

# Principal Global Investors Funds

**Annual Report and Audited Financial Statements**

For the year ended 30 September 2016

## PRINCIPAL GLOBAL INVESTORS FUNDS

### ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

#### CONTENTS

General Information	4 - 13
Investment Adviser's Report	14 - 25
Independent Auditors' Report	26 - 27
Depository's Report	28
Statement of Manager's and Depository's Responsibilities	29
Portfolio of Investments	
Global Equity Fund ("GEF")	30 - 32
Asian Equity Fund ("AEF")	32 - 34
European Equity Fund ("EEF")	35 - 37
Emerging Markets Equity Fund ("EMEF")	38 - 40
Japanese Equity Fund ("JEF")	40 - 41
Preferred Securities Fund ("PSF")	42 - 48
U.S. Equity Fund ("USEF")	49 - 50
High Yield Fund ("HYF")	51 - 57
Global Property Securities Fund ("GPSF")	58 - 59
Global Equity (ex-Japan) Fund ("GEJF")	60 - 62
Post Global Limited Term High Yield Fund ("GLTHY")	63 - 65
Global Time Diversified Absolute Return Fund ("GTDARF")	66 - 67
Global Small Cap Equity Fund ("GSCEF")	68 - 70
Origin Global Emerging Markets Fund ("OGEMF")	70 - 72
Origin Global Equity Fund ("OGEF")	72 - 74
Origin Global Smaller Companies Fund ("OGSCF")	75 - 78
Long/Short Global Opportunities Equity Fund ("LSGOF")	79 - 81
Claritas Latin American Equity Fund ("CLAF")	81 - 83
Finisterre Emerging Market Debt Fund ("FEMDF")	84 - 91
Spectrum Global Capital Securities Fund ("GCSF")	92 - 93
Global Capital Structure Opportunities Fund ("CSOF")	94 - 95
Global Credit Alpha Fund ("GCAF")	96 - 98
Real Estate Debt Fund ("REDF")	99
Statement of Financial Position as at 30 September 2016	100 - 105
Statement of Financial Position as at 30 September 2015	106 - 111
Statement of Comprehensive Income for the year ended 30 September 2016	112 - 114
Statement of Comprehensive Income for the year ended 30 September 2015	115 - 117
Statement of Movement in Net Assets Attributable to Redeemable Participating Unitholders for the year ended 30 September 2016	118 - 120
Statement of Movement in Net Assets Attributable to Redeemable Participating Unitholders for the year ended 30 September 2015	121 - 123
Notes to the Annual Report and Financial Statements	124 - 202
Supplementary Information (Unaudited)	
Fund Performance & Leverage	203 - 212
Total Expense Ratios	213 - 214
UCITS V Remuneration Policy	215 - 221

## PRINCIPAL GLOBAL INVESTORS FUNDS

### ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

#### CONTENTS (continued)

Statement of Material Portfolio Changes (Unaudited)	
Global Equity Fund (“GEF”)	222
Asian Equity Fund (“AEF”)	223
European Equity Fund (“EEF”)	224
Emerging Markets Equity Fund (“EMEF”)	225
Japanese Equity Fund (“JEF”)	226
Preferred Securities Fund (“PSF”)	227
U.S. Equity Fund (“USEF”)	228
High Yield Fund (“HYF”)	229
Global Property Securities Fund (“GPSF”)	230
Global Equity (ex-Japan) Fund (“GEJF”)	231
Post Global Limited Term High Yield Fund (“GLTHY”)	232
Global Time Diversified Absolute Return Fund (“GTDARF”)	233
EDGE Small/Mid-Cap Equity Income Fund (“EEIF”)	234
Global Small Cap Equity Fund (“GSCEF”)	235
Origin Global Emerging Markets Fund (“OGEMF”)	236
Origin Global Equity Fund (“OGEF”)	237
Origin Global Smaller Companies Fund (“OGSCF”)	238
Long/Short Global Opportunities Equity Fund (“LSGOF”)	239
Claritas Latin American Equity Fund (“CLAF”)	240
Finisterre Emerging Market Debt Fund (“FEMDF”)	241
Spectrum Global Capital Securities Fund (“GCSF”)	242
Global Short Duration High Yield Fund (“SDHY”)	243
Global Capital Structure Opportunities Fund (“CSOF”)	244
Global Credit Alpha Fund (“GCAF”)	245
Real Estate Debt Fund (“REDF”)	246
Securities Financing Transaction Regulation (Unaudited)	247
Directory	248 – 249
Information for Investors in Switzerland	249
Enquiries	250

## PRINCIPAL GLOBAL INVESTORS FUNDS

### GENERAL INFORMATION

The following information is derived from and should be read in conjunction with the full text and definitions section of the Prospectus.

The Principal Global Investors Funds (“the Trust”) was constituted on 13 October 1992 as an open-ended umbrella unit Trust established as a UCITS under the laws of Ireland. Units of certain classes of the Trust are listed on the Irish Stock Exchange. The Trust has been authorised in Ireland pursuant to the European Communities (Undertakings for Collective Investments in Transferable Securities) Regulations, 2011 (as amended), the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1)) (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 (the “UCITS Regulations”).

All units are unhedged, except where otherwise noted.

At 30 September 2016, the Trust comprised the following separate investment portfolios (“Funds”):

Fund	Type of Units	Launch Date
Global Equity Fund	A Class Income A Class Accumulation I Class Accumulation F2 Class Accumulation	4 December 1992 24 June 1996 1 April 1998 4 April 2016
Asian Equity Fund	A Class Income A Class Accumulation I Class Accumulation	6 November 1992 24 June 1996 16 November 1998
European Equity Fund	A Class Income A Class Accumulation I Class Accumulation I Class Accumulation (EUR)	24 November 1992 24 June 1996 1 April 1998 19 February 2011
Emerging Markets Equity Fund	A Class Accumulation I Class Accumulation	19 February 1998 13 August 1998
Japanese Equity Fund	A Class Accumulation I Class Accumulation I Class Accumulation (JPY) F2 Class Accumulation	1 August 2000 1 August 2000 15 April 2011 5 April 2016
Preferred Securities Fund	A Class Accumulation (EUR hedged) I Class Accumulation A Class Income F Class Accumulation D Class Accumulation D Class Income F Class Income I Class Accumulation (JPY hedged) I Class Accumulation (EUR hedged) I Class Income (JPY hedged) I Class Income (EUR hedged) A Class Income (GBP hedged) A Class Accumulation I Class Income I Class Accumulation (CHF hedged) A Class Income (EUR hedged) P Class Income P Class Accumulation I Class Income (GBP hedged) A Class Accumulation (CHF hedged) F2 Class Accumulation D2 Class Income A Class Accumulation (JPY hedged) N Class Income	22 April 2003 22 April 2003 3 February 2005 7 January 2009 12 January 2009 6 October 2009 8 October 2009 6 April 2010 22 April 2010 21 January 2011 7 June 2011 26 March 2012 28 March 2012 16 January 2013 28 February 2013 2 April 2013 7 April 2013 7 April 2013 14 April 2013 22 September 2013 15 March 2016 30 March 2016 27 June 2016 19 September 2016
U.S. Equity Fund	A Class Accumulation I Class Accumulation I Class Accumulation (GBP)	1 December 2003 1 December 2003 19 November 2008

## PRINCIPAL GLOBAL INVESTORS FUNDS

### GENERAL INFORMATION (continued)

At 30 September 2016, the Trust comprised the following separate investment portfolios ("Funds"): (continued)

<b>Fund</b>	<b>Type of Units</b>	<b>Launch Date</b>
High Yield Fund	I Class Accumulation A Class Accumulation I Class Accumulation (BRL hedged) I Class Accumulation (EUR hedged) A Class Income A Class Income (AUD hedged) D Class Accumulation F Class Accumulation	15 March 2004 26 November 2009 20 March 2013 10 October 2013 27 June 2014 9 January 2015 6 February 2015 24 February 2016
Global Property Securities Fund	I Class Accumulation (USD hedged) I Class Accumulation I2 Class Income I Class Income (JPY hedged) A Class Accumulation F Class Accumulation	20 April 2007 27 November 2008 26 June 2014 18 May 2015 22 January 2016 20 April 2016
Global Equity (ex-Japan) Fund	I Class Accumulation (JPY) I Class Accumulation	1 August 2008 30 August 2010
Post Global Limited Term High Yield Fund	I Class Accumulation (JPY hedged) I Class Accumulation (EUR hedged) I Class Accumulation I Class Accumulation (GBP hedged) I Class Income (GBP hedged) I Class Accumulation (CHF hedged) I2 Class Accumulation (EUR hedged) I2 Class Accumulation I2 Class Accumulation (GBP hedged) A Class Accumulation A Class Income I Class Accumulation (SGD hedged) I Class Income (EUR hedged)	4 May 2011 4 May 2011 4 May 2011 4 May 2011 5 June 2012 8 September 2015 6 October 2015 6 October 2015 6 October 2015 9 February 2016 1 March 2016 17 May 2016 23 August 2016
Global Time Diversified Absolute Return Fund	I Class Accumulation	2 January 2015
EDGE Small/Mid-Cap Equity Income Fund*	A Class Accumulation I Class Accumulation	1 May 2014 1 May 2014
Global Small Cap Equity Fund	A Class Accumulation I Class Accumulation	22 October 2012 22 October 2012
Origin Global Emerging Markets Fund	I Class Accumulation (GBP) I Class Accumulation F2 Class Accumulation	15 April 2013 31 January 2014 4 April 2016
Origin Global Equity Fund	I Class Accumulation (GBP)	15 April 2013
Origin Global Smaller Companies Fund	I Class Accumulation I Class Accumulation (GBP)	15 April 2013 15 April 2013
Long/Short Global Opportunities Equity Fund	I Class Accumulation	8 August 2013

\* EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

## PRINCIPAL GLOBAL INVESTORS FUNDS

### GENERAL INFORMATION (continued)

At 30 September 2016, the Trust comprised the following separate investment portfolios ("Funds"): (continued)

<b>Fund</b>	<b>Type of Units</b>	<b>Launch Date</b>
Claritas Latin American Equity Fund	I Class Accumulation	23 September 2013
Finisterre Emerging Market Debt Fund	I Class Accumulation I2 Class Income (EUR hedged) I Class Accumulation (EUR hedged) I Class Accumulation (GBP hedged) A Class Accumulation A Class Accumulation (EUR hedged) A Class Accumulation (GBP hedged) A Class Accumulation (CHF hedged) A Class Accumulation (SGD hedged) A Class Income	4 October 2013 24 April 2014 29 May 2014 26 March 2015 26 March 2015 26 March 2015 26 March 2015 26 March 2015 26 March 2015 2 April 2015
Spectrum Global Capital Securities Fund	I Class Accumulation I Class Accumulation (EUR hedged) A Class Accumulation	30 October 2014 7 August 2015 22 August 2016
Global Short Duration High Yield Fund**	I Class Accumulation	10 December 2014
Global Capital Structure Opportunities Fund	I Class Accumulation	11 December 2014
Global Credit Alpha Fund	I Class Accumulation	23 June 2015
Real Estate Debt Fund***	I Class Income I Class Accumulation	21 March 2016 21 March 2016

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

## PRINCIPAL GLOBAL INVESTORS FUNDS

### GENERAL INFORMATION (continued)

Principal Global Investors (Ireland) Limited (the “Manager”) may, with the prior consent of the Central Bank and approval of the Trustee and the Board of Directors of the Manager, add additional Funds.

The financial statements are published on the [www.principalglobal.com](http://www.principalglobal.com) website. The Directors, together with the Manager and Investment Adviser are responsible for the maintenance and integrity of the financial information included on this website.

#### PRICES

There will be a single price for buying, selling and switching units in each of the Funds. This will be represented by the Net Asset Value per Unit rounded to the nearest cent (less/plus duties and charges where applicable).

#### DEALING

The dealing deadline (being the time by which subscription and redemption requests for units must be received in Dublin in order for such requests to be dealt with in normal circumstances on a particular dealing day) is 10.00 a.m. (Irish time) on that dealing day. The dealing deadline for requests from Hong Kong investors is 5.00 p.m. (Hong Kong time) on that dealing day. All dealing requests should be addressed to:

##### **Hong Kong-Based Investors:**

Principal Investment & Retirement Services Limited  
27/F, Hopewell Centre  
183 Queen's Road East  
Hong Kong  
Tel: 852 2117 8383  
Fax: 852 2918 1461

##### **All Other Investors:**

BNY Mellon Fund Services (Ireland)  
Designated Activity Company  
Guild House, Guild Street  
International Financial Services Centre  
Dublin 1  
Ireland  
Tel: 353 1 900 8081  
Fax: 353 1 829 0833

#### MINIMUM SUBSCRIPTION

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Global Equity Fund and Japanese Equity Fund are as follows:

	<b>Minimum Subscription</b>	<b>Additional Subscription</b>
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD500,000
F2Class	USD10,000	USD1,000
N Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Asian Equity Fund, European Equity Fund, Emerging Markets Equity Fund and Global Equity (ex-Japan) Fund are as follows:

	<b>Minimum Subscription</b>	<b>Additional Subscription</b>
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD500,000
N Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Preferred Securities Fund are as follows:

	<b>Minimum Subscription</b>	<b>Additional Subscription</b>
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD500,000
D Class	USD10,000	USD1,000
D2Class	USD10,000	USD1,000
F Class	USD10,000	USD1,000
F2Class	USD10,000	USD1,000
N Class	USD10,000	USD1,000
P Class	USD10,000	USD1,000

## PRINCIPAL GLOBAL INVESTORS FUNDS

### GENERAL INFORMATION (continued)

#### MINIMUM SUBSCRIPTION (continued)

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the U.S. Equity Fund, Global Capital Structure Opportunities Fund and Global Credit Alpha Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD500,000
D Class	USD10,000	USD1,000
F Class	USD10,000	USD1,000
N Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the High Yield Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD500,000
D Class	USD10,000	USD1,000
D2Class	USD10,000	USD1,000
F Class	USD10,000	USD1,000
N Class	USD10,000	USD1,000
P Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Global Property Securities Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD500,000
I2 Class	USD100,000,000	USD10,000,000
D Class	USD10,000	USD1,000
D2Class	USD10,000	USD1,000
F Class	USD10,000	USD1,000
N Class	USD10,000	USD1,000
P Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Post Global Limited Term High Yield Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD300,000	USD100,000
I2 Class	USD100,000,000	USD100,000
D Class	USD10,000	USD1,000
F Class	USD10,000	USD1,000
N Class	USD10,000	USD1,000



# PRINCIPAL GLOBAL INVESTORS FUNDS

## GENERAL INFORMATION (continued)

### MINIMUM SUBSCRIPTION (continued)

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Global Time Diversified Absolute Return Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD1,000,000	USD500,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the EDGE Small/Mid-Cap Equity Income Fund were as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD300,000	USD100,000
D Class	USD10,000	USD1,000
F Class	USD10,000	USD1,000
P Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Global Small Cap Equity Fund and the Spectrum Global Capital Securities Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD500,000
D Class	USD10,000	USD1,000
F Class	USD10,000	USD1,000
N Class	USD10,000	USD1,000
P Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Origin Global Emerging Markets Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD100,000
F2Class	USD10,000	USD1,000
N Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Origin Global Equity Fund and the Origin Global Smaller Companies Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD100,000
N Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Long/Short Global Opportunities Equity Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD100,000
D Class	USD10,000	USD1,000
F Class	USD10,000	USD1,000
N Class	USD10,000	USD1,000
P Class	USD10,000	USD1,000

## PRINCIPAL GLOBAL INVESTORS FUNDS

### GENERAL INFORMATION (continued)

#### MINIMUM SUBSCRIPTION (continued)

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Claritas Latin American Equity Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD300,000	USD100,000
D Class	USD10,000	USD1,000
F Class	USD10,000	USD1,000
N Class	USD10,000	USD1,000
P Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Finisterre Emerging Market Debt Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD100,000
I2 Class	USD200,000,000	USD100,000
N Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Global Short Duration High Yield Fund were as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD500,000
D Class	USD10,000	USD1,000
F Class	USD10,000	USD1,000

The minimum subscription and subsequent subscription amounts of the unit classes authorised for the Real Estate Debt Fund are as follows:

	Minimum Subscription	Additional Subscription
A Class	USD10,000	USD1,000
I Class	USD2,000,000	USD500,000
D Class	USD10,000	USD1,000
D2Class	USD10,000	USD1,000
F Class	USD10,000	USD1,000
N Class	USD10,000	USD1,000
P Class	USD10,000	USD1,000

## PRINCIPAL GLOBAL INVESTORS FUNDS

### GENERAL INFORMATION (continued)

#### DISTRIBUTIONS AND DISTRIBUTOR STATUS

The Trust Deed provides for the Manager to decide to make, and for the Trustee on each distribution date to make, distributions among holders of income units in each of the Funds. It is the intention of the Manager to make distributions to the extent that they are covered by income received from underlying investments. It is also the intention of the Manager that distributions will be declared on 30 September each year or nearest business day for all income unit classes where possible. Quarterly distributions will be payable in respect of the A, I, D, F, N and P Income Unit Classes on the Preferred Securities Fund, the A Income Unit Classes on the High Yield Fund, the A and I Income Unit Classes on the Post Global Limited Term High Yield Fund and the I Income Unit Class on the Real Estate Debt Fund. Monthly distributions will be payable in respect of the D2 Income Unit Classes on the Preferred Securities Fund, High Yield Fund, Global Property Securities Fund and Real Estate Debt Fund.

#### CORPORATE GOVERNANCE

The Board of Directors has adopted and applied the Irish Funds ("IF") Corporate Governance Code for the year ended 30 September 2016.

#### CONNECTED PERSONS

Irish UCITS Regulations 2015, Section 41, Restrictions on transactions with connected persons - requires that any transaction carried out with a UCITS by a promoter, manager, trustee, depositary, investment adviser and/or associated or group companies of these ("connected persons") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the Unitholders.

The Board of Directors has been informed of the connected person transactions in relation to the Trust, and has been provided with evidence they were conducted on an arm's length basis, and with sufficient information to conclude they were conducted in investors' best interests.

#### SIGNIFICANT EVENTS DURING THE YEAR

On 27 January 2016, the Administrator, BNY Mellon Fund Services (Ireland) Limited converted to a designated activity company under the Companies Act 2014 and changed its name to BNY Mellon Fund Services (Ireland) Designated Activity Company.

In response to the CBI publishing the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers (the "Investor Money Regulations" or "IMR") in March 2015 (effective from 1 July 2016), the Investment Manager undertook, together with BNY Mellon Fund Services (Ireland) Designated Activity Company a review of the way in which subscription, distribution and redemption monies are channelled to and from the Trust. As a result of this review, subscription and redemption monies will (effective from 1 July 2016), be channelled through an umbrella cash collection account in the name of the Trust and, in respect of any sub-funds considered to be highly leveraged, sub-fund cash collection accounts in the name of the relevant sub-fund(s). Pending issue of the units and/or payment of subscription proceeds to an account in the name of the Trust or the relevant sub-fund(s), and pending payment of redemption proceeds or distributions, the relevant investor will be an unsecured creditor of the relevant sub-fund in respect of amounts paid by or due to it. For the avoidance of doubt the sub-funds of the Trust are not considered highly leveraged.

The Trust deed and Prospectus of the PGIF Umbrella have been amended in accordance with the requirement of the EU Directive 2014/91/EU ("UCITS V") and the Prospectus updated in line with current regulatory standards. These documents and the relevant Fund Supplements were noted by the Central Bank of Ireland on 30 March 2016.

In accordance with the requirements of UCITS V: BNY Mellon Trust Company (Ireland) Limited was the Custodian for the Funds until 17 March 2016 and from 18 March 2016 will assume the role of Depositary for the Funds.

#### Supplement changes

- Global Equity Fund - addition of F2 class on 20 October 2015.
- Japanese Equity Fund - addition of F2 class on 20 October 2015.
- Preferred Securities Fund - addition of F2 class and clarification of existing hedging strategy on 20 October 2015.
- Origin Global Emerging Markets Fund - addition of F2 class on 20 October 2015.
- Preferred Securities Fund - addition of monthly distributing D2 class – 6 November 2015.
- High Yield Fund - addition of monthly distributing D2 class - 6 November 2015.
- Global Property Securities Fund - addition of monthly distributing D2 class - 6 November 2015.
- Preferred Securities Fund - clarification of hedging arrangements, Monthly income distributing share class USD on 30 March 2016.
- Preferred Securities Fund - addition of JPY and Singapore dollar hedged share classes on 30 March 2016.

## PRINCIPAL GLOBAL INVESTORS FUNDS

### GENERAL INFORMATION (continued)

#### SIGNIFICANT EVENTS DURING THE YEAR (continued)

##### Supplement changes (continued)

- Global Property Securities Fund - clarification of hedging arrangements, Monthly income distributing share class USD on 30 March 2016.
- Post Global Limited Term High Yield Fund - clarification of hedging arrangements on 30 March 2016.
- Post Global Limited Term High Yield Fund - addition of I2 share class on 30 March 2016.
- Post Global Limited Term High Yield Fund - addition of A Income share class on 30 March 2016.
- High Yield Fund F class management fee rate changed from 0.75% to 0.65% effective from 30 August 2016.
- Global Property Securities Fund F class management fee rate changed from 1.00% to 0.80% effective from 30 August 2016.
- Origin Global Emerging Markets Fund F2 class management fee rate changed from 0.75% to 0.85% effective from 30 August 2016.
- Launch of trail free N classes across all PGIF funds effective from 30 August 2016.
- Changes were made to reflect the requirements of the Irish Investor Money Regulations (Fund Asset Model) adopted by the Management Company effective from 30 August 2016.
- New Trustee fee rates were agreed as part of the UCITS V implementation programme effective from 1 July 2016.

##### Launches during the year:

###### Fund

- Real Estate Debt Fund launched on 21 March 2016.

###### Share Class

- Post Global Limited Term High Yield Fund I2 Class Accumulation 6 October 2015.
- Post Global Limited Term High Yield Fund EUR Hedged I2 Class Accumulation 6 October 2015.
- Post Global Limited Term High Yield Fund GBP Hedged I2 Class Accumulation 6 October 2015.
- Global Property Securities Fund A Class Accumulation 22 January 2016.
- Post Global Limited Term High Yield Fund A Class Accumulation 9 February 2016.
- High Yield Fund F Class Accumulation 24 February 2016.
- Post Global Limited Term High Yield Fund A Class Income 1 March 2016 via a full switch out of the Post Global Limited Term High Yield Fund A Class Accumulation Units.
- Preferred Securities Fund USD F2 Class Accumulation 15 March 2016.
- Real Estate Debt Fund USD I Class Income 21 March 2016.
- Real Estate Debt Fund USD I Class Accumulation 21 March 2016.
- Preferred Securities Fund USD D2 Class Accumulation 30 March 2016.
- Global Equity Fund USD F2 Class Accumulation 4 April 2016.
- Origin Global Emerging Markets Fund USD F2 Class Accumulation 4 April 2016.
- Japanese Equity Fund USD F2 Class Accumulation 5 April 2016.
- Global Property Securities Fund USD F Class Accumulation 20 April 2016.
- Post Global Limited Term High Yield Fund SGD Hedged I Class Accumulation 17 May 2016.
- Preferred Securities Fund JPY Hedged A Class Accumulation 27 June 2016.
- Spectrum Global Capital Securities Fund USD A Class Accumulation 22 August 2016.
- Post Global Limited Term High Yield Fund EUR Hedged I Class Income 23 August 2016.
- Preferred Securities Fund USD N Class Income 19 September 2016.

##### Closures during the year

###### Funds

- EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.
- Global Short Duration High Yield Fund terminated on 1 July 2016.

###### Share Class

- Global Property Securities Fund USD F Class Accumulation 16 March 2016.
- Global Property Securities Fund USD A Class Accumulation 20 May 2016.
- Finisterre Emerging Market Debt Fund EUR Hedged I Class Accumulation 26 August 2016.

## PRINCIPAL GLOBAL INVESTORS FUNDS

### GENERAL INFORMATION (continued)

#### SIGNIFICANT EVENTS AFTER THE YEAR END

##### Supplement changes

- Global Equity Fund - I class management fee rate change from a tiered structure to 0.75% effective from 30 November 2016.
- Asian Equity Fund - I class management fee rate change from a tiered structure to 0.75% effective from 30 November 2016.
- European Equity Fund - I class management fee rate change from a tiered structure to 0.75% effective from 30 November 2016.
- Emerging Markets Equity Fund - I class management fee rate change from a tiered structure to 0.75% effective from 30 November 2016.
- Japanese Equity Fund - I class management fee rate change from a tiered structure to 0.75% effective from 30 November 2016.
- U.S. Equity Fund - I class management fee rate change from a tiered structure to 0.75% effective from 30 November 2016.
- High Yield Fund - D, D2 and I class management fee rate change from 0.75% to 0.65% effective from 30 November 2016.
- Global Property Securities Fund - I class management fee rate change from a tiered structure to 0.80% effective from 30 November 2016.
- Global Equity Fund (Ex Japan) - I class management fee rate change from a tiered structure to 0.75% effective from 30 November 2016.
- Global Time Diversified Absolute Return Fund - I class management fee rate change from 1.50% to 1.00% effective from 30 November 2016.
- Global Small Cap Equity Fund - I class management fee rate change from a tiered structure to 0.75% effective from 30 November 2016.
- Origin Global Emerging Markets Fund - I class management fee rate change from 1.00% to 0.85% effective from 30 November 2016.
- Origin Global Equity Fund - I class management fee rate change from 0.65% to 0.75% effective from 30 November 2016.
- Origin Global Smaller Companies Fund - I class management fee rate change from 1.00% to 0.85% effective from 30 November 2016.
- Long/Short Global Opportunities Equity Fund - I class management fee rate change from 1.00% to 0.85% effective from 30 November 2016.
- Changes were made to comply with the CBI's gating language requirements on 1 November 2016. The new language does not give priority to redemptions not fully completed and rolled over to the next business day.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016**

**Global Equity Fund**

For the 12 months ending 30 September 2016, the Global Equity Fund reported net performance of 5.92% compared to 11.96% for the benchmark, MSCI AC World Index.

With the exception of a few European markets and Japan, market performance for the full year was generally disappointing, especially for emerging markets. The disparity of returns across countries, sectors and style classifications was striking. Emerging markets as a group underperformed their developed peers by over 14% for the year, with Latin America and the EEMEA block faring even worse.

From a global sector perspective, Technology, Health Care and Consumer stocks all delivered broad based gains, while the Energy and Materials complex suffered deep losses for the year despite a fleeting bounce early in the fourth quarter. In the U.S., the largest tier of companies outpaced smaller cap shares, reflecting a low degree of breadth. Conversely, in international markets, small caps shined, outpacing their large company peers by average margins exceeding 8% for the year.

For the 12 months under review, the Fund posted a positive absolute return of 5.92%. Within the portfolio, all sectors were positive except for Materials, Industrials and Real Estate. Within the top contributing sector, Telecommunication Services, Nippon Telegraph and Telephone and NTT DoCoMo out of Japan were the standout performers. Adidas AG was a top performer within the portfolio overall. Fundamental change at Adidas comes in the form of less drag from weak performing segments, solid industry growth for sports apparel and footwear, a move to increase direct sales to the consumer, high profile sporting events in 2016 that allow for good exposure, a move toward automation and management changes and optionality. Other top contributors over the past year were Qualicorp, Kinross Gold and 3i Group.

On the other hand, the portfolio was negatively impacted by holdings within the Materials sector, particularly Barrick Gold and BHP Billiton. After significant share appreciation in 2016, share prices for gold companies pulled back with a further headwind coming in the form of the expectation for rate hikes to continue by year end. Specific to the portfolio, Barrick Gold was the largest detractor. Other top detractors over the year were ConocoPhillips, Leidos Holdings, Boeing Company, AMN Healthcare Services and JBS. 2016 has provided challenges for "Growth at a Reasonable Price" ("GARP") investing. However, the good news is that the customary growth premiums and valuation discounts embedded in our portfolios are among the best we have seen in quite some time, providing extremely compelling opportunities on a forward looking basis once GARP style attributes inevitably return to favour.

The Fund continues to emphasize on stocks with improving business fundamentals, rising investor expectations and attractive relative valuations. Stock selection remains the primary source of outperformance, and we continue to primarily focus on large and mid-cap companies with selective exposure to smaller companies. The portfolio continues to pursue its "borderless" approach across a truly global opportunity set of both developed and emerging markets. We invest where we see the most compelling growth opportunities with attractive valuations, rather than positioning in relation to a market index.

**Asian Equity Fund**

For the 12 months ending 30 September 2016, the Asian Equity Fund reported net performance of 13.68% compared to 16.84% for the benchmark, MSCI AC Asia ex-Japan Index.

During the last 12 months, the most significant contributors to performance were Alibaba Group, the largest e-commerce player in China; Tencent Holdings, a leading Chinese internet platform; and Telekomunikasi Indonesia, the largest telecom operator in Indonesia. The most significant detractors were China Taiping Insurance Holdings Co., a relatively small insurer in China; NetEase, Inc., a Chinese gaming and internet media platform; and Shinsegae Co., a South Korean retailer.

The Asia region detracted from relative performance during the last twelve months. Strong stock selection in China was offset by losses in India, South Korea, and Taiwan. The Pacific region also underperformed the benchmark primarily driven by stock selection in Hong Kong. Being underweight Singapore helped the portfolio as the country underperformed the region.

Looking to the future, we remain cautious on most of the region except Indonesia where the outlook has brightened a little. The Indian economy also remains in an extended bottoming out process which continued in September. We remain structurally positive and overweight India. Taiwan remains attractive with its high dividend yield, strong free cash flow and liquidity supports, therefore we remain overweight the country. The information technology sector continues to lead the "new economy" and is now the largest sector in the MSCI Emerging Markets Index. We remain overweight in the sector.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016 (continued)**

**European Equity Fund**

For the 12 months ending 30 September 2016, the European Equity Fund reported net performance of 2.26% compared to 2.49% for the benchmark, MSCI Europe Index.

During the year under review, we saw very positive stock selection in the Financial and Technology sectors, as well as in France. French manufacturer of computer games Ubisoft rallied 86% reflecting strong sales of new games following the introduction of new hardware to the sector. Vestas, the Danish manufacturer of wind turbines, rose 60%. In addition, Danish healthcare group Genmab rallied 85% after their anti-CD38 monoclonal antibody for the treatment of multiple myeloma demonstrated very positive results. We saw negative attribution in the U.K. as the market was very volatile both ahead of and after the Brexit referendum. In addition we saw negative attribution in the Consumer Discretionary and Industrial sectors.

European equity markets enjoyed strong, broad based gains during the end of the year under review, following the turbulence seen in the market in the lead up to and immediately following the Brexit referendum. Markets rebounded sharply following the initial jolt from the referendum result at the end of June. The quarter also featured better than expected corporate earnings performance in most areas, including signs of stabilizing earnings trends in the previously beleaguered energy and commodity linked industries.

Within Europe, quantitative easing by the European Central Bank ("ECB") and the Bank of England ("BoE") remains a key theme, even more so now with the unknown ramifications of the Brexit vote on economic growth. While it will take time for this to play out, the question remains if this will end up being a soft or hard "Brexit" following Prime Minister Theresa May's initiative to invoke Article 50 in March of 2017. As more becomes known from the fall out, the Central Banks have made it known they're ready to act wherever is needed. With a wave of slowing global growth, the region is likely to be reliant on better domestic spending, corporate profitability and margin expansion leading to stable growth. While a weak euro would be welcomed to enhance growth, the lower level yields could prove problematic for banks.

2016 has provided challenges for earnings focused investing as investors have swung between the extremes of deep value commodity related companies that pose an insolvency risk and very richly valued, low growth, defensive dividend paying "bond proxy" stocks. However, the Fund remains true to our investment philosophy and maintains our focus on bottom up stock selection rather than top down macro calls. The good news is that the customary growth premiums and valuation discounts embedded in our portfolios are among the best we have seen in quite some time, providing extremely compelling opportunities on a forward looking basis once earnings style attributes inevitably return to favour.

We continue to be optimistic for equity markets over the long run, based on earnings, margin growth, as well as favourable comparisons to bonds. However, our view is tempered by potential capital flows, liquidity risks that may arise globally, as well as the outlook for Central Bank policies. Bond yields continue to hover around historic lows with downward pressure coming from global growth concerns, Central Banks' credibility and investors reach for yield. The tyranny of "lower for longer" interest rates is likely to remain for some time and has led to defensive "bond proxy" type stocks trading near all-time high relative valuations. In the long run, it is earnings that matter most to shareholders, and that truism will remain our focus and mantra.

**Emerging Markets Equity Fund**

For the 12 months ending 30 September 2016, the Emerging Markets Equity Fund reported net performance of 12.85% compared to 16.78% for the benchmark, MSCI Emerging Markets Index.

During the 12 months, the most significant contributors to performance were Itausa-Investimentos Itau, the largest private financial institution in Brazil; Telekomunikasi Indonesia, the largest telecom operator in Indonesia; and Taiwan Semiconductor Manufacturing Co., the largest semi-conductor foundry in the world. The most significant detractors were JBS S.A., a food company headquartered in Brazil; Petrobras, a Brazilian company engaged in oil and gas exploration, production, and distribution activities; and Fubon Financial, a Taiwan financial conglomerate.

EMEA was the best performing region on a relative basis. Underweighting Poland, Qatar, and Greece provided significant gains with these countries all declining, while South Africa, the Czech Republic, and Russia detracted from performance.

