

Global Sukuk Fund - A Class Accumulation Units

28 February 2021

Investment manager

Principal Islamic Asset Management Sdn Bhd (Principal Islamic) is the Investment Manager of the Fund. Principal Islamic constitutes a partnership between Principal Financial Group and CIMB Group Holdings Berhad.

Fund managers

Mohd Fadzil Bin Mohamed

BSc (Hons), University of Aberystwyth, Wales, UK

24 Years Industry Experience

Rina Izzati Raduan

MBA, International Islamic University Malaysia

17 Years Industry Experience

Elyzza Syazreen Zailan

BSc, University of Illinois, Urbana-Champaign, USA

12 Years Industry Experience

Investment objective

The Fund seeks to maximise total return over the medium to long term through a combination of capital growth and income by investing in global Sukuk. The Fund invests primarily in a diversified portfolio of Shariah-compliant fixed income securities. All investments made by the Fund will be compliant with the Shariah Investment Guidelines.

Index

Dow Jones Sukuk Price Return Index*

Fund facts

Fund size	\$49.5m
Base currency	USD
Fund domicile	Ireland
UCITS qualifying	Yes
Pricing	Daily
Dealing	10am Dublin

Unit class facts

Launch date	07 Sep 2016
Currency	USD
Hedging	Portfolio
Minimum investment	US\$1,000
Management fee(s)	1.00% pa
Income distribution	Accumulated

Fund grading

3 Star Overall Morningstar Rating™ as of 28 February 2021



Performance (%)

	1M	3M	YTD	1YR	3YR	5YR	SI
Fund Cumulative Net	-0.43	1.15	0.17	3.90	14.48	-	14.60
Index Cumulative	-0.91	-0.77	-1.09	1.59	8.56	-	4.24
Fund Annualised Net	-0.43	1.15	0.17	3.90	4.61	-	3.09
Index Annualised	-0.91	-0.77	-1.09	1.59	2.77	-	0.93

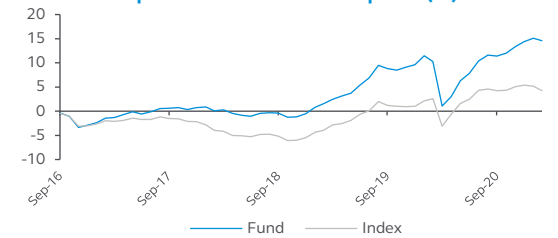
12-month rolling return (%)

Mar 16 - Feb 17	Mar 17 - Feb 18	Mar 18 - Feb 19	Mar 19 - Feb 20	Mar 20 - Feb 21
-	1.59	1.47	8.60	3.90

Risk analysis

	1YR	3YR
Information Ratio	0.7	0.8
Alpha	1.9	1.4
Tracking Error	3.4	2.3
Standard Deviation	9.7	6.1
Beta	1.4	1.3

Cumulative performance since inception (%)



Past performance is not a reliable indicator of future performance.

Source: Fund Administrator: BNY Mellon Fund Services (Ireland) DAC since February 2011, performance data prior to this date is sourced from PGI and/or its affiliates; and the Index.

Data: The performance data shown is based upon the Fund's official Net Asset Value (NAV) prices. The performance data shown is net of fees and other charges but excludes any potential entry/exit charges- as such the return an investor receives may be lower. (See performance note for important information.)

Fund analysis

	Fund
Average Coupon	4.2
Average Life	7.3
Yield to Worst	2.7
Yield to Maturity	3.0

Any yields quoted on the fact sheet are calculated at portfolio level gross of tax and expenses.

* Yield to Worst is the lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making the worst-case scenario assumptions on the issue.

* Yield to Maturity is a concept used to determine the rate of return an investor will receive if a long-term, interest-bearing investment, such as a bond, is held to its maturity date. Please note that this is not the return or dividend to be received by investors in the fund.

Top 10 holdings (%)

	Fund
Aldar Sukuk No 2 Ltd	6.4
DAE Sukuk DIFC Ltd	6.1
MAF Sukuk Ltd	5.8
Sharjah Sukuk Program Ltd	5.2
Sharjah Sukuk Program Ltd	4.8
Almarai Sukuk Ltd	4.7
QIB Sukuk Ltd	4.7
SIB Tier 1 Sukuk Co	4.5
MAF Sukuk Ltd	4.1
Mazoon Assets Co SAOC	4.0
Total	50.3

No. of holdings

33

Credit quality (%)

	Fund
AAA	2.7
A	9.4
BBB	61.3
BB	7.6
B	2.2
Not Rated	16.9

Credit Quality refers to the credit ratings for the underlying securities in the Fund as rated by Standard & Poor's or Moody's Investors Service, and typically range from AAA/Aaa (highest) to C/D (lowest). If Moody's and S&P assign different ratings, the higher rating is used. Ratings methodologies and individual ratings can change over time. Credit Quality: AAA includes cash.

