

Finisterre Emerging Markets Debt Euro Income Fund - US Dollar Hedged I Class Accumulation Units

31 May 2023

Investment advisor

Principal Global Investors, LLC ("PGI")

Sub investment advisor

Principal Global Investors, LLC, the Investment Adviser, has delegated the day to day investment management of the Fund to Principal Finisterre, an investment team and trade name of Principal Global Investors (Europe) Limited, the Sub-Investment Adviser. The Sub-Investment Adviser will assume primary responsibility for discretionary portfolio management for the Fund subject to the oversight of the Investment Adviser. Finisterre, focuses solely on the active, unconstrained management of EMD strategies. Finisterre offers the unique blend of an experienced emerging markets total return team, supported by a dedicated in-house research team and PGI's extensive global research network.

Fund managers

Damien Buchet, CFA, Chief Investment Officer Finisterre Capital

31 Yrs Industry Exp

Christopher Watson, CFA, Senior Portfolio Manager

24 Yrs Industry Exp

Investment objective

The investment objective of the Fund is to maximise income, while minimising potential losses due to macro and credit risks. The Fund seeks to achieve the investment objective by actively investing in a diversified range of fixed-income securities and financial derivative instruments, a majority issued by or relating to underlying issuers in, emerging markets.

Index

JPM EM EQUAL WEIGHT TR INDEX

Fund facts

Fund size	\$29.1m
Base currency	EUR
Fund domicile	IRELAND
UCITS qualifying	Yes
Dealing	10:00 AM GMT Daily

Unit class facts

Launch date	28 Aug 2020
Currency	USD
Minimum investment	US\$ 2,000,000
Management fee(s)	0.70% pa
Income distribution	Accumulating

Fund grading

Damien Buchet and Christopher Watson
AA rated - Citywire Fund Manager Ratings



Performance (%)

	1M	3M	YTD	1YR	3YR	5YR	SI
Fund Cumulative Net	0.21	1.08	2.98	3.19	-	-	-4.03
Index Cumulative	-0.91	1.81	2.92	1.00	-	-	-9.53
Fund Annualised Net	0.21	1.08	2.98	3.19	-	-	-1.48
Index Annualised	-0.91	1.81	2.92	1.00	-	-	-3.57

12-month rolling return (%)

Jun 18 - May 19	Jun 19 - May 20	Jun 20 - May 21	Jun 21 - May 22	Jun 22 - May 23
-	-	-	-10.81	3.19

Risk analysis

	1YR
Information Ratio	0.5
Alpha	1.6
Tracking Error	4.0
Standard Deviation	8.8
Beta	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.

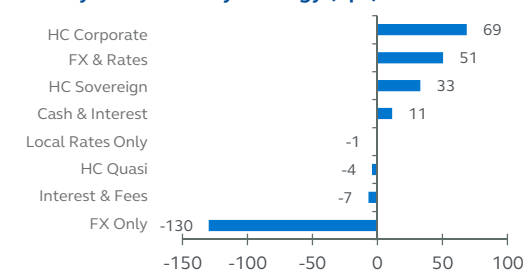
Data: The performance data shown here is based upon the Fund's official NAV. Performance shown in this section is net of fees and other charges. See Performance Note for further details.

Fund analysis

	Fund
Average Duration	3.5
Average Maturity (Years)	6.0
Gross Exposure (%)	100.9
Net Exposure (%)	92.3
Current Yield	5.5
Yield to Worst	6.4
Yield to Maturity	6.4

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

Monthly attribution by strategy (bps)



Top 10 gross exposure (%)

	Fund
MEXICO SOVEREIGN CREDIT	3.4
ROMANIA LOCAL SOVEREIGN	2.8
MEXICO LOCAL SOVEREIGN	2.8
SERBIA SOVEREIGN CREDIT	2.7
CZECH REPUBLIC LOCAL SOVEREIGN	2.6
SENEGAL SOVEREIGN CREDIT	2.3
POLAND LOCAL SOVEREIGN	2.2
COTE D'IVOIRE SOVEREIGN CREDIT	2.1
LEVIATHAN BOND LTD	2.1
IRAQ SOVEREIGN CREDIT	2.0
Total	24.9