Relative performance in Asia added to performance during the last twelve months. China, led by information technology, the Philippines, and Indonesia contributed to performance while India, Malaysia, and Taiwan were notable detractors.

Latin America detracted from relative performance, held back by the surge in Brazil, which was underweighted in our portfolio. Energy, financials, and consumer discretionary sectors were up almost triple digits during the twelve months. Mexico and Peru were slight detractors while Colombia and Chile were in-line with the index.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016 (continued)**

**Emerging Markets Equity Fund (continued)**

Looking to the future, we remain cautious on most of the ASEAN region except Indonesia where the outlook has brightened a little. The Indian economy also remains in an extended bottoming out process which continued in September. We remain structurally positive and overweight India. Taiwan remains attractive with its high dividend yield, strong free cash flow and liquidity supports, therefore we remain overweight the country. The information technology sector continues to lead the “new economy” and is now the largest sector in the MSCI Emerging Markets Index. We remain overweight in the sector. After the first presidential debate, Mexico reversed the earlier losses leading up to the debate as Donald Trump was rising in the polls, with Hillary Clinton deemed the consensus winner. Hillary Clinton would be more positive for the Mexican market, but Mexico still remains challenged with growth showing signs of slowing.

**Japanese Equity Fund**

For the 12 months ending 30 September 2016, the Japanese Equity Fund reported net performance of 9.15% compared to 12.13% for the benchmark, MSCI Japan Index.

The portfolio underperformed the MSCI Japan Index during the period. Stock selection in the consumer staples and telecommunication services sectors was most effective, while stock selections in the industrials and financials sectors were less effective.

Our investment process and portfolio style characteristics faced significant headwind in the early half of the period when the market sharply reversed, led by the riskiest and most neglected groups of companies.

An overweight position in Lion Corporation contributed strongly to performance in the period as the stock was up +82.44% in USD terms. An underweight position in Nintendo Co., Ltd had a negative impact on the portfolio in the period as the security was up 58.16% in USD terms. At the end of September, the portfolio's most overweight positions included Mitsui & Co, Toho Gas Co., ORIX Corporation, and Haseko Corporation.

A generally unhelpful backdrop for corporate earnings continues. Financial sector earnings remain under the most pressure. High debt levels, low growth, weak investment and interest rate policies are all serving to reduce revenue opportunities for banks in particular. Regulation remains a headwind as well. Japanese companies with overseas operations are also suffering earnings downgrades because of the strength in the yen over the last year. We expect earnings forecasts to stabilize for this group in the next two quarters assuming current currency levels continue. Bulk commodity price rallies, in particular in iron ore and coking coal, are driving earnings expectations higher for many materials companies. We see select opportunities to invest in companies that will see higher than expected profitability due to these trends.

The portfolio continues to overweight stocks with improving business fundamentals, rising investor expectations and attractive relative valuations. Our portfolio construction strategies minimize market, sector and industry exposures relative to the index in order to isolate superior stock selection as the primary source of outperformance.

**Preferred Securities Fund**

For the 12 months ending 30 September 2016, the Preferred Securities Fund reported net performance of 7.44% compared to 9.04% for the benchmark, 50% BofA Merrill Lynch Fixed Rate Preferred Securities Index/ 50% BofA Merrill Lynch US Capital Securities Index.

Over the period, the top three positive contributors to performance were Rabobank 11%, MetLife 9.25% and Willow No.2 (Zurich) 4.25%. The spread tightening of these issues in a declining rate environment helped boost total returns. The top three negative contributors were Barclays, Group BPCE floaters and Royal Bank of Scotland. Barclays capital securities were negatively impacted by the declining British pound, while Group BPCE and Royal Bank of Scotland each lagged the overall recovery of capital securities prices since February.

The price of the Fund was stable from September to December but by January, the global equity markets corrected suddenly on the back of concerns over slow growth and the first U.S. Federal Reserve (“Fed”) rate hike in nearly a decade. The equity shares of European banks were impacted especially hard through February, which pulled down preferred securities prices sharply. The ECB responded with a broader quantitative easing plan, which brought down volatility and lifted bond prices. The preferred securities sector recovered well from the lows and began a linear journey to new highs by September as spreads tightened by 50bps on top of the rally in the U.S. Treasury bond market over the twelve month period. Some of the preferred securities in the Fund also benefited from tender plays.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016 (continued)**

**Preferred Securities Fund (continued)**

The minutes of the July 2016 meeting of the Federal Open Market Committee stated that the Fed would “closely monitor inflation indicators and global economic and financial developments” and that “near term risks to the economic outlook have diminished.” On the European side, Chairman Mario Draghi of the ECB has taken a brief pause on his usual aggressive rhetoric toward policy stimulus. This appears to be a signal that the ECB is running out of runway and that bond scarcity and negative interest rates could be an impediment to do much more of “whatever it takes”. It is also a signal that the Brexit is turning into far less of a horror movie and more of a policy drama. We believe that the Fed will move the target funds rate up again in December and that cheaper bond prices are coming given the overall market complacency. Risks appear to have diminished to the global economic outlook. We expect interest rates to drift upward and for spreads to tighten in the process sufficient to provide a positive total return over the next 12 months.

**U.S. Equity Fund**

For the 12 months ending 30 September 2016, the U.S. Equity Fund reported net performance of 6.78% compared to 15.43% for the benchmark, S&P 500 Index.

The portfolio underperformed the S&P 500 Index during the period. Stock selection in the financial sector was the most effective, while stock selections in the energy and consumer discretionary sectors were less effective.

Our investment process and portfolio style characteristics faced significant headwind in the latter half of the period when the market sharply reversed, led by the riskiest and most neglected groups of companies. Our overweight positions in NVIDIA Corporation, Equifax Inc., and Ingredion Incorporated contributed positively to performance. While our overweight position in Foot Locker, Tesoro Corporation, and Archer Daniels Midland Company detracted from performance. At the end of September the fund's main overweight positions were Cisco Systems, Inc., JPMorgan Chase & Co., and Aflac Incorporated. The Fund's main underweight positions included General Electric, Wells Fargo & Company, and Procter & Gamble Company.

Key market risks at this time remain central banking policy changes as monetary policy events have resulted in material changes to foreign exchange markets. Global growth and inflation data remains volatile around generally low levels, which has increased sensitivity to small movements in data as economies continue to flirt with deflation and to battle for competitiveness and growth. We have observed a slowdown in U.S. growth in response to the dramatic rise in the USD earlier in 2015. With employment data improving and inflation set to improve in the months ahead as we experienced lower levels of commodity prices in first quarter 2016, volatile market reactions to a tightening cycle appear likely.

The portfolio continues to overweight stocks with improving business fundamentals, rising investor expectations and attractive relative valuations.

**High Yield Fund**

For the 12 months ending 30 September 2016, the High Yield Fund reported net performance of 10.61% compared to 13.51% for the benchmark, BofA Merrill Lynch Global High Yield Hedged Index.

The Fund had positive contributions from its allocation to FMG Resources (August 2006) PTY, Chaparral Energy Inc., and ArcelorMittal. Negative contributions came from the Fund's allocation to Navios Maritime Acquisition, Pinnacle Operating Corporation, and ING U.S. Inc.

High yield and most other asset classes struggled at the start of 2016 from ongoing commodity price weakness and angst in Chinese markets. However, from March onward high yield has posted significant gains driven by a turnaround in commodities, stable global markets, and accommodative central bank policies. A dovish Fed and additional easing by the Bank of Japan and ECB fuelled the risk asset rally. It has been a technical driven market; low global yields and central bank bond buying programs outside the U.S. have pushed investors to seek alternatives.

Overall, we have a neutral view on the asset classes and believe investors are being appropriately compensated to be invested. Fundamentals have rebounded and are expected to improve incrementally. We also believe that defaults will come down fairly aggressively. We do not believe new issuance will be significant and relatively light dealer inventories should provide support to the asset classes. With a significant portion of the fixed income universe trading with negative yields, we continue to believe that the asset classes are appropriately priced, even after the significant rally. Industries we favour at this point are cable, home construction, and food & beverage. We remain selective on sterling bonds as the full implications of Brexit are still unknown. We also continue to selectively find value in European high yield and seek opportunities through local currency euro-denominated bonds. Our top European industry recommendations include cable, wireless, and packaging.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016 (continued)**

**Global Property Securities Fund**

For the 12 months ending 30 September 2016, the Global Property Securities Fund reported net performance of 10.92% compared to 14.85% for the benchmark, FTSE-EPRA-NAREIT Developed NTR Index.

For the period, the Fund benefitted from an overweight to Deutsche Wohnen AG, a German residential property company, as well as a modest underweight to Public Storage, a U.S. self-storage company. The Fund's overweight to Great Portland Estates and Land Securities Group Plc was a top detractor from the Fund's United Kingdom allocation. In addition, an overweight to Japanese developer, Mitsui Fudosan was a leading detractor.

Global listed real estate returned 14.85%, measured by the FTSE-EPRA-NAREIT Developed NTR Index for the past 12 months, outperforming global equities (11.3%), measured by the MSCI World Index, but underperforming the JP Morgan Global Bond Index, which rose 16.8%. Weak economic data points, concerns regarding the effectiveness of loose monetary policy, and the unknown impact of Brexit have all fuelled cautious investor sentiment. Investor nervousness has caused bond yields to drop to historic lows and caused equity investors to favour income oriented sectors with resilient income streams. Globally, real estate stocks have been in favour as they offer these attributes.

Improving and/or stabilized conditions around the world have led the Fed to signal a likely rate hike in December. Despite the hike being clearly signalled, our expectation is that the long end of the yield curve will remain low and provide an environment for real estate stocks to outperform. If we are wrong, this may create a significant headwind for real estate stock performance as investors would fear the possible adverse impact higher rates might have on asset values.

In the 3rd quarter, improved macroeconomic sentiment possibly triggered a reversal of the recent trend that favoured low volatility and above average yield. This provided a more normal investment environment where our focus on the potential of a stock on a 1-3 year time horizon works better. While we are uncertain about near term style leadership, we are confident if we are patient and maintain discipline, our investment approach will prove to be successful.

**Global Equity (ex-Japan) Fund**

For the 12 months ending 30 September 2016, the Global Equity (ex-Japan) Fund reported net performance of 5.78% compared to 11.28% for the benchmark, MSCI Kokusai (World ex-Japan) Index.

Equity market returns were sharply higher for the period helped by Central Bank policies as well as the moderating strength of the USD. This led to the emerging markets outpacing their developed peers in the past year. Stock selection in the Financials and Real Estate sectors were the top contributors during the period, while stock selection in Industrials and Materials lagged relative to overall performance. From a country perspective, stock selection contributed most positively to performance in Spain, Canada and Italy, while the United States, the United Kingdom and Australia lagged relatively.

Attractive valuations and earnings/growth upside has led to opportunities within the Health Care sector leading the portfolio to remain overweight. Within biotechnology, the portfolio continues to hold Genmab and Actelion, but also favours Gilead Sciences and Amgen as they should benefit from their new product cycles.

The Fund maintained its overweight exposure to the health care providers & services industry. Anthem's position was maintained and will benefit as an acquirer in the ongoing industry consolidation, gaining additional scale in membership/premium revenues while leveraging fixed general and administrative costs over that larger revenue base. Furthermore, Anthem expects to start reaping the benefits of its investments in Medicare in 2016, which should help drive margin expansion in late 2016 and 2017.

Although overweight in Pfizer and GlaxoSmithKline, the portfolio remains underweight in the Pharmaceuticals sector given concerns surrounding government pricing controls and further volatility driven by the U.S. Presidential election.

In the Technology sector, IT Service Company Accenture remains a top holding as adoption of cloud/SaaS computing by corporate entities is driving a mix shift in IT Services spend that directly benefits Accenture given their high value work. Within software, portfolios holding Microsoft will be a prime beneficiary of its cost cutting efforts along with the launch of Windows10 which is seeing healthy adoption rates as well as its transition to cloud which is firmly on track. Apple remains at an underweight position following quarterly results in July as iPhone fundamentals are decelerating. Alphabet is exceedingly well positioned to continue capitalizing on the shift away from traditional advertising mediums (TV, radio, and print) and toward online platforms. New CFO Ruth Portat will be an agent of change that will instill better expense discipline and increase transparency which historically the company has lacked.

The portfolio continues to overweight stocks with improving business fundamentals, rising investor expectations and attractive relative valuations. Bottom-up stock selection remains the primary source of outperformance.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016 (continued)**

**Post Global Limited Term High Yield Fund**

For the 12 months to 30 September 2016, the Post Global Limited Term High Yield Fund reported net performance of 5.63% compared to 0.66% for the benchmark, the Barclays Capital US Government 1-2 Year Index.

During the twelve month period, we continued to focus on investing in high quality businesses in more stable, defensive industries. This strategy provided strong downside protection in late 2015 and early 2016, when high yield markets weakened materially. Of note, the Fund has never had a default in its history. Our avoidance of commodities related credits allowed us to maintain low levels of credit risk and volatility.

The Fund generated strong downside protection during a very weak high yield market in Q4 2015 and January 2016; the Fund generated a net positive return of approximately 0.76% during this period, while U.S. high yield markets were down by approximately 4%. High yield markets rallied sharply beginning in February 2016, as a result of an extraordinary decline in sovereign debt yields around the world, a rebound in commodity prices from their February lows, and strong technical conditions across the entire corporate credit market. The rally was driven by the most dislocated segments of the high yield market – triple C credits and commodities related credits, where the Fund had minimal exposure. As a result, the Fund generated consistent positive returns during the February to September period, although returns lagged longer duration high yield benchmarks, with relatively limited volatility.

Although short duration credit has tightened meaningfully, we believe our focus on investing in high quality businesses in more stable, defensive industries will continue to result in attractive risk-adjusted returns through the economic/credit cycle. From a downside protection standpoint, putting aside potential short term mark-to-market volatility, we believe extension “risk” would likely (and counterintuitively) benefit the Fund from a fundamental standpoint. The incremental increase in yield as the high yield bond trades to a longer call date would result in a higher yielding credit that remains outstanding for a longer period of time – a dynamic analogous to a “rolling call” bond in many ways. We believe the Fund is well positioned to continue to generate solid risk-adjusted returns with strong downside protection.

**Global Time Diversified Absolute Return Fund**

For the 12 months ending 30 September 2016, the Global Time Diversified Absolute Return Fund reported net performance of 11.61%. Impressively, the Fund only experienced two down months during this period.

Both sides of the portfolio (discretionary and systematic) contributed positively to performance during the period. The discretionary portfolio's return was led by our USD Structural and Central Bank Nominal Rate Target themes, whilst our Financial Market Volatility Event and North American Relative Value themes detracted from performance. The systematic component of the portfolio enjoyed a strong return. From a currency perspective, performance was driven by positions in the Japanese yen (JPY), United States dollar (USD), New Zealand dollar (NZD) and Sterling (GBP); the biggest detractors were the Australian dollar (AUD) and the Norwegian krone (NOK).

Although currency markets did not experience a significant, singular event during the period under review, the global economy has experienced a number of volatility episodes. The U.K.'s decision in June 2016 to leave the European Union is a prime example of such an event, which has obviously fed through to currencies. In line with this, currency market volatility has steadily risen throughout the period. We feel that this is likely to continue into 2017, with political uncertainties surrounding parts of Europe and the U.S. Presidential election being notable drivers.

Given our outlook, we believe that market conditions will continue to provide us with significant opportunities to generate strong returns.

**Global Small Cap Equity Fund**

For the 12 months ending 30 September 2016, the Global Small Cap Equity Fund reported net performance of 10.68% compared to 14.21% for the benchmark, MSCI ACWI Small Cap Index.

The portfolio underperformed its index for the twelve month period on the back of negative stock selection. Companies with strong fundamental change profiles and attractive relative valuation tended to outperform for the majority of the year until the market reversal in February propelled the riskiest and most neglected groups of companies.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016 (continued)**

**Global Small Cap Equity Fund (continued)**

The portfolio's relative underperformance was driven by weak results across most geographies. Emerging markets and Japan were the most notable detractors. Within emerging markets, India was the source of most of the underperformance largely due to a large drawdown in one stock – Welspun. Stock selection was also soft in Canada, Europe and the U.S. Within Europe, strong results in Italy and Spain were offset by underperformance in Germany and the U.K. The Consumer Discretionary, Information Technology and Materials sectors provided the majority of the underperformance during the period while the Industrials sector was the most notable contributor to relative performance.

We remain optimistic for equity markets over the long run, based on earnings, margin growth, as well as favourable comparisons to bonds. However, our view is tempered by potential capital flows, liquidity risks, as well as the outlook for central bank policies. Global bond yields continue to hover around historic lows with downward pressure coming from global growth concerns. The tyranny of "lower for longer" interest rates is likely to remain for some time which has led to defensive "bond proxy" type stocks trading near all-time high relative valuations. Virtually all measures of earnings yields and free cash flow yields on equities continue to compare very favourably to history in relation to yields available on high grade bonds and most all other so called "safe" assets. Simply put, long term accumulation and liability funding objectives have minimal opportunities to be met without meaningful equity exposure. Selectivity is the key.

**Origin Global Emerging Markets Fund**

For the 12 months to 30 September 2016, the Origin Global Emerging Markets Fund reported net performance of 10.97% compared to 16.78% for the benchmark, MSCI Emerging Markets Index.

At a sector level, relative underperformance was driven predominantly by stock selection in Financials, and our lack of exposure to certain Brazilian names within the sector also proved a burden. Taiwanese stocks, predominantly in the Technology sector were also key detractors from relative performance. However, this was more than offset by strong stock selection in Information Technology stocks in China.

Following a series of tumultuous years for emerging markets, the sector concluded the 12 month period to the end of September 2016 in firmly positive territory, with the MSCI Emerging Markets Index delivering strong double-digit returns. On the face of it, the positive numbers might indicate a benign market environment; however they mask some significant underlying volatility and broader market turbulence during the period – a market environment that challenged our stock selection process. After three quarters of what we would deem "irrational" behaviour, in which the market rewarded the most expensive and the lowest quality names, Q3 2016 appeared to demonstrate a return to more "rational" market behaviour.

At a sector level, the portfolio's most sizeable position is in Information Technology, which remains the largest overweight. Conversely, Financials remains the most significant underweight and we have further reduced our exposure over the year. Geographically, China represents the portfolio's largest holding and overweight, predominantly at the expense of India and Brazil.

We do not make predictions regarding future fund performance, which – in the case of any long-only asset manager (we would argue) – will be largely stochastic. However, if the third quarter of 2016 is indicative of return to more rational and directional market behaviour, with clear internal leadership within markets/sectors, then our portfolios are naturally well positioned to outperform. As always, we will continue to monitor the evidence and will act as and when we see changes in evidence at the stock level.

**Origin Global Equity Fund**

For the 12 months to 30 September 2016, the Origin Global Equity Fund reported net performance of 2.83% compared to 11.36% for the benchmark, MSCI World Index.

At a sector level, relative underperformance was driven predominantly by holdings in Health Care, Consumer Discretionary and Industrials, which was very marginally offset by stock selection in Telecommunications. Geographically, the majority of relative underperformance was concentrated in North America, although U.K. holdings also marginally detracted. Stock selection in Emerging Markets proved a minor benefit.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016 (continued)**

**Origin Global Equity Fund (continued)**

Equity markets enjoyed a year of strong performance with the majority of global and regional indices ending the period firmly in positive territory. Following a shaky end to 2015 and tumultuous start to 2016, equity markets settled and generated positive returns over the period. Whilst the positive numbers might indicate a benign market environment, they mask some significant underlying volatility and broader market turbulence during the period – a market environment that challenged our stock selection process. After three quarters of what we would deem "irrational" behaviour, in which the market rewarded both the most expensive and the lowest quality names, Q3 2016 appeared to demonstrate a return to more "rational" market behaviour.

At a sector, level the portfolio's most significant position is in Information Technology, which remains the largest overweight. Conversely, Financials remains the most significant underweight and we have further reduced our exposure over the year. Geographically, the portfolio's largest position is in North American stocks, where nevertheless we remain marginally underweight. The Fund's most significant position relative to the benchmark is in Emerging Markets.

We do not make predictions regarding future fund performance, which – in the case of any long-only asset manager (we would argue) – will be largely stochastic. However, if the third quarter of 2016 is indicative of return to more rational and directional market behaviour, with clear internal leadership within markets/sectors, then our portfolios are naturally well positioned to outperform. As always, we will continue to monitor the evidence and will act as and when we see changes in evidence at the stock level.

**Origin Global Smaller Companies Fund**

For the 12 months to 30 September 2016, the Origin Global Smaller Companies Fund reported net performance of 10.63% compared to 14.21% for the benchmark, MSCI ACWI Small Cap Index.

At a sector level, relative underperformance can be accounted for almost exclusively by Industrials, with names in Consumer Staples and Energy also proving a marginal drag relative to the benchmark, partially offset by holdings in Financials, Materials and Information Technology. Geographically, the portfolio suffered the most in North America, with Emerging Markets and U.K. holdings also marginally detracting. Positive relative performance was driven by stock selection in Europe ex-U.K. and Asia ex-Japan.

After a shaky end to 2015 and tumultuous start to 2016, equity markets settled and following a strong latter half ended the period firmly in positive territory; the MSCI ACWI Small Cap Index delivered double-digit returns. Whilst the positive numbers might appear to indicate a benign market environment, they mask some significant underlying volatility and broader market turbulence during the period – an environment that challenged our stock selection process. After three quarters of what we would deem "irrational" behaviour, in which the market rewarded both the most expensive and the lowest quality names, Q3 2016 appeared to demonstrate a return to more "rational" market behaviour.

Holdings in North America remain the largest constituent of the portfolio; nevertheless this represents the most significant underweight relative to the benchmark. The portfolio maintains a strong overweight position in Emerging Markets. By sector, Information Technology remains the Fund's largest position and most significant overweight by a significant margin, predominantly at the expense of names in the Financials and newly introduced Real Estate sectors.

We do not make predictions regarding future fund performance, which – in the case of any long-only asset manager (we would argue) – will be largely stochastic. However if the third quarter of 2016 is indicative of a return to more rational and directional market behaviour, with clear internal leadership within markets/sectors, then our portfolios are naturally well positioned to outperform. As always, we will continue to monitor the evidence and will act as and when we see changes in evidence at the stock level.

**Long/Short Global Opportunities Equity Fund**

For the 12 months ending 30 September 2016, the Long/Short Global Opportunities Equity Fund reported net performance of -7.30%.

With the exception of a few European markets and Japan, market performance for the year was generally disappointing, especially for emerging markets. The disparity of returns across countries, sectors and style classifications was striking. Emerging markets as a group underperformed their developed peers by over 14% for the full year, with Latin America and the EEMEA block faring even worse.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016 (continued)**

**Long/Short Global Opportunities Equity Fund (continued)**

From a global sector perspective, Technology, Health Care and Consumer stocks all delivered broad based gains, while the Energy and Materials complex suffered deep losses for the year despite a fleeting bounce early in the fourth quarter. In the U.S., the largest tier of companies outpaced smaller cap shares, reflecting a low degree of breadth. Conversely, in international markets, small caps shined, outpacing their large company peers by average margins exceeding 28% for the year.

For the 12 months under review, the Fund posted a negative absolute return of -7.3%. Within the portfolio, all sectors were positive except for Materials, Industrials and Real Estate. Within the top contributing sector, Telecommunication Services, Nippon Telegraph and Telephone and NTT DoCoMo out of Japan were the standout performers. Adidas AG was a top performer within the portfolio overall. Fundamental change at Adidas comes in the form of less drag from weak performing segments, solid industry growth for sports apparel and footwear, a move to increase direct sales to the consumer, high profile sporting events in 2016 that allow for good exposure, a move toward automation and management changes and optionality. Other top contributors over the past year were Qualicorp, Kinross Gold and 3i Group.

On the other hand, the portfolio was negatively impacted by holdings within the Materials sector, particularly Barrick Gold and BHP Billiton. After significant share appreciation in 2016, share prices for gold companies pulled back with a further headwind coming in the form of the expectation for rate hikes to continue by year end. Other top detractors over the past year were ConocoPhillips, Leidos Holdings, Boeing Company, AMN Healthcare Services and JBS.

2016 has provided challenges for GARP investing. However, the good news is that the customary growth premiums and valuation discounts embedded in our portfolios are among the best we have seen in quite some time, providing extremely compelling opportunities on a forward looking basis once GARP style attributes inevitably return to favour.

The Fund continues to emphasize stocks with improving business fundamentals, rising investor expectations and attractive relative valuations. Stock selection remains the primary source of outperformance, and we continue to primarily focus on large and mid-cap companies with selective exposure to smaller companies. The portfolio continues to pursue its "borderless" approach across a truly global opportunity set of both developed and emerging markets. We invest where we see the most compelling growth opportunities with attractive valuations, rather than positioning in relation to a market index.

**Claritas Latin American Equity Fund**

For the 12 months ending 30 September 2016, the Claritas Latin American Equity Fund reported net performance of 32.75%.

LatAm equities (+25.7%) had a strong performance in this period, outperforming both emerging markets (+14.1%) and developed markets (+9.1%). Brazil (+52.8%) and Peru (+37.8%) were the strongest markets, while Mexico (-4.1%) stood alone with a negative return (on the back of Trump's advance in U.S. election polls). Brazilian markets were propelled by a material improvement in the country's political situation, with President Dilma Rousseff's impeachment concluded. The currency was also affected, appreciating 21.0% against the USD in the period.

Stock picking was entirely responsible for the alpha of the Fund, with robust results in Brazil, especially with overweight positions in Banco Itaú and Sanepar, and Mexico, mainly due to the overweight allocation in airports. On the other hand, the underweight allocation in Brazil was the main detractor from the Fund's performance.

The outlook for the region (as for most emerging markets) definitely improved, with the stabilization of commodity prices and expectations of lower interest rates for longer. Although the challenges for Brazil are still profound, the worst seems over, since economic activity is stabilizing and confidence levels are recovering strongly. There are also expectations that under President Temer's tenure some important reforms might be approved, as there is strong Congressional support.

Mexico's performance in the mid-term should be linked to the U.S. election and oil prices, but we reckon that the Peso and the Mexican stock market have mostly priced-in the diminished probability of Trump winning.

In Colombia, it will be important to monitor the political consequences of the rejection of the peace agreement with the FARC. Economic activity in Chile continues to be affected by lower copper prices, which failed to follow the recovery of other commodities.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016 (continued)**

**Finisterre Emerging Market Debt Fund**

For the 12 months ending 30 September 2016, the Finisterre Emerging Market Debt Fund reported net performance of 4.49%.

Over the period, the biggest positive contributors to the Fund's performance were Brazil, Indonesia, Russia, Poland and Malaysia. Turkey and Mexico were the biggest detractors.

While the Fund took a bearish emerging markets' foreign exchange position during the first part of the year, which did not perform (namely South Africa, Turkey, Mexico), it maintained long positions in short term rates, especially in Asia (China, Taiwan, Korea, Singapore, Thailand), which profited despite the well expected policy rate hike in December 2015 by the Fed. The unexpected Brexit vote outcome allowed us to enter into long emerging markets' credit (CEE, Russia, Malaysia, Indonesia, Brazil) before the summer. It performed well before we took a more defensive attitude and will likely maintain this bias to the end of 2016.

The outlook for emerging markets' asset classes is turning positive again, at least in the short term. We do not expect developed market central banks to withdraw liquidity anytime soon, nor to raise policy rates — with the exception of the Fed, which should hike rates no more than twice by the end of 2017. Global investors should keep struggling to find fixed income assets with a positive yield in non-emerging markets and therefore keep moving into emerging markets. Credit spreads that are close to historical lows in absolute value terms should tighten as there is room on a relative basis. Having been the subject of a lot of worry, China seems to be delivering on its growth plan. We believe that Brazil is more stable than this time last year. However, the affection for emerging markets is strongly correlated with global sentiment, which remains fragile and sensitive to oil prices and European Bond markets (Bund mainly). We have also managed to take advantage of specific market dislocations to implement relative value trades along various curves, such as Israel, Hong Kong and Singapore.

**Spectrum Global Capital Securities Fund**

For the 12 months ending 30 September 2016, the Spectrum Global Capital Securities Fund reported net performance of 6.42% compared to 6.54% for the benchmark, BofA Merrill Lynch Global Non-Sovereign Index.

Over the period, the top three positive contributors to performance were Danske Bank 5.875%, Société Générale 8% and HSBC Holdings 6.875%. Performance was aided by the timing of the HSBC purchase — just after the Brexit referendum. The top three negative contributors were Lloyds Banking Group 7.625%, Deutsche Bank 6% and Société Générale 7.375%. The Fund closed out its position in Deutsche Bank in January, while the Lloyds Bank holding was negatively impacted by currency translation from the declining British pound.

The contingent convertible capital securities ("CoCo") sector performed well from September to November, but was impacted by the ECB's restrictive view on how Pillar-2 capital would be treated for calculating the dividend headroom before limitations are imposed. This helped to accelerate negative sentiment, which was exacerbated by very poor equity performance for European banks based on fears of poor performance from slow economic growth. The ECB picked up the pace and breadth of its bond buying, which helped to lift CoCos off all-time lows in February. By June, CoCos had recaptured two-thirds of their price losses, only to be set back briefly by the Brexit vote, which created a second buying opportunity. The ECB relaxed the rules on dividend headroom limitations during the summer, so by the end of the 12 month period the Fund was trading at new highs.

We believe that the pro-cyclical risks that CoCos seemed to impose on the European banking system, due to the ECB's earlier Pillar-2 misstep, have been mediated by the improvements in July. The CoCo market remains over 6% higher than its Brexit lows, despite its sympathetic fade with bank equities in September. Equity price performance matters when considering CoCo investments — so, when European equities rally (someday) like oil prices have this year, expect CoCo prices to perform very well. In the meantime, there will be idiosyncratic risks to individual names in the European banking sector, such as Deutsche Bank, but these are business specific risks that should not weigh as heavily on the broader CoCo market as they have in the past. We expect the credit performance of European banks to be supportive and the income from CoCos to more than offset price risks over the next 12 months.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016 (continued)**

**Global Capital Structure Opportunities Fund**

For the 12 months ending 30 September 2016, the Global Capital Structure Opportunities Fund reported net performance of 4.40% compared to 0.57% for the benchmark, 3 Month U.S. LIBOR.

The outperformance of the Fund was driven by allocations to lower tier 2 ("LT2"), senior debt, perpetual, preferreds, CoCos, and hybrids.

Central bank policies and commodity prices were two main drivers of the solid performance of capital structure securities. The Fed raised rates in December 2015, but the slow pace of improvement in the U.S. economy has kept the Fed Funds rate on hold since. On a divergent path, other global central banks including the ECB, the Bank of Japan, BoE, and Peoples Bank of China ("PBOC") continued to pursue more dovish policies. Commodity prices were volatile, but after hitting lows in early 2016, the market has rebounded as supply and demand technicals have become less of a concern.

Demand from investors searching for yield and further central bank accommodation continue to underpin the market for risk assets and will provide further opportunities up and down the debt capital structure. We continue to prefer U.S. money-centre banks over the U.S. operations of foreign registered banks due to their stronger fundamentals and a better U.S. economic backdrop. However, there will be select opportunities in European banks, including LT2 and CoCos, as the market navigates uncertainty around impending negotiations regarding the terms of Brexit and the Italian banking situation. Regulation will continue to be a focal issue in the banking space as further rules will be announced, implemented, and clarified. Most of the existing and anticipated rules are net positives for bondholders, but the situation continues to evolve and could drive sentiment and risk-taking across the capital structure.

**Global Credit Alpha Fund**

For the 12 months ending 30 September 2016, the Global Credit Alpha Fund reported net performance of 6.03% compared to 0.57% for the benchmark, 3 Month U.S. LIBOR.

The Fund's allocation to investment grade corporate bonds was the largest contributor to total return during the 12 months under review. The allocations to below investment grade corporate bonds and emerging market debt were also significant contributors to performance, but their contribution was partially offset by the negative impact of macro volatility hedging.

The period began with significant volatility due to lower commodity prices and central bank uncertainty. Central banks appeared on divergent paths with the Fed raising interest rates in December 2015 for the first time in nearly a decade, while other central banks globally such as the ECB and the PBOC continued dovish policies. Volatility continued into early 2016 until central banks globally, including the Fed, began making accommodative statements, and the ECB announced its plans to purchase corporate bonds. After the Brexit vote, the BoE also began purchasing corporate bonds. With central banks calming the markets, demand for corporate bonds became overwhelming, driving spreads significantly tighter during the remainder of the period.

Demand from investors searching for yield and further central bank accommodation continues to underpin the market for risk assets. Strong demand technicals along with stable corporate fundamentals should remain supportive of valuations. However, strong momentum in credit markets this year has driven yields lower, limiting further upside potential, while downside risk will become elevated approaching year end. The outcome of the upcoming U.S. presidential election and the potential December Fed rate hike may trigger volatility.

**Real Estate Debt Fund**

Since inception on 21 March 2016 to 30 September 2016, the Real Estate Debt Fund reported net performance of 6.50% compared to 4.13% for the benchmark, Barclays Capital CMBS Investment Grade Index.

Since inception on 21 March 2016, the Fund benefitted from positive security selection which contributed over 200 basis points in excess return when compared to the Barclays Capital CMBS Investment Grade Index. Portfolio holdings of 2013 and 2014 vintage A-rated bonds contributed the most to overall portfolio performance.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**INVESTMENT ADVISER'S REPORT**  
**for the year ended 30 September 2016 (continued)**

**Real Estate Debt Fund (continued)**

The Real Estate Debt Fund invests primarily in a diversified portfolio of U.S. commercial mortgage backed securities ("CMBS") with an objective of providing attractive long term risk-adjusted returns. The Fund was launched in March of 2016 at a time when the CMBS markets were recovering from a period of macro driven volatility. The Sub-Investment Adviser has constructed a diversified portfolio with a wide range of vintage and credit exposures, which to date has benefitted from a higher yield profile as well as positive total return throughout the year as risk markets recovered from a turbulent first quarter.

