

Preferred Securities Fund - Euro Hedged A Class Accumulation Units

30 April 2024

Investment manager

Principal Global Investors, LLC ("PGI")

Sub investment manager

Spectrum Asset Management, Inc.

("Spectrum")

Spectrum specialises in the management of preferred securities.

Fund managers**Kevin Nugent**

40 Yrs Industry Exp

Manu Krishnan, CFA

20 Yrs Industry Exp

Mark A. Lieb

47 Yrs Industry Exp

L. Phillip Jacoby, IV

42 Yrs Industry Exp

Bob Giangregorio

21 Yrs Industry Exp

Fred Diaz

32 Yrs Industry Exp

Satomi Yarnell

15 Yrs Industry Exp

Investment objective

The Fund seeks to provide an income return consistent with capital preservation. The Fund seeks to achieve its objective by investing primarily in a portfolio of U.S. dollar denominated preferred securities and debt securities. At the time of the Fund's investment the majority of these securities will be rated as investment grade. Any exposure to currencies other than US dollar will be hedged back to US dollars.

Index

BBG GLOBAL AGG CORP USD TR EUR HDG

Fund facts

Fund size €3.70b
Base currency USD
Fund domicile IRELAND
UCITS qualifying Yes
Dealing 10:00 AM GMT
Daily
SFDR Categorisation Article 8

Unit class facts

Launch date 22 Apr 2003
Currency EUR
Minimum investment US\$ 1,000
Management fee(s) 0.90% pa
Income distribution Accumulating

Fund grading

Mark A. Lieb A rated - Citywire Fund
Manager Ratings

**Performance (%)**

	1M	3M	YTD	1YR	3YR	5YR	10YR
Fund Cumulative Net	-1.10	0.23	1.30	6.86	-5.36	3.00	18.47
Index Cumulative	-2.51	-2.87	-3.07	-0.67	-13.90	-4.91	4.91
Fund Annualised Net	-1.10	0.23	1.30	6.86	-1.82	0.59	1.71
Index Annualised	-2.51	-2.87	-3.07	-0.67	-4.86	-1.00	0.48

12-month rolling return (%)

May 19 - Apr 20	May 20 - Apr 21	May 21 - Apr 22	May 22 - Apr 23	May 23 - Apr 24
-2.10	11.17	-7.18	-4.58	6.86

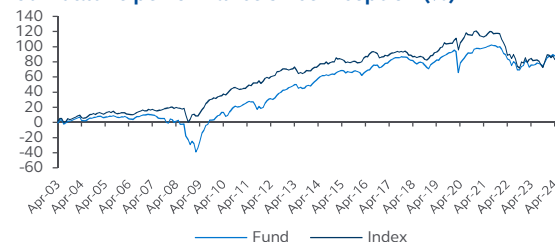
Risk analysis

	3YR	5YR
Information Ratio	0.6	0.3
Alpha	0.6	1.4
Tracking Error	5.3	5.8
Standard Deviation	6.6	9.2
Beta	0.6	0.8

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	Index
Average Credit Quality	Baa2	A3
Current Yield	6.2	4.6
Yield to Worst	6.7	5.8
Yield to Maturity	7.7	5.8
Modified Duration	3.7	6.4

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

- Current Yield is the annual interest earned on the underlying bonds divided by the market price of the underlying portfolio of bonds. The figure is not the dividend yield received by the investors and is subject to change depending on the underlying portfolio of bonds.
- 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
Zurich Finance Ireland 3 1/31-51 REG S	2.6
Bank Of Nova Scotia 4.9 6/25 perp	2.5
Enterprise Products Oper 5.25 8/27-77	2.2
Toronto Dominion Bank 8.125 10/27-82	1.9
HSBC Capital Funding 10.176 6/30/30 RegS	1.9
Enbridge Inc 6 1/27-77	1.7
MetLife Inc. 10.75 8/1/39	1.7
Munich Re 5.875 11/31-42 REG S	1.7
Demeter Swiss Re 5.625 8/27-52 Reg S	1.6
Nippon Life Insurance 2.75 1/31-51 Reg S	1.6
Total	19.4

No. of holdings 218

Credit quality (%)

	Fund
AA or AAA	0.5
A	18.6
BBB	61.3
BB and Lower	15.0
UCITS Fund	4.6
FX Hedge	0.0

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.

Geographic allocation (%)

	Fund
United States	32.7
Great Britain	11.6
Canada	10.8
Switzerland	9.8
France	5.9
Japan	5.9
Ucits Fund	4.6
Netherlands	3.3
Spain	3.1
Finland	2.4
Australia	2.3
Italy	2.2
Germany	2.1
Other	2.9
Cash	0.5

Industry allocation (%)

	Fund
Banks	49.3
Insurance	29.6
Energy	5.9
Utilities	5.4
UCITS Fund	4.6
Telecommunications	1.3
Financials	1.2
REITs	1.2
Industrials	1.0
FX Hedge	0.0
Other	0.0
Cash	0.5

Source: Principal Global Investors and/or its affiliates and the Index. Characteristics sources: Bloomberg, Moody's, S&P, Fitch, and Spectrum Asset Management.

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

Bloomberg	PGIPSPA ID
ISIN	IE00B00Z9M92
Lipper	60083430
SEDOL	B00Z9M9
Valoren	3707656
WKN	A0CA5Z

Registration

Austria, Belgium, Denmark, Finland, France, Germany, Guernsey, Ireland, Italy, Jersey, Liechtenstein, Luxembourg, Macau, Netherlands, Norway, Singapore, Spain, Sweden, Switzerland, UAE and UK

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

Contact us

For more information on the fund, please contact:

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Risk warnings

- The market value of debt securities is affected by changes in prevailing interest rates and the Fund may be exposed to credit risk by investing in debt securities.
- Default risk and liquidity risk associated with investment in below investment grade securities.
- 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.
- Currency hedging may reduce but will not remove risk. Hedging will incur more transaction costs and fees, which will affect overall return.

Performance note

*Index disclosure: The Fund is actively managed and aims to outperform the BBG GLOBAL AGG CORP USD TR EUR HDG (the "Index"). However, the Index composition is not factored into the investment management process and the portfolio manager maintains full discretion to select investments for the Fund in line with the above investment policy. 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. The performance data shown is net of fees and other charges but excludes any potential entry/exit charges – as such the returns an investor receives may be lower.

Disclosure

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The following indices were used for the Fund between the dates specified: Inception to 30 September 2008, Lehman Aggregate Index or BofA Merrill Lynch Preferred Stock Index; 1 October 2008 to 31 March 2011, 65% BofA Merrill Lynch Fixed Rate Preferred Securities Index and 35% Barclays Capital CapSec Tier 1 Index; 1 April 2011 to 28 February 2014, 50% BofA Merrill Lynch Fixed Rate Preferred Securities Index and 50% Barclays Capital CapSec Tier 1 Index; and 28 February 2014 to 30 July 2018, 50% BofA Merrill Lynch Fixed Rate Preferred Securities and 50% BofA Merrill Lynch US Capital Securities Index. On 30 July 2018, the index for the Fund changed to the current Index and on that date the index returns presented in this factsheet from inception of the Fund were amended to solely show those of the current index. Index returns for the other indices will be provided upon request.

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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. Source & Copyright: CITYWIRE. Portfolio managers are A rated by Citywire for 3 year risk-adjusted performance for the period 31 March 2021 - 31 March 2024. Citywire's exclusive methodology ranks fund managers based on their individual track records across all funds they manage globally.

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