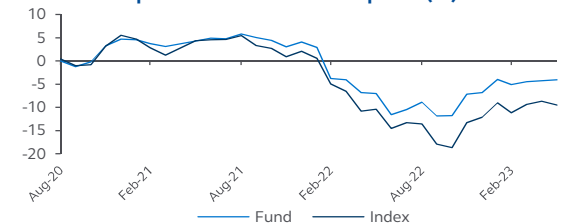
No. of holdings

79

Regional allocation (%)

	Fund
E EURO	33.5
LATAM	20.9
AFRICA	13.1
MID EAST	12.7
ASIA	12.2
Other	0.0

Cumulative performance since inception (%)



- 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.

Credit quality (%)

	Fund
AAA	0.0
AA	2.6
A	5.2
BBB	38.4
BB	32.2
B	12.0
CCC and below	1.5
Not Rated	2.8

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.

Top 5 issuer exposures

Top 5 corporate issuers	Net exposure (% nav)
LEVIATHAN BOND LTD	2.06
LUMINOR BANK AS (ESTONIA)	1.87
PROSUS NV	1.73
TENGZICHEVROIL FINANCE COMPANY INTERN	1.54
MAF GLOBAL SECURITIES LTD	1.41

Top 5 sovereign issuers

Top 5 sovereign issuers	Net exposure (% nav)
MEXICO (UNITED MEXICAN STATES) (GOVER	3.38
SERBIA (REPUBLIC OF)	2.66
SENEGAL (REPUBLIC OF)	2.28
COTE D'IVOIRE (REPUBLIC OF)	2.13
IRAQ (REPUBLIC OF)	2.04

Currency allocation (%)

	Fund
Euro	75.5
Czech Koruna	8.7
Romanian Leu	4.8
Polish Zloty	2.2
Peruvian Nuevo Sol	2.0
Mexican Peso	2.0
Brazilian Real	2.0
Indonesian Rupiah	1.9
Hungarian Forint	1.0
Chilean Peso	0.1
Columbian Peso	0.0
United States Dollar	0.0
South African Rand	-0.1
Other	0.0

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	PDEIIHU ID
ISIN	IE00BLB2CC78
Lipper	68622423
SEDOL	BLB2CC7
Valoren	56018652
WKN	A2P87U

Registration

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

Not all unit classes are registered in the listed countries, please contact your sales representative for more details.

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 specific risks associated with the use of derivative instruments, including counterparty, position, liquidity, settlement, correlation and legal risk.
- Default risk and liquidity risk associated with investment 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 may be corporate governance and investor protection issues associated with Russian investments.
- 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.
- The value of an investment may fluctuate due to changes in exchange rates between currencies or the possible imposition of exchange control regulations.
- Currency hedging may reduce but will not remove risk. Hedging will incur more transaction costs and fees, which will affect overall return.

Performance note

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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This document is intended for information purposes only. It is not an offer or a solicitation to anyone to subscribe for units in the Fund. It should not be construed as investment advice. There is no guarantee that the investment objective of the Fund will be achieved. Commentary is based on current market conditions, there is no assurance that such events or projections will occur and actual conditions may be significantly different. Expressions of opinion and predictions within this document are accurate as of the date of issuance and subject to change without notice. Reference to a specific investment or security does not constitute a recommendation to buy, sell or hold such investment or security, and is provided for illustrative purposes. Percentages do not always add up to 100% due to rounding.
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.
The figures published are for information purposes only and provide details of the performance of a comparable index. The method of calculating performance may differ between the Fund and it's index. Further, it is not possible to invest in an index.
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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 AA rated by Citywire for 3 year risk-adjusted performance for the period 30 April 2020 - 30 April 2023. Citywire's exclusive methodology ranks fund managers based on their individual track records across all funds they manage globally.

The product promotes environmental and/or social characteristics as referenced in Article 8 of the Sustainable Finance Disclosure Regulation (EU) No. 2019/2088 ("SFDR"). Please refer to the required pre-contract disclosures contained in the relevant prospectus or offering memorandum (as applicable) or on our website. More information can be found at <https://www.principalam.com/SFDR>.

Contact us

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