CMBS represents a fixed income investment in an underlying pool of first mortgages secured by commercial real estate properties located throughout the United States. The health of the commercial real estate market is directly influenced by the health of the economy, and more specifically, the U.S. job market which has added over 170,000 jobs per month since the Fund's inception. Ongoing economic growth, a growing labour market, and historically low interest rates are currently providing a stable footing for commercial real estate. The CMBS new issuance market is providing a steady flow of new investment options alongside an active secondary market. Ongoing regulatory restraints on the banking sector along with new risk retention requirements have posed headwinds for CMBS; however, market participants seem to be making appropriate adjustments. The yield enhancement currently offered by CMBS appears attractive given stable real estate fundamentals and the opportunity CMBS presents investors to diversify their broader fixed income portfolios.

**Principal Global Investors, LLC**

**31 October 2016**

## PRINCIPAL GLOBAL INVESTORS FUNDS

### INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF PRINCIPAL GLOBAL INVESTORS FUNDS

#### Our opinion

In our opinion, Principal Global Investors Funds financial statements (the "financial statements"):

- give a true and fair view of the Funds' assets, liabilities and financial position as at 30 September 2016 and of their results for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland; and
- have been properly prepared in accordance with the requirements of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

#### What we have audited

The financial statements comprise:

- the Statement of Financial Position as at 30 September 2016;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Movement in Net Assets Attributable to Redeemable Participating Unitholders for the year then ended;
- the Portfolio of Investments for each of the Funds as at 30 September 2016; and
- the Notes to the Annual Report and Financial Statements

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

In applying the financial reporting framework, the manager has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, the manager has made assumptions and considered future events.

#### Responsibilities for the financial statements and the audit

##### Our responsibilities and those of the manager

As explained more fully in the Statement of Manager's Responsibilities, the Manager is responsible for the preparation of the financial statements giving a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the Unitholders of each of the Funds as a body and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

##### What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

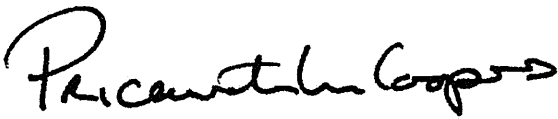
- whether the accounting policies are appropriate to the Funds circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the manager; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the manager's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

## PRINCIPAL GLOBAL INVESTORS FUNDS

### INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF PRINCIPAL GLOBAL INVESTORS FUNDS (CONTINUED)

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland  
Date: 24 January 2017

## PRINCIPAL GLOBAL INVESTORS FUNDS

### DEPOSITARY'S REPORT TO THE UNITHOLDERS OF PRINCIPAL GLOBAL INVESTORS FUNDS for the year ended 30 September 2016

Report from the Depositary to the Unitholders dated 30 September 2016

For the period from 1 October 2015 to 30 September 2016 (the "period")

BNY Mellon Trust Company (Ireland) Limited (the "Depositary" "us", "we", or "our"), has enquired into the conduct of the Manager in respect of the Principal Global Investors Funds ("The Trust") for the period ended 30 September 2016, in its capacity as Depositary to the Trust.

This report including the opinion has been prepared for and solely for the Unitholders in the Trust, in accordance with our role as Depositary to the Trust, and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

#### Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended (the "Regulations").

Our report shall state whether, in our opinion, the Trust has been managed in that period in accordance with the provisions of the Trust's Trust Deed and the Regulations. It is the overall responsibility of the Manager to comply with these provisions. If the Manager has not so complied, we as Depositary must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

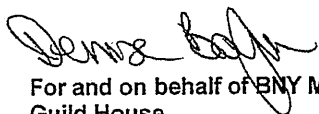
#### Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties and to ensure that, in all material respects, the Trust has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Trust's constitutional documentation and the appropriate regulations.

#### Opinion

In our opinion, the Trust has been managed during the period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Manager and the Depositary by the Trust Deed and by the Regulations.
- (ii) otherwise in accordance with the provisions of the Trust Deed and the Regulations.



For and on behalf of BNY Mellon Trust Company (Ireland) Limited,  
Guild House  
Guild Street  
International Financial Services Centre  
Dublin 1

Date: 24 January 2017

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MANAGER'S & DEPOSITARY'S RESPONSIBILITIES**

**1. Manager**

The Manager of the Trust is required by the UCITS Regulations to prepare Financial Statements for each accounting period which gives a true and fair view of the financial position of the Trust at the end of that period, the results of its operations and the movement in net assets for the period then ended. In preparing these Financial Statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are prudent and reasonable; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Manager is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Trust and for ensuring that the Financial Statements are prepared in accordance with accounting standards generally accepted in Ireland and for ensuring that they comply with the provisions of the Trust Deed, the UCITS Regulations and the Hong Kong Securities and Futures Commission's Code on Unit Trusts and Mutual Funds. The Manager is also responsible with respect to its duties under the UCITS Regulations to take reasonable steps for the prevention and detection of fraud and other irregularities.

**Principal Global Investors (Ireland) Limited**

**2. Depositary**

The Depositary is required by the UCITS Regulations, to:

- maintain the assets of a Unit Trust in safekeeping;
- report to the Unitholders for each accounting period on the conduct of the Manager in the management of a Unit Trust.

**BNY Mellon Trust Company (Ireland) Limited**

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016

GLOBAL EQUITY FUND				GLOBAL EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>TRANSFERABLE SECURITIES 97.11% (30 September 2015: 95.11%)</b>				<b>INDONESIA 0.79% (30 September 2015: 0.00%)</b>			
<b>AUSTRALIA 0.00% (30 September 2015: 0.45%)</b>				<b>Telecom Services</b>			
				1,135,600	Telekomunikasi Indonesia Persero Tbk PT	380,245	0.79
<b>BELGIUM 0.00% (30 September 2015: 0.83%)</b>				<b>IRELAND 1.36% (30 September 2015: 2.72%)</b>			
<b>BRAZIL 1.25% (30 September 2015: 0.00%)</b>				<b>Computer Services</b>			
48,700	Qualicorp SA	278,584	0.58	5,385	Accenture Plc	655,031	1.36
<b>Water</b>				<b>ISRAEL 0.00% (30 September 2015: 1.67%)</b>			
34,700	Cia de Saneamento Basico do Estado de Sao Paulo	324,903	0.67	<b>JAPAN 6.65% (30 September 2015: 7.76%)</b>			
<b>CANADA 5.88% (30 September 2015: 2.94%)</b>				<b>Auto/Truck Parts &amp; Equipment-Original</b>			
<b>Commercial Banks Non-US</b>				8,300	Toyota Industries Corp	381,959	0.79
8,400	Bank of Nova Scotia/The	450,766	0.93	<b>Building &amp; Construction Production-Miscellaneous</b>			
<b>Gold Mining</b>				46,900	Obayashi Corp	462,757	0.96
27,049	Barrick Gold Corp	485,259	1.01	<b>Cellular Telecom</b>			
67,400	Kinross Gold Corp	286,768	0.59	17,300	NTT DoCoMo Inc	438,642	0.91
<b>Oil Company-Exploration &amp; Production</b>				<b>Commercial Banks Non-US</b>			
14,600	Seven Generations Energy Ltd	349,196	0.72		Sumitomo Mitsui Trust Holdings Inc	281,548	0.58
<b>Pipelines</b>				<b>Electric Products-Miscellaneous</b>			
9,600	TransCanada Corp	456,592	0.95	71,000	Hitachi Ltd	329,265	0.68
<b>Real Estate Operation/Development</b>				<b>Finance-Leasing Companies</b>			
15,456	Brookfield Asset Management Inc	545,228	1.13	17,700	ORIX Corp	258,813	0.54
<b>Retail-Convenience Store</b>				<b>Import/Export</b>			
5,538	Alimentation Couche-Tard Inc	266,846	0.55	14,900	Mitsubishi Corp	336,944	0.70
<b>CHINA 2.48% (30 September 2015: 0.56%)</b>				<b>Machinery-General Industry</b>			
<b>Auto-Cars/Light Trucks</b>				98,000	Mitsubishi Heavy Industries Ltd	406,470	0.84
186,000	Guangzhou Automobile Group Co Ltd	239,188	0.50	<b>Semiconductor Equipment</b>			
<b>Entertainment Software</b>				3,600	Tokyo Electron Ltd	316,267	0.65
1,331	NetEase Inc	322,182	0.67	<b>MALAYSIA 0.50% (30 September 2015: 0.00%)</b>			
<b>Internet Application Software</b>				<b>Electric-Integrated</b>			
11,800	Tencent Holdings Ltd	324,184	0.67	70,300	Tenaga Nasional Bhd	243,088	0.50
<b>Telecom Services</b>				<b>MEXICO 0.47% (30 September 2015: 0.51%)</b>			
616,000	China Telecom Corp Ltd	310,662	0.64	<b>Building-Heavy Construction</b>			
<b>DENMARK 0.47% (30 September 2015: 1.55%)</b>				20,705	Promotora y Operadora de Infraestructura SAB de CV	224,099	0.47
<b>Medical-Biomedical/Genetics</b>				<b>NETHERLANDS 1.90% (30 September 2015: 0.44%)</b>			
1,339	Genmab A/S	224,463	0.47	<b>Food-Retail</b>			
<b>FRANCE 6.96% (30 September 2015: 2.13%)</b>				15,494	Koninklijke Ahold Delhaize NV	346,215	0.72
<b>Building &amp; Construction Production-Miscellaneous</b>				<b>Life/Health Insurance</b>			
3,714	Eiffage SA	285,189	0.59	19,118	NN Group NV	572,586	1.18
<b>Building-Heavy Construction</b>				<b>RUSSIA 0.66% (30 September 2015: 0.00%)</b>			
9,611	Vinci SA	720,916	1.50	<b>Oil Company-Integrated</b>			
<b>Computer Services</b>				6,572	Lukoil PJSC	318,775	0.66
3,489	Capgemini SA	336,548	0.70	<b>SOUTH KOREA 2.86% (30 September 2015: 0.72%)</b>			
<b>Diversified Banking Institutions</b>				<b>Electric-Integrated</b>			
12,966	BNP Paribas SA	638,763	1.32	8,256	Korea Electric Power Corp	404,798	0.84
<b>Reinsurance</b>				<b>Electronic Component-Semiconductor</b>			
16,007	SCOR SE	484,334	1.00	280	Samsung Electronics Co Ltd	406,265	0.84
<b>Telephone-Integrated</b>				<b>Tobacco</b>			
24,758	Orange SA	382,381	0.79	5,008	KT&G Corp	568,393	1.18
<b>Water</b>				<b>SPAIN 1.77% (30 September 2015: 0.73%)</b>			
22,610	Veolia Environnement SA	512,810	1.06	<b>Airport Development/Maintenance</b>			
<b>GERMANY 2.70% (30 September 2015: 3.35%)</b>				2,639	Aena SA	385,747	0.80
<b>Athletic Footwear</b>				<b>Electric-Integrated</b>			
1,683	adidas AG	286,946	0.59	69,932	Iberdrola SA	469,887	0.97
<b>Diversified Manufacturing Operations</b>				<b>SWEDEN 0.00% (30 September 2015: 0.87%)</b>			
6,708	Siemens AG	765,585	1.59	<b>SWITZERLAND 2.23% (30 September 2015: 4.68%)</b>			
<b>Lighting Products &amp; Systems</b>				<b>Chemicals-Specialty</b>			
4,313	OSRAM Licht AG	249,281	0.52	1,896	Lonza Group AG	358,421	0.74
<b>HONG KONG 0.66% (30 September 2015: 0.00%)</b>				<b>Engineering/Research &amp; Development Services</b>			
<b>Diversified Operations</b>				15,567	ABB Ltd	346,835	0.72
44,000	Wharf Holdings Ltd/The	320,367	0.66				

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

GLOBAL EQUITY FUND (continued)				GLOBAL EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>SWITZERLAND 2.23% (30 September 2015: 4.68%) (continued)</b>				<b>UNITED STATES 48.55% (30 September 2015: 55.35%) (continued)</b>			
<b>Reinsurance</b>				<b>Medical-Health Maintenance Organization</b>			
4,201	Swiss Re AG	372,141	0.77	3,722	Anthem Inc	464,989	0.96
<b>TAIWAN 0.58% (30 September 2015: 0.61%)</b>				11,344	Centene Corp	767,422	1.59
<b>Semicon Component-Integrated Circuits</b>				<b>Networking Products</b>			
	Taiwan Semiconductor			37,961	Cisco Systems Inc	1,191,596	2.47
48,000	Manufacturing Co Ltd	279,466	0.58	<b>Non-Hazardous Waste Disposal</b>			
<b>UNITED KINGDOM 8.39% (30 September 2015: 7.24%)</b>				5,873	Waste Management Inc	371,585	0.77
<b>Beverages-Wine/Spirits</b>				<b>Oil Company-Integrated</b>			
12,906	Diageo Plc	369,430	0.76	3,169	Exxon Mobil Corp	273,992	0.57
<b>Food-Catering</b>				<b>Property/Casualty Insurance</b>			
28,808	Compass Group Plc	552,364	1.14	4,488	Travelers Cos Inc/The	511,049	1.06
<b>Food-Miscellaneous/Diversified</b>				<b>Reinsurance</b>			
11,847	Unilever NV	539,979	1.12	1,814	Everest Re Group Ltd	345,386	0.72
<b>Gas-Distribution</b>				<b>Reits-Apartments</b>			
41,277	National Grid Plc	587,692	1.22		Mid-America Apartment		
<b>Private Equity</b>				2,833	Communities Inc	272,393	0.56
47,567	3i Group Plc	395,370	0.82	<b>Reits-Diversified</b>			
<b>Tobacco</b>				2,888	Digital Realty Trust Inc	283,024	0.59
17,104	British American Tobacco Plc	1,091,971	2.26	<b>Reits-Storage</b>			
10,056	Imperial Brands Plc	515,326	1.07	3,500	Extra Space Storage Inc	283,220	0.59
<b>UNITED STATES 48.55% (30 September 2015: 55.35%)</b>				<b>Retail-Drug Store</b>			
<b>Advertising Agencies</b>				4,716	CVS Health Corp	422,318	0.87
18,010	Interpublic Group of Cos Inc/The	397,841	0.82	<b>Ship Building</b>			
<b>Applications Software</b>				2,544	Huntington Ingalls Industries Inc	388,036	0.80
16,495	Microsoft Corp	946,813	1.96	<b>Super-Regional Banks-US</b>			
<b>Commercial Service-Finance</b>				9,963	SunTrust Banks Inc	429,903	0.89
9,981	Total System Services Inc	466,312	0.97	<b>Telephone-Integrated</b>			
<b>Commercial Services</b>				6,114	AT&T Inc	249,023	0.52
12,435	Aramark	471,286	0.98	<b>Television</b>			
<b>Containers-Paper/Plastic</b>				8,416	CBS Corp	459,261	0.95
4,342	Packaging Corp of America	346,144	0.72	<b>Tobacco</b>			
<b>Distribution/Wholesale</b>				7,986	Philip Morris International Inc	780,871	1.62
7,983	HD Supply Holdings Inc	250,906	0.52	<b>Veterinary Diagnostics</b>			
<b>Diversified Banking Institutions</b>				7,401	VCA Inc	509,411	1.05
18,571	JPMorgan Chase & Co	1,219,186	2.52	<b>Web Portals/ISP</b>			
<b>Diversified Manufacturing Operations</b>				1,383	Alphabet Inc 'A'	1,110,051	2.30
3,401	Honeywell International Inc	395,162	0.82	<b>Total Value of Transferable Securities at</b>			
<b>Electric-Integrated</b>				<b>Mid Market Prices (Cost: USD44,678,619)</b>			
12,557	Exelon Corp	418,023	0.87			46,883,996	97.11
<b>Electronic Design Automation</b>				<b>Open Spot Currency Contracts (0.00%) (30 September 2015: 0.00%)</b>			
10,297	Synopsys Inc	608,347	1.26	<b>Settlement Buy</b>			
<b>Electronic Security Devices</b>				<b>Date</b>	<b>Amount Bought</b>	<b>Amount Sold</b>	<b>Unrealised Gain/Loss</b>
7,167	Johnson Controls International plc	329,037	0.68	03/10/2016	USD 1,512	CAD (1,991)	(1)
<b>Engineering/Research &amp; Development Services</b>				04/10/2016	USD 3,063	GBP (2,363)	(2)
3,975	EMCOR Group Inc	235,757	0.49	04/10/2016	USD 552	GBP (426)	(0)
<b>Food-Retail</b>				<b>Unrealised Loss on Open Spot</b>			
14,719	Kroger Co/The	434,211	0.90	<b>Currency Contracts</b>			
<b>Human Resources</b>							(3)
9,192	AMN Healthcare Services Inc	289,824	0.60	<b>Net Unrealised Loss on Open Spot</b>			
<b>Internet Content-Entertainment</b>				<b>Currency Contracts</b>			
3,933	Facebook Inc	503,778	1.04				(3)
<b>Internet Security</b>				<b>Cash at Bank</b>			
14,634	Symantec Corp	365,996	0.76			1,588,637	3.29
<b>Life/Health Insurance</b>				<b>Net Current Liabilities</b>			
4,672	Prudential Financial Inc	373,620	0.77			(190,978)	(0.40)
10,592	Unum Group	367,436	0.76	<b>Net Assets Attributable to Holders</b>			
<b>Medical-Biomedical/Genetics</b>				<b>of Redeemable Participating Units</b>			
8,548	Amgen Inc	1,414,266	2.93	<b>at Mid Market Prices</b>			
	Charles River Laboratories					48,281,652	100.00
5,144	International Inc	424,586	0.88				
21,616	Gilead Sciences Inc	1,683,022	3.48				
<b>Medical-Drugs</b>							
12,384	AbbVie Inc	777,963	1.61				
28,380	Pfizer Inc	945,621	1.96				
10,193	Shire Plc	660,599	1.37				

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

GLOBAL EQUITY FUND (continued)		ASIAN EQUITY FUND			
	% Total Assets	Nominal	Security	Value USD	% Net Assets
<b>Analysis of Total Assets</b>		<b>TRANSFERABLE SECURITIES 99.84% (30 September 2015: 98.25%)</b>			
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	96.60	<b>CHINA 29.37% (30 September 2015: 24.90%)</b>			
Financial Derivative instruments dealt in or on a regulated market	0.00	<b>Auto-Cars/Light Trucks</b>			
Other Assets	3.40	5,000	BYD Co Ltd	32,826	0.41
<b>Total Assets</b>	<b>100.00</b>	42,000	Guangzhou Automobile Group Co Ltd	54,010	0.68
All securities are transferable securities admitted to an official stock exchange listing.		<b>Building-Heavy Construction</b>			
The counterparty for the open spot currency contracts is the Bank of New York Mellon.		80,000	China Communications Services Corp Ltd	50,045	0.63
		<b>Cellular Telecom</b>			
		19,024	China Mobile Ltd	230,286	2.90
		<b>Commercial Banks Non-US</b>			
		268,000	Bank of China Ltd	122,368	1.54
		217,137	China Construction Bank Corp	161,040	2.03
			Industrial & Commercial Bank of China Ltd	40,036	0.51
		<b>Diversified Financial Services</b>			
		20,000	China Everbright Ltd	40,913	0.52
		<b>E-Commerce/Products</b>			
		2,789	Alibaba Group Holding Ltd	294,379	3.71
		<b>Electric-Generation</b>			
		190,000	Huadian Fuxin Energy Corp Ltd	45,092	0.57
		124,000	Huaneng Renewables Corp Ltd	43,184	0.54
		<b>Electronic Component-Miscellaneous</b>			
		6,000	AAC Technologies Holdings Inc	60,325	0.76
		<b>Internet Application Software</b>			
		17,800	Tencent Holdings Ltd	489,024	6.16
		<b>Internet Content-Entertainment</b>			
		706	Weibo Corp	36,281	0.46
		<b>Investment Management/Advisory Service</b>			
			China Cinda Asset Management Co Ltd	63,261	0.80
		<b>Medical-Biomedical/Genetics</b>			
		401	China Biologic Products Inc	49,616	0.63
		<b>Multi-Line Insurance</b>			
			Ping An Insurance Group Co of China Ltd	101,110	1.27
		<b>Oil Company-Exploration &amp; Production</b>			
		36,000	CNOOC Ltd	44,669	0.56
		<b>Oil Company-Integrated</b>			
		132,000	China Petroleum & Chemical Corp	96,195	1.21
		<b>Petrochemicals</b>			
		46,000	Sinopec Shanghai Petrochemical Co Ltd	23,199	0.29
		<b>Photo Equipment &amp; Supplies</b>			
		10,000	Sunny Optical Technology Group Co Ltd	49,400	0.62
		<b>Real Estate Operation/Development</b>			
		35,500	Longfor Properties Co Ltd	54,489	0.69
		<b>Schools</b>			
		1,719	New Oriental Education & Technology Group Inc	80,621	1.02
		<b>Telecom Services</b>			
		136,000	China Telecom Corp Ltd	68,588	0.86
		<b>HONG KONG 16.97% (30 September 2015: 12.64%)</b>			
		<b>Athletic Footwear</b>			
		13,500	Yue Yuen Industrial Holdings Ltd	55,720	0.70
		<b>Auto/Truck Parts &amp; Equipment-Replica</b>			
		104,000	Xinyi Glass Holdings Ltd	94,033	1.19
		<b>Casino Hotels</b>			
		5,600	Sands China Ltd	24,306	0.31
		<b>Cellular Telecom</b>			
		16,000	SmarTone Telecommunications Holdings Ltd	26,457	0.33
		<b>Commercial Banks Non-US</b>			
		21,500	BOC Hong Kong Holdings Ltd	72,656	0.92



PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

ASIAN EQUITY FUND (continued)				ASIAN EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>HONG KONG 16.97% (30 September 2015: 12.64%) (continued)</b>				<b>INDONESIA 2.99% (30 September 2015: 1.37%) (continued)</b>			
<b>Containers-Paper/Plastic</b>				<b>Telecom Services</b>			
29,000	Lee & Man Paper Manufacturing Ltd	26,333	0.33	203,800	Telekomunikasi Indonesia Persero Tbk PT	68,241	0.86
<b>Electric-Integrated</b>				<b>Tobacco</b>			
8,500	CLP Holdings Ltd	87,872	1.11	5,520	Gudang Garam Tbk PT	26,223	0.33
1,500	Power Assets Holdings Ltd	14,627	0.18	<b>MALAYSIA 0.00% (30 September 2015: 0.37%)</b>			
<b>Finance-Other Services</b>				<b>SINGAPORE 1.84% (30 September 2015: 2.78%)</b>			
3,700	Hong Kong Exchanges & Clearing Ltd	97,261	1.23	<b>Commercial Banks Non-US</b>			
<b>Food-Meat Products</b>				8,700	DBS Group Holdings Ltd	97,832	1.23
53,500	WH Group Ltd	43,060	0.54	<b>Real Estate Operation/Development</b>			
<b>Investment Companies</b>				11,700	UOL Group Ltd	48,084	0.61
7,604	CK Hutchison Holdings Ltd	96,705	1.22	<b>SOUTH KOREA 17.53% (30 September 2015: 19.03%)</b>			
<b>Life/Health Insurance</b>				<b>Building-Residential/Commercial</b>			
40,400	AIA Group Ltd	268,622	3.38	1,162	Hyundai Development Co-Engineering & Construction	54,125	0.68
<b>Paper &amp; Related Products</b>				<b>Building-Heavy Construction</b>			
51,830	Nine Dragons Paper Holdings Ltd	48,467	0.61	536	Daelim Industrial Co Ltd	40,345	0.51
<b>Real Estate Operation/Development</b>				<b>Cellular Telecom</b>			
10,500	Cheung Kong Property Holdings Ltd	76,654	0.97	6,961	LG Uplus Corp	74,265	0.94
11,804	Hongkong Land Holdings Ltd	83,336	1.05	<b>Chemicals-Diversified</b>			
38,000	New World Development Co Ltd	49,406	0.62	1,436	Hanwha Chemical Corp	31,553	0.40
6,000	Sun Hung Kai Properties Ltd	90,623	1.14	<b>Commercial Banks Non-US</b>			
9,000	Wheelock & Co Ltd	53,109	0.67	8,308	Woori Bank	85,996	1.08
<b>Telecom Services</b>				<b>Diversified Financial Services</b>			
61,000	PCCW Ltd	37,451	0.47	2,405	Shinhan Financial Group Co Ltd	87,675	1.11
<b>INDIA 11.60% (30 September 2015: 15.12%)</b>				<b>Electric Products-Miscellaneous</b>			
<b>Agricultural Chemicals</b>				1,114	LG Electronics Inc	48,450	0.61
7,479	UPL Ltd	75,806	0.95	<b>Electric-Integrated</b>			
<b>Auto-Cars/Light Trucks</b>				1,691	Korea Electric Power Corp	82,911	1.04
686	Maruti Suzuki India Ltd	55,858	0.70	<b>Electronic Component-Semiconductor</b>			
12,251	Tata Motors Ltd	98,436	1.24	329	Samsung Electronics Co Ltd	477,361	6.02
<b>Building-Heavy Construction</b>				<b>Metal Products-Distribution</b>			
4,421	Larsen & Toubro Ltd	94,892	1.20	604	Hyosung Corp	71,294	0.90
<b>Commercial Banks Non-US</b>				<b>Oil Refining &amp; Marketing</b>			
2,775	HDFC Bank Ltd	53,025	0.67	412	SK Innovation Co Ltd	60,415	0.76
15,540	State Bank of India	58,520	0.74	<b>Rubber-Tires</b>			
3,671	Yes Bank Ltd	69,076	0.87	1,134	Hankook Tire Co Ltd	61,161	0.77
<b>Diversified Minerals</b>				<b>Tobacco</b>			
12,932	Vedanta Ltd	33,417	0.42	1,026	KT&G Corp	116,448	1.47
<b>Engineering/Research &amp; Development Services</b>				<b>Web Portals/Internet Service Provider</b>			
6,521	Voltas Ltd	36,499	0.46	123	NAVER Corp	98,615	1.24
<b>Finance-Management Loan/Banker</b>				<b>TAIWAN 15.15% (30 September 2015: 20.44%)</b>			
6,206	Indiabulls Housing Finance Ltd	77,021	0.97	<b>Auto/Truck Parts &amp; Equipment-Original</b>			
<b>Metal-Aluminum</b>				26,000	Tong Yang Industry Co Ltd	61,712	0.78
12,502	Hindalco Industries Ltd	28,600	0.36	<b>Circuit Boards</b>			
<b>Motorcycle/Motor Scooter</b>				8,000	Chin-Poon Industrial Co Ltd	17,814	0.22
1,352	Hero MotoCorp Ltd	69,471	0.88	<b>Diversified Financial Services</b>			
<b>Oil Refining &amp; Marketing</b>				61,000	Fubon Financial Holding Co Ltd	90,102	1.14
4,877	Bharat Petroleum Corp Ltd	45,199	0.57	79,211	Mega Financial Holding Co Ltd	55,721	0.70
5,116	Indian Oil Corp Ltd	44,761	0.56	<b>Electronic Component-Miscellaneous</b>			
<b>Pipelines</b>				24,000	Elite Material Co Ltd	65,464	0.82
11,244	Petronet LNG Ltd	58,489	0.74	<b>Electronic Component-Semiconductor</b>			
<b>Steel-Producers</b>				35,000	Visual Photonics Epitaxy Co Ltd	49,297	0.62
837	JSW Steel Ltd	21,710	0.27	19,228	Win Semiconductors Corp	56,435	0.71
<b>INDONESIA 2.99% (30 September 2015: 1.37%)</b>				<b>Optical Supplies</b>			
<b>Coal</b>				2,000	St Shine Optical Co Ltd	46,514	0.59
337,900	Adaro Energy Tbk PT	31,716	0.40	<b>Photo Equipment &amp; Supplies</b>			
<b>Commercial Banks Non-US</b>				1,000	Largan Precision Co Ltd	120,592	1.52
47,200	Bank Mandiri Persero Tbk PT	40,868	0.51	<b>Semicon Component-Integrated Circuits</b>			
115,800	Bank Negara Indonesia Persero Tbk PT	49,688	0.63	32,000	King Yuan Electronics Co Ltd	28,431	0.36
22,100	Bank Rakyat Indonesia Persero Tbk PT	20,701	0.26	28,000	Powertech Technology Inc	72,623	0.92
				76,670	Taiwan Semiconductor Manufacturing Co Ltd	446,389	5.62
				<b>Telecom Services</b>			
				16,000	Chunghwa Telecom Co Ltd	56,404	0.71

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

ASIAN EQUITY FUND (continued)				Value USD			% Net Assets
Nominal	Security						
<b>TAIWAN 15.15% (30 September 2015: 20.44%) (continued)</b>							
<b>Tools-Hand Held</b>							
11,000	Basso Industry Corp			34,917			0.44
<b>THAILAND 4.39% (30 September 2015: 1.60%)</b>							
<b>Commercial Banks Non-US</b>							
18,800	Siam Commercial Bank PCL/The			80,548			1.01
<b>Diversified Operations</b>							
5,700	Siam Cement PCL/The			85,517			1.08
<b>Food-Miscellaneous/Diversified</b>							
49,400	Charoen Pokphand Foods PCL			44,896			0.57
<b>Medical-Hospitals</b>							
79,600	Bangkok Chain Hospital PCL			28,018			0.35
<b>Oil Company-Integrated</b>							
11,100	PTT PCL			109,207			1.38
<b>Total Value of Transferable Securities at Mid Market Prices</b>				<b>7,923,003</b>			<b>99.84</b>
<b>UNLISTED 0.00% (30 September 2015: 0.24%)</b>							
<b>BELGIUM 0.00% (30 September 2015: 0.00%)</b>							
<b>Miscellaneous Manufacturing</b>							
266,000	Peace Mark Holdings Ltd			–			0.00
<b>CHINA 0.00% (30 September 2015: 0.24%)</b>							
<b>Total Value of Unlisted at Mid Market Prices</b>				<b>–</b>			<b>0.00</b>
<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD7,014,997)</b>				<b>7,923,003</b>			<b>99.84</b>
<b>Open Spot Currency Contracts 0.00% (30 September 2015: (0.00%))</b>							
Settlement Buy Date	Amount Bought	Sell Amount Sold	Unrealised Gain/Loss			% Net Assets	
03/10/2016	HKD 153,795	USD (19,828)	9				0.00
03/10/2016	USD 3,287	HKD (25,494)	(1)				(0.00)
03/10/2016	USD 2,070	SGD (2,820)	4				0.00
04/10/2016	USD 1,417	HKD (10,989)	(0)				(0.00)
Unrealised Gains on Open Spot Currency Contracts				13			0.00
Unrealised Loss on Open Spot Currency Contracts				(1)			(0.00)
<b>Net Unrealised Gain on Open Spot Currency Contracts</b>				<b>12</b>			<b>0.00</b>
Cash at Bank				162,816			2.05
Net Current Liabilities				(149,893)			(1.89)
<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>				<b>7,935,938</b>			<b>100.00</b>
<b>Analysis of Total Assets</b>							<b>% Total Assets</b>
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market							97.02
Transferable Securities other than those admitted to an official stock exchange listing or traded on a regulated market							0.00
Financial Derivative instruments dealt in or on a regulated market							0.00
Other Assets							2.98
<b>Total Assets</b>							<b>100.00</b>

Except where stated above all securities are transferable securities admitted to an official stock exchange listing.

The counterparty for the open spot currency contracts is the Bank of New York Mellon.

