

Global Sukuk Fund - I Class Accumulation Units

28 February 2023

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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26 Yrs Industry Exp

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BSc, University of Illinois, Urbana-Champaign, USA
14 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	\$13.9m
Base currency	USD
Fund domicile	Ireland
UCITS qualifying	Yes
Pricing	Daily
Dealing	10am Dublin
SFDR Categorisation	Article 6

Unit class facts

Launch date	07 Sep 2016
Currency	USD
Minimum investment	US\$1,000,000
Management fee(s)	0.70% pa
Income distribution	Accumulated

Fund grading

4 Star Overall Morningstar Rating™ as of 28 February 2023



Performance (%)

	1M	3M	YTD	1YR	3YR	5YR	SI
Fund Cumulative Net	-1.07	1.56	0.73	-4.57	-0.72	10.10	10.70
Index Cumulative	-1.24	0.50	0.06	-7.88	-10.23	-4.07	-7.88
Fund Annualised Net	-1.07	1.56	0.73	-4.57	-0.24	1.94	1.58
Index Annualised	-1.24	0.50	0.06	-7.88	-3.53	-0.83	-1.26

12-month rolling return (%)

Mar 18 - Feb 19	Mar 19 - Feb 20	Mar 20 - Feb 21	Mar 21 - Feb 22	Mar 22 - Feb 23
1.77	8.96	4.22	-0.17	-4.57

Risk analysis

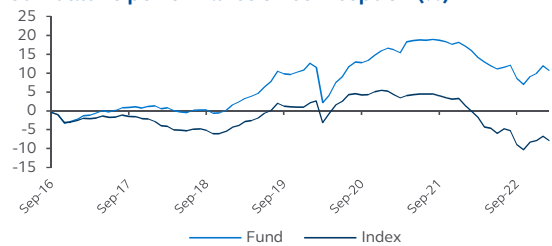
	3YR	5YR
Information Ratio	1.2	1.2
Alpha	3.8	3.0
Tracking Error	2.7	2.3
Standard Deviation	6.6	5.5
Beta	1.1	1.1

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	4.2
Average Life	7.0
Yield to Worst	5.3
Yield to Maturity	5.3

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
Saudi Electricity Global	6.8
Saudi Telecom Co	5.6
TMS Issuer Sarl	5.5
DP World Crescent Ltd	5.0
SA Global Sukuk Ltd	4.6
MAF Sukuk Ltd	4.4
EMG Sukuk Ltd	3.6
FAB Sukuk Co Ltd	3.6
KSA Sukuk Ltd	3.5
DAE Sukuk DIFC Ltd	3.4
Total	46.1

No. of holdings 38

Geographic allocation (%)

	Fund
United Arab Emirates	45.5
Saudi Arabia	34.3
Oman	4.7
Malaysia	4.4
Indonesia	3.2
Cash Equivalent	2.6
Bahrain	1.8
Egypt	1.8
Cayman Islands	1.7
Other	0.0

Credit quality (%)

	Fund
AAA	2.6
AA	3.6
A	43.8
BBB	41.8
BB	4.7
B	3.6

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
Real Estate	19.9
Sovereigns	17.7
Financial Services	17.3
Energy	11.9
Transportation & Logistics	11.6
Utilities	11.6
Telecommunications	5.6
Consumer Staples	1.8
Cash	2.6

Fund codes

ISIN	IE00BZBXG935
Lipper	68388860
SEDOL	BZBXG93
Valoren	33905734

Registration

Brunei, 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

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.

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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.

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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.

Unless specified in this document, the strategy does not:

(i) promote environmental or social characteristics in a way that meets the specific criteria contained in Article 8 of the Sustainable Finance Disclosure Regulation (EU) No. 2019/2088 ("SFDR"); nor (ii) have sustainable investment as its objective in a way that meets the specific criteria contained in Article 9 of SFDR.

Notwithstanding this, the strategy/product is managed in line with the Principal Global Investors responsible investment policy, incorporating its Sustainability Risk and Principal Adverse Impacts policies. These policies can be found at <https://www.principalam.com/SFDR>.