

Asian High Yield Fund - Hong Kong Dollar D2 Class Income Plus Units

31 October 2023

Investment advisor

Principal Global Investors, LLC ("PGI")

Principal Fixed Income is an investment team within Principal Global Investors. It has expertise across all major fixed income sectors and security types, but with signature capability in managing credit strategies.

Fund managers

Howe Chung Wan

19 Yrs Industry Exp

Prakash Gopalakrishnan

22 Yrs Industry Exp

Investment objective

The Fund seeks to provide a consistent return consisting of income and, over the long term, capital growth. The Fund will invest at least 70% of its net asset value in a portfolio of Asian high-yield fixed income securities with the aim to capture growth opportunities in Asia with a lower volatility profile. The Fund may also invest in global developed and emerging markets outside of Asia, and these securities will generally be rated below investment grade.

Index

ICE BofA Asian Dollar High Yield Index*

Fund facts

Fund size	HKD 270.8m
Base currency	USD
Fund domicile	IRELAND
UCITS qualifying	Yes
Dealing	10:00 AM GMT Daily 5pm Hong Kong SAR Article 8
SFDR Categorisation	

Unit class facts

Launch date	21 May 2020
Currency	HKD
Minimum investment	US\$ 1,000
Management fee(s)	0.70% pa
Income distribution	Distributing
Distribution frequency:	Monthly

Fund grading

4 Star Overall Morningstar Rating™ as of 31 October 2023



Performance (%)

	1M	3M	YTD	1YR	3YR	5YR	SI
Fund Cumulative Net	-0.90	-2.87	-5.42	10.95	-26.28	-	-22.99
Index Cumulative	-1.03	-2.41	-2.21	22.86	-33.00	-	-27.79
Fund Annualised Net	-0.90	-2.87	-5.42	10.95	-9.66	-	-7.29
Index Annualised	-1.03	-2.41	-2.21	22.86	-12.49	-	-9.01

12-month rolling return (%)

Nov 18 - Oct 19	Nov 19 - Oct 20	Nov 20 - Oct 21	Nov 21 - Oct 22	Nov 22 - Oct 23
-	-	-7.67	-28.03	10.95

Risk analysis

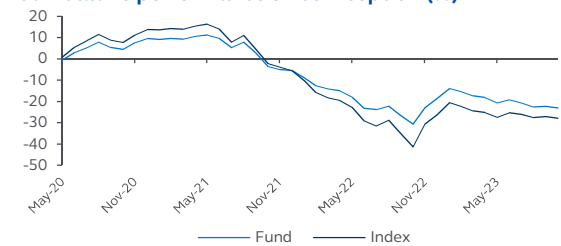
	1YR	3YR
Information Ratio	-1.8	0.5
Alpha	-6.4	-1.7
Tracking Error	6.6	5.9
Standard Deviation	14.6	12.4
Beta	0.7	0.7

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	BB+	BB-
Current Yield	7.7	6.8
Yield to Worst	11.0	12.6
Yield to Maturity	11.1	12.4
Option Adjusted Duration (Years)	2.1	2.6

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

Top 10 holdings (%)

	Fund
Industrial & Commercial Bank Of China Ltd	3.4
Mgm China Holdings Ltd	3.0
United States Treasury Note/Bond	2.9
Network I2i Ltd	2.5
Wynn Macau Ltd	2.3
Pakistan Government International Bond	2.0
Melco Resorts Finance Ltd	2.0
Star Energy Geothermal Wayang Windu Ltd	1.9
Mongolia Government International Bond	1.8
Sands China Ltd	1.5
Total	23.2

No. of holdings	108
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Geographic allocation (%)

	Fund	Difference
India	23.1	0.8
China	18.8	-5.6
United States	13.3	13.3
Macau	12.7	1.0
Indonesia	9.6	1.4
Hong Kong	6.0	-6.3
Pakistan	3.9	-1.7
Philippines	3.0	2.6
Mongolia	1.8	-1.1
Thailand	1.8	-0.6
Great Britain	1.6	1.6
Sri Lanka	1.1	1.1
Switzerland	0.9	0.9
Other	2.6	-7.4

Credit quality (%)

	Fund	Difference
AAA	10.4	10.4
AA	2.9	2.9
A	4.6	4.6
BBB	10.6	10.6
BB	41.2	-22.2
B	19.3	-8.7
CCC and Below	6.8	-1.9
Not Rated	4.3	4.3

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.

Industry allocation (%)

	Fund	Difference
Leisure	16.7	-0.1
Banking	12.4	-6.9
Utility	10.6	-5.0
Sovereign	9.7	-1.0
Real Estate	7.7	0.4
Basic Industry	7.3	-2.5
Financial Services	5.6	4.8
Telecommunications	3.9	1.1
Transportation	3.5	-0.8
Energy	3.3	-1.5
Technology & Electronics	2.2	0.9
Capital Goods	2.1	0.5
Automotive	1.7	0.7
Retail	1.3	1.3
Insurance	0.8	0.8
Local-Authority	0.8	-2.0
Other	0.0	-1.2
Cash	10.4	10.4

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

Bloomberg	PAHD2PH ID
ISIN	IE00BK5LYW75
Lipper	68609910
SEDOL	BK5LYW7
Valoren	51904122
WKN	A2P5B6

Registration

Austria, Belgium, Finland, France, Germany, Guernsey, Hong Kong SAR, Ireland, Italy, Jersey, Luxembourg, Macau, Netherlands, Singapore, Spain, Sweden, Switzerland 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.

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.
- There are default and liquidity risks associated with in investment in high yield securities and in below investment grade securities.
- There are specific additional risks associated with investments in emerging markets, including legal, political, fiscal instability, settlement, liquidity, currency, accounting standards and custodial risk.
- There are specific risks associated with the use of derivative instruments, including counterparty, position, liquidity, settlement, correlation and legal risk.
- There is a risk that the investor's capital may be eroded due to fees and expenses being charged to the capital of the unit class rather than its income.
- This unit class is unhedged. Unhedged unit classes are exposed to greater risk and volatility.

Performance note

Index disclosure: The Fund is actively managed and aims to outperform the ICE BofA Asian Dollar High Yield Index (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. Performance since inception date of the Fund, which precedes the inception date of the unit class, is available upon request. 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 Fund may offer different unit classes which may be subject to different fees and expenses (which could affect performance) and may not be available to all investors. Where the Fund offers hedged unit classes, returns of such unit classes may diverge from that of unit classes denominated in the base currency of the Fund and the hedged unit class currency.

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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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