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

EUROPEAN EQUITY FUND				EUROPEAN EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>TRANSFERABLE SECURITIES 99.33% (30 September 2015: 96.00%)</b>				<b>FRANCE 13.13% (30 September 2015: 8.30%) (continued)</b>			
<b>AUSTRALIA 0.42% (30 September 2015: 0.56%)</b>				<b>Entertainment Software</b>			
<b>Diversified Minerals</b>				22,698	Ubisoft Entertainment SA	853,567	0.85
28,280	BHP Billiton Plc	424,463	0.42	<b>Oil Company-Integrated</b>			
<b>AUSTRIA 2.05% (30 September 2015: 0.49%)</b>				39,328	TOTAL SA	1,851,484	1.84
<b>Chemicals-Fibers</b>				<b>Oil-Field Services</b>			
3,437	Lenzing AG	402,067	0.40	8,613	Technip SA	524,011	0.52
<b>Commercial Banks Non-US</b>				<b>Reinsurance</b>			
28,650	Erste Group Bank AG	828,752	0.83	14,086	SCOR SE	426,209	0.42
<b>Oil Company-Integrated</b>				<b>Reits-Diversified</b>			
16,473	OMV AG	472,089	0.47	3,395	Fonciere Des Regions	312,521	0.31
<b>Real Estate Operation/Development</b>				<b>Telephone-Integrated</b>			
13,329	BUWOG AG	355,752	0.35	66,950	Orange SA	1,034,027	1.03
<b>BELGIUM 0.54% (30 September 2015: 3.82%)</b>				<b>Water</b>			
<b>Brewery</b>				17,355	Veolia Environnement SA	393,623	0.39
4,189	Anheuser-Busch InBev SA/NV	545,553	0.54	<b>GERMANY 14.82% (30 September 2015: 10.87%)</b>			
<b>DENMARK 7.84% (30 September 2015: 8.70%)</b>				<b>Athletic Footwear</b>			
<b>Brewery</b>				5,377	adidas AG	916,758	0.91
5,207	Carlsberg A/S	492,310	0.49	<b>Chemicals-Diversified</b>			
21,279	Royal Unibrew A/S	1,041,388	1.04	7,415	Covestro AG	421,272	0.42
<b>Commercial Banks Non-US</b>				14,766	Evonik Industries AG	492,280	0.49
31,348	Danske Bank A/S	893,399	0.89	<b>Diversified Manufacturing Operations</b>			
<b>Diversified Operations</b>				11,538	Siemens AG	1,316,834	1.31
8,616	Schouw & Co AB	559,892	0.56	<b>Electronic Component-Semiconductor</b>			
<b>Medical Products</b>				53,735	Infineon Technologies AG	932,688	0.93
16,530	William Demant Holding A/S	337,382	0.33	<b>Enterprise Software/Services</b>			
<b>Medical-Biomedical/Genetics</b>				16,959	SAP SE	1,515,425	1.51
3,573	Genmab A/S	598,959	0.60	12,374	Software AG	514,664	0.51
<b>Medical-Drugs</b>				<b>Food-Retail</b>			
36,816	Novo Nordisk A/S	1,526,058	1.52	18,273	METRO AG	538,184	0.54
<b>Power Conversion/Supply Equipment</b>				<b>Machinery-General Industry</b>			
17,134	Vestas Wind Systems A/S	1,400,127	1.39	2,891	Duerr AG	236,704	0.24
<b>Retail-Jewelry</b>				<b>Machinery-Material Handling</b>			
8,565	Pandora A/S	1,025,749	1.02	5,880	KION Group AG	374,308	0.37
<b>FINLAND 2.21% (30 September 2015: 2.80%)</b>				<b>Medical Products</b>			
<b>Oil Refining &amp; Marketing</b>				17,780	Fresenius SE & Co KGaA	1,381,192	1.37
9,988	Neste Oyj	425,031	0.42	<b>Real Estate Management/Services</b>			
<b>Paper &amp; Related Products</b>				8,281	Deutsche Wohnen AG	299,417	0.30
42,821	Stora Enso OYJ	374,739	0.38	19,464	Vonovia SE	730,536	0.73
48,751	UPM-Kymmene OYJ	1,006,474	1.00	<b>Reinsurance</b>			
<b>Telephone-Integrated</b>				8,106	Hannover Rueck SE	843,912	0.84
11,323	Elisa OYJ	411,813	0.41	<b>Retail-Apparel/Shoe</b>			
<b>FRANCE 13.13% (30 September 2015: 8.30%)</b>				10,922	Zalando SE	446,393	0.44
<b>Advertising Sales</b>				<b>Retail-Mail Order</b>			
6,588	Teleperformance	691,031	0.69	13,093	Takkt AG	292,272	0.29
<b>Aerospace/Defense</b>				<b>Rubber-Tires</b>			
8,600	Thales SA	785,697	0.78	3,954	Continental AG	808,352	0.80
<b>Appliances</b>				<b>Soap &amp; Cleaning Prepar</b>			
2,349	SEB SA	326,150	0.32	4,452	Henkel AG & Co KGaA	596,734	0.59
<b>Auto/Truck Parts &amp; Equipment-Original</b>				<b>Sugar</b>			
13,592	Valeo SA	768,256	0.76	21,283	Suedzucker AG	576,018	0.57
<b>Building &amp; Construction Production-Miscellaneous</b>				<b>Telephone-Integrated</b>			
6,082	Eiffage SA	467,022	0.47	100,789	Deutsche Telekom AG	1,664,197	1.66
<b>Building-Heavy Construction</b>				<b>GREECE 0.25% (30 September 2015: 0.25%)</b>			
17,604	Vinci SA	1,320,466	1.31	<b>Telephone-Integrated</b>			
<b>Computer Services</b>					Hellenic Telecommunications		
7,697	Atos SE	817,859	0.82	28,916	Organization SA	253,861	0.25
8,685	Capgemini SA	837,754	0.83	<b>IRELAND 3.46% (30 September 2015: 4.64%)</b>			
<b>Consulting Services</b>				<b>Airlines</b>			
23,728	Altran Technologies SA	346,305	0.35	28,189	Ryanair Holdings Plc	382,409	0.38
<b>Diversified Banking Institutions</b>				<b>Building Production-Cement/Aggregate</b>			
22,353	BNP Paribas SA	1,101,207	1.10	43,427	CRH Plc	1,435,418	1.43
76,688	Natixis SA	341,949	0.34	<b>Building &amp; Construction Production-Miscellaneous</b>			
				16,824	Kingspan Group Plc	450,820	0.45
				<b>Commercial Banks Non-US</b>			
				1,368,116	Bank of Ireland	263,171	0.26

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

EUROPEAN EQUITY FUND (continued)				EUROPEAN EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>IRELAND 3.46% (30 September 2015: 4.64%) (continued)</b>				<b>SWEDEN 4.55% (30 September 2015: 6.70%) (continued)</b>			
<b>Food-Miscellaneous/Diversified</b>				<b>Building-Heavy Construction</b>			
89,442	Greencore Group Plc	387,719	0.39	31,929	Skanska AB	738,192	0.73
<b>Gambling (Non-Hotel)</b>				<b>Commercial Banks Non-US</b>			
4,962	Paddy Power Betfair Plc	554,309	0.55		Skandinaviska Enskilda Banken		
<b>ITALY 1.89% (30 September 2015: 1.81%)</b>				44,843	AB	440,076	0.44
<b>Electric-Integrated</b>				21,450	Swedbank AB	492,923	0.49
222,108	Enel SpA	977,703	0.97	<b>Investment Companies</b>			
<b>Medical-Drugs</b>				13,094	Investor AB	471,474	0.47
13,988	Recordati SpA	442,877	0.44	<b>Machinery-General Industry</b>			
<b>Wire &amp; Cable Products</b>				11,357	Hexagon AB	490,504	0.49
18,663	Prysmian SpA	481,522	0.48	<b>Metal-Diversified</b>			
<b>JERSEY 1.11% (30 September 2015: 0.00%)</b>				28,807	Boliden AB	674,061	0.67
<b>Gold Mining</b>				<b>Paper &amp; Related Products</b>			
350,057	Centamin Plc	688,141	0.69	20,658	Svenska Cellulosa AB SCA	608,675	0.61
4,082	Randgold Resources Ltd	424,244	0.42	<b>Real Estate Management/Services</b>			
<b>MEXICO 0.24% (30 September 2015: 0.00%)</b>				10,404	Castellum AB	155,151	0.15
<b>Silver Mining</b>				<b>SWITZERLAND 12.86% (30 September 2015: 11.89%)</b>			
10,184	Fresnillo Plc	242,323	0.24	<b>Chemicals-Specialty</b>			
<b>NETHERLANDS 8.03% (30 September 2015: 4.08%)</b>				242	Givaudan SA	488,710	0.49
<b>Brewery</b>				3,464	Lonza Group AG	654,837	0.65
10,328	Heineken NV	895,170	0.89	<b>Electronic Security Devices</b>			
<b>Commercial Banks Non-US</b>				630	dorma+kaba Holding AG	461,488	0.46
52,173	ING Groep NV	614,123	0.61	<b>Engineering/Research &amp; Development Services</b>			
<b>Finance-Other Services</b>				49,383	ABB Ltd	1,100,262	1.09
10,429	Euronext NV	446,538	0.44	<b>Food-Miscellaneous/Diversified</b>			
<b>Food-Miscellaneous/Diversified</b>				45,284	Nestle SA	3,581,300	3.56
18,394	Corbion NV	487,233	0.48	<b>Life/Health Insurance</b>			
<b>Food-Retail</b>				1,629	Swiss Life Holding AG	413,063	0.41
59,774	Koninklijke Ahold Delhaize NV	1,335,658	1.33	<b>Medical-Drugs</b>			
<b>Life/Health Insurance</b>				5,712	Actelion Ltd	985,444	0.98
26,133	NN Group NV	782,686	0.78	12,326	Novartis AG	963,989	0.96
<b>Oil Company-Integrated</b>				11,918	Roche Holding AG	2,926,054	2.91
70,400	Royal Dutch Shell Plc 'A'	1,743,138	1.74	<b>Metal-Diversified</b>			
53,107	Royal Dutch Shell Plc 'B'	1,378,999	1.37	232,361	Glencore Plc	634,543	0.63
<b>Semiconductor Equipment</b>				<b>Reinsurance</b>			
11,703	BE Semiconductor Industries NV	391,341	0.39	8,144	Swiss Re AG	721,427	0.72
<b>NORWAY 1.40% (30 September 2015: 1.30%)</b>				<b>UNITED KINGDOM 19.73% (30 September 2015: 27.20%)</b>			
<b>Fisheries</b>				<b>Advertising Agencies</b>			
24,242	Marine Harvest ASA	428,240	0.43	34,515	WPP Plc	807,391	0.80
<b>Food-Miscellaneous/Diversified</b>				<b>Beverages-Wine/Spirits</b>			
43,158	Orkla ASA	444,014	0.44	49,883	Diageo Plc	1,427,883	1.42
<b>Oil Company-Integrated</b>				<b>Building-Residential/Commercial</b>			
32,309	Statoil ASA	533,767	0.53	112,652	Barratt Developments Plc	687,783	0.68
<b>PORTUGAL 1.15% (30 September 2015: 0.46%)</b>				19,013	Bellway Plc	557,618	0.56
<b>Food-Retail</b>				28,890	Persimmon Plc	650,861	0.65
35,939	Jeronimo Martins SGPS SA	616,565	0.61	269,263	Taylor Wimpey Plc	515,510	0.51
<b>Oil Company-Integrated</b>				<b>Commercial Banks Non-US</b>			
39,863	Galp Energia SGPS SA	539,885	0.54	460,954	Lloyds Banking Group Plc	324,143	0.32
<b>SOUTH AFRICA 0.38% (30 September 2015: 0.46%)</b>				86,147	OneSavings Bank Plc	281,742	0.28
<b>Paper &amp; Related Products</b>				<b>Commercial Services</b>			
18,308	Mondi Plc	379,840	0.38	6,850	Intertek Group Plc	307,953	0.31
<b>SPAIN 1.68% (30 September 2015: 1.67%)</b>				<b>Consulting Services</b>			
<b>Airport Development/Maintenance</b>				16,881	WS Atkins Plc	341,478	0.34
2,971	Aena SA	434,276	0.43	<b>Containers-Paper/Plastic</b>			
<b>Electric-Integrated</b>				29,503	RPC Group Plc	367,071	0.37
156,877	Iberdrola SA	1,054,087	1.05	<b>Diversified Operations/Commercial Services</b>			
<b>Oil Company-Integrated</b>				11,142	Bunzl Plc	327,821	0.33
14,593	Repsol SA	195,111	0.20	<b>Diversified Banking Institutions</b>			
<b>SWEDEN 4.55% (30 September 2015: 6.70%)</b>				92,106	HSBC Holdings Plc	680,415	0.68
<b>Auto-Medium &amp; Heavy Duty Trucks</b>				<b>Diversified Minerals</b>			
44,861	Volvo AB	501,877	0.50	35,212	Anglo American Plc	439,517	0.44
				<b>E-Commerce/Services</b>			
				72,001	Auto Trader Group Plc	377,563	0.38
				<b>Electronic Measuring Instruments</b>			
				41,266	Halma Plc	554,360	0.55

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

EUROPEAN EQUITY FUND (continued)					EUROPEAN EQUITY FUND (continued)		
Nominal	Security	Value USD	% Net Assets		% Total Assets		
UNITED KINGDOM 19.73% (30 September 2015: 27.20%) (continued)					Analysis of Total Assets		
Finance-Consumer Loans					Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market		
7,695	Provident Financial Plc	295,551	0.29		99.10		
Finance-Management Loan/Banker					Financial Derivative instruments dealt in or on a regulated market		
80,784	Paragon Group of Cos Plc/The	324,105	0.32		0.00		
Food-Catering					Other Assets		
43,585	Compass Group Plc	835,698	0.83		0.90		
Food-Miscellaneous/Diversified					Total Assets 100.00		
10,969	Unilever Plc	514,911	0.51		All securities are transferable securities admitted to an official stock exchange listing.		
Gas-Distribution					The counterparty for the open spot currency contracts is the Bank of New York Mellon.		
74,930	National Grid Plc	1,066,836	1.06				
Home Furnishings							
62,563	Howden Joinery Group Plc	342,268	0.34				
Medical-Drugs							
8,763	AstraZeneca Plc	564,513	0.56				
43,977	BTG Plc	360,113	0.36				
109,974	Indivior Plc	435,082	0.43				
Multi-Line Insurance							
77,798	Direct Line Insurance Group Plc	367,004	0.36				
Private Equity							
145,268	3i Group Plc	1,207,446	1.20				
62,564	Intermediate Capital Group Plc	472,563	0.47				
Property/Casualty Insurance							
60,274	Beazley Plc	300,437	0.30				
Rental Auto/Equipment							
45,522	Ashtead Group Plc	731,952	0.73				
Sugar							
45,462	Tate & Lyle Plc	434,171	0.43				
Telephone-Integrated							
196,422	BT Group Plc	976,649	0.97				
Tobacco							
30,674	British American Tobacco Plc	1,958,321	1.95				
UNITED STATES 1.59% (30 September 2015: 0.00%)							
Medical-Drugs							
24,723	Shire Plc	1,602,274	1.59				
Total Value of Transferable Securities at Mid Market Prices (Cost: USD92,821,408)					99,847,516	99.33	
Open Spot Currency Contracts 0.00% (30 September 2015: 0.00%)							
Settlement Date	Buy	Amount Bought	Sell	Amount Sold	Unrealised Gain/Loss	% Net Assets	
03/10/2016	USD	162,774	GBP	(125,665)	(175)	(0.00)	
03/10/2016	USD	177,154	CHF	(171,230)	368	0.00	
03/10/2016	USD	474,031	EUR	(422,917)	1,051	0.00	
04/10/2016	USD	5,306	GBP	(4,093)	(2)	(0.00)	
04/10/2016	USD	2,058	GBP	(1,588)	(1)	(0.00)	
04/10/2016	USD	933	GBP	(720)	(0)	(0.00)	
Unrealised Gains on Open Spot Currency Contracts					1,419	0.00	
Unrealised Loss on Open Spot Currency Contracts					(178)	(0.00)	
Net Unrealised Gain on Open Spot Currency Contracts					1,241	0.00	
Cash at Bank					21,765	0.02	
Net Current Assets					653,507	0.65	
Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices					100,524,029	100.00	

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

EMERGING MARKETS EQUITY FUND				EMERGING MARKETS EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>TRANSFERABLE SECURITIES 97.32% (30 September 2015: 99.09%)</b>				<b>CHINA 25.12% (30 September 2015: 23.57%) (continued)</b>			
<b>BRAZIL 7.28% (30 September 2015: 4.48%)</b>				<b>Real Estate Operation/Development</b>			
<b>Commercial Banks Non-US</b>				8,000	China Overseas Land & Investment Ltd	27,138	0.37
9,300	Itau Unibanco Holding SA	101,577	1.38	<b>Schools</b>			
<b>Consulting Services</b>				1,354	New Oriental Education & Technology Group Inc	63,503	0.87
7,400	Qualicorp SA	42,331	0.58	<b>Telecom Services</b>			
<b>Diversified Minerals</b>				130,000	China Telecom Corp Ltd	65,562	0.89
9,885	Vale SA	47,173	0.64	<b>HONG KONG 2.31% (30 September 2015: 1.02%)</b>			
<b>Diversified Operations</b>				<b>Auto/Truck Parts &amp; Equipment-Replica</b>			
41,460	Itausa - Investimentos Itau SA	106,497	1.45	40,000	Xinyi Glass Holdings Ltd	36,167	0.50
<b>Food-Meat Products</b>				<b>Life/Health Insurance</b>			
11,500	JBS SA	41,574	0.57	20,000	AIA Group Ltd	132,981	1.81
<b>Forestry</b>				<b>HUNGARY 1.04% (30 September 2015: 0.54%)</b>			
4,900	Fibria Celulose SA	34,331	0.47	<b>Commercial Banks Non-US</b>			
<b>Retail-Apparel/Shoe</b>				2,936	OTP Bank Plc	76,422	1.04
3,400	Lojas Renner SA	25,762	0.35	<b>INDIA 9.30% (30 September 2015: 12.91%)</b>			
<b>Retail-Drug Store</b>				<b>Agricultural Chemicals</b>			
1,300	Raia Drogasil SA	26,435	0.36	2,988	UPL Ltd	30,286	0.41
<b>Schools</b>				<b>Auto-Cars/Light Trucks</b>			
14,400	Kroton Educacional SA	66,553	0.91	535	Maruti Suzuki India Ltd	43,562	0.59
<b>Water</b>				11,727	Tata Motors Ltd	94,226	1.29
4,500	Cia de Saneamento Basico do Estado de Sao Paulo	42,134	0.57	<b>Building-Heavy Construction</b>			
<b>CHILE 1.15% (30 September 2015: 0.00%)</b>				1,985	Larsen & Toubro Ltd	42,606	0.58
<b>Commercial Banks Non-US</b>				<b>Commercial Banks Non-US</b>			
438,069	Banco Santander Chile	22,597	0.31	2,641	IndusInd Bank Ltd	47,115	0.64
<b>Electric-Integrated</b>				4,273	Yes Bank Ltd	80,404	1.10
153,279	Enersis Americas SA	25,526	0.35	<b>Diversified Minerals</b>			
<b>Food-Retail</b>				11,135	Vedanta Ltd	28,773	0.39
11,993	Cencosud SA	36,344	0.49	<b>Engineering/Research &amp; Development Services</b>			
<b>CHINA 25.12% (30 September 2015: 23.57%)</b>				5,265	Voltas Ltd	29,470	0.40
<b>Auto-Cars/Light Trucks</b>				<b>Finance-Management Loan/Banker</b>			
44,000	Guangzhou Automobile Group Co Ltd	56,582	0.77	3,253	Indiabulls Housing Finance Ltd	40,372	0.55
<b>Cellular Telecom</b>				<b>Metal-Aluminum</b>			
15,489	China Mobile Ltd	187,495	2.55	18,135	Hindalco Industries Ltd	41,487	0.57
<b>Commercial Banks Non-US</b>				<b>Motorcycle/Motor Scooter</b>			
155,000	Bank of China Ltd	70,773	0.96	1,170	Hero MotoCorp Ltd	60,120	0.82
259,000	China Construction Bank Corp	192,087	2.62	<b>Oil Refining &amp; Marketing</b>			
<b>E-Commerce/Products</b>				5,668	Bharat Petroleum Corp Ltd	52,529	0.71
2,393	Alibaba Group Holding Ltd	252,581	3.44	2,919	Indian Oil Corp Ltd	25,539	0.35
<b>Electric-Generation</b>				<b>Pipelines</b>			
108,000	Huaneng Renewables Corp Ltd	37,611	0.51	8,038	Petronet LNG Ltd	41,812	0.57
<b>Electronic Component-Miscellaneous</b>				<b>Steel-Producers</b>			
6,000	AAC Technologies Holdings Inc	60,325	0.82	937	JSW Steel Ltd	24,304	0.33
<b>Entertainment Software</b>				<b>INDONESIA 2.58% (30 September 2015: 1.19%)</b>			
469	NetEase Inc	113,526	1.55	<b>Coal</b>			
<b>Internet Application Software</b>				305,000	Adaro Energy Tbk PT	28,628	0.39
14,000	Tencent Holdings Ltd	384,626	5.24	<b>Commercial Banks Non-US</b>			
<b>Internet Content-Entertainment</b>				25,900	Bank Mandiri Persero Tbk PT	22,425	0.31
898	Weibo Corp	46,148	0.63	<b>Bank Negara Indonesia Persero Tbk PT</b>			
<b>Multi-Line Insurance</b>				74,000	Tbk PT	31,752	0.43
<b>Ping An Insurance Group Co of China Ltd</b>				<b>Telecom Services</b>			
13,000	China Ltd	67,406	0.92	<b>Telekomunikasi Indonesia Persero Tbk PT</b>			
<b>Oil Company-Exploration &amp; Production</b>				262,300	Tbk PT	87,829	1.19
30,000	CNOOC Ltd	37,224	0.51	<b>Tobacco</b>			
<b>Oil Company-Integrated</b>				4,000	Gudang Garam Tbk PT	19,002	0.26
134,000	China Petroleum & Chemical Corp	97,653	1.33	<b>LUXEMBOURG 0.42% (30 September 2015: 0.00%)</b>			
<b>Petrochemicals</b>				<b>Steel-Producers</b>			
48,000	Sinopec Shanghai Petrochemical Co Ltd	24,208	0.33	1,544	Ternium SA	30,401	0.42
<b>Photo Equipment &amp; Supplies</b>				<b>MALAYSIA 1.51% (30 September 2015: 0.00%)</b>			
12,000	Sunny Optical Technology Group Co Ltd	59,280	0.81	<b>Airlines</b>			
				71,600	AirAsia Bhd	48,305	0.66

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

EMERGING MARKETS EQUITY FUND (continued)				EMERGING MARKETS EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>MALAYSIA 1.51% (30 September 2015: 0.00%) (continued)</b>				<b>SOUTH KOREA 14.16% (30 September 2015: 16.04%) (continued)</b>			
<b>Electric-Integrated</b>				<b>Electronic Component-Semiconductor</b>			
18,100	Tenaga Nasional Bhd	62,587	0.85	272	Samsung Electronics Co Ltd	394,658	5.38
<b>MEXICO 3.28% (30 September 2015: 7.29%)</b>				<b>Metal Products-Distribution</b>			
<b>Airport Development/Maintenance</b>				460	Hyosung Corp	54,297	0.74
3,170	Grupo Aeroportuario del Centro Norte SAB de CV	18,092	0.24	<b>Oil Refining &amp; Marketing</b>			
	Grupo Aeroportuario del Pacifico SAB de CV			372	SK Innovation Co Ltd	54,549	0.74
4,100	SAB de CV	37,951	0.52	<b>Rubber-Tires</b>			
<b>Building-Heavy Construction</b>				1,148	Hankook Tire Co Ltd	61,916	0.84
	Promotora y Operadora de Infraestructura SAB de CV			<b>Tobacco</b>			
3,825		41,399	0.56	990	KT&G Corp	112,362	1.53
<b>Petrochemicals</b>				<b>Web Portals/Internet Service Provider</b>			
11,100	Alpek SAB de CV	18,849	0.26	142	NAVER Corp	113,848	1.55
<b>Reits-Diversified</b>				<b>TAIWAN 14.00% (30 September 2015: 16.36%)</b>			
	Fibra Uno Administracion SA de CV			<b>Auto/Truck Parts &amp; Equipment-Original</b>			
14,700	CV	26,685	0.36	8,000	Hiroca Holdings Ltd	30,881	0.42
<b>Reits-Warehouse/Industrial</b>				27,000	Tong Yang Industry Co Ltd	64,086	0.87
	Macquarie Mexico Real Estate Management SA de CV			<b>Circuit Boards</b>			
21,600		26,408	0.36	15,000	Chin-Poon Industrial Co Ltd	33,402	0.46
<b>Retail-Hypermarkets</b>				<b>Diversified Financial Services</b>			
32,159	Wal-Mart de Mexico SAB de CV	71,571	0.98	50,000	Fubon Financial Holding Co Ltd	73,854	1.01
<b>PERU 0.80% (30 September 2015: 0.00%)</b>				81,550	Mega Financial Holding Co Ltd	57,367	0.78
<b>Commercial Banks Non-US</b>				<b>Electronic Component-Semiconductor</b>			
390	Credicorp Ltd	58,867	0.80	694	Silicon Motion Technology Corp	35,887	0.49
<b>POLAND 0.00% (30 September 2015: 1.68%)</b>				<b>Food-Miscellaneous/Diversified</b>			
<b>RUSSIA 5.29% (30 September 2015: 2.74%)</b>				23,440	Uni-President Enterprises Corp	43,970	0.60
<b>Commercial Banks Non-US</b>				<b>Optical Supplies</b>			
13,739	Sberbank of Russia PJSC	128,776	1.75	1,000	St Shine Optical Co Ltd	23,257	0.32
<b>Food-Retail</b>				<b>Photo Equipment &amp; Supplies</b>			
1,595	X5 Retail Group NV	46,095	0.63	1,000	Largan Precision Co Ltd	120,591	1.64
<b>Oil Company-Integrated</b>				<b>Semicon Component-Integrated Circuits</b>			
3,430	Lukoil PJSC	166,372	2.27	28,000	Powertech Technology Inc	72,623	0.99
1,539	Tatneft PJSC	47,232	0.64		Taiwan Semiconductor Manufacturing Co Ltd		
<b>SOUTH AFRICA 6.39% (30 September 2015: 8.38%)</b>				65,244		379,864	5.17
<b>Cellular Telecom</b>				<b>Telecom Services</b>			
2,477	Vodacom Group Ltd	27,616	0.38	26,000	Chunghwa Telecom Co Ltd	91,656	1.25
<b>Commercial Banks Non-US</b>				<b>THAILAND 2.69% (30 September 2015: 0.82%)</b>			
8,551	Barclays Africa Group Ltd	92,132	1.26	<b>Commercial Banks Non-US</b>			
3,847	Nedbank Group Ltd	60,934	0.83	11,700	Siam Commercial Bank PCL/The	50,128	0.68
<b>Gold Mining</b>				<b>Diversified Operations</b>			
1,320	AngloGold Ashanti Ltd	21,665	0.29	2,850	Siam Cement PCL/The	42,758	0.58
<b>Home Furnishings</b>				<b>Food-Miscellaneous/Diversified</b>			
10,380	Steinhoff International Holdings Ltd	58,811	0.80	56,200	Charoen Pokphand Foods PCL	51,076	0.70
<b>Metal-Iron</b>				<b>Oil Company-Integrated</b>			
123	Kumba Iron Ore Ltd	1,049	0.01	5,400	PTT PCL	53,128	0.73
<b>Multimedia</b>				<b>TURKEY 0.00% (30 September 2015: 1.50%)</b>			
846	Naspers Ltd	144,504	1.97	<b>UNITED ARAB EMIRATES 0.00% (30 September 2015: 0.57%)</b>			
<b>Paper &amp; Related Products</b>				<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD6,179,064)</b>			
8,160	Sappi Ltd	41,034	0.56	<b>7,143,329</b>	<b>97.32</b>		
<b>Retail-Miscellaneous/Diversified</b>				<b>Open Forward Foreign Currency Exchange Contracts 0.00% (30 September 2015: 0.00%)</b>			
1,960	Mr Price Group Ltd	21,498	0.29	<b>Open Spot Currency Contracts 0.00% (30 September 2015: (0.00%))</b>			
<b>SOUTH KOREA 14.16% (30 September 2015: 16.04%)</b>				<b>Settlement Buy</b>	<b>Amount Sell</b>	<b>Amount Sold</b>	<b>Unrealised Gain/Loss</b>
<b>Building-Heavy Construction</b>				<b>Date</b>	<b>Bought</b>		<b>% Net Assets</b>
405	Daelim Industrial Co Ltd	30,485	0.41	03/10/2016	USD 2,630	HKD (20,399)	(1)
<b>Chemicals-Diversified</b>				03/10/2016	USD 2,677	HKD (20,757)	(1)
2,107	Hanwha Chemical Corp	46,297	0.63	03/10/2016	USD 10,156	ZAR (139,377)	211
<b>Commercial Banks Non-US</b>				04/10/2016	USD 1,438	HKD (11,155)	(0)
3,821	Woori Bank	39,551	0.54	04/10/2016	ZAR 77,821	USD (5,570)	(17)
<b>Diversified Financial Services</b>				<b>Unrealised Gains on Open Spot Currency Contracts</b>			
2,247	Shinhan Financial Group Co Ltd	81,915	1.12				
<b>Electric-Integrated</b>							
1,014	Korea Electric Power Corp	49,717	0.68				

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

EMERGING MARKETS EQUITY FUND (continued)						JAPANESE EQUITY FUND			
Open Spot Currency Contracts 0.00% (30 September 2015: (0.00%)) (continued)						Nominal	Security	Value USD	% Net Assets
Settlement Date	Buy	Amount Sold	Amount Bought	Unrealised Gain/Loss	% Net Assets				
Unrealised Loss on Open Spot Currency Contracts					(19)	(0.00)			
Net Unrealised Gain on Open Spot Currency Contracts					192	0.00			
Cash at Bank					216,523	2.95			
Net Current Liabilities					(19,649)	(0.27)			
Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices					7,340,395	100.00			
Analysis of Total Assets					% Total Assets				
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market					95.24				
Financial Derivative instruments dealt in or on a regulated market					0.00				
Other Assets					4.76				
Total Assets					100.00				
All securities are transferable securities admitted to an official stock exchange listing.									
The counterparty for the spot currency contracts is the Bank of New York Mellon.									
TRANSFERABLE SECURITIES 101.50% (30 September 2015: 89.87%)									
JAPAN 99.40% (30 September 2015: 89.87%)									
Advertising Services									
31,200	Hakuhodo DY Holdings Inc				363,735	1.20			
Airlines									
113,000	ANA Holdings Inc				306,083	1.01			
13,400	Japan Airlines Co Ltd				392,405	1.29			
Audio/Video Products									
53,900	Panasonic Corp				534,493	1.76			
Auto/Truck Parts & Equipment-Original									
8,700	Koito Manufacturing Co Ltd				420,169	1.38			
19,500	NHK Spring Co Ltd				187,773	0.62			
9,500	Toyoda Gosei Co Ltd				219,343	0.72			
6,600	TS Tech Co Ltd				165,841	0.55			
Auto-Cars/Light Trucks									
16,100	Fuji Heavy Industries Ltd				598,303	1.97			
13,100	Mazda Motor Corp				198,552	0.66			
61,300	Nissan Motor Co Ltd				596,165	1.96			
8,600	Suzuki Motor Corp				285,971	0.94			
29,390	Toyota Motor Corp				1,680,883	5.53			
Building-Residential/Commercial									
40,100	Haseko Corp				382,963	1.26			
9,500	Iida Group Holdings Co Ltd				190,292	0.63			
15,100	Sekisui Chemical Co Ltd				215,938	0.71			
11,100	Sekisui House Ltd				187,957	0.62			
Building & Construction Production-Miscellaneous									
32,000	Kajima Corp				222,950	0.73			
17,100	Obayashi Corp				168,724	0.56			
Cellular Telecom									
4,300	Hikari Tsushin Inc				398,317	1.31			
28,700	NTT DoCoMo Inc				727,690	2.39			
Chemicals-Diversified									
34,600	Toagosei Co Ltd				373,925	1.23			
87,000	Ube Industries Ltd				165,312	0.54			
Commercial Banks Non-US									
27,000	Chiba Bank Ltd/The				152,308	0.50			
51,000	Fukuoka Financial Group Inc				210,471	0.69			
38,000	Gunma Bank Ltd/The				171,488	0.57			
331,900	Mizuho Financial Group Inc				553,796	1.82			
92,200	Resona Holdings Inc				385,334	1.27			
18,800	Sumitomo Mitsui Financial Group Inc				628,868	2.07			
6,400	Sumitomo Mitsui Trust Holdings Inc				207,116	0.68			
Computers-Integrated Systems									
40,000	Fujitsu Ltd				213,766	0.70			
8,000	NTT Data Corp				398,239	1.31			
Computers-Memory Devices									
4,300	TDK Corp				285,120	0.94			
Cosmetics & Toiletries									
23,000	Lion Corp				371,478	1.22			
3,100	Pola Orbis Holdings Inc				276,421	0.91			
Diversified Banking Institutions									
141,800	Mitsubishi UFJ Financial Group Inc				708,825	2.33			
Electric Products-Miscellaneous									
11,000	Brother Industries Ltd				191,707	0.63			
50,000	Mitsubishi Electric Corp				634,618	2.09			
Electric-Integrated									
10,300	Chubu Electric Power Co Inc				149,437	0.49			
11,400	Hokuriku Electric Power Co				138,431	0.46			
18,300	Tohoku Electric Power Co Inc				238,156	0.78			
36,700	Tokyo Electric Power Co Holdings Inc				157,994	0.52			
Electronic Component-Miscellaneous									
13,100	Hoya Corp				523,507	1.72			
Enterprise Software/Services									
6,600	Oracle Corp Japan				371,656	1.22			



# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

JAPANESE EQUITY FUND (continued)				JAPANESE EQUITY FUND (continued)					
Nominal	Security	Value USD	% Net Assets	Open Spot Currency Contracts (0.00%) (30 September 2015: 0.00%)					
				Settlement Date	Buy Amount Bought	Sell Amount Sold	Unrealised Gain/Loss	% Net Assets	
<b>JAPAN 99.40% (30 September 2015: 89.87%) (continued)</b>				04/10/2016 USD 3,235 JPY (329,120) (22) (0.00)					
<b>Finance-Leasing Companies</b>				Unrealised Loss on Open Spot Currency Contracts (22) (0.00)					
40,500	ORIX Corp	592,199	1.95						
<b>Food-Baking</b>									
11,800	Yamazaki Baking Co Ltd	289,030	0.95						
<b>Forestry</b>									
27,700	Sumitomo Forestry Co Ltd	368,712	1.21						
<b>Gas-Distribution</b>									
90,000	Osaka Gas Co Ltd	375,961	1.24						
46,000	Toho Gas Co Ltd	429,294	1.41						
50,000	Tokyo Gas Co Ltd	221,486	0.73						
<b>Import/Export</b>									
44,900	ITOCHU Corp	560,778	1.85						
56,200	Marubeni Corp	286,715	0.94						
47,900	Mitsui & Co Ltd	659,161	2.17						
<b>Internet Content-Information/News</b>									
4,300	Mixi Inc	154,688	0.51						
<b>Investment Management/Advisory Service</b>									
46,100	Ichigo Inc	203,023	0.67						
<b>Machinery-General Industry</b>									
54,000	Mitsubishi Heavy Industries Ltd	223,973	0.74						
47,000	Sumitomo Heavy Industries Ltd	229,779	0.75						
<b>Medical-Drugs</b>									
20,000	Daiichi Sankyo Co Ltd	478,005	1.57						
6,400	Otsuka Holdings Co Ltd	290,659	0.96						
9,100	Shionogi & Co Ltd	463,983	1.53						
<b>Non-Ferrous Metals</b>									
5,300	Mitsubishi Materials Corp	143,718	0.47						
<b>Property/Casualty Insurance</b>									
	MS&AD Insurance Group Holdings Inc								
11,300		311,954	1.03						
<b>Recreational Vehicles</b>									
10,800	Yamaha Motor Co Ltd	215,904	0.71						
<b>Rental Auto/Equipment</b>									
14,800	Kanamoto Co Ltd	378,184	1.24						
<b>Retail-Home Furnishings</b>									
3,000	Nitori Holdings Co Ltd	357,761	1.18						
<b>Rubber-Tires</b>									
16,100	Bridgestone Corp	590,495	1.94						
24,300	Sumitomo Rubber Industries Ltd	365,059	1.20						
<b>Semiconductor Equipment</b>									
5,700	Tokyo Electron Ltd	500,756	1.65						
5,800	Ulvac Inc	171,914	0.56						
<b>Steel-Producers</b>									
11,100	JFE Holdings Inc	160,494	0.53						
	Nippon Steel & Sumitomo Metal Corp								
23,900		486,420	1.60						
<b>Telephone-Integrated</b>									
31,100	KDDI Corp	958,746	3.15						
	Nippon Telegraph & Telephone Corp								
15,294		698,367	2.30						
10,100	SoftBank Group Corp	651,910	2.15						
<b>Toys</b>									
5,500	Bandai Namco Holdings Inc	167,376	0.55						
<b>Transport-Rail</b>									
3,600	Central Japan Railway Co	613,153	2.02						
6,400	East Japan Railway Co	575,110	1.89						
12,300	Hankyu Hanshin Holdings Inc	422,396	1.39						
6,800	West Japan Railway Co	419,797	1.38						
<b>Transport-Truck</b>									
34,600	Senko Co Ltd	240,380	0.79						
<b>Open Ended Funds 2.10% (30 September 2015: 0.00%)</b>									
50,758	iShares MSCI Japan ETF	637,520	2.10						
<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD29,228,077)</b>				<b>30,847,380 101.50</b>					

<b>Net Unrealised Loss on Open Spot Currency Contracts</b>						<b>(22)</b>	<b>(0.00)</b>
Cash at Bank						256,631	0.84
Net Current Liabilities						(712,150)	(2.34)
<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>						<b>30,391,839</b>	<b>100.00</b>
							<b>% Total Assets</b>
<b>Analysis of Total Assets</b>							
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market							95.92
Financial Derivative instruments dealt in or on a regulated market							0.00
Other Assets							4.08
<b>Total Assets</b>							<b>100.00</b>
All securities are transferable securities admitted to an official stock exchange listing.							
The counterparty for the open spot currency contracts is the Bank of New York Mellon.							

