

Global Sukuk Fund - Euro A Class Income Units

31 August 2022

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

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

25 Yrs Industry Exp

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BSc, University of Illinois, Urbana-Champaign, USA

13 Yrs Industry Exp

Investment objective

The Fund seeks to maximize 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 Shariah Investment Guidelines.

Index

Dow Jones Sukuk Price Return Index*

Fund facts

Fund size	€8.6m
Base currency	USD
Fund domicile	Ireland
UCITS qualifying	Yes
Pricing	Daily
Dealing	10am Dublin

Unit class facts

Launch date	22 Jan 2021
Currency	EUR
Minimum investment	US\$1,000
Management fee(s)	1.00% pa
Income distribution	Income
Distribution frequency:	Annually

Performance (%)

	1M	3M	YTD	1YR	3YR	5YR	SI
Fund Cumulative Net	2.93	7.52	7.50	11.39	-	-	17.07
Index Cumulative	0.86	5.74	3.74	6.44	-	-	8.83
Fund Annualised Net	2.93	7.52	7.50	11.39	-	-	10.30
Index Annualised	0.86	5.74	3.74	6.44	-	-	5.40

12-month rolling return (%)

Sep 17 - Aug 18	Sep 18 - Aug 19	Sep 19 - Aug 20	Sep 20 - Aug 21	Sep 21 - Aug 22
-	-	-	-	11.39

Risk analysis

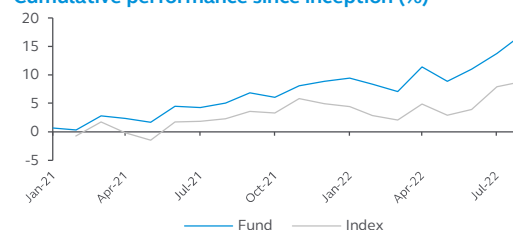
	1YR
Information Ratio	1.4
Alpha	5.7
Tracking Error	3.5
Standard Deviation	6.3
Beta	0.9

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: From December 2018, the performance data shown is based upon the Fund's Net Asset Value (NAV) prices of the last Irish business day of the month. For Funds not open for dealing on this day this will be an indicative NAV. 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. Prior to December 2018, the performance data shown is based upon the Fund's month-end market close prices. (See performance note for further details.)

Cumulative performance since inception (%)



Fund analysis

	Fund
Average Coupon	3.5
Average Life	5.1
Yield to Worst	4.3
Yield to Maturity	4.6

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
Tabreed Sukuk SPC Ltd	6.1
DIB Sukuk Ltd	5.6
Riyad Sukuk Ltd	5.5
MAF Sukuk Ltd	5.0
MAF Sukuk Ltd	2.9
Saudi Telecom Co	2.9
DIFC Sukuk Ltd	2.9
QIIB Tier 1 Sukuk Ltd	2.9
Nogaholding Sukuk Ltd	2.9
DIB Tier 1 Sukuk 4 Ltd	2.8
Total	39.6

No. of holdings

31

Geographic allocation (%)

	Fund
United Arab Emirates	51.4
Saudi Arabia	24.5
Qatar	5.6
Oman	4.6
Bahrain	2.9
Malaysia	2.8
Cash	8.3

Credit quality (%)

	Fund
AAA	8.3
AA	-
A	26.8
BBB	49.0
BB	4.6
B	2.9
Not Rated	8.5

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.

Sector allocation (%)

	Fund
Financial Services	32.8
Real Estate	21.1
Utilities	13.8
Transportation & Logistics	10.7
Energy	5.5
Sovereigns	4.9
Telecommunication	2.9
Cash	8.3

Fund codes

ISIN	IE00BZBXG604
Lipper	68637372
SEDOL	BZBXG60
Valoren	35245999

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

- Sukuk Investment Risk – Like for other fixed income securities, price changes in Sukuk are influenced predominantly by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors.
- 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.
- There are specific risks associated with the use of derivative instruments, including counterparty, position, liquidity, settlement, correlation and legal risk.
- Contingent convertible securities risk is due by the substantially greater risk that these instruments may have compared to other forms of securities in times of credit stress and may result in a material loss to the Fund.
- Mortgage and Asset-Backed Securities carry greater risk compared to other securities in times of market stress such as early payment and/or extension of the life of the underlying assets.
- Liquidity risk: The risk that arises when adverse market conditions affect the ability to sell assets when necessary. Reduced liquidity may have a negative impact on the price of the assets

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. Prior to 31st December 2018, the data performance calculations reflect the month-end market close prices of the Fund's assets. After 1 January 2019, the performance data shown is based upon the Fund's Net Asset Value (NAV) prices of the last Irish business day of the month. For Funds not open for dealing on this day this will be an indicative NAV. As a result, it is possible that the stated performance and the actual investment returns available to investors 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

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 since inception date of the Fund, which precedes the inception date of the unit class, is available upon request. For income unit classes, returns are measured on a total return basis i.e. net investment income plus capital gain or loss from investment.

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 compiled 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.

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The information in this document has been derived from sources believed to be accurate as of August 2022.

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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.

Please note this document has not been reviewed by the Securities Commission of Malaysia.

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. The interest rate used is a general economic indicator that will have an impact on the management of the Fund regardless whether it is a Shariah-compliant Fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments. All the investments carried out for the Fund are in accordance with Shariah requirements.

Contact us

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