Geographic allocation (%)

	Fund
United Arab Emirates	59.2
Saudi Arabia	13.8
Qatar	6.9
Kuwait	5.1
Indonesia	4.0
Oman	4.0
Cash Equivalent	2.7
Bahrain	2.2
Malaysia	2.1

Sector allocation (%)

	Fund
Financial Services	24.8
Real Estate	20.2
Sovereigns	19.0
Transportation & Logistics	16.0
Utilities	10.6
Consumer Staples	4.7
Cash Equivalent	2.7
Telecommunications	2.1

Source: Principal Global Investors and/or its affiliates and the Index.

Data: This data/analysis is not sourced from the Fund's official record. It is based upon data from the internal systems of Principal Global Investors and/or its affiliates. Performance shown in this section is gross which does not take into account any fees or other charges which, if taken into account, would reduce the figures shown.

Fund codes

ISIN IE00BZBXG372
 SEDOL BZBXG37

Registration

Ireland, Singapore, Switzerland, UAE and UK

Not all unit classes are registered in the listed countries, please contact your sales representative for more details. In Singapore, the Fund is registered as a Restricted Scheme for institutional investors and relevant persons defined in the SFA.

Fund overview

The Fund seeks to maximize total return over the medium to long term through a combination of capital growth and income. The Fund seeks to achieve its objective by investing primarily in a diversified portfolio of Shariah-compliant fixed income securities (Sukuk) issued by government, government-related entities such as their local authorities and public authorities, corporate or supranational entities located globally.

Organisation

Principal Islamic acts as a global partner to institutional global investors, providing a range of Islamic investment portfolios to suit differing needs. We offer separately managed portfolios for institutions and collective investments. The joint venture between Principal Islamic and Principal Financial Group allows Principal Islamic to leverage on the strong global Islamic credentials of Principal Islamic while Principal Global Investors (the asset management arm of Principal Financial Group) lends its expertise in global asset management. Headquartered in Kuala Lumpur, Malaysia, Principal Islamic is strategically located in the world's first country with a complete Islamic financial system operating in parallel to the conventional banking system. This allows the firm to leverage on Malaysia's comprehensive Islamic financial infrastructure and its adopted global regulatory, legal and Shariah best practices.

Risk warnings

- Past performance is not a reliable indicator for future performance.
- There is no guarantee that the investment objective of the Fund will be achieved
- This shareclass is unhedged. Unhedged shareclasses are exposed to greater risk and volatility.
- The potential for profit is accompanied by the possibility of loss.

Performance note

Index Disclosure: The Fund is actively managed and aims to outperform the Dow Jones Sukuk Price Return Index (the "Index"). The portfolio manager may reference the Index as part of the investment management process and the majority of the Fund's investments will be in securities that are components of the Index. However, the portfolio manager maintains full discretion to select investments for the Fund in line with the above investment policy and with prior approval from the Shariah Advisor. This document presents the performance of this particular unit class of the Fund from the date of inception of the unit class in its unit class currency, as specified on the front page. Performance is calculated on a NAV-to-NAV basis, includes the reinvestment of all investment income, and does not take into account subscription fees and/or tax, but does include trustee and management fees. The NAV is not guaranteed and may fall as well as rise, depending on investment performance, and exchange rate fluctuations – where the Fund invests in non-USD denominated assets, whose value is not hedged to the USD. Performance is calculated on a NAV-to-NAV basis, which includes the reinvestment of net income. The NAVs used in these calculations reflect the month-end market close prices of assets. The actual performance an investor receives reflects the NAVs at which they trade the Fund, which are calculated at the Fund's Valuation Point - as such, the two returns will differ. Outperforming the Dow Jones Sukuk Price Return Index is not specifically included in the objective for the Fund, and the figures shown in the table are provided as a comparison only. Past performance is not indicative of future performance. All figures are stated in USD unless otherwise noted. Investments do not always add up to 100% due to rounding.