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

PREFERRED SECURITIES FUND					
Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets
<b>TRANSFERABLE SECURITIES 95.12% (30 September 2015: 95.19%)</b>					
<b>AUSTRALIA 2.84% (30 September 2015: 3.05%)</b>					
<b>Corporate Bond</b>					
13,000,000	Australia & New Zealand Banking Group Ltd	4.400%	19/05/2026	13,836,251	0.57
5,000,000	Australia & New Zealand Banking Group Ltd/United Kingdom	6.750%	Perpetual	5,541,410	0.23
9,200,000	Macquarie Bank Ltd	4.875%	10/06/2025	9,751,591	0.41
11,500,000	Macquarie Bank Ltd/London	10.250%	20/06/2057	12,133,305	0.50
13,500,000	QBE Insurance Group Ltd	5.875%	17/06/2046	14,311,174	0.60
11,550,000	QBE Insurance Group Ltd	6.750%	02/12/2044	12,770,258	0.53
<b>BELGIUM 0.68% (30 September 2015: 0.48%)</b>					
<b>Corporate Bond</b>					
15,400,000	AG Insurance SA/NV	6.750%	Perpetual	16,406,790	0.68
<b>BERMUDA 1.13% (30 September 2015: 1.73%)</b>					
<b>Corporate Bond</b>					
18,975,000	Catlin Insurance Co Ltd	7.249%	Perpetual	14,939,018	0.62
5,000,000	Oil Insurance Ltd	3.820%	Perpetual	4,050,000	0.17
<b>Preferred Security</b>					
60,000	Arch Capital Group Ltd	5.250%	Perpetual	1,495,200	0.06
107,149	RenaissanceRe Holdings Ltd	5.375%	Perpetual	2,820,162	0.12
151,140	RenaissanceRe Holdings Ltd	6.080%	Perpetual	3,823,842	0.16
<b>CANADA 2.05% (30 September 2015: 0.38%)</b>					
<b>Corporate Bond</b>					
18,000,000	Emera Inc	6.750%	15/06/2076	19,362,888	0.80
6,000,000	Great-West Life & Annuity Insurance Capital LP	6.625%	15/11/2034	6,900,402	0.29
22,000,000	Transcanada Trust	5.875%	15/08/2076	23,237,500	0.96
<b>CAYMAN ISLANDS 2.24% (30 September 2015: 3.16%)</b>					
<b>Preferred Security</b>					
45,857	Centaur Funding Corp	9.080%	21/04/2020	53,996,618	2.24
<b>CHINA 0.00% (30 September 2015: 0.66%)</b>					
<b>FRANCE 9.09% (30 September 2015: 8.43%)</b>					
<b>Corporate Bond</b>					
10,000,000	AXA SA	1.433%	Perpetual	7,135,000	0.30
4,000,000	AXA SA	6.379%	Perpetual	4,383,280	0.18
7,800,000	AXA SA	8.600%	15/12/2030	10,950,810	0.45
17,000,000	BNP Paribas SA	4.375%	12/05/2026	17,686,460	0.74
8,200,000	BNP Paribas SA	7.195%	Perpetual	9,245,500	0.38
6,200,000	BNP Paribas SA	7.375%	Perpetual	6,231,000	0.26
32,700,000	BNP Paribas SA	7.625%	Perpetual	33,599,250	1.39
7,950,000	BPCE SA	1.870%	Perpetual	5,147,625	0.21
2,000,000	BPCE SA	5.150%	21/07/2024	2,123,890	0.09
4,000,000	BPCE SA	5.700%	22/10/2023	4,369,890	0.18
1,564,000	BPCE SA	6.750%	Perpetual	1,596,562	0.07
3,947,000	BPCE SA	12.500%	Perpetual	5,008,190	0.21
1,500,000	Credit Agricole SA	0.681%	Perpetual	1,056,864	0.04
2,000,000	Credit Agricole SA	7.875%	Perpetual	2,027,500	0.08
25,000,000	Credit Agricole SA	8.125%	Perpetual	26,715,625	1.11
20,888,000	Credit Agricole SA	8.375%	Perpetual	23,707,880	0.98
800,000	Societe Generale SA	1.604%	Perpetual	752,000	0.03
15,000,000	Societe Generale SA	4.250%	14/04/2025	15,123,968	0.63
9,705,000	Societe Generale SA	5.625%	24/11/2045	10,884,216	0.45
2,200,000	Societe Generale SA	5.922%	Perpetual	2,233,440	0.09
9,000,000	Societe Generale SA	7.375%	Perpetual	8,865,000	0.37
9,500,000	Societe Generale SA	7.875%	Perpetual	9,286,250	0.39
7,000,000	Societe Generale SA	8.000%	Perpetual	7,052,500	0.29
4,000,000	Societe Generale SA	8.250%	Perpetual	4,105,000	0.17
<b>GERMANY 1.20% (30 September 2015: 2.74%)</b>					
<b>Corporate Bond</b>					
1,500,000	Commerzbank AG	8.125%	19/09/2023	1,740,000	0.07
16,260,000	Dresdner Funding Trust I	8.151%	30/06/2031	19,515,471	0.81
<b>Preferred Security</b>					
346,494	Deutsche Bank Contingent Capital Trust II	6.550%	Perpetual	7,702,562	0.32
<b>GUERNSEY 0.00% (30 September 2015: 0.35%)</b>					
<b>HONG KONG 0.13% (30 September 2015: 0.18%)</b>					
<b>Corporate Bond</b>					
3,000,000	Hutchison Whampoa International 12 Ltd	6.000%	Perpetual	3,067,500	0.13

PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

PREFERRED SECURITIES FUND (continued)					
Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets
<b>IRELAND 1.12% (30 September 2015: 1.48%)</b>					
<b>Corporate Bond</b>					
7,000,000	XLIT Ltd	4.450%	31/03/2025	7,143,101	0.30
20,000,000	XLIT Ltd	5.500%	31/03/2045	19,810,220	0.82
<b>ITALY 0.35% (30 September 2015: 0.47%)</b>					
<b>Corporate Bond</b>					
7,250,000	Enel SpA	8.750%	24/09/2073	8,509,687	0.35
<b>JAPAN 3.22% (30 September 2015: 3.27%)</b>					
<b>Corporate Bond</b>					
6,000,000	Dai-ichi Life Holdings Inc	5.100%	Perpetual	6,600,600	0.27
715,000	Dai-ichi Life Holdings Inc	7.250%	Perpetual	845,041	0.04
5,000,000	Fukoku Mutual Life Insurance Co	6.500%	Perpetual	5,900,000	0.24
10,000,000	Meiji Yasuda Life Insurance Co	5.200%	20/10/2045	11,293,150	0.47
9,500,000	Mitsui Sumitomo Insurance Co Ltd	7.000%	15/03/2072	11,435,625	0.48
5,000,000	Nippon Life Insurance Co	4.700%	20/01/2046	5,424,917	0.22
10,000,000	Nippon Life Insurance Co	5.100%	16/10/2044	10,962,500	0.45
19,400,000	Sompo Japan Nipponkoa Insurance Inc	5.325%	28/03/2073	21,776,500	0.90
3,000,000	Sumitomo Life Insurance Co	6.500%	20/09/2073	3,588,750	0.15
<b>NETHERLANDS 5.27% (30 September 2015: 6.98%)</b>					
<b>Corporate Bond</b>					
5,000,000	ABN AMRO Bank NV	4.750%	28/07/2025	5,283,060	0.22
11,000,000	ABN AMRO Bank NV	6.250%	13/09/2022	11,450,494	0.47
4,977,200	Aegon NV	1.428%	Perpetual	3,310,853	0.14
6,000,000	Cooperatieve Rabobank UA	4.375%	04/08/2025	6,357,534	0.27
3,320,000	Cooperatieve Rabobank UA	8.400%	Perpetual	3,464,586	0.14
62,205,000	Cooperatieve Rabobank UA	11.000%	Perpetual	75,563,524	3.14
5,000,000	ING Bank NV	4.125%	21/11/2023	5,135,185	0.21
4,600,000	ING Groep NV	6.500%	Perpetual	4,502,250	0.19
3,200,000	Koninklijke KPN NV	7.000%	28/03/2073	3,520,000	0.15
<b>Preferred Security</b>					
165,369	Aegon NV	6.375%	Perpetual	4,208,641	0.17
14,076	Aegon NV	6.500%	Perpetual	362,457	0.01
7,531	Aegon NV	8.000%	15/02/2042	201,755	0.01
82,994	ING Groep NV	6.125%	Perpetual	2,121,327	0.09
600	ING Groep NV	6.200%	Perpetual	15,342	0.00
51,961	ING Groep NV	7.200%	Perpetual	1,344,751	0.06
<b>NEW ZEALAND 0.00% (30 September 2015: 0.24%)</b>					
<b>NORWAY 0.05% (30 September 2015: 0.07%)</b>					
<b>Corporate Bond</b>					
2,000,000	DNB Bank ASA	1.125%	Perpetual	1,165,000	0.05
<b>SPAIN 1.13% (30 September 2015: 0.00%)</b>					
<b>Corporate Bond</b>					
12,200,000	Banco Bilbao Vizcaya Argentaria SA	8.875%	Perpetual	14,531,048	0.60
10,400,000	Banco Bilbao Vizcaya Argentaria SA	9.000%	Perpetual	10,770,500	0.45
2,000,000	Banco Santander SA	6.375%	Perpetual	1,829,964	0.08
<b>SWEDEN 3.76% (30 September 2015: 0.79%)</b>					
<b>Corporate Bond</b>					
200,000	Nordea Bank AB	5.250%	Perpetual	193,125	0.01
16,545,000	Nordea Bank AB	5.500%	Perpetual	16,358,869	0.68
36,655,000	Nordea Bank AB	6.125%	Perpetual	35,921,900	1.49
5,570,000	Skandinaviska Enskilda Banken AB	5.750%	Perpetual	5,554,315	0.23
28,121,000	Svenska Handelsbanken AB	5.250%	Perpetual	27,857,365	1.15
4,800,000	Swedbank AB	5.500%	Perpetual	4,833,000	0.20
<b>SWITZERLAND 5.86% (30 September 2015: 6.56%)</b>					
<b>Corporate Bond</b>					
3,000,000	Cloerie Plc for Zurich Insurance Co Ltd	5.625%	24/06/2046	3,250,242	0.13
17,400,000	Credit Suisse AG	6.500%	08/08/2023	18,976,875	0.79
21,800,000	Credit Suisse Group AG	6.250%	Perpetual	20,887,191	0.86
13,000,000	Credit Suisse Group AG	7.500%	Perpetual	13,379,470	0.56
11,500,000	Demeter Investments BV for Swiss Re Ltd	5.625%	15/08/2052	11,992,499	0.50
8,000,000	Demeter Investments BV for Swiss Re Ltd	5.750%	15/08/2050	8,438,080	0.35
5,000,000	UBS AG	4.750%	22/05/2023	5,112,940	0.21
20,600,000	UBS Group AG	6.875%	Perpetual	20,525,349	0.86
3,000,000	UBS Group AG	7.000%	Perpetual	3,193,077	0.13
36,200,000	Willow No 2 Ireland Plc for Zurich Insurance Co Ltd	4.250%	01/10/2045	35,457,429	1.47

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

### PREFERRED SECURITIES FUND (continued)

Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets
<b>UNITED KINGDOM 15.49% (30 September 2015: 10.33%)</b>					
<b>Corporate Bond</b>					
8,000,000	Aon Corp	8.205%	01/01/2027	10,580,000	0.44
7,700,000	Aviva Plc	8.250%	Perpetual	8,209,047	0.34
2,300,000	Barclays Bank Plc	7.750%	10/04/2023	2,417,875	0.10
14,986,000	Barclays Bank Plc	10.179%	12/06/2021	19,201,607	0.80
17,095,000	Barclays Bank Plc	14.000%	Perpetual	27,809,275	1.15
16,507,000	Barclays Plc	6.625%	Perpetual	15,299,926	0.64
9,500,000	Barclays Plc	7.875%	Perpetual	9,451,645	0.39
13,600,000	Barclays Plc	8.250%	Perpetual	13,761,500	0.57
20,000,000	Friends Life Holdings Plc	7.875%	Perpetual	21,798,760	0.90
2,000,000	HSBC Bank Plc	1.188%	Perpetual	1,368,900	0.06
3,000,000	HSBC Bank Plc	1.500%	Perpetual	2,067,000	0.08
32,389,000	HSBC Capital Funding Dollar1 LP	10.176%	Perpetual	49,176,866	2.04
12,600,000	HSBC Holdings Plc	6.875%	Perpetual	13,320,556	0.55
13,500,000	Lloyds Banking Group Plc	6.413%	Perpetual	15,052,500	0.62
33,658,000	Lloyds Banking Group Plc	7.500%	Perpetual	34,793,957	1.44
14,500,000	Prudential Plc	7.750%	Perpetual	14,839,590	0.62
4,320,000	RBS Capital Trust B	6.800%	Perpetual	4,331,016	0.18
10,000,000	Royal Bank of Scotland Group Plc	3.875%	12/09/2023	9,922,980	0.41
7,500,000	Royal Bank of Scotland Group Plc	4.800%	05/04/2026	7,788,889	0.32
5,000,000	Royal Bank of Scotland Group Plc	5.500%	Perpetual	5,361,211	0.22
24,300,000	Royal Bank of Scotland Group Plc	7.500%	Perpetual	22,441,050	0.93
500,000	Royal Bank of Scotland Group Plc	7.640%	Perpetual	490,000	0.02
1,000,000	Royal Bank of Scotland Group Plc	8.000%	Perpetual	947,500	0.04
14,500,000	Royal Bank of Scotland Group Plc	8.625%	Perpetual	14,464,214	0.60
2,000,000	Royal Bank of Scotland Plc/The	9.500%	16/03/2022	2,065,306	0.09
5,000,000	Standard Chartered Plc	4.300%	19/02/2027	5,020,975	0.21
13,300,000	Standard Chartered Plc	5.700%	26/03/2044	14,451,328	0.60
400,000	Standard Chartered Plc	6.409%	Perpetual	386,500	0.02
8,000,000	Standard Chartered Plc	6.500%	Perpetual	7,541,200	0.31
11,700,000	Standard Chartered Plc	7.014%	Perpetual	13,045,500	0.54
<b>Preferred Security</b>					
48,816	Barclays Bank Plc	7.100%	Perpetual	1,250,178	0.05
9,152	Barclays Bank Plc	8.125%	Perpetual	236,945	0.01
80,564	HSBC Holdings Plc	8.000%	Perpetual	2,101,109	0.09
45,203	Prudential Plc	6.500%	Perpetual	1,210,084	0.05
22,856	Prudential Plc	6.750%	Perpetual	596,999	0.03
24,211	Royal Bank of Scotland Group Plc	5.750%	Perpetual	607,212	0.03
<b>UNITED STATES 39.51% (30 September 2015: 43.84%)</b>					
<b>Corporate Bond</b>					
3,423,000	ACE Capital Trust II	9.700%	01/04/2030	5,177,287	0.22
13,360,000	Allstate Corp/The	5.750%	15/08/2053	14,370,350	0.60
5,700,000	Allstate Corp/The	6.500%	15/05/2057	6,655,320	0.28
750,000	American International Group Inc	6.250%	15/03/2087	789,375	0.03
26,984,000	American International Group Inc	8.175%	15/05/2058	36,139,671	1.50
25,287,000	BNSF Funding Trust I	6.613%	15/12/2055	29,241,381	1.21
12,491,000	Central Fidelity Capital Trust I	1.680%	15/04/2027	10,898,397	0.45
20,829,000	Chase Capital II	1.257%	01/02/2027	18,355,556	0.76
10,000,000	Chase Capital III	1.392%	01/03/2027	8,812,500	0.37
12,605,000	Chase Capital VI	1.382%	01/08/2028	11,108,156	0.46
26,585,000	Chubb Corp/The	6.375%	29/03/2067	25,295,627	1.05
7,700,000	Citigroup Capital III	7.625%	01/12/2036	9,873,071	0.41
7,000,000	Corestates Capital II	1.330%	15/01/2027	6,107,500	0.25
19,131,000	Corestates Capital III	1.387%	15/02/2027	16,691,797	0.69
6,630,000	Countrywide Capital III	8.050%	15/06/2027	8,480,539	0.35
31,925,000	Enterprise Products Operating LLC	7.034%	15/01/2068	33,755,324	1.40
10,089,000	Everest Reinsurance Holdings Inc	6.600%	15/05/2037	8,247,758	0.34
19,000,000	First Chicago NBD Institutional Capital I	1.310%	01/02/2027	16,743,750	0.70
7,061,000	First Maryland Capital I	1.680%	15/01/2027	6,143,070	0.26
500,000	First Union Capital II	7.950%	15/11/2029	647,695	0.03
3,000,000	Glen Meadow Pass-Through Trust	6.505%	12/02/2067	2,317,500	0.10
2,902,000	Hartford Financial Services Group Inc/The	8.125%	15/06/2038	3,170,435	0.13
10,080,000	Integrus Holding Inc	6.110%	01/12/2066	8,517,888	0.35
5,000,000	JPMorgan Chase & Co	4.250%	01/10/2027	5,405,248	0.23
3,000,000	KeyCorp Capital I	1.586%	01/07/2028	2,524,290	0.11
8,200,000	KeyCorp Capital III	7.750%	15/07/2029	9,778,869	0.40
13,000,000	Liberty Mutual Group Inc	7.000%	15/03/2037	11,147,500	0.46
25,077,000	Liberty Mutual Group Inc	7.800%	15/03/2037	29,402,783	1.22
11,600,000	Lincoln National Corp	3.162%	17/05/2066	9,084,192	0.38
21,412,000	Lincoln National Corp	6.050%	20/04/2067	16,540,770	0.69
16,750,000	MetLife Capital Trust IV	7.875%	15/12/2037	21,098,266	0.87

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

### PREFERRED SECURITIES FUND (continued)

Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets
<b>UNITED STATES 39.51% (30 September 2015: 43.84%) (continued)</b>					
<b>Corporate Bond (continued)</b>					
32,675,000	MetLife Capital Trust X	9.250%	08/04/2038	46,316,813	1.92
12,070,000	MetLife Inc	6.400%	15/12/2036	13,417,012	0.56
6,700,000	MetLife Inc	10.750%	01/08/2039	10,754,170	0.45
9,000,000	National Rural Utilities Cooperative Finance Corp	5.250%	20/04/2046	9,734,513	0.40
16,650,000	Nationwide Financial Services Inc	6.750%	15/05/2037	17,773,875	0.74
9,159,000	NextEra Energy Capital Holdings Inc	2.913%	01/10/2066	7,473,744	0.31
4,126,000	NextEra Energy Capital Holdings Inc	6.650%	15/06/2067	3,463,777	0.15
1,500,000	NextEra Energy Capital Holdings Inc	7.300%	01/09/2067	1,492,995	0.06
8,305,000	NTC Capital I	1.200%	15/01/2027	7,214,969	0.30
241,000	NTC Capital II	1.270%	15/04/2027	209,369	0.01
3,380,000	PartnerRe Finance II Inc	6.440%	01/12/2066	3,168,750	0.13
6,900,000	PPL Capital Funding Inc	6.700%	30/03/2067	6,122,059	0.25
19,085,000	Provident Financing Trust I	7.405%	15/03/2038	21,661,475	0.90
7,400,000	Prudential Financial Inc	5.200%	15/03/2044	7,632,508	0.32
30,400,000	Prudential Financial Inc	5.625%	15/06/2043	32,833,520	1.36
2,250,000	Prudential Financial Inc	5.875%	15/09/2042	2,458,688	0.10
1,328,000	Prudential Financial Inc	8.875%	15/06/2038	1,477,400	0.06
20,401,000	Reinsurance Group of America Inc	3.515%	15/12/2065	15,810,775	0.66
6,000,000	Stanley Black & Decker Inc	5.750%	15/12/2053	6,442,500	0.27
15,000,000	SunTrust Capital I	1.490%	15/05/2027	12,618,750	0.52
22,429,000	SunTrust Capital III	1.500%	15/03/2028	18,868,396	0.78
34,085,000	Voya Financial Inc	5.650%	15/05/2053	34,127,606	1.41
17,522,000	Wachovia Capital Trust II	1.180%	15/01/2027	15,287,945	0.63
2,691,000	WEC Energy Group Inc	6.250%	15/05/2067	2,337,806	0.10
14,147,000	XLIT Ltd	6.500%	Perpetual	10,643,637	0.44
<b>Preferred Security</b>					
114,315	Affiliated Managers Group Inc	6.375%	15/08/2042	2,995,053	0.13
354,373	Aflac Inc	5.500%	15/09/2052	9,390,885	0.39
123,032	American Financial Group Inc/OH	5.750%	25/08/2042	3,172,995	0.13
12,500	American Financial Group Inc/OH	6.000%	15/11/2055	335,625	0.01
66,023	American Financial Group Inc/OH	6.250%	30/09/2054	1,785,262	0.08
2,910	American Financial Group Inc/OH	6.375%	12/06/2042	75,980	0.00
493,236	Arch Capital Group Ltd	6.750%	Perpetual	12,641,639	0.52
231,244	Aspen Insurance Holdings Ltd	7.250%	Perpetual	5,986,907	0.25
399,494	Axis Capital Holdings Ltd	5.500%	Perpetual	10,610,561	0.44
197,531	Axis Capital Holdings Ltd	6.875%	Perpetual	5,092,349	0.21
229,361	Comcast Corp	5.000%	15/12/2061	6,123,939	0.25
90,498	Delphi Financial Group Inc	7.376%	15/05/2037	2,058,829	0.08
330,000	Dominion Resources Inc/VA	5.250%	30/07/2076	8,398,500	0.35
151,005	DTE Energy Co	6.500%	01/12/2061	3,870,258	0.16
563,924	Duke Energy Corp	5.125%	15/01/2073	14,876,315	0.62
133,884	Entergy Arkansas Inc	4.750%	01/06/2063	3,450,191	0.14
66,900	Entergy Arkansas Inc	4.875%	01/09/2066	1,666,479	0.07
150,421	Entergy Arkansas Inc	4.900%	01/12/2052	3,859,803	0.16
81,100	Entergy Louisiana LLC	4.700%	01/06/2063	2,098,057	0.09
211,641	Entergy Mississippi Inc	6.000%	01/05/2051	5,354,517	0.22
67,226	Entergy New Orleans Inc	5.000%	01/12/2052	1,794,262	0.08
8,190	Entergy Texas Inc	5.625%	01/06/2064	228,829	0.01
68,511	General Electric Co	4.700%	16/05/2053	1,781,286	0.07
712,673	General Electric Co	4.875%	29/01/2053	18,771,807	0.78
242,711	General Electric Co	4.875%	15/10/2052	6,281,360	0.26
482,508	Hartford Financial Services Group Inc/The	7.875%	15/04/2042	15,247,253	0.63
4,612	ING Groep NV	6.375%	Perpetual	118,113	0.01
96,267	Integrus Holding Inc	6.000%	01/08/2073	2,670,716	0.11
140,724	NextEra Energy Capital Holdings Inc	5.000%	15/01/2073	3,603,942	0.15
47,772	NextEra Energy Capital Holdings Inc	5.125%	15/11/2072	1,224,874	0.05
76,929	NextEra Energy Capital Holdings Inc	5.625%	15/06/2072	1,981,691	0.08
374,600	NextEra Energy Capital Holdings Inc	5.700%	01/03/2072	9,619,728	0.40
22,500	Protective Life Corp	6.000%	01/09/2042	580,725	0.02
164,798	Protective Life Corp	6.250%	15/05/2042	4,258,380	0.18
16,700	Qwest Corp	6.125%	01/06/2053	423,846	0.02
105,000	Qwest Corp	6.875%	01/10/2054	2,835,000	0.12
207,402	Qwest Corp	7.000%	01/04/2052	5,321,935	0.22
197,836	Qwest Corp	7.000%	01/07/2052	5,195,174	0.22
69,316	Qwest Corp	7.500%	15/09/2051	1,780,728	0.07
121,002	Raymond James Financial Inc	6.900%	15/03/2042	3,121,852	0.13
43,429	Reinsurance Group of America Inc	6.200%	15/09/2042	1,256,835	0.05
98,171	Senior Housing Properties Trust	5.625%	01/08/2042	2,526,922	0.10
51,488	Senior Housing Properties Trust	6.250%	01/02/2046	1,363,917	0.06
100,000	Southern Co/The	5.250%	01/10/2076	2,511,000	0.10

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

**PREFERRED SECURITIES FUND (continued)**

Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets
<b>UNITED STATES 39.51% (30 September 2015: 43.84%) (continued)</b>					
<b>Preferred Security (continued)</b>					
121,044	Southern Co/The	6.250%	15/10/2075	3,339,604	0.14
448,077	Stanley Black & Decker Inc	5.750%	25/07/2052	11,623,117	0.48
2,772	Telephone & Data Systems Inc	5.875%	01/12/2061	69,688	0.01
122,593	Torchmark Corp	5.875%	15/12/2052	3,231,551	0.13
9,733	United States Cellular Corp	7.250%	01/12/2064	262,694	0.01
9,751	United States Cellular Corp	7.250%	01/12/2063	259,620	0.01
201,355	Ventas Realty LP / Ventas Capital Corp	5.450%	15/03/2043	5,575,520	0.23
603,446	Verizon Communications Inc	5.900%	15/02/2054	16,920,626	0.70
421,833	WR Berkley Corp	5.625%	30/04/2053	10,955,003	0.45
<b>UNLISTED 0.00% (30 September 2015: 0.04%)</b>					
<b>FRANCE 0.00% (30 September 2015: 0.04%)</b>					
<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD2,259,037,926)</b>				<b>2,292,905,589</b>	<b>95.12</b>

Interest Receivable on Transferable Securities	27,715,642	1.15
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<b>Total Value of Transferable Securities</b>	<b>2,320,621,231</b>	<b>96.27</b>
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**Open Forward Foreign Currency Exchange Contracts (0.09%) (30 September 2015: 0.06%)**

Settlement Date	Buy	Amount Bought	Sell	Amount Sold	Unrealised Gain/Loss	% Net Assets
17/10/2016	CHF	67,080	USD	(69,377)	(65)	(0.00)
17/10/2016	CHF	1,436	USD	(1,478)	6	0.00
17/10/2016	CHF	50,085	USD	(51,712)	40	0.00
17/10/2016	CHF	11,711	USD	(12,055)	46	0.00
17/10/2016	CHF	21,600	USD	(22,253)	66	0.00
17/10/2016	CHF	344,528	USD	(354,642)	1,350	0.00
17/10/2016	CHF	568,159	USD	(585,317)	1,748	0.00
17/10/2016	CHF	150,000	USD	(153,218)	1,774	0.00
17/10/2016	CHF	300,000	USD	(308,064)	1,919	0.00
17/10/2016	CHF	2,540,290	USD	(2,614,863)	9,954	0.00
17/10/2016	EUR	260,236,914	USD	(293,725,761)	(2,504,480)	(0.11)
17/10/2016	EUR	79,201,186	USD	(89,393,270)	(762,220)	(0.03)
17/10/2016	EUR	23,985,623	USD	(27,072,237)	(230,834)	(0.01)
17/10/2016	EUR	4,572,302	USD	(5,160,693)	(44,003)	(0.00)
17/10/2016	EUR	7,193,518	USD	(8,089,874)	(39,880)	(0.00)
17/10/2016	EUR	2,552,003	USD	(2,880,423)	(24,573)	(0.00)
17/10/2016	EUR	759,875	USD	(857,664)	(7,317)	(0.00)
17/10/2016	EUR	1,117,568	USD	(1,256,823)	(6,196)	(0.00)
17/10/2016	EUR	801,690	USD	(901,982)	(4,840)	(0.00)
17/10/2016	EUR	683,206	USD	(768,518)	(3,968)	(0.00)
17/10/2016	EUR	901,702	USD	(1,011,867)	(2,806)	(0.00)
17/10/2016	EUR	574,937	USD	(646,100)	(2,709)	(0.00)
17/10/2016	EUR	1,119,302	USD	(1,255,242)	(2,673)	(0.00)
17/10/2016	EUR	449,677	USD	(505,798)	(2,581)	(0.00)
17/10/2016	EUR	403,291	USD	(453,743)	(2,435)	(0.00)
17/10/2016	EUR	231,790	USD	(261,619)	(2,232)	(0.00)
17/10/2016	EUR	441,827	USD	(495,807)	(1,375)	(0.00)
17/10/2016	EUR	830,928	USD	(930,764)	(904)	(0.00)
17/10/2016	EUR	84,936	USD	(95,867)	(818)	(0.00)
17/10/2016	EUR	307,212	USD	(344,523)	(734)	(0.00)
17/10/2016	EUR	107,580	USD	(121,081)	(692)	(0.00)
17/10/2016	EUR	84,661	USD	(95,227)	(486)	(0.00)
17/10/2016	EUR	78,600	USD	(88,435)	(477)	(0.00)
17/10/2016	EUR	44,711	USD	(50,465)	(430)	(0.00)
17/10/2016	EUR	47,681	USD	(53,665)	(307)	(0.00)
17/10/2016	EUR	40,108	USD	(45,125)	(242)	(0.00)
17/10/2016	EUR	36,167	USD	(40,683)	(210)	(0.00)
17/10/2016	EUR	35,114	USD	(39,489)	(195)	(0.00)
17/10/2016	EUR	26,505	USD	(29,831)	(170)	(0.00)
17/10/2016	EUR	24,931	USD	(28,043)	(143)	(0.00)
17/10/2016	EUR	21,713	USD	(24,400)	(102)	(0.00)
17/10/2016	EUR	21,417	USD	(24,018)	(51)	(0.00)
17/10/2016	EUR	10,417	USD	(11,668)	(11)	(0.00)
17/10/2016	EUR	1,276	USD	(1,434)	(6)	(0.00)
17/10/2016	EUR	3,181	USD	(3,556)	4	0.00
17/10/2016	EUR	45,171	USD	(50,491)	58	0.00
17/10/2016	EUR	129,018	USD	(143,991)	388	0.00
17/10/2016	EUR	160,895	USD	(179,568)	484	0.00
17/10/2016	EUR	460,766	USD	(515,038)	588	0.00

PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

PREFERRED SECURITIES FUND (continued)

Open Forward Foreign Currency Exchange Contracts (0.09%) (30 September 2015: 0.06%) (continued)

Settlement Date (continued)	Buy (continued)	Amount Bought (continued)	Sell (continued)	Amount Sold (continued)	Unrealised Gain/Loss (continued)	% Net Assets (continued)
17/10/2016	GBP	51,553,948	USD	(68,592,219)	(1,724,901)	(0.07)
17/10/2016	GBP	5,570,422	USD	(7,411,413)	(186,376)	(0.01)
17/10/2016	GBP	878,549	USD	(1,168,908)	(29,398)	(0.00)
17/10/2016	GBP	98,134	USD	(130,567)	(3,284)	(0.00)
17/10/2016	GBP	116,665	USD	(154,205)	(2,887)	(0.00)
17/10/2016	GBP	88,518	USD	(117,009)	(2,199)	(0.00)
17/10/2016	GBP	782,362	USD	(1,016,661)	(1,910)	(0.00)
17/10/2016	GBP	26,720	USD	(35,562)	(905)	(0.00)
17/10/2016	GBP	23,068	USD	(30,692)	(772)	(0.00)
17/10/2016	GBP	46,156	USD	(60,417)	(551)	(0.00)
17/10/2016	GBP	159,690	USD	(207,497)	(373)	(0.00)
17/10/2016	GBP	142,065	USD	(184,610)	(347)	(0.00)
17/10/2016	GBP	27,998	USD	(36,426)	(112)	(0.00)
17/10/2016	GBP	5,456	USD	(7,082)	(6)	(0.00)
17/10/2016	GBP	222,393	USD	(288,455)	(3)	(0.00)
17/10/2016	GBP	39,577	USD	(51,212)	120	0.00
17/10/2016	JPY	19,315,787	USD	(189,366)	1,900	0.00
17/10/2016	JPY	4,242,972,586	USD	(41,596,811)	417,334	0.02
17/10/2016	JPY	22,616,843,796	USD	(221,728,650)	2,224,569	0.09
17/10/2016	USD	1,906,449	JPY	(194,461,987)	(19,124)	(0.00)
17/10/2016	USD	363,286	JPY	(37,055,935)	(3,644)	(0.00)
17/10/2016	USD	1,519	JPY	(154,940)	(15)	(0.00)
17/10/2016	USD	82	CHF	(80)	(0)	(0.00)
17/10/2016	USD	144,320	GBP	(111,268)	2	0.00
17/10/2016	USD	1,227	EUR	(1,090)	7	0.00
17/10/2016	USD	3,556	GBP	(2,724)	23	0.00
17/10/2016	USD	5,692	EUR	(5,060)	29	0.00
17/10/2016	USD	5,902	EUR	(5,247)	30	0.00
17/10/2016	USD	17,748	EUR	(15,816)	49	0.00
17/10/2016	USD	12,985	EUR	(11,504)	111	0.00
17/10/2016	USD	27,682	JPY	(2,781,999)	134	0.00
17/10/2016	USD	27,249	EUR	(24,225)	139	0.00
17/10/2016	USD	63,986	EUR	(56,870)	345	0.00
17/10/2016	USD	184,610	GBP	(142,065)	347	0.00
17/10/2016	USD	18,703	GBP	(14,082)	437	0.00
17/10/2016	USD	147,911	EUR	(131,461)	798	0.00
17/10/2016	USD	471,619	EUR	(419,759)	1,883	0.00
17/10/2016	USD	1,053,639	EUR	(938,947)	2,899	0.00
17/10/2016	USD	21,571,358	EUR	(19,213,702)	70,031	0.00
17/10/2016	USD	29,210,856	GBP	(22,016,850)	654,212	0.03

Unrealised Gain on Forward Foreign Currency Exchange Contracts	3,393,824	0.14
Unrealised Loss on Forward Foreign Currency Exchange Contracts	(5,627,972)	(0.23)

**Net Unrealised Loss on Forward Foreign Currency Exchange Contracts** **(2,234,148)** **(0.09)**

Open Spot Currency Contracts 0.00% (30 September 2015: (0.00%))

Settlement Date	Buy	Amount Bought	Sell	Amount Sold	Unrealised Gain/Loss	% Net Assets
03/10/2016	EUR	938,947	USD	(1,053,029)	(2,934)	(0.00)
03/10/2016	EUR	15,816	USD	(17,738)	(50)	(0.00)
03/10/2016	USD	22,236	CHF	(21,600)	(65)	(0.00)
03/10/2016	USD	207,446	GBP	(159,690)	375	0.00
04/10/2016	GBP	142,065	USD	(184,564)	(348)	(0.00)
04/10/2016	USD	584,917	CHF	(568,159)	(1,676)	(0.00)
04/10/2016	USD	184,564	GBP	(142,065)	348	0.00
04/10/2016	USD	495,531	EUR	(441,827)	1,403	0.00
04/10/2016	USD	1,016,405	GBP	(782,362)	1,917	0.00
04/10/2016	USD	1,011,304	EUR	(901,702)	2,863	0.00

Unrealised Gains on Open Spot Currency Contracts	6,906	0.00
Unrealised Loss on Open Spot Currency Contracts	(5,073)	(0.00)

**Net Unrealised Gain on Open Spot Currency Contracts** **1,833** **0.00**

Cash at Bank	135,154,790	5.61
Net Current Liabilities	(42,959,752)	(1.79)

**Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices** **2,410,583,954** **100.00**



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**PORTFOLIO OF INVESTMENTS**  
**AS AT 30 SEPTEMBER 2016 (continued)**

**PREFERRED SECURITIES FUND (continued)**

	<b>% Total Assets</b>
<b>Analysis of Total Assets</b>	
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	92.54
Financial Derivative instruments dealt in or on a regulated market	(0.09)
Other Assets	7.55
<b>Total Assets</b>	<b>100.00</b>

All securities are transferable securities admitted to an official stock exchange listing.

The counterparty for the forward foreign currency exchange contracts is State Street Global Markets.

The counterparty for the open spot currency contracts is State Street Global Markets.

PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

U.S. EQUITY FUND				U.S. EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>TRANSFERABLE SECURITIES 98.95% (30 September 2015: 98.24%)</b>				<b>UNITED STATES 96.32% (30 September 2015: 95.35%) (continued)</b>			
<b>IRELAND 2.63% (30 September 2015: 2.89%)</b>				<b>Internet Content-Entertainment</b>			
<b>Computer Services</b>				14,570	Facebook Inc	1,866,271	1.59
25,320	Accenture Plc	3,079,925	2.63	<b>Internet Infrastr Sftwr</b>			
<b>UNITED STATES 96.32% (30 September 2015: 95.35%)</b>				6,620	F5 Networks Inc	816,908	0.70
<b>Aerospace/Defense</b>				<b>Life/Health Insurance</b>			
7,060	Northrop Grumman Corp	1,508,087	1.29	39,010	Aflac Inc	2,791,556	2.38
<b>Apparel Manufacturers</b>				11,520	Prudential Financial Inc	921,254	0.79
12,220	Michael Kors Holdings Ltd	572,751	0.49	<b>Medical Products</b>			
<b>Applications Software</b>				31,650	Baxter International Inc	1,485,018	1.27
42,890	Microsoft Corp	2,461,886	2.10	26,730	Johnson & Johnson	3,134,627	2.67
<b>Beverages-Non-Alcoholic</b>				<b>Medical-Biomedical/Genetics</b>			
16,390	Dr Pepper Snapple Group Inc	1,486,901	1.27	17,750	Amgen Inc	2,936,737	2.51
<b>Building Production-Wood</b>				1,420	Biogen Inc	434,208	0.37
38,770	Masco Corp	1,326,709	1.13	<b>Medical-Drugs</b>			
<b>Broadcast Service/Program</b>				17,210	AbbVie Inc	1,081,132	0.92
26,590	Scripps Networks Interactive Inc	1,700,165	1.45	111,800	Pfizer Inc	3,725,176	3.18
<b>Cable TV</b>				<b>Medical-Health Maintenance Organization</b>			
32,890	Comcast Corp	2,178,963	1.86	12,020	Aetna Inc	1,382,661	1.18
<b>Chemicals-Diversified</b>				10,450	Anthem Inc	1,305,518	1.11
14,320	Dow Chemical Co/The	740,774	0.63	18,380	UnitedHealth Group Inc	2,542,323	2.17
6,200	LyondellBasell Industries NV	498,914	0.43	<b>Medical-Hospitals</b>			
<b>Commercial Service-Finance</b>				6,820	HCA Holdings Inc	513,273	0.44
12,980	Equifax Inc	1,730,623	1.48	<b>Networking Products</b>			
3,700	MarketAxess Holdings Inc	614,718	0.52	117,430	Cisco Systems Inc	3,686,128	3.15
8,550	Total System Services Inc	399,456	0.34	<b>Non-Hazardous Waste Disposal</b>			
<b>Computer Services</b>				36,930	Waste Management Inc	2,336,561	1.99
	International Business Machines Corp	403,181	0.34	<b>Oil Company-Integrated</b>			
<b>Computers</b>				38,700	Exxon Mobil Corp	3,346,002	2.85
31,380	Apple Inc	3,520,208	3.00	30,450	Murphy Oil Corp	923,549	0.79
27,730	HP Inc	426,765	0.37	<b>Oil Refining &amp; Marketing</b>			
<b>Decision Support Software</b>				5,670	Tesoro Corp	439,822	0.38
8,460	MSCI Inc	706,579	0.60	<b>Oil &amp; Gas Drilling</b>			
<b>Diversified Banking Institutions</b>				35,180	Diamond Offshore Drilling Inc	626,908	0.54
102,430	Bank of America Corp	1,552,839	1.33	34,550	Transocean Ltd	367,266	0.31
63,020	JPMorgan Chase & Co	4,137,263	3.53	<b>Property/Casualty Insurance</b>			
<b>Diversified Manufacturing Operations</b>				4,010	Travelers Cos Inc/The	456,619	0.39
15,410	Illinois Tool Works Inc	1,834,406	1.56	<b>Reinsurance</b>			
18,830	Ingersoll-Rand Plc	1,263,493	1.08	7,610	Berkshire Hathaway Inc	1,092,720	0.93
<b>E-Commerce/Products</b>				3,290	Everest Re Group Ltd	626,416	0.54
2,810	Amazon.com Inc	2,329,630	1.99	<b>Reits-Office Property</b>			
13,940	eBay Inc	450,262	0.38	19,870	Corporate Office Properties Trust	568,083	0.48
<b>Electric-Integrated</b>				<b>Reits-Regional Malls</b>			
39,910	Exelon Corp	1,328,604	1.13	7,630	Simon Property Group Inc	1,583,835	1.35
<b>Electronic Component-Semiconductor</b>				<b>Reits-Shopping Centers</b>			
27,110	NVIDIA Corp	1,827,214	1.56	15,420	Regency Centers Corp	1,200,601	1.02
9,590	Texas Instruments Inc	669,766	0.57	<b>REITS-Single Tenant</b>			
<b>Electronic Design Automation</b>				6,750	Realty Income Corp	456,300	0.39
22,600	Synopsys Inc	1,335,208	1.14	<b>Retail-Apparel/Shoe</b>			
<b>Electronics-Military</b>				4,320	PVH Corp	460,771	0.39
10,310	L-3 Communications Holdings Inc	1,554,233	1.33	<b>Retail-Building Products</b>			
<b>Engineering/Research &amp; Development Services</b>				21,440	Lowe's Cos Inc	1,543,894	1.32
20,070	Jacobs Engineering Group Inc	1,042,837	0.89	<b>Retail-Discount</b>			
<b>Enterprise Software/Services</b>				5,820	Dollar General Corp	403,443	0.34
45,830	CA Inc	1,504,599	1.28	8,620	Target Corp	583,746	0.50
<b>Finance-Consumer Loans</b>				41,340	Wal-Mart Stores Inc	2,923,978	2.50
22,830	Navient Corp	326,697	0.28	<b>Retail-Drug Store</b>			
<b>Food-Confectionery</b>				11,590	CVS Health Corp	1,037,884	0.89
2,710	JM Smucker Co/The	365,227	0.31	<b>Retail-Restaurants</b>			
<b>Food-Meat Products</b>				24,745	Darden Restaurants Inc	1,500,289	1.28
19,367	Tyson Foods Inc	1,449,233	1.24	9,450	McDonald's Corp	1,084,766	0.93
<b>Food-Miscellaneous/Diversified</b>				<b>Steel-Producers</b>			
8,880	Ingredion Inc	1,169,762	1.00	30,330	Nucor Corp	1,481,924	1.26
<b>Gas-Distribution</b>				<b>Super-Regional Banks-US</b>			
75,950	CenterPoint Energy Inc	1,790,901	1.53	35,480	Fifth Third Bancorp	718,115	0.61
<b>Gold Mining</b>				47,960	SunTrust Banks Inc	2,069,474	1.77
9,080	Newmont Mining Corp	354,574	0.30	<b>Telephone-Integrated</b>			
				18,190	AT&T Inc	740,879	0.63
				14,600	Verizon Communications Inc	760,952	0.65
				<b>Tobacco</b>			
				29,400	Altria Group Inc	1,846,908	1.58

PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

U.S. EQUITY FUND (continued)						
Nominal	Security				Value USD	% Net Assets
<b>UNITED STATES 96.32% (30 September 2015: 95.35%) (continued)</b>						
<b>Tools-Hand Held</b>						
8,880	Stanley Black & Decker Inc				1,080,962	0.92
<b>Web Portals/ISP</b>						
4,150	Alphabet Inc 'A'				3,330,956	2.84
2,702	Alphabet Inc 'C'				2,094,077	1.79
<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD104,892,482)</b>					<b>115,953,843</b>	<b>98.95</b>
<b>Open Spot Currency Contracts (0.00%) (30 September 2015: (0.00%))</b>						
Settlement Date	Buy	Amount Bought	Sell	Amount Sold	Unrealised Gain/Loss	% Net Assets
03/10/2016	GBP	19,894	USD	(25,931)	(135)	(0.00)
04/10/2016	GBP	68,766	USD	(89,497)	(328)	(0.00)
Unrealised Loss on Open Spot Currency Contracts					(463)	(0.00)
<b>Net Unrealised Loss on Open Spot Currency Contracts</b>					<b>(463)</b>	<b>(0.00)</b>
Cash at Bank					1,118,720	0.95
Net Current Assets					110,751	0.10
<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>					<b>117,182,851</b>	<b>100.00</b>
<b>Analysis of Total Assets</b>						<b>% Total Assets</b>
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market						98.22
Financial Derivative instruments dealt in or on a regulated market						0.00
Other Assets						1.78
<b>Total Assets</b>						<b>100.00</b>
All securities are transferable securities admitted to an official stock exchange listing.						
The counterparty for the open spot currency contracts is the Bank of New York Mellon.						

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

HIGH YIELD FUND					
Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets
<b>TRANSFERABLE SECURITIES 92.38% (30 September 2015: 95.56%)</b>					
<b>AUSTRALIA 0.96% (30 September 2015: 1.02%)</b>					
<b>Corporate Bond</b>					
110,000	BlueScope Steel Finance Ltd/BlueScope Steel Finance USA LLC	6.500%	15/05/2021	116,737	0.09
535,000	FMG Resources August 2006 Pty Ltd	6.875%	01/04/2022	553,725	0.40
120,000	FMG Resources August 2006 Pty Ltd	9.750%	01/03/2022	139,800	0.10
500,000	St Barbara Ltd	8.875%	15/04/2018	517,500	0.37
<b>BRAZIL 1.35% (30 September 2015: 0.21%)</b>					
<b>Corporate Bond</b>					
285,000	JBS USA LUX SA / JBS USA Finance Inc	5.750%	15/06/2025	282,150	0.20
125,000	JBS USA LUX SA / JBS USA Finance Inc	7.250%	01/06/2021	130,000	0.10
1,200,000	Petrobras Global Finance BV	8.375%	23/05/2021	1,314,240	0.95
140,000	Vale Overseas Ltd	6.250%	10/08/2026	146,342	0.10
<b>CANADA 1.62% (30 September 2015: 2.82%)</b>					
<b>Corporate Bond</b>					
180,000	Air Canada	6.750%	01/10/2019	186,075	0.13
325,000	Baytex Energy Corp	5.125%	01/06/2021	268,937	0.19
400,000	Entertainment One Ltd	6.875%	15/12/2022	564,887	0.41
200,000	First Quantum Minerals Ltd	7.250%	15/05/2022	177,000	0.13
250,000	Norbord Inc	5.375%	01/12/2020	265,313	0.19
266,000	Northern Blizzard Resources Inc	7.250%	01/02/2022	248,710	0.18
85,000	Seven Generations Energy Ltd	6.750%	01/05/2023	88,825	0.07
374,000	Taseko Mines Ltd	7.750%	15/04/2019	233,750	0.17
105,000	Teck Resources Ltd	8.000%	01/06/2021	114,450	0.08
80,000	Teck Resources Ltd	8.500%	01/06/2024	92,200	0.07
<b>CYPRUS 0.00% (30 September 2015: 0.21%)</b>					
<b>FRANCE 3.70% (30 September 2015: 2.70%)</b>					
<b>Corporate Bond</b>					
500,000	BiSoho SAS	5.875%	01/05/2023	594,514	0.43
570,000	Horizon Holdings I SAS	7.250%	01/08/2023	687,779	0.50
310,000	Loxam SAS	3.500%	03/05/2023	354,953	0.26
1,550,000	Oberthur Technologies Holding SAS	9.250%	30/04/2020	1,819,627	1.31
150,000	Rexel SA	3.500%	15/06/2023	172,028	0.12
500,000	SFR Group SA	5.625%	15/05/2024	577,690	0.42
575,000	SFR Group SA	6.000%	15/05/2022	582,906	0.42
195,000	Thom Europe SAS	7.375%	15/07/2019	229,437	0.16
100,000	Verallia Packaging SASU	5.125%	01/08/2022	117,752	0.08
<b>GERMANY 4.36% (30 September 2015: 3.22%)</b>					
<b>Corporate Bond</b>					
305,000	BMBG Bond Finance SCA	3.000%	15/06/2021	348,195	0.25
400,000	IHO Verwaltungs GmbH	3.750%	15/09/2026	445,263	0.32
1,005,000	JH-Holding Finance SA	8.250%	01/12/2022	1,214,022	0.88
375,000	ProGroup AG	5.125%	01/05/2022	446,433	0.32
500,000	Schaeffler Holding Finance BV	6.750%	15/11/2022	573,750	0.41
250,000	Unitymedia GmbH	6.125%	15/01/2025	263,125	0.19
975,000	Unitymedia Hessen GmbH & Co KG / Unitymedia NRW GmbH	5.500%	15/01/2023	1,010,344	0.73
385,000	WEPA Hygieneprodukte GmbH	3.750%	15/05/2024	446,030	0.32
350,000	Wittur International Holding GmbH	8.500%	15/02/2023	373,564	0.27
625,000	ZF North America Capital Inc	4.000%	29/04/2020	662,500	0.48
250,000	ZF North America Capital Inc	4.750%	29/04/2025	263,438	0.19
<b>IRELAND 1.80% (30 September 2015: 0.58%)</b>					
<b>Corporate Bond</b>					
175,000	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc	4.125%	15/05/2023	201,169	0.15
175,000	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc	6.750%	15/05/2024	205,557	0.15
1,185,000	eircom Finance DAC	4.500%	31/05/2022	1,347,935	0.97
725,000	Fly Leasing Ltd	6.375%	15/10/2021	739,500	0.53
<b>ISRAEL 0.47% (30 September 2015: 0.50%)</b>					
<b>Corporate Bond</b>					
600,000	B Communications Ltd	7.375%	15/02/2021	647,250	0.47
<b>ITALY 2.27% (30 September 2015: 1.16%)</b>					
<b>Corporate Bond</b>					
150,000	Gamenet Group SpA	6.000%	15/08/2021	168,439	0.12
330,000	Manutencoop Facility Management SpA	8.500%	01/08/2020	344,421	0.25
300,000	Onorato Armatori SpA	7.750%	15/02/2023	326,887	0.24

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

<b>HIGH YIELD FUND (continued)</b>					
<b>Nominal</b>	<b>Security</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Value USD</b>	<b>% Net Assets</b>
<b>ITALY 2.27% (30 September 2015: 1.16%) (continued)</b>					
<b>Corporate Bond (continued)</b>					
300,000	Saipem Finance International BV	3.000%	08/03/2021	343,682	0.25
100,000	Saipem Finance International BV	3.750%	08/09/2023	114,377	0.08
150,000	Schumann SpA	7.000%	31/07/2023	167,391	0.12
250,000	Wind Acquisition Finance SA	4.750%	15/07/2020	253,438	0.18
900,000	Wind Acquisition Finance SA	7.000%	23/04/2021	1,057,553	0.76
350,000	Wind Acquisition Finance SA	7.375%	23/04/2021	366,188	0.27
<b>LUXEMBOURG 6.07% (30 September 2015: 8.58%)</b>					
<b>Corporate Bond</b>					
640,000	Altice Financing SA	6.500%	15/01/2022	675,200	0.48
825,000	Altice Luxembourg SA	7.250%	15/05/2022	968,802	0.70
140,000	ArcelorMittal	6.500%	01/03/2021	155,400	0.11
940,000	ArcelorMittal	8.000%	15/10/2039	1,015,200	0.73
550,000	ConvaTec Finance International SA	8.250%	15/01/2019	550,138	0.40
435,000	Intelsat Jackson Holdings SA	7.250%	15/10/2020	337,125	0.24
150,000	Intelsat Jackson Holdings SA	7.250%	01/04/2019	121,500	0.09
500,000	Intelsat Luxembourg SA	7.750%	01/06/2021	162,500	0.12
170,000	Intelsat Luxembourg SA	8.125%	01/06/2023	55,250	0.04
800,000	Kloeckner Pentaplast of America Inc	7.125%	01/11/2020	940,271	0.68
1,180,000	Matterhorn Telecom SA	3.875%	01/05/2022	1,317,812	0.95
465,000	Picard Bondco SA	7.750%	01/02/2020	550,877	0.40
600,000	SIG Combibloc Holdings SCA	7.750%	15/02/2023	706,356	0.51
750,000	Swissport Investments SA	6.750%	15/12/2021	868,035	0.62
<b>MEXICO 0.71% (30 September 2015: 0.77%)</b>					
<b>Corporate Bond</b>					
725,000	Cemex SAB de CV	6.125%	05/05/2025	746,605	0.54
230,000	Cemex SAB de CV	7.250%	15/01/2021	243,800	0.17
<b>NETHERLANDS 3.36% (30 September 2015: 3.23%)</b>					
<b>Corporate Bond</b>					
455,000	AerCap Ireland Capital Ltd / AerCap Global Aviation Trust	4.625%	01/07/2022	478,319	0.34
160,000	AerCap Ireland Capital Ltd / AerCap Global Aviation Trust	4.625%	30/10/2020	167,600	0.12
850,000	ING Groep NV	6.000%	Perpetual	837,250	0.60
500,000	LGE HoldCo VI BV	7.125%	15/05/2024	624,253	0.45
250,000	Lincoln Finance Ltd	6.875%	15/04/2021	302,060	0.22
600,000	NXP BV / NXP Funding LLC	5.750%	15/03/2023	649,500	0.47
745,000	United Group BV	7.875%	15/11/2020	870,241	0.63
315,000	Ziggo Bond Finance BV	6.000%	15/01/2027	313,818	0.23
420,000	Ziggo Secured Finance BV	5.500%	15/01/2027	420,525	0.30
<b>NEW ZEALAND 0.26% (30 September 2015: 0.43%)</b>					
<b>Corporate Bond</b>					
5,000	Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu	4.127%	15/07/2021	5,087	0.00
270,000	Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu	5.125%	15/07/2023	279,788	0.20
75,000	Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu	7.000%	15/07/2024	80,016	0.06
<b>POLAND 1.25% (30 September 2015: 1.71%)</b>					
<b>Corporate Bond</b>					
510,000	Play Finance 1 SA	6.500%	01/08/2019	591,073	0.42
1,000,000	Play Topco SA	7.750%	28/02/2020	1,148,294	0.83
<b>PUERTO RICO 0.50% (30 September 2015: 0.50%)</b>					
<b>Corporate Bond</b>					
665,000	Popular Inc	7.000%	01/07/2019	691,600	0.50
<b>ROMANIA 0.92% (30 September 2015: 1.00%)</b>					
<b>Corporate Bond</b>					
1,100,000	Cable Communications Systems NV	7.500%	01/11/2020	1,280,039	0.92
<b>SERBIA 0.00% (30 September 2015: 0.47%)</b>					
<b>SOUTH AFRICA 0.65% (30 September 2015: 0.88%)</b>					
<b>Corporate Bond</b>					
700,000	Sappi Papier Holding GmbH	3.375%	01/04/2022	792,885	0.57
120,000	Sappi Papier Holding GmbH	7.500%	15/06/2032	114,600	0.08

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

HIGH YIELD FUND (continued)					
Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets
<b>SPAIN 1.24% (30 September 2015: 0.72%)</b>					
<b>Corporate Bond</b>					
535,000	Codere Finance 2 Luxembourg SA	9.000%	30/06/2021	545,700	0.39
150,000	Gestamp Funding Luxembourg SA	3.500%	15/05/2023	173,535	0.13
365,000	Grupo Antolin Dutch BV	5.125%	30/06/2022	436,039	0.31
500,000	NH Hotel Group SA	3.750%	01/10/2023	564,368	0.41
<b>SWEDEN 0.24% (30 September 2015: 0.00%)</b>					
<b>Corporate Bond</b>					
285,000	Volvo Car AB	3.250%	18/05/2021	334,440	0.24
<b>SWITZERLAND 0.00% (30 September 2015: 0.27%)</b>					
<b>TRINIDAD &amp; TOBAGO 0.21% (30 September 2015: 0.00%)</b>					
<b>Corporate Bond</b>					
300,000	Consolidated Energy Finance SA	6.750%	15/10/2019	297,750	0.21
<b>UNITED KINGDOM 6.36% (30 September 2015: 7.51%)</b>					
<b>Corporate Bond</b>					
250,000	AA Bond Co Ltd	5.500%	31/07/2022	325,123	0.23
1,165,000	Arqiva Broadcast Finance Plc	9.500%	31/03/2020	1,634,560	1.18
630,000	Barclays Plc	8.250%	Perpetual	637,481	0.46
310,000	IDH Finance Plc	6.250%	15/08/2022	395,245	0.29
250,000	Jaguar Land Rover Automotive Plc	3.875%	01/03/2023	336,730	0.24
380,000	Jaguar Land Rover Automotive Plc	5.000%	15/02/2022	542,397	0.39
810,000	Jaguar Land Rover Automotive Plc	5.625%	01/02/2023	853,537	0.61
415,000	Pizzaexpress Financing 2 Plc	6.625%	01/08/2021	527,346	0.38
450,000	Royal Bank of Scotland Group Plc	5.125%	28/05/2024	453,931	0.33
635,000	Royal Bank of Scotland Group Plc	7.500%	Perpetual	586,423	0.42
300,000	Royal Bank of Scotland Group Plc	7.640%	Perpetual	294,000	0.21
185,000	TVL Finance Plc	8.500%	15/05/2023	253,259	0.18
500,000	Virgin Media Finance Plc	4.500%	15/01/2025	551,773	0.40
400,000	Virgin Media Finance Plc	6.000%	15/10/2024	414,500	0.30
535,000	Viridian Group FundCo II Ltd	7.500%	01/03/2020	632,896	0.45
365,172	Youngs PIK SCA	8.250%	01/08/2019	400,291	0.29
<b>UNITED STATES 53.83% (30 September 2015: 56.75%)</b>					
<b>Common Stock</b>					
11,297	Seventy Seven Energy Inc			216,902	0.16
<b>Corporate Bond</b>					
560,000	A Schulman Inc	6.875%	01/06/2023	568,400	0.41
830,000	Activision Blizzard Inc	6.125%	15/09/2023	912,384	0.66
230,000	Ahern Rentals Inc	7.375%	15/05/2023	150,650	0.11
80,000	Aircastle Ltd	5.000%	01/04/2023	84,000	0.06
365,000	Aircastle Ltd	5.125%	15/03/2021	391,919	0.28
135,000	Aircastle Ltd	5.500%	15/02/2022	145,962	0.10
295,000	Aircastle Ltd	6.750%	15/04/2017	301,664	0.22
245,000	AK Steel Corp	7.500%	15/07/2023	261,537	0.19
185,000	AK Steel Corp	7.625%	15/05/2020	179,912	0.13
200,000	Alcoa Nederland Holding BV	6.750%	30/09/2024	207,500	0.15
85,000	Aleris International Inc	9.500%	01/04/2021	91,800	0.07
170,000	Allison Transmission Inc	5.000%	01/10/2024	173,612	0.13
620,000	Ally Financial Inc	3.600%	21/05/2018	630,850	0.45
210,000	American Builders & Contractors Supply Co Inc	5.750%	15/12/2023	219,450	0.16
155,000	Antero Midstream Partners LP / Antero Midstream Finance Corp	5.375%	15/09/2024	156,550	0.11
240,000	Archrock Partners LP / Archrock Partners Finance Corp	6.000%	01/10/2022	223,800	0.16
250,000	Aruba Investments Inc	8.750%	15/02/2023	256,250	0.18
230,000	Beazer Homes USA Inc	8.750%	15/03/2022	243,225	0.17
<b>Beverage Packaging Holdings Luxembourg II SA / Beverage Packaging Holdings II Is</b>					
90,000	Packaging Holdings II Is	5.625%	15/12/2016	90,198	0.07
415,000	BI-LO LLC / BI-LO Finance Corp	9.250%	15/02/2019	356,900	0.26
360,000	Blue Cube Spinco Inc	9.750%	15/10/2023	423,000	0.30
180,000	BMC East LLC	5.500%	01/10/2024	180,900	0.13
325,000	Boise Cascade Co	5.625%	01/09/2024	329,875	0.24
635,000	Boyd Gaming Corp	6.875%	15/05/2023	691,750	0.50
680,000	Carmike Cinemas Inc	6.000%	15/06/2023	708,900	0.51
40,000	Carrizo Oil & Gas Inc	6.250%	15/04/2023	40,100	0.03
510,000	Carrizo Oil & Gas Inc	7.500%	15/09/2020	526,575	0.38
1,000,000	CCM Merger Inc	9.125%	01/05/2019	1,046,468	0.75
1,355,000	CCO Holdings LLC / CCO Holdings Capital Corp	5.125%	01/05/2023	1,412,587	1.02
65,000	CCO Holdings LLC / CCO Holdings Capital Corp	5.750%	15/02/2026	68,867	0.05
810,000	Centene Corp	4.750%	15/05/2022	836,325	0.61
185,000	Centene Corp	5.625%	15/02/2021	196,563	0.14

PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

HIGH YIELD FUND (continued)					
Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets
<b>UNITED STATES 53.83% (30 September 2015: 56.75%) (continued)</b>					
<b>Corporate Bond (continued)</b>					
205,000	Centene Corp	6.125%	15/02/2024	221,784	0.16
407,000	Chaparral Energy Inc	7.625%	15/11/2022	275,742	0.20
269,000	Chaparral Energy Inc	9.875%	01/10/2020	182,920	0.13
660,000	Cinemark USA Inc	4.875%	01/06/2023	666,600	0.48
620,000	CIT Group Inc	3.875%	19/02/2019	633,175	0.46
110,000	Claire's Stores Inc	9.000%	15/03/2019	61,050	0.04
325,000	Cloud Crane LLC	10.125%	01/08/2024	338,000	0.24
150,000	CNO Financial Group Inc	4.500%	30/05/2020	154,687	0.11
855,000	Commercial Metals Co	4.875%	15/05/2023	852,863	0.61
175,000	Commercial Metals Co	7.350%	15/08/2018	191,188	0.14
65,000	Constellation Brands Inc	3.875%	15/11/2019	68,575	0.05
365,000	Constellation Brands Inc	4.250%	01/05/2023	387,812	0.28
510,000	Continental Resources Inc/OK	4.500%	15/04/2023	493,425	0.36
325,000	Continental Resources Inc/OK	5.000%	15/09/2022	326,219	0.23
300,000	Cornerstone Chemical Co	9.375%	15/03/2018	300,000	0.22
615,000	Credit Acceptance Corp	6.125%	15/02/2021	621,150	0.45
370,000	Crescent Communities LLC	8.875%	15/10/2021	370,000	0.27
220,000	Crescent Resources LLC / Crescent Ventures Inc	10.250%	15/08/2017	222,200	0.16
90,000	Crown Americas LLC / Crown Americas Capital Corp V	4.250%	30/09/2026	90,112	0.06
306,000	Crown Cork & Seal Co Inc	7.375%	15/12/2026	344,250	0.25
100,000	Crown European Holdings SA	2.625%	30/09/2024	110,359	0.08
280,000	CSC Holdings LLC	6.625%	15/10/2025	303,450	0.22
720,000	CSC Holdings LLC	10.125%	15/01/2023	830,700	0.60
625,000	Denbury Resources Inc	5.500%	01/05/2022	431,250	0.31
195,000	DISH DBS Corp	4.250%	01/04/2018	200,850	0.15
170,000	DISH DBS Corp	5.875%	15/11/2024	168,087	0.12
425,000	DISH DBS Corp	5.875%	15/07/2022	435,094	0.31
620,000	DISH DBS Corp	6.750%	01/06/2021	668,825	0.48
725,000	DISH DBS Corp	7.750%	01/07/2026	772,125	0.56
240,000	DISH DBS Corp	7.875%	01/09/2019	270,000	0.19
505,000	DJO Finco Inc / DJO Finance LLC / DJO Finance Corp	8.125%	15/06/2021	467,125	0.34
160,000	Dollar Tree Inc	5.750%	01/03/2023	172,000	0.12
345,000	DuPont Fabros Technology LP	5.875%	15/09/2021	361,172	0.26
300,000	Dynegy Inc	6.750%	01/11/2019	309,750	0.22
355,000	Dynegy Inc	7.375%	01/11/2022	353,225	0.25
385,000	Eldorado Resorts Inc	7.000%	01/08/2023	409,062	0.30
120,662	Elwood Energy LLC	8.159%	05/07/2026	133,483	0.10
250,000	Energy Transfer Equity LP	5.875%	15/01/2024	260,312	0.19
270,000	EP Energy LLC / Everest Acquisition Finance Inc	6.375%	15/06/2023	160,650	0.12
850,000	EP Energy LLC / Everest Acquisition Finance Inc	9.375%	01/05/2020	604,562	0.44
400,000	Equinix Inc	4.875%	01/04/2020	415,000	0.30
165,000	Equinix Inc	5.375%	01/04/2023	173,250	0.13
105,000	Equinix Inc	5.375%	01/01/2022	111,562	0.08
295,000	Equinix Inc	5.875%	15/01/2026	317,125	0.23
560,000	First Data Corp	5.000%	15/01/2024	570,500	0.41
190,000	First Data Corp	5.750%	15/01/2024	194,750	0.14
345,000	Freeport-McMoRan Inc	2.300%	14/11/2017	345,000	0.25
105,000	Frontier Communications Corp	8.875%	15/09/2020	113,466	0.08
450,000	Frontier Communications Corp	10.500%	15/09/2022	476,719	0.34
690,000	Frontier Communications Corp	11.000%	15/09/2025	718,462	0.52
325,000	Global Partners LP / GLP Finance Corp	7.000%	15/06/2023	303,062	0.22
35,000	GLP Capital LP / GLP Financing II Inc	4.375%	15/04/2021	36,969	0.03
365,000	GLP Capital LP / GLP Financing II Inc	5.375%	15/04/2026	392,375	0.28
365,000	Goodman Networks Inc	12.125%	01/07/2018	181,587	0.13
520,000	Halcon Resources Corp	8.625%	01/02/2020	521,300	0.38
37,000	Halcon Resources Corp	12.000%	15/02/2022	37,093	0.03
85,000	Hanesbrands Inc	4.625%	15/05/2024	87,762	0.06
20,000	HCA Holdings Inc	6.250%	15/02/2021	21,625	0.02
100,000	HCA Inc	4.500%	15/02/2027	100,250	0.07
1,405,000	HCA Inc	4.750%	01/05/2023	1,468,225	1.06
135,000	HD Supply Inc	7.500%	15/07/2020	140,447	0.10
125,000	Hill-Rom Holdings Inc	5.750%	01/09/2023	132,969	0.09
325,000	Hornbeck Offshore Services Inc	5.000%	01/03/2021	186,875	0.13
450,000	Huntington Ingalls Industries Inc	5.000%	15/11/2025	477,000	0.34
370,000	IASIS Healthcare LLC / IASIS Capital Corp	8.375%	15/05/2019	337,625	0.24
155,000	Icahn Enterprises LP / Icahn Enterprises Finance Corp	4.875%	15/03/2019	156,550	0.11
495,000	Icahn Enterprises LP / Icahn Enterprises Finance Corp	6.000%	01/08/2020	500,544	0.36
200,000	IMS Health Inc	5.000%	15/10/2026	206,000	0.15
315,000	Ingles Markets Inc	5.750%	15/06/2023	328,387	0.23



# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

HIGH YIELD FUND (continued)					
Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets
<b>UNITED STATES 53.83% (30 September 2015: 56.75%) (continued)</b>					
<b>Corporate Bond (continued)</b>					
345,000	International Lease Finance Corp	6.250%	15/05/2019	373,894	0.27
500,000	iStar Inc	5.000%	01/07/2019	503,125	0.36
447,000	Jazz US Holdings Inc	8.000%	31/12/2018	713,244	0.51
540,000	JC Penney Corp Inc	5.650%	01/06/2020	542,025	0.39
1,385,000	JPMorgan Chase & Co	5.000%	Perpetual	1,365,956	0.98
375,000	Kennedy-Wilson Inc	5.875%	01/04/2024	379,688	0.27
450,000	KFC Holding Co/Pizza Hut Holdings LLC/Taco Bell of America LLC	5.000%	01/06/2024	473,535	0.34
190,000	KFC Holding Co/Pizza Hut Holdings LLC/Taco Bell of America LLC	5.250%	01/06/2026	201,666	0.15
290,000	Kinetic Concepts Inc / KCI USA Inc	9.625%	01/10/2021	290,725	0.21
270,000	L Brands Inc	6.875%	01/11/2035	293,625	0.21
440,000	Landry's Inc	6.750%	15/10/2024	447,700	0.32
900,000	Landry's Inc	9.375%	01/05/2020	946,665	0.68
20,000	Laredo Petroleum Inc	5.625%	15/01/2022	19,500	0.01
220,000	Laredo Petroleum Inc	7.375%	01/05/2022	227,700	0.16
295,000	Lear Corp	5.250%	15/01/2025	319,338	0.23
665,000	Level 3 Financing Inc	5.125%	01/05/2023	689,106	0.49
130,000	Level 3 Financing Inc	5.375%	15/01/2024	135,525	0.10
40,000	Level 3 Financing Inc	6.125%	15/01/2021	41,400	0.03
1,075,000	Liberty Mutual Group Inc	7.000%	15/03/2037	921,813	0.66
40,000	Louisiana-Pacific Corp	4.875%	15/09/2024	40,150	0.03
795,000	Mallinckrodt International Finance SA / Mallinckrodt CB LLC	5.625%	15/10/2023	767,175	0.55
570,000	MDC Partners Inc	6.500%	01/05/2024	528,675	0.38
490,000	MGM Resorts International	6.000%	15/03/2023	530,425	0.38
327,000	Michaels Stores Inc	5.875%	15/12/2020	339,671	0.24
255,400	Mirant Mid-Atlantic Series B Pass Through Trust	9.125%	30/06/2017	211,024	0.15
399,000	MPLX LP	4.875%	01/06/2025	414,417	0.30
197,000	MPT Operating Partnership LP / MPT Finance Corp	6.375%	01/03/2024	213,745	0.15
125,000	MSCI Inc	5.750%	15/08/2025	133,750	0.10
135,000	Murphy Oil Corp	6.875%	15/08/2024	140,055	0.10
255,000	National CineMedia LLC	5.750%	15/08/2026	264,563	0.19
370,000	Navient Corp	6.125%	25/03/2024	345,950	0.25
265,000	Navient Corp	7.250%	25/09/2023	265,133	0.19
1,100,000	Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc	8.125%	15/11/2021	814,000	0.59
215,000	Navios Maritime Holdings Inc / Navios Maritime Finance II US Inc	7.375%	15/01/2022	105,350	0.07
545,000	Navistar International Corp	8.250%	01/11/2021	540,231	0.39
460,000	NCL Corp Ltd	4.625%	15/11/2020	461,725	0.33
315,000	NRG Energy Inc	6.250%	01/05/2024	314,212	0.23
255,000	NRG Energy Inc	7.250%	15/05/2026	262,331	0.19
410,000	Oasis Petroleum Inc	6.500%	01/11/2021	392,575	0.28
85,000	Oasis Petroleum Inc	6.875%	15/03/2022	82,025	0.06
70,000	PDC Energy Inc	6.125%	15/09/2024	72,625	0.05
200,000	PDC Energy Inc	7.750%	15/10/2022	214,500	0.15
300,000	PetSmart Inc	7.125%	15/03/2023	315,000	0.23
410,000	PHI Inc	5.250%	15/03/2019	395,650	0.29
689,000	Pinnacle Operating Corp	9.000%	15/11/2020	482,300	0.35
325,000	Post Holdings Inc	7.750%	15/03/2024	364,813	0.26
285,000	RCN Telecom Services LLC / RCN Capital Corp	8.500%	15/08/2020	304,238	0.22
340,000	Resolute Forest Products Inc	5.875%	15/05/2023	295,800	0.21
	Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds				
395,000	Group Issuer Lu	5.750%	15/10/2020	408,252	0.30
600,000	Rialto Holdings LLC / Rialto Corp	7.000%	01/12/2018	612,000	0.44
570,000	Rite Aid Corp	6.125%	01/04/2023	617,544	0.45
650,000	Sabine Pass Liquefaction LLC	5.625%	01/03/2025	699,562	0.50
320,000	Sabine Pass Liquefaction LLC	5.625%	01/02/2021	341,200	0.25
250,000	Sensata Technologies UK Financing Co plc	6.250%	15/02/2026	271,250	0.20
950,000	Signode Industrial Group Lux SA/Signode Industrial Group US Inc	6.375%	01/05/2022	963,063	0.69
100,000	Smithfield Foods Inc	5.250%	01/08/2018	101,250	0.08
425,000	Smithfield Foods Inc	5.875%	01/08/2021	446,250	0.32
475,000	Spectrum Brands Inc	5.750%	15/07/2025	515,969	0.37
150,000	Springleaf Finance Corp	5.250%	15/12/2019	153,375	0.11
145,000	Sprint Capital Corp	6.875%	15/11/2028	135,938	0.10
740,000	Sprint Communications Inc	6.000%	15/11/2022	688,200	0.50
170,000	Sprint Communications Inc	7.000%	15/08/2020	171,275	0.12
85,000	Sprint Communications Inc	9.000%	15/11/2018	93,925	0.07
61,000	Sprint Communications Inc	9.125%	01/03/2017	62,601	0.04
380,000	Sprint Corp	7.125%	15/06/2024	370,500	0.27
905,000	Sprint Corp	7.875%	15/09/2023	911,788	0.66
270,000	Sunoco LP / Sunoco Finance Corp	5.500%	01/08/2020	272,362	0.19
345,000	Sunoco LP / Sunoco Finance Corp	6.375%	01/04/2023	356,213	0.26

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

<b>HIGH YIELD FUND (continued)</b>					
<b>Nominal</b>	<b>Security</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Value USD</b>	<b>% Net Assets</b>
<b>UNITED STATES 53.83% (30 September 2015: 56.75%) (continued)</b>					
<b>Corporate Bond (continued)</b>					
510,000	Tesoro Logistics LP / Tesoro Logistics Finance Corp	6.125%	15/10/2021	533,587	0.38
85,000	Tesoro Logistics LP / Tesoro Logistics Finance Corp	6.250%	15/10/2022	91,163	0.07
65,000	Tesoro Logistics LP / Tesoro Logistics Finance Corp	6.375%	01/05/2024	69,713	0.05
380,000	T-Mobile USA Inc	6.000%	01/03/2023	406,125	0.29
20,000	T-Mobile USA Inc	6.125%	15/01/2022	21,225	0.01
380,000	T-Mobile USA Inc	6.250%	01/04/2021	399,475	0.29
595,000	T-Mobile USA Inc	6.500%	15/01/2026	657,475	0.47
35,000	T-Mobile USA Inc	6.500%	15/01/2024	37,756	0.03
470,000	T-Mobile USA Inc	6.633%	28/04/2021	496,438	0.36
660,000	TMS International Corp	7.625%	15/10/2021	561,000	0.40
315,000	Tops Holding LLC / Tops Markets II Corp	8.000%	15/06/2022	285,075	0.21
365,000	TreeHouse Foods Inc	6.000%	15/02/2024	395,113	0.29
575,000	Universal Hospital Services Inc	7.625%	15/08/2020	550,562	0.40
17,964	US Airways 2001-1G Pass Through Trust	7.076%	20/03/2021	19,424	0.01
580,000	Valeant Pharmaceuticals International Inc	5.375%	15/03/2020	540,850	0.39
115,000	Valeant Pharmaceuticals International Inc	5.625%	01/12/2021	102,494	0.07
425,000	Valeant Pharmaceuticals International Inc	5.875%	15/05/2023	366,562	0.27
278,912	Vander Intermediate Holding II Corp	9.750%	01/02/2019	146,429	0.11
55,000	Versum Materials Inc	5.500%	30/09/2024	56,444	0.04
1,845,000	Voya Financial Inc	5.650%	15/05/2053	1,847,306	1.33
845,000	WCI Communities Inc	6.875%	15/08/2021	900,981	0.65
310,000	Weatherford International Ltd	8.250%	15/06/2023	306,125	0.22
350,000	WellCare Health Plans Inc	5.750%	15/11/2020	362,031	0.26
480,000	Wells Fargo & Co	5.900%	Perpetual	499,320	0.36
315,000	Westlake Chemical Corp	4.625%	15/02/2021	329,569	0.24
250,000	WideOpenWest Finance LLC / WideOpenWest Capital Corp	10.250%	15/07/2019	263,438	0.19
236,000	WideOpenWest Finance LLC / WideOpenWest Capital Corp	13.375%	15/10/2019	252,520	0.18
426,262	Wise Metals Intermediate Holdings LLC/Wise Holdings Finance Corp	9.750%	15/06/2019	411,343	0.30
59,000	WMG Acquisition Corp	6.000%	15/01/2021	61,213	0.04
140,000	WMG Acquisition Corp	6.750%	15/04/2022	148,925	0.11
465,000	Woodside Homes Co LLC / Woodside Homes Finance Inc	6.750%	15/12/2021	452,213	0.33
455,000	WPX Energy Inc	7.500%	01/08/2020	482,300	0.35
350,000	Zayo Group LLC / Zayo Capital Inc	6.000%	01/04/2023	367,938	0.27
<b>URUGUAY 0.25% (30 September 2015: 0.32%)</b>					
<b>Corporate Bond</b>					
455,000	Navios South American Logistics Inc / Navios Logistics Finance US Inc	7.250%	01/05/2022	348,075	0.25
<b>Total Value of Transferable Securities at Mid Market Prices</b>				<b>128,223,670</b>	<b>92.38</b>
<b>UNLISTED 1.93% (30 September 2015: 0.78%)</b>					
<b>LUXEMBOURG 0.78% (30 September 2015: 0.00%)</b>					
<b>Corporate Bond</b>					
810,000	ARD Finance SA	6.625%	15/09/2023	880,557	0.63
200,000	Coveris Holdings SA	7.875%	01/11/2019	205,500	0.15
<b>NETHERLANDS 0.54% (30 September 2015: 0.00%)</b>					
<b>Term Loans</b>					
655,215	Adria Topco Bv	9.000%	19/06/2019	745,057	0.54
<b>UNITED KINGDOM 0.10% (30 September 2015: 0.13%)</b>					
<b>Term Loans</b>					
278,571	Seadrill Operating LP	4.000%	14/02/2021	139,494	0.10
<b>UNITED STATES 0.51% (30 September 2015: 0.65%)</b>					
<b>Corporate Bond</b>					
345,000	Escobche	0.000%	15/11/2019	–	0.00
305,000	Hertz Holdings Netherlands BV	4.125%	15/10/2021	349,991	0.25
<b>Term Loans</b>					
208,326	iStar Financial Inc	7.000%	19/03/2017	210,801	0.15
142,100	Seventy Seven Energy Inc	3.750%	17/06/2021	123,805	0.09
22,137	Zayo Group	4.000%	02/07/2019	22,265	0.02
<b>Total Value of Unlisted at Mid Market Prices</b>				<b>2,677,470</b>	<b>1.93</b>
<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD131,518,621)</b>				<b>130,901,140</b>	<b>94.31</b>
Interest Receivable on Transferable Securities				2,196,736	1.58
<b>Total Value of Transferable Securities</b>				<b>133,097,876</b>	<b>95.89</b>

PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

HIGH YIELD FUND (continued)

Open Forward Foreign Currency Exchange Contracts 0.42% (30 September 2015: (1.35%))

Settlement Date	Buy	Amount Bought	Sell	Amount Sold	Unrealised Gain/Loss	% Net Assets
05/10/2016	BRL	810,618	USD	(252,058)	(1,929)	(0.00)
05/10/2016	BRL	40,147,579	USD	(12,107,290)	280,883	0.20
05/10/2016	USD	3,858	BRL	(12,793)	(90)	(0.00)
17/10/2016	AUD	172	USD	(128)	3	0.00
17/10/2016	AUD	552,549	USD	(418,019)	4,274	0.00
17/10/2016	EUR	4,819,337	USD	(5,421,687)	(32,360)	(0.03)
17/10/2016	EUR	13,515	USD	(15,204)	(91)	(0.00)
17/10/2016	EUR	25,000	USD	(28,041)	(85)	(0.00)
17/10/2016	GBP	414,302	USD	(537,870)	(113)	(0.00)
17/10/2016	USD	9,526	AUD	(12,592)	(98)	(0.00)
17/10/2016	USD	18	AUD	(24)	(0)	(0.00)
17/10/2016	USD	82	CHF	(80)	(0)	(0.00)
17/10/2016	USD	226,779	EUR	(202,643)	170	0.00
17/10/2016	USD	714,939	EUR	(638,610)	799	0.00
17/10/2016	USD	28,190,999	EUR	(25,109,845)	111,380	0.08
17/10/2016	USD	5,352,785	GBP	(4,034,509)	116,068	0.09
04/11/2016	BRL	817,500	USD	(252,058)	(2,074)	(0.00)
04/11/2016	BRL	924,948	USD	(280,470)	2,371	0.00
04/11/2016	BRL	39,455,571	USD	(11,963,484)	101,673	0.08
Unrealised Gain on Forward Foreign Currency Exchange Contracts					617,621	0.45
Unrealised Loss on Forward Foreign Currency Exchange Contracts					(36,840)	(0.03)

**Net Unrealised Gain on Forward Foreign Currency Exchange Contracts** **580,781** **0.42**

Cash at Bank	6,139,310	4.42
Net Current Liabilities	(1,025,611)	(0.73)

**Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices** **138,792,356** **100.00**

**Analysis of Total Assets**

Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	91.67
Transferable Securities other than those admitted to an official stock exchange listing or traded on a regulated market	1.91
Financial Derivative instruments dealt in or on a regulated market	0.42
Other Assets	6.00

**Total Assets** **100.00**

Except where stated above all securities are transferable securities admitted to an official stock exchange listing.

The counterparty for the forward foreign currency exchange contracts is State Street Global Markets.

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

GLOBAL PROPERTY SECURITIES FUND				GLOBAL PROPERTY SECURITIES FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>TRANSFERABLE SECURITIES 97.95% (30 September 2015: 87.73%)</b>				<b>NETHERLANDS 0.70% (30 September 2015: 0.00%)</b>			
<b>AUSTRALIA 6.75% (30 September 2015: 4.80%)</b>				<b>Computer Software</b>			
<b>Real Estate Management/Services</b>				31,850	InterXion Holding NV	1,160,296	0.70
74,071	Charter Hall Group	288,251	0.18	<b>SINGAPORE 0.52% (30 September 2015: 0.91%)</b>			
<b>Reits-Diversified</b>				<b>Reits-Diversified</b>			
489,595	Dexus Property Group	3,411,610	2.06	616,361	Frasers Logistics & Industrial Trust	449,275	0.27
562,050	Goodman Group	3,116,074	1.88	352,100	Mapletree Commercial Trust	410,126	0.25
1,800,761	Mirvac Group	3,071,889	1.85	<b>SPAIN 1.19% (30 September 2015: 1.57%)</b>			
<b>Reits-Shopping Centers</b>				<b>Real Estate Operation/Development</b>			
362,897	Scentre Group	1,298,920	0.78	23,261	Inmobiliaria Colonial SA	166,311	0.10
<b>CHINA 0.55% (30 September 2015: 0.66%)</b>				<b>Reits-Diversified</b>			
<b>Real Estate Operation/Development</b>				158,567	Merlin Properties Socimi SA	1,814,161	1.09
326,000	China Resources Land Ltd	908,243	0.55	<b>SWEDEN 2.63% (30 September 2015: 1.45%)</b>			
<b>FINLAND 0.66% (30 September 2015: 0.00%)</b>				<b>Real Estate Management/Services</b>			
<b>Real Estate Management/Services</b>				102,688	Castellum AB	1,531,348	0.92
212,867	Sponda OYJ	1,088,434	0.66	96,402	Fabege AB	1,746,227	1.05
<b>FRANCE 4.36% (30 September 2015: 4.31%)</b>				52,140	Wihlborgs Fastigheter AB	1,088,926	0.66
<b>Reits-Diversified</b>				<b>UNITED KINGDOM 4.19% (30 September 2015: 8.03%)</b>			
9,963	Gecina SA	1,549,904	0.94	<b>Real Estate Operation/Development</b>			
93,746	Klepierre	4,227,801	2.55	179,336	UNITE Group Plc/The	1,456,894	0.88
5,444	Unibail-Rodamco SE	1,445,090	0.87	<b>Reits-Diversified</b>			
<b>GERMANY 3.98% (30 September 2015: 2.90%)</b>				188,050	Land Securities Group Plc	2,526,229	1.52
<b>Real Estate Management/Services</b>				294,700	Segro Plc	1,699,671	1.03
136,586	Deutsche Wohnen AG	4,938,549	2.98	<b>Reits-Storage</b>			
12,541	Vonovia SE	470,697	0.28	49,920	Big Yellow Group Plc	501,667	0.30
<b>Real Estate Operation/Development</b>				<b>Storage/Warehousing</b>			
53,929	TLG Immobilien AG	1,188,465	0.72	152,043	Safestore Holdings Plc	756,086	0.46
<b>HONG KONG 6.81% (30 September 2015: 6.37%)</b>				<b>UNITED STATES 52.22% (30 September 2015: 49.89%)</b>			
<b>Real Estate Operation/Development</b>				<b>Hotels &amp; Motels</b>			
133,000	Cheung Kong Property Holdings Ltd	970,955	0.59	34,420	Hilton Worldwide Holdings Inc	785,464	0.47
270,900	Hongkong Land Holdings Ltd	1,912,554	1.15	<b>Real Estate Management/Services</b>			
1,266,000	New World Development Co Ltd	1,645,982	0.99	29,370	CBRE Group Inc	811,787	0.49
354,000	Sun Hung Kai Properties Ltd	5,346,764	3.23	<b>Reits-Apartments</b>			
<b>Reits-Shopping Centers</b>				22,494	American Campus Communities Inc	1,147,644	0.69
192,000	Link REIT	1,411,585	0.85	<b>Apartment Investment &amp; Management</b>			
<b>JAPAN 12.67% (30 September 2015: 6.84%)</b>				52,372	Co	2,440,535	1.47
<b>Real Estate Management/Services</b>				25,905	AvalonBay Communities Inc	4,647,357	2.81
106,300	Aeon Mall Co Ltd	1,670,586	1.01	33,090	Colony Starwood Homes	959,610	0.58
<b>Real Estate Operation/Development</b>				26,761	Education Realty Trust Inc	1,156,878	0.70
211,355	Mitsui Fudosan Co Ltd	4,466,808	2.70	34,165	Equity Residential	2,201,251	1.33
145,000	Sumitomo Realty & Development Co Ltd	3,727,423	2.25	19,265	Essex Property Trust Inc	4,346,762	2.62
94,700	Tokyo Tatemono Co Ltd	1,131,208	0.68	<b>Reits-Diversified</b>			
<b>Reits-Apartments</b>				12,016	American Tower Corp	1,363,576	0.82
732	Japan Rental Housing Investments Inc	615,041	0.37	19,165	Crown Castle International Corp	1,801,702	1.09
<b>Reits-Diversified</b>				102,494	Duke Realty Corp	2,820,635	1.70
80	Kenedix Office Investment Corp	493,245	0.30	18,773	EPR Properties	1,491,890	0.90
955	Nomura Real Estate Master Fund Inc	1,597,259	0.96	6,765	Equinix Inc	2,435,062	1.47
<b>Reits-Hotels</b>				26,625	STAG Industrial Inc	652,312	0.39
45	Hoshino Resorts REIT Inc	566,480	0.34	65,166	STORE Capital Corp	1,928,913	1.16
1,601	Japan Hotel REIT Investment Corp	1,272,308	0.77	6,802	Vornado Realty Trust	690,607	0.42
<b>Reits-Office Property</b>				<b>Reits-Health Care</b>			
601	Orix JREIT Inc	1,057,527	0.64	58,259	Physicians Realty Trust	1,261,307	0.76
<b>Reits-Shopping Centers</b>				82,500	Senior Housing Properties Trust	1,907,400	1.15
865	Japan Retail Fund Investment Corp	2,140,992	1.29	64,429	Welltower Inc	4,884,363	2.95
295	Kenedix Retail REIT Corp	701,262	0.42	<b>Reits-Hotels</b>			
<b>Reits-Warehouse/Industrial</b>				23,189	Pebblebrook Hotel Trust	602,914	0.36
688	Japan Logistics Fund Inc	1,559,226	0.94	125,551	Sunstone Hotel Investors Inc	1,589,476	0.96
<b>MEXICO 0.72% (30 September 2015: 0.00%)</b>				<b>Reits-Manufactured Homes</b>			
<b>Reits-Diversified</b>				23,375	Sun Communities Inc	1,856,676	1.12
<b>PLA Administradora Industrial S de RL de CV</b>				<b>Reits-Office Property</b>			
377,620	de CV	619,864	0.37	18,504	Alexandria Real Estate Equities Inc	2,031,554	1.23
<b>Reits-Warehouse/Industrial</b>				27,698	Boston Properties Inc	3,775,514	2.28
366,671	Prologis Property Mexico SA de CV	581,523	0.35	16,773	Kilroy Realty Corp	1,150,125	0.69
				26,561	SL Green Realty Corp	2,866,198	1.73
				<b>Reits-Regional Malls</b>			
				90,009	General Growth Properties Inc	2,481,548	1.50
				51,438	Simon Property Group Inc	10,677,500	6.44
				13,689	Tanger Factory Outlet Centers Inc	534,693	0.32

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

59

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

GLOBAL EQUITY (EX-JAPAN) FUND				GLOBAL EQUITY (EX-JAPAN) FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>TRANSFERABLE SECURITIES 98.73% (30 September 2015: 99.33%)</b>				<b>GERMANY 2.98% (30 September 2015: 2.64%)</b>			
<b>AUSTRALIA 1.12% (30 September 2015: 2.51%)</b>				<b>Athletic Footwear</b>			
46,765	Star Entertainment Grp Ltd/The	214,397	0.34	2,196	adidas AG	374,410	0.58
<b>Commercial Banks Non-US</b>				<b>Chemicals-Diversified</b>			
2,367	Commonwealth Bank of Australia	130,508	0.20	9,102	Evonik Industries AG	303,449	0.47
<b>Diversified Minerals</b>				<b>Diversified Manufacturing Operations</b>			
13,294	BHP Billiton Plc	199,534	0.31	4,918	Siemens AG	561,292	0.88
<b>Metal-Iron</b>				<b>Lighting Products &amp; Systems</b>			
46,633	Fortescue Metals Group Ltd	175,792	0.27	7,167	OSRAM Licht AG	414,236	0.65
<b>AUSTRIA 0.52% (30 September 2015: 0.00%)</b>				<b>Reinsurance</b>			
<b>Commercial Banks Non-US</b>				2,472	Hannover Rueck SE	257,359	0.40
11,477	Erste Group Bank AG	331,993	0.52	<b>HONG KONG 1.46% (30 September 2015: 0.00%)</b>			
<b>BELGIUM 0.00% (30 September 2015: 2.21%)</b>				<b>Real Estate Operation/Development</b>			
<b>CANADA 5.66% (30 September 2015: 3.24%)</b>					Cheung Kong Property Holdings		
<b>Commercial Banks Non-US</b>				66,000	Ltd	481,827	0.75
10,800	Bank of Nova Scotia/The	579,556	0.90	163,000	New World Development Co Ltd	211,923	0.33
13,500	Toronto-Dominion Bank/The	597,772	0.93	41,000	Wheelock & Co Ltd	241,939	0.38
<b>Diversified Minerals</b>				<b>IRELAND 1.54% (30 September 2015: 0.98%)</b>			
15,300	Teck Resources Ltd	285,846	0.45	<b>Building Production-Cement/Aggregate</b>			
<b>Gold Mining</b>				7,015	CRH Plc	231,871	0.36
15,700	Barrick Gold Corp	281,271	0.44	<b>Computer Services</b>			
48,800	Kinross Gold Corp	207,630	0.32	6,234	Accenture Plc	758,304	1.18
30,200	Yamana Gold Inc	134,229	0.21	<b>ISRAEL 0.00% (30 September 2015: 0.74%)</b>			
<b>Oil Company-Exploration &amp; Production</b>				<b>ITALY 1.25% (30 September 2015: 1.07%)</b>			
9,100	Canadian Natural Resources Ltd	291,352	0.46	<b>Electric-Integrated</b>			
12,400	Seven Generations Energy Ltd	296,578	0.46	116,851	Enel SpA	514,369	0.80
<b>Pipelines</b>				<b>Wire &amp; Cable Products</b>			
11,600	TransCanada Corp	551,715	0.86	11,171	Prysmian SpA	288,222	0.45
<b>Retail-Convenience Store</b>				<b>JORDAN 0.00% (30 September 2015: 0.47%)</b>			
4,849	Alimentation Couche-Tard Inc	233,648	0.36	<b>NETHERLANDS 1.69% (30 September 2015: 1.62%)</b>			
<b>Retail-Discount</b>				<b>Commercial Banks Non-US</b>			
2,200	Dollarama Inc	174,437	0.27	13,328	ING Groep NV	156,883	0.24
<b>DENMARK 1.08% (30 September 2015: 1.13%)</b>				<b>Food-Retail</b>			
<b>Commercial Banks Non-US</b>				14,533	Koninklijke Ahold Delhaize NV	324,742	0.51
14,692	Danske Bank A/S	418,713	0.65	<b>Life/Health Insurance</b>			
<b>Medical-Biomedical/Genetics</b>				13,272	NN Group NV	397,497	0.62
787	Genmab A/S	131,929	0.21	<b>Oil Company-Integrated</b>			
<b>Medical-Drugs</b>				8,017	Royal Dutch Shell Plc	208,173	0.32
3,411	Novo Nordisk A/S	141,389	0.22	<b>NORWAY 0.46% (30 September 2015: 0.00%)</b>			
<b>FINLAND 0.58% (30 September 2015: 0.00%)</b>				<b>Fisheries</b>			
<b>Paper &amp; Related Products</b>				16,716	Marine Harvest ASA	295,291	0.46
18,138	UPM-Kymmene OYJ	374,463	0.58	<b>PORTUGAL 0.43% (30 September 2015: 0.00%)</b>			
<b>FRANCE 5.00% (30 September 2015: 4.89%)</b>				<b>Oil Company-Integrated</b>			
<b>Aerospace/Defense</b>				20,240	Galp Energia SGPS SA	274,121	0.43
3,457	Thales SA	315,832	0.49	<b>SOUTH AFRICA 0.00% (30 September 2015: 0.66%)</b>			
<b>Building &amp; Construction Production-Miscellaneous</b>				<b>SPAIN 0.68% (30 September 2015: 1.79%)</b>			
3,388	Eiffage SA	260,156	0.41	<b>Airport Development/Maintenance</b>			
<b>Building-Heavy Construction</b>				1,579	Aena SA	230,805	0.36
5,580	Vinci SA	418,552	0.65	<b>Electric-Integrated</b>			
<b>Computer Services</b>				31,179	Iberdrola SA	209,498	0.32
5,066	Capgemini SA	488,666	0.76	<b>SWEDEN 0.60% (30 September 2015: 1.55%)</b>			
<b>Diversified Banking Institutions</b>				<b>Investment Companies</b>			
7,184	BNP Paribas SA	353,916	0.55	10,673	Investor AB	384,301	0.60
<b>Oil Company-Integrated</b>				<b>SWITZERLAND 3.07% (30 September 2015: 3.46%)</b>			
4,628	TOTAL SA	217,877	0.34	<b>Chemicals-Specialty</b>			
<b>Oil-Field Services</b>				1,399	Lonza Group AG	264,468	0.41
3,326	Technip SA	202,352	0.31	<b>Engineering/Research &amp; Development Services</b>			
<b>Reinsurance</b>				16,462	ABB Ltd	366,776	0.57
10,767	SCOR SE	325,784	0.51	<b>Food-Miscellaneous/Diversified</b>			
<b>Telephone-Integrated</b>				5,177	Nestle SA	409,425	0.64
19,406	Orange SA	299,721	0.47	<b>Medical-Drugs</b>			
<b>Water</b>				1,612	Actelion Ltd	278,105	0.43
14,564	Veolia Environnement SA	330,321	0.51	1,009	Roche Holding AG	247,725	0.39

