the risk factors. Investors should not base investment decisions on this marketing material alone. Investors should note:

- The ETF aims to provide investment results that, before fees and expenses, closely correspond to the performance of the FTSE China A50 Index ("the Underlying Index").
- Generally, investments in emerging markets, such as the A Share market, may involve increased risks such as liquidity risks, currency risks/control, political and economic uncertainties, legal, regulatory and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. The A Share market may be more volatile and unstable than those in the more developed markets. The ETF's exposure is concentrated in the PRC and may be more volatile than funds adopting a more diversified strategy.
- The ETF is subject to tracking error risk, which is the risk that its performance may not track that of the Underlying Index exactly.
- The ETF is subject to restrictions and requirements applicable to QFII and/or RQFII investment, and the applicable laws, rules and regulations in the PRC, which are subject to change and such change may have potential retrospective effect. The ETF may be unable to utilise the QFII and/or RQFII quota if the relevant QFII and/or RQFII licence is revoked/terminated or otherwise invalidated as the ETF may be prohibited from trading relevant securities and repatriation of the ETF's monies, or if any of the key operators is bankrupt or in default and/or is disqualified from performing its obligations.
- The relevant rules and regulations on the Stock Connect are subject to change. The Stock Connect is subject to quota limitations. Where a suspension in the trading through the programme is effected, the ETF's ability to invest in A shares through Stock Connect will be adversely affected.
- The ETF currently does not provision for withholding tax on capital gains ("CGT") arising from its investment via CAAPs, QFII or RQFII on or after 17 November 2014, or its investment via Stock Connect. There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realized on the ETF's PRC investments, which may have retrospective effect. Any increased tax liabilities on the ETF may adversely affect its value, and the resultant tax liability would be eventually borne by investors.
- All units will receive distributions in the base currency (RMB) only. The Manager may at its discretion pay dividends out of capital or effectively out of capital which amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the ETF's capital may result in an immediate reduction of the ETF's NAV per unit.
- In the event that a unitholder has no RMB account, the unitholder may have to bear (i) the fees and charges associated with the conversion of such dividend distributions from RMB to HKD or any other currency; and (ii) other bank or financial institutional fees and charges associated with the handling of the distribution payment in currencies other than RMB. Unitholders are advised to check with their brokers regarding arrangements for distribution.
- The trading price of the units of the ETF on the SEHK is subject to market forces and may trade at a substantial premium/discount to the ETF's NAV.

INVESTMENT OBJECTIVE

The iShares FTSE A50 China Index ETF seeks to track the investment results of an index composed of the 50 largest companies in mainland China, trading on the Shanghai and Shenzhen Stock Exchanges.

WHY 2823 / 82823?

- 1 Exposure to the 50 largest China A-share companies
- 2 Access to market liquidity for mainland China exposure
- 3 Single country exposure

GROWTH OF 10,000 CNY SINCE INCEPTION



The chart shows change of investment amount based on a hypothetical investment in the Fund.

ANNUALIZED PERFORMANCE (% CNY)

	1 Year	3 Year	5 Year	10 Year	Since Inception
Fund	17.65%	15.24%	14.96%	1.07%	8.88%
Benchmark	19.01%	15.74%	15.83%	2.85%	10.32%

CALENDAR YEAR PERFORMANCE (% CNY)

	2018	2017	2016	2015	2014
Fund	-20.10%	32.63%	-2.81%	-4.88%	61.75%
Benchmark	-19.36%	35.38%	-4.26%	-5.04%	68.08%

FUND DETAILS

Asset Class	Equity
Inception Date	15/11/2004
Benchmark	FTSE China A50 Index
Number of Holdings	50
Net Assets	20,568,137,755 CNY
Management Fee	0.99%
Units Outstanding	1,550,000,000
Domicile	Hong Kong
Base Currency	RMB
Bloomberg Benchmark	XINA50NC
Ticker	

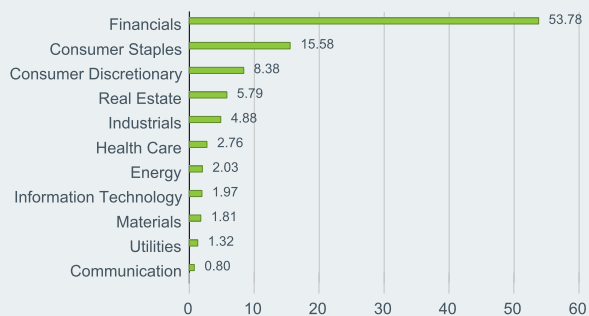
TOP 10 HOLDINGS (%)

PING AN INSURANCE (GROUP) OF CHINA	14.42
KWEICHOW MOUTAI LTD A	7.64
CHINA MERCHANTS BANK LTD A	7.64
INDUSTRIAL BANK LTD A	4.71
GREE ELECTRIC APPLIANCES INC OF ZH	4.16
WULIANGYE YIBIN LTD A	3.78
CHINA VANKE LTD A	3.31
CITIC SECURITIES LTD A	3.21
SHANGHAI PUDONG DEVELOPMENT	
BANK L	3.03
MIDEA GROUP LTD A	3.02
Total	54.92

Holdings are subject to change.

Performance is calculated based on NAV-to-NAV with dividend reinvested. Performance is calculated in the base currency of the Index Fund, including ongoing charges and taxes, and excluding your trading costs on SEHK. Investment involves risk, including the loss of principal. Past performance does not represent future returns.

SECTOR BREAKDOWN (%)



As a percentage of NAV of the Fund. Based on Global Industry Classification Standard (GICS)

TRADING INFORMATION

Exchange	Hong Kong Stock Exchange	
Board Lots	100	100
Trading Currency	HKD	CNY
Stock Code	2823	82823
Bloomberg Ticker	2823 HK	82823 HK
ISIN	HK2823028546	HK0000343787
SEDOL	B046M96	BYSYN68

Disclaimer Unless otherwise specified, all information as of the month end. Sources: BlackRock and FTSE. The above iShares Funds data is for information only.

Investment involves risk, including possible loss of principal. Investment in emerging market countries may involve heightened risks such as increased volatility and lower trading volume, and may be subject to a greater risk of loss than investment in a developed country. Before deciding to invest, investors should read the Prospectus and Key Fact Statements for details, including the risk factors. Performance is calculated on NAV to NAV basis, inclusive of all transaction fees and assumes dividend reinvestment. The investment returns are denominated in base currency, which may be a foreign currency. If so, US/HK dollar-based investors are therefore exposed to fluctuations in the US/HK dollar/foreign currency exchange rate. Rates of exchange may cause the value of investments to go up or down. Investors may not get back the amount they invest. Individual stock prices/performance do not represent the return of the Fund. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Index returns are for illustrative purposes only and do not represent actual iShares Funds or iShares Trusts performance. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance shown is not indicative of future performance.

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