Disclosure

Principal Islamic is the Investment Manager and coordinator of Funds distribution for Principal Islamic Asset Management (Ireland) PLC, and is a partnership between Principal Financial Group and CIMB Group Holdings Berhad.

Principal Islamic may not forward this document to retail clients. If you are viewing the material as a retail investor, you should seek independent investment advice before deciding whether the Fund in question is suitable to meet your investment needs and objectives as the language included has not been complied to a retail client standard. Full details of the risks of investing in the Fund are contained in the KIID and Prospectus. This is available at www.principalislamic.com.

Investors are also advised to read and understand the contents of the prospectus before investing and consider the fees and charges involved.

Principal Islamic is not authorised by the Financial Conduct Authority to directly deal with retail investors; any distribution of the Fund to retail investors in Europe is facilitated by Fund distributors with which Principal Islamic has entered distribution agreements, pursuant to advice provided to investors by those distributors, based on the documents Principal Islamic provides.

The document is issued in: In United Kingdom by PGIE, Level 1, 1 Wood Street, London, EC2V 7JB, registered in England, No. 03819986, which has approved its contents, and which is authorized and regulated by the Financial Conduct Authority. The United Kingdom by Principal Global Investors (Europe) Ltd, Level 1, 1 Wood Street, London, EC2V 7JB, registered in England, No. 0381998, which has approved its contents, and which is authorised and regulated by the Financial Conduct Authority. In Dubai, Principal Global LLC, a branch registered in the Dubai International Financial Centre and authorised by the Dubai Financial Services Authority (DFSA) as a representative office and is delivered on an individual basis to the recipient and should not be passed on or otherwise distributed by the recipient to any other person or organisation. This document is intended for sophisticated institutional and professional investors only. Mandatory Disclosure: Module 4.6.5.(d) – This document relates to financial products which are not subject to any form of regulation or approval by the DFSA. The DFSA has no responsibility for reviewing or verifying any prospectus or other documents in connection with this financial product. It has not approved this document or any other associated documents nor taken any steps to verify the information set out therein. The financial product to which this document relates may be illiquid and/or subject to restrictions on its resale.

Prospective purchasers should conduct their own due diligence on the financial product and consult an authorised financial adviser if you do not understand the contents of this document.

The information in this document has been derived from sources believed to be accurate as of February 2021.

In Switzerland, this document is a marketing document and is issued by Principal Global Investors (Switzerland) GmbH which is authorised by the Swiss Financial Market Supervisory Authority ("FINMA"). The name of the Swiss representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich. The name of the Swiss paying agent is Banque Cantonale de Genève, 17, quai de l'Île, 1204 Geneva. Investors can obtain free of charge the prospectus, trust deed, the prospectus, the key investor information document (KIID), and the annual and semi-annual reports from the representative in Switzerland. The current document is intended for information purposes only and shall not be used as an offer to buy and/or sell shares.

In Singapore: The Fund is a restricted scheme in Singapore, it is not authorised or recognised by the MAS and the units in the Fund are not allowed to be offered to the retail public. The Fund is available only to: 1) Institutional Investors under Section 304 of the Securities and Futures Act ("SFA"); and 2) persons within the meaning of "relevant persons" defined in Section 305 of the SFA and in accordance with the conditions of, any other applicable provisions of the SFA. Mandatory Disclosure for the DIFC: Module 4.6.5.(d) - The DFSA has no responsibility for reviewing or verifying any prospectus or other documents in connection with this financial product. It has not approved this document or any other associated documents nor taken any steps to verify the information set out therein. The document is intended for sophisticated institutional and professional investors only in the DIFC and is delivered in on an individual basis to the recipient only and should not be passed on or otherwise distributed to any other person or organization.

Important information

The Investment Objective as stated in this document is a summary, please refer to the supplement for full details of the Investment Objective and Policy of the Fund. Overall Morningstar Rating™ as of February 2021. Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Contact us

For more information on the fund, please contact:

Principal Islamic Asset Management Sdn Bhd

10th Floor Bangunan CIMB
 Jalan Semantan
 Damansara Heights
 50490 Kuala Lumpur Malaysia
 Phone: +603 2084 8888
enquiries.principalislamic@principal.com.my

Principal Global Investors (Europe)
Investors-Europe@principal.com

Principal Global Investors, LLC (Dubai)
 +97 143 46 4555
Dungarpurwala.Tasneem@principal.com

Website

www.principalislamic.com