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

GLOBAL EQUITY (EX-JAPAN) FUND (continued)				GLOBAL EQUITY (EX-JAPAN) FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>SWITZERLAND 3.07% (30 September 2015: 3.46%) (continued)</b>				<b>UNITED STATES 62.47% (30 September 2015: 63.03%) (continued)</b>			
<b>Reinsurance</b>				<b>Diversified Banking Institutions</b>			
4,562	Swiss Re AG	404,120	0.63	4,716	Citigroup Inc	215,993	0.33
<b>UNITED KINGDOM 8.14% (30 September 2015: 7.34%)</b>				16,889	JPMorgan Chase & Co	1,108,763	1.73
<b>Advertising Agencies</b>				<b>Diversified Manufacturing Operations</b>			
16,028	WPP Plc	374,934	0.58	1,848	AO Smith Corp	180,938	0.28
<b>Beverages-Wine/Spirits</b>				9,254	General Electric Co	273,271	0.42
13,684	Diageo Plc	391,700	0.61	3,297	Honeywell International Inc	383,078	0.60
<b>Commercial Services</b>				4,555	Ingersoll-Rand Plc	305,640	0.48
7,903	Intertek Group Plc	355,292	0.55	<b>E-Commerce/Products</b>			
<b>Diversified Banking Institutions</b>				1,157	Amazon.com Inc	959,211	1.49
20,738	HSBC Holdings Plc	153,198	0.24	<b>Electric-Integrated</b>			
<b>Food-Catering</b>				2,890	Entergy Corp	223,484	0.35
26,758	Compass Group Plc	513,058	0.80	13,549	Exelon Corp	451,046	0.70
<b>Food-Miscellaneous/Diversified</b>				<b>Electronic Component-Semiconductor</b>			
5,554	Unilever Plc	260,718	0.41	9,918	Intel Corp	370,140	0.58
<b>Gas-Distribution</b>				3,708	Texas Instruments Inc	258,966	0.40
40,008	National Grid Plc	569,624	0.89	<b>Electronic Design Automation</b>			
<b>Medical-Drugs</b>				7,178	Synopsys Inc	424,076	0.66
25,372	GlaxoSmithKline Plc	537,584	0.84	<b>Electronic Security Devices</b>			
<b>Oil Company-Integrated</b>				8,002	Johnson Controls International plc	367,372	0.57
28,237	BP Plc	164,357	0.26	<b>Engineering/Research &amp; Development Services</b>			
<b>Private Equity</b>				7,635	AECOM	224,622	0.35
36,698	3i Group Plc	305,028	0.47	4,629	EMCOR Group Inc	274,546	0.43
<b>Sugar</b>				22,995	KBR Inc	342,855	0.53
28,230	Tate & Lyle Plc	269,602	0.42	<b>Enterprise Software/Services</b>			
<b>Tobacco</b>				13,445	CA Inc	441,399	0.69
12,397	British American Tobacco Plc	791,462	1.23	6,762	Oracle Corp	264,530	0.41
10,559	Imperial Brands Plc	541,102	0.84	<b>Finance-Consumer Loans</b>			
<b>UNITED STATES 62.47% (30 September 2015: 63.03%)</b>				11,210	Navient Corp	160,415	0.25
<b>Aerospace/Defense</b>				<b>Finance-Credit Card</b>			
3,078	Raytheon Co	420,270	0.65	2,006	Visa Inc	164,332	0.26
<b>Apparel Manufacturers</b>				<b>Food-Confectionery</b>			
4,278	Michael Kors Holdings Ltd	200,510	0.31	1,252	JM Smucker Co/The	168,732	0.26
<b>Applications Software</b>				<b>Food-Meat Products</b>			
20,221	Microsoft Corp	1,160,685	1.81	4,100	Tyson Foods Inc	306,803	0.48
<b>Auto/Truck Parts &amp; Equipment-Original</b>				<b>Food-Retail</b>			
2,420	Lear Corp	287,423	0.45	12,821	Kroger Co/The	378,220	0.59
3,822	Tenneco Inc	216,440	0.33	<b>Gambling (Non-Hotel)</b>			
<b>Beverages-Non-Alcoholic</b>				<b>International Game Technology</b>			
3,219	PepsiCo Inc	346,879	0.54	8,445	Plc	209,689	0.33
<b>Building Production-Wood</b>				<b>Gas-Distribution</b>			
7,886	Masco Corp	269,859	0.42	11,699	CenterPoint Energy Inc	275,862	0.43
<b>Building &amp; Construction Production-Miscellaneous</b>				<b>Human Resources</b>			
6,380	Owens Corning	338,012	0.53	6,328	AMN Healthcare Services Inc	199,522	0.31
<b>Cable TV</b>				<b>Internet Content-Entertainment</b>			
8,640	Comcast Corp	572,400	0.89	5,171	Facebook Inc	662,353	1.03
<b>Chemicals-Diversified</b>				<b>Internet Security</b>			
9,737	Dow Chemical Co/The	503,695	0.78	15,484	Symantec Corp	387,255	0.60
<b>Commercial Service-Finance</b>				<b>Life/Health Insurance</b>			
7,762	Sabre Corp	218,733	0.34	2,857	Prudential Financial Inc	228,474	0.36
<b>Commercial Services</b>				10,258	Unum Group	355,850	0.55
11,103	Aramark	420,804	0.66	<b>Medical Laboratories &amp; Testing Services</b>			
<b>Computer Services</b>				<b>Laboratory Corp of America</b>			
<b>Computers</b>				1,874	Holdings	253,852	0.40
1,235	International Business Machines Corp	195,266	0.30	<b>Medical Products</b>			
9,875	Apple Inc	1,107,778	1.72	7,103	Baxter International Inc	333,273	0.52
15,793	HP Inc	243,054	0.38	6,420	Johnson & Johnson	752,873	1.17
<b>Consulting Services</b>				<b>Medical-Biomedical/Genetics</b>			
4,830	CoreLogic Inc/United States	190,737	0.30	4,423	Amgen Inc	731,785	1.14
<b>Containers-Paper/Plastic</b>				472	Biogen Inc	144,328	0.22
4,121	Packaging Corp of America	328,526	0.51	<b>Charles River Laboratories</b>			
<b>Cosmetics &amp; Toiletries</b>				5,263	International Inc	434,408	0.68
3,490	Procter & Gamble Co/The	307,923	0.48	8,683	Gilead Sciences Inc	676,059	1.05
<b>Distribution/Wholesale</b>				<b>Medical-Drugs</b>			
1,545	Genuine Parts Co	153,851	0.24	9,373	AbbVie Inc	588,812	0.92
7,099	HD Supply Holdings Inc	223,122	0.35	4,224	Bristol-Myers Squibb Co	227,547	0.35
<b>Diversified Banking Institutions</b>				6,172	Merck & Co Inc	382,109	0.59
10,609	Bank of America Corp	160,832	0.25	24,598	Pfizer Inc	819,605	1.28
				<b>Quintiles Transnational Holdings</b>			
				4,552	Inc	359,881	0.56



# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

GLOBAL EQUITY (EX-JAPAN) FUND (continued)				GLOBAL EQUITY (EX-JAPAN) FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>UNITED STATES 62.47% (30 September 2015: 63.03%) (continued)</b>				<b>UNITED STATES 62.47% (30 September 2015: 63.03%) (continued)</b>			
<b>Medical-Health Maintenance Organization</b>				<b>Web Portals/ISP</b>			
4,486	Aetna Inc	516,025	0.80	1,052	Alphabet Inc 'A'	844,377	1.31
3,785	Anthem Inc	472,860	0.74	579	Alphabet Inc 'C'	448,731	0.70
899	Humana Inc	158,062	0.25	<b>Wireless Equipment</b>			
4,512	UnitedHealth Group Inc	624,100	0.97	2,357	QUALCOMM Inc	158,980	0.25
<b>Medical-Wholesale Drug Distribution</b>				<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD59,032,857)</b>			
3,326	Cardinal Health Inc	255,769	0.40	<b>63,391,044 98.73</b>			
<b>Multi-Line Insurance</b>				<b>Open Spot Currency Contracts (0.00%) (30 September 2015: (0.00%))</b>			
6,376	Voya Financial Inc	180,505	0.28	<b>Settlement Buy Amount Sell Amount Unrealised % Net</b>			
<b>Networking Products</b>				<b>Date Bought Sold Gain/Loss Assets</b>			
26,564	Cisco Systems Inc	833,844	1.30	04/10/2016	USD 3,216	GBP (2,481)	(1) (0.00)
<b>Non-Hazardous Waste Disposal</b>				Unrealised Loss on Open Spot			
5,378	Waste Management Inc	340,266	0.53	Currency Contracts			
<b>Oil Company-Exploration &amp; Production</b>				(1) (0.00)			
7,487	Antero Resources Corp	195,710	0.30	<b>Net Unrealised Loss on Open Spot Currency Contracts</b>			
<b>Oil Company-Integrated</b>				<b>(1) (0.00)</b>			
1,909	Chevron Corp	193,324	0.30	Cash at Bank			
9,671	Exxon Mobil Corp	836,155	1.30	Net Current Liabilities			
5,840	Murphy Oil Corp	177,127	0.28	876,615 1.37			
<b>Oil Refining &amp; Marketing</b>				(64,139) (0.10)			
2,730	Murphy USA Inc	192,683	0.30	<b>Net Assets Attributable to Holders of Redeemable Participating Units</b>			
3,122	Tesoro Corp	242,174	0.38	<b>at Mid Market Prices</b>			
<b>Property/Casualty Insurance</b>				<b>64,203,519 100.00</b>			
3,153	Travelers Cos Inc/The	359,032	0.56	<b>% Total Assets</b>			
<b>Reinsurance</b>				<b>Analysis of Total Assets</b>			
2,305	Berkshire Hathaway Inc	330,975	0.51	Transferable Securities and Money Market Instruments			
1,644	Everest Re Group Ltd	313,018	0.49	admitted to an official stock exchange listing or traded on a			
<b>Reits-Apartments</b>				regulated market			
	Mid-America Apartment			Financial Derivative instruments dealt in or on a regulated			
2,374	Communities Inc	228,260	0.36	market			
<b>Reits-Diversified</b>				Other Assets			
3,178	Digital Realty Trust Inc	311,444	0.49	<b>Total Assets 100.00</b>			
4,815	Liberty Property Trust	195,345	0.30	All securities are transferable securities admitted to an official stock			
<b>Reits-Health Care</b>				exchange listing.			
1,757	Ventas Inc	126,346	0.20	The counterparty for the open spot currency contracts the Bank of New York			
<b>Reits-Warehouse/Industrial</b>				Mellon.			
	Monmouth Real Estate Investment						
10,248	Corp	146,546	0.23				
<b>Retail-Apparel/Shoe</b>							
2,059	PVH Corp	219,613	0.34				
<b>Retail-Building Products</b>							
1,897	Home Depot Inc/The	242,683	0.38				
5,430	Lowe's Cos Inc	391,015	0.61				
<b>Retail-Discount</b>							
5,761	Target Corp	390,135	0.61				
3,410	Wal-Mart Stores Inc	241,189	0.37				
<b>Retail-Drug Store</b>							
5,414	CVS Health Corp	484,824	0.76				
<b>Retail-Regional Department Store</b>							
5,028	Kohl's Corp	215,198	0.34				
<b>Rubber/Plastic Products</b>							
5,017	Trinseo SA	287,524	0.45				
<b>Ship Building</b>							
1,204	Huntington Ingalls Industries Inc	183,646	0.29				
<b>Super-Regional Banks-US</b>							
31,295	Fifth Third Bancorp	633,411	0.99				
11,626	SunTrust Banks Inc	501,662	0.78				
8,070	Wells Fargo & Co	358,066	0.56				
<b>Telephone-Integrated</b>							
13,010	AT&T Inc	529,897	0.83				
5,556	Verizon Communications Inc	289,579	0.45				
<b>Television</b>							
6,132	CBS Corp	334,623	0.52				
<b>Tobacco</b>							
10,348	Altria Group Inc	650,061	1.01				
7,266	Philip Morris International Inc	710,470	1.11				
<b>Veterinary Diagnostics</b>							
5,159	VCA Inc	355,094	0.55				
<b>Web Hosting/Design</b>							
7,820	GoDaddy Inc	267,209	0.42				

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

<b>POST GLOBAL LIMITED TERM HIGH YIELD FUND</b>					
<b>Nominal</b>	<b>Security</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Value USD</b>	<b>% Net Assets</b>
<b>TRANSFERABLE SECURITIES 96.42% (30 September 2015: 91.14%)</b>					
<b>AUSTRALIA 0.00% (30 September 2015: 0.22%)</b>					
<b>FRANCE 0.00% (30 September 2015: 0.52%)</b>					
<b>GERMANY 2.41% (30 September 2015: 0.00%)</b>					
<b>Corporate Bond</b>					
6,600,000	Fresenius Medical Care US Finance II Inc	4.125%	15/10/2020	6,930,000	0.81
4,260,000	Fresenius Medical Care US Finance II Inc	5.625%	31/07/2019	4,638,075	0.54
5,000,000	Fresenius Medical Care US Finance Inc	6.875%	15/07/2017	5,212,500	0.61
3,750,000	IHO Verwaltungs GmbH	4.125%	15/09/2021	3,812,719	0.45
<b>IRELAND 1.21% (30 September 2015: 0.35%)</b>					
<b>Corporate Bond</b>					
2,000,000	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc	3.850%	15/12/2019	2,030,000	0.24
8,125,000	Ardagh Packaging Finance Plc / Ardagh Holdings USA Inc	4.067%	15/05/2021	8,269,706	0.97
<b>ISRAEL 0.99% (30 September 2015: 0.00%)</b>					
<b>Corporate Bond</b>					
4,250,000	Teva Pharmaceutical Finance Netherlands III BV	1.700%	19/07/2019	4,246,959	0.49
4,250,000	Teva Pharmaceutical Finance Netherlands III BV	2.200%	21/07/2021	4,248,521	0.50
<b>LUXEMBOURG 0.00% (30 September 2015: 2.78%)</b>					
<b>NETHERLANDS 2.29% (30 September 2015: 2.71%)</b>					
<b>Corporate Bond</b>					
19,150,000	AerCap Ireland Capital Ltd / AerCap Global Aviation Trust	3.750%	15/05/2019	19,580,875	2.29
<b>UNITED STATES 89.52% (30 September 2015: 84.56%)</b>					
<b>Corporate Bond</b>					
5,000,000	Activision Blizzard Inc	2.300%	15/09/2021	5,028,895	0.59
7,800,000	ADT Corp/The	5.250%	15/03/2020	8,463,000	0.99
9,860,000	ADT Corp/The	6.250%	15/10/2021	10,813,955	1.27
2,500,000	Air Lease Corp	2.125%	15/01/2020	2,492,217	0.29
3,000,000	Air Lease Corp	2.125%	15/01/2018	3,022,500	0.35
17,445,000	Aircastle Ltd	4.625%	15/12/2018	18,230,025	2.14
2,000,000	Aircastle Ltd	6.250%	01/12/2019	2,195,000	0.26
19,770,000	Alere Inc	7.250%	01/07/2018	20,202,469	2.37
7,885,000	Alliance Data Systems Corp	5.250%	01/12/2017	8,072,269	0.94
3,000,000	American Airlines Group Inc	4.625%	01/03/2020	3,041,250	0.36
4,800,000	American Tower Corp	2.250%	15/01/2022	4,799,095	0.56
4,350,000	Ball Corp	4.375%	15/12/2020	4,665,375	0.55
12,992,000	Cablevision Systems Corp	8.625%	15/09/2017	13,641,600	1.60
25,499,000	CCO Holdings LLC / CCO Holdings Capital Corp	5.250%	15/03/2021	26,548,475	3.11
6,000,000	Cedar Fair LP / Canada's Wonderland Co / Magnum Management Corp	5.250%	15/03/2021	6,231,912	0.73
5,275,000	Centene Corp	5.625%	15/02/2021	5,604,688	0.66
6,425,000	Centene Corp	5.750%	01/06/2017	6,585,625	0.77
3,455,000	CenturyLink Inc	5.625%	01/04/2020	3,657,981	0.43
9,290,000	CenturyLink Inc	6.150%	15/09/2019	10,079,650	1.18
9,496,000	Change Healthcare Holdings Inc	11.000%	31/12/2019	9,949,434	1.16
17,900,000	CHS/Community Health Systems Inc	5.125%	15/08/2018	18,013,665	2.11
4,750,000	CIT Group Inc	4.250%	15/08/2017	4,836,688	0.57
8,577,000	CIT Group Inc	5.250%	15/03/2018	8,930,801	1.04
1,490,000	CNH Industrial Capital LLC	3.250%	01/02/2017	1,497,450	0.17
7,513,000	CNH Industrial Capital LLC	3.875%	16/07/2018	7,682,042	0.90
3,150,000	CNO Financial Group Inc	4.500%	30/05/2020	3,248,437	0.38
2,000,000	CommScope Inc	5.000%	15/06/2021	2,077,500	0.24
12,850,000	Constellation Brands Inc	3.875%	15/11/2019	13,556,750	1.59
2,000,000	Constellation Brands Inc	7.250%	15/05/2017	2,075,000	0.24
5,000,000	Crown Castle International Corp	2.250%	01/09/2021	5,010,763	0.59
5,150,000	CSC Holdings LLC	7.625%	15/07/2018	5,562,000	0.65
19,170,000	CSC Holdings LLC	7.875%	15/02/2018	20,559,825	2.41
5,000,000	Diamond 1 Finance Corp / Diamond 2 Finance Corp	3.480%	01/06/2019	5,147,560	0.60
6,650,000	DISH DBS Corp	4.250%	01/04/2018	6,849,500	0.80
15,650,000	DISH DBS Corp	4.625%	15/07/2017	15,963,000	1.87
6,000,000	Frontier Communications Corp	7.125%	15/03/2019	6,472,500	0.76
10,000,000	Frontier Communications Corp	8.125%	01/10/2018	10,837,500	1.27
23,700,000	GLP Capital LP / GLP Financing II Inc	4.375%	01/11/2018	24,736,875	2.90
18,694,000	HCA Inc	3.750%	15/03/2019	19,301,555	2.26
2,000,000	HCA Inc	4.250%	15/10/2019	2,090,000	0.24
7,585,000	Health Net Inc	6.375%	01/06/2017	7,812,550	0.91

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

POST GLOBAL LIMITED TERM HIGH YIELD FUND (continued)						
Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets	
UNITED STATES 89.52% (30 September 2015: 84.56%) (continued)						
Corporate Bond (continued)						
12,000,000	Hilton Worldwide Finance LLC / Hilton Worldwide Finance Corp	5.625%	15/10/2021	12,376,092	1.45	
18,918,000	HRG Group Inc	7.875%	15/07/2019	19,958,490	2.34	
27,958,000	Hughes Satellite Systems Corp	6.500%	15/06/2019	30,648,957	3.59	
13,525,000	Icahn Enterprises LP / Icahn Enterprises Finance Corp	3.500%	15/03/2017	13,592,625	1.59	
2,800,000	International Game Technology Plc	5.625%	15/02/2020	2,996,000	0.35	
5,750,000	Iron Mountain Inc	6.000%	01/10/2020	6,109,375	0.72	
1,000,000	Isle of Capri Casinos Inc	5.875%	15/03/2021	1,045,625	0.12	
11,397,000	L-3 Communications Corp	4.750%	15/07/2020	12,473,652	1.46	
19,065,000	Level 3 Financing Inc	4.407%	15/01/2018	19,124,578	2.24	
13,700,000	LifePoint Health Inc	5.500%	01/12/2021	14,299,375	1.67	
6,580,000	MGM Resorts International	5.250%	31/03/2020	7,040,600	0.82	
1,950,000	Nationstar Mortgage LLC / Nationstar Capital Corp	6.500%	01/08/2018	1,979,250	0.23	
6,000,000	Netflix Inc	5.375%	01/02/2021	6,555,000	0.77	
14,197,000	Orbital ATK Inc	5.250%	01/10/2021	14,800,373	1.74	
6,000,000	Pinnacle Foods Finance LLC / Pinnacle Foods Finance Corp	4.875%	01/05/2021	6,202,500	0.73	
1,000,000	Prestige Brands Inc	5.375%	15/12/2021	1,040,000	0.12	
Reynolds Group Issuer Inc / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu						
21,809,000		5.750%	15/10/2020	22,540,692	2.64	
1,790,000	Sabra Health Care LP / Sabra Capital Corp	5.500%	01/02/2021	1,877,262	0.22	
7,600,000	Shire Acquisitions Investments Ireland DAC	1.900%	23/09/2019	7,616,519	0.89	
12,647,000	Sinclair Television Group Inc	5.375%	01/04/2021	13,152,880	1.54	
8,767,000	Starz LLC / Starz Finance Corp	5.000%	15/09/2019	8,896,440	1.04	
15,704,000	Station Casinos LLC	7.500%	01/03/2021	16,660,099	1.95	
14,012,000	TEGNA Inc	5.125%	15/10/2019	14,452,677	1.69	
6,030,000	Tenet Healthcare Corp	4.750%	01/06/2020	6,165,675	0.72	
6,700,000	Tenet Healthcare Corp	5.000%	01/03/2019	6,591,125	0.77	
6,000,000	Tenet Healthcare Corp	5.500%	01/03/2019	5,947,500	0.70	
22,484,000	T-Mobile USA Inc	6.464%	28/04/2019	22,933,680	2.69	
1,000,000	T-Mobile USA Inc	6.542%	28/04/2020	1,034,490	0.12	
29,770,000	TransDigm Inc	5.500%	15/10/2020	30,681,706	3.59	
1,500,000	USI Inc/NY	7.750%	15/01/2021	1,526,250	0.18	
6,500,000	Vector Group Ltd	7.750%	15/02/2021	6,849,375	0.80	
4,000,000	Viacom Inc	2.250%	04/02/2022	3,987,680	0.47	
20,932,000	ViaSat Inc	6.875%	15/06/2020	21,703,868	2.54	
5,000,000	WellCare Health Plans Inc	5.750%	15/11/2020	5,171,875	0.61	
28,902,000	Yum! Brands Inc	6.250%	15/03/2018	30,852,885	3.61	
Total Value of Transferable Securities at Mid Market Prices				823,441,901	96.42	
UNLISTED 2.78% (30 September 2015: 1.45%)						
UNITED STATES 2.78% (30 September 2015: 1.45%)						
Term Loans						
3,675,000	Asurion LLC	8.500%	28/02/2021	3,661,219	0.43	
4,389,000	Solera Holdings Inc	5.750%	31/12/2049	4,439,737	0.52	
4,962,500	Sophia LP	4.750%	31/12/2049	4,971,805	0.58	
2,992,500	Surgery Center Holdings Inc	5.250%	31/12/2049	2,998,111	0.35	
7,960,000	U.S. Renal Care Inc	5.250%	31/12/2049	7,654,057	0.90	
Total Value of Unlisted at Mid Market Prices				23,724,929	2.78	
Total Value of Transferable Securities at Mid Market Prices (Cost: USD837,383,439)				847,166,830	99.20	
Interest Receivable on Transferable Securities				10,428,829	1.22	
Total Value of Transferable Securities				857,595,659	100.42	
Open Forward Foreign Currency Exchange Contracts (0.48%) (30 September 2015: 0.08%)						
Settlement Date	Buy	Amount Bought	Sell	Amount Sold	Unrealised Gain/Loss	% Net Assets
17/10/2016	CHF	2,554	USD	(2,629)	10	0.00
17/10/2016	CHF	1,752	USD	(1,797)	13	0.00
17/10/2016	CHF	64,000	USD	(65,591)	539	0.00
17/10/2016	CHF	599,663	USD	(617,267)	2,350	0.00
17/10/2016	EUR	209,334,298	USD	(236,272,691)	(2,014,601)	(0.24)
17/10/2016	EUR	40,167,927	USD	(45,336,977)	(386,570)	(0.05)
17/10/2016	EUR	18,849,987	USD	(21,275,716)	(181,409)	(0.02)
17/10/2016	EUR	2,080,375	USD	(2,348,100)	(20,031)	(0.00)
17/10/2016	EUR	396,553	USD	(447,586)	(3,818)	(0.00)
17/10/2016	EUR	603,287	USD	(677,595)	(2,479)	(0.00)
17/10/2016	EUR	404,179	USD	(454,649)	(2,347)	(0.00)
17/10/2016	EUR	120,547	USD	(135,395)	(495)	(0.00)
17/10/2016	EUR	23,770	USD	(26,698)	(98)	(0.00)

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

**POST GLOBAL LIMITED TERM HIGH YIELD FUND (continued)**

**Open Forward Foreign Currency Exchange Contracts (0.48%) (30 September 2015: 0.08%) (continued)**

<b>Settlement Date (continued)</b>	<b>Buy (continued)</b>	<b>Amount Bought (continued)</b>	<b>Sell (continued)</b>	<b>Amount Sold (continued)</b>	<b>Unrealised Gain/Loss (continued)</b>	<b>% Net Assets (continued)</b>
17/10/2016	GBP	98,633,814	USD	(131,231,698)	(3,300,107)	(0.39)
17/10/2016	GBP	17,820,393	USD	(23,709,926)	(596,238)	(0.07)
17/10/2016	GBP	9,832,091	USD	(13,081,538)	(328,964)	(0.04)
17/10/2016	GBP	1,807,863	USD	(2,405,358)	(60,495)	(0.01)
17/10/2016	GBP	400,000	USD	(532,370)	(13,556)	(0.00)
17/10/2016	GBP	327,183	USD	(435,317)	(10,948)	(0.00)
17/10/2016	GBP	295,313	USD	(392,014)	(8,983)	(0.00)
17/10/2016	GBP	180,521	USD	(240,183)	(6,041)	(0.00)
17/10/2016	GBP	51,776	USD	(68,730)	(1,575)	(0.00)
17/10/2016	GBP	28,551	USD	(37,900)	(868)	(0.00)
17/10/2016	JPY	83,401,874	USD	(813,836)	12,014	0.00
17/10/2016	JPY	28,948,434,718	USD	(283,801,639)	2,847,338	0.34
17/10/2016	SGD	1,563,351	USD	(1,154,817)	(9,422)	(0.00)
17/10/2016	SGD	4,607	USD	(3,392)	(17)	(0.00)
17/10/2016	USD	2,395,676	JPY	(244,364,229)	(24,032)	(0.00)
17/10/2016	USD	6,262	JPY	(636,000)	(36)	(0.00)
17/10/2016	USD	389,115	GBP	(300,000)	5	0.00
17/10/2016	USD	10,782	SGD	(14,600)	84	0.00
17/10/2016	USD	100,902	EUR	(89,680)	544	0.00
17/10/2016	USD	560,075	EUR	(500,000)	544	0.00
17/10/2016	USD	195,267	GBP	(150,000)	712	0.00
17/10/2016	USD	131,638	EUR	(116,629)	1,123	0.00
17/10/2016	USD	2,531,542	EUR	(2,250,000)	13,653	0.00

Unrealised Gain on Forward Foreign Currency Exchange Contracts	2,878,929	0.34
Unrealised Loss on Forward Foreign Currency Exchange Contracts	(6,973,130)	(0.82)

<b>Net Unrealised Loss on Forward Foreign Currency Exchange Contracts</b>	<b>(4,094,201)</b>	<b>(0.48)</b>
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**Open Spot Currency Contracts 0.00% (30 September 2015: 0.00%)**

Cash at Bank	9,067,269	1.06
Net Current Liabilities	(8,542,827)	(1.00)

<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>	<b>854,025,900</b>	<b>100.00</b>
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<b>Analysis of Total Assets</b>	<b>% Total Assets</b>
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	93.47
Transferable Securities other than those admitted to an official stock exchange listing or traded on a regulated market	2.69
Financial Derivative instruments dealt in or on a regulated market	(0.46)
Other Assets	4.30
<b>Total Assets</b>	<b>100.00</b>

Except where stated above all securities are transferable securities admitted to an official stock exchange listing.

The counterparty for the forward foreign currency exchange contracts is State Street Global Markets.

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

<b>GLOBAL TIME DIVERSIFIED ABSOLUTE RETURN FUND</b>						
<b>Nominal</b>	<b>Security</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Value USD</b>	<b>% Net Assets</b>	
<b>TRANSFERABLE SECURITIES 86.11% (30 September 2015: 93.60%)</b>						
<b>UNITED STATES 86.11% (30 September 2015: 93.60%)</b>						
<b>Government Bond</b>						
600,000	United States Treasury Bill	0.000%	10/11/2016	599,925	12.93	
600,000	United States Treasury Bill	0.000%	12/08/2016	599,866	12.92	
600,000	United States Treasury Bill	0.000%	02/02/2017	599,403	12.91	
500,000	United States Treasury Bill	0.000%	02/03/2017	499,266	10.76	
500,000	United States Treasury Bill	0.000%	27/04/2017	498,731	10.74	
600,000	United States Treasury Bill	0.000%	20/10/2016	599,977	12.93	
600,000	United States Treasury Bill	0.000%	19/01/2017	599,620	12.92	
<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD3,995,265)</b>				<b>3,996,788</b>	<b>86.11</b>	
<b>Open Forward Foreign Currency Exchange Contracts (0.25%) (30 September 2015: 2.60%)</b>						
<b>Settlement Date</b>	<b>Buy</b>	<b>Amount Bought</b>	<b>Sell</b>	<b>Amount Sold</b>	<b>Unrealised Gain/Loss</b>	<b>% Net Assets</b>
13/10/2016	AUD	463,300	USD	(344,956)	9,506	0.20
13/10/2016	CAD	906,092	NZD	(959,700)	(8,151)	(0.18)
13/10/2016	CHF	988,876	USD	(1,031,928)	(11,274)	(0.24)
13/10/2016	CHF	343,127	EUR	(314,144)	962	0.02
13/10/2016	CHF	682,110	USD	(701,323)	2,706	0.06
13/10/2016	EUR	613,072	CAD	(907,552)	(1,311)	(0.03)
13/10/2016	EUR	311,023	SEK	(2,961,204)	3,884	0.08
13/10/2016	GBP	519,000	CHF	(658,067)	(4,899)	(0.10)
13/10/2016	GBP	271,000	CHF	(343,456)	(2,394)	(0.05)
13/10/2016	GBP	265,795	USD	(347,471)	(2,135)	(0.05)
13/10/2016	GBP	268,000	USD	(349,938)	(1,737)	(0.04)
13/10/2016	GBP	270,000	CHF	(340,625)	(772)	(0.02)
13/10/2016	GBP	268,470	USD	(348,297)	515	0.01
13/10/2016	JPY	70,152,017	CAD	(921,000)	(7,798)	(0.17)
13/10/2016	JPY	36,064,470	CAD	(465,000)	2,441	0.05
13/10/2016	JPY	34,390,968	USD	(336,635)	3,109	0.07
13/10/2016	JPY	71,096,870	USD	(688,925)	13,431	0.29
13/10/2016	JPY	71,701,273	GBP	(528,125)	22,157	0.48
13/10/2016	NOK	2,845,446	GBP	(270,571)	4,493	0.10
13/10/2016	NOK	2,840,935	CHF	(339,000)	5,576	0.12
13/10/2016	SEK	7,607,687	USD	(913,303)	(24,903)	(0.54)
13/10/2016	USD	697,110	AUD	(927,000)	(12,121)	(0.26)
13/10/2016	USD	347,197	AUD	(456,355)	(1,952)	(0.04)
13/10/2016	USD	680,190	AUD	(891,567)	(1,932)	(0.04)
13/10/2016	USD	701,000	JPY	(71,129,489)	(1,679)	(0.04)
13/10/2016	USD	340,367	JPY	(34,255,477)	1,962	0.04
13/10/2016	USD	546,717	SEK	(4,635,336)	5,419	0.12
13/10/2016	USD	716,395	JPY	(71,631,580)	8,756	0.19
13/10/2016	USD	689,729	GBP	(522,779)	10,504	0.23
13/10/2016	USD	2,649,336	EUR	(2,333,498)	25,785	0.56
08/12/2016	CAD	1,885,058	USD	(1,457,484)	(22,448)	(0.48)
08/12/2016	EUR	219,246	USD	(245,726)	1,430	0.03
08/12/2016	JPY	147,764,582	USD	(1,437,016)	26,236	0.56
08/12/2016	NZD	2,152,244	USD	(1,568,947)	(7,925)	(0.17)
08/12/2016	USD	2,792,701	CHF	(2,720,510)	(24,744)	(0.53)
08/12/2016	USD	525,673	NOK	(4,353,254)	(19,106)	(0.41)
08/12/2016	USD	463,721	AUD	(612,262)	(4,115)	(0.09)
08/12/2016	USD	515,188	SEK	(4,392,482)	786	0.02
Unrealised Gain on Forward Foreign Currency Exchange Contracts					149,658	3.23
Unrealised Loss on Forward Foreign Currency Exchange Contracts					(161,396)	(3.48)
<b>Net Unrealised Loss on Forward Foreign Currency Exchange Contracts</b>					<b>(11,738)</b>	<b>(0.25)</b>
<b>Options 0.19% (30 September 2015: 0.00%)</b>						
			<b>No. of contracts</b>	<b>Value US\$</b>	<b>% Net Assets</b>	
Call Currency Option AUD 0.80 03/01/2017			430,000	1,831	0.04	
Call Currency Option USD 1.54 03/01/2017			1,300,000	431	0.01	
Put Currency Option EUR 0.98 03/01/2017			200,000	83	0.00	
Put Currency Option USD 7.65 03/01/2017			470,000	3,107	0.07	
Put Currency Option USD 7.50 03/01/2017			470,000	74	0.00	

PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

GLOBAL TIME DIVERSIFIED ABSOLUTE RETURN FUND (continued)

Options 0.19% (30 September 2015: 0.00%) (continued)

	No. of contracts (continued)	Value US\$ (continued)	% Net Assets (continued)
Put Currency Option NZD 0.57 03/01/2017	2,100,000	674	0.02
Call Currency Option USD 124.75 03/01/2017	215,000	17	0.00
Call Currency Option CHF 130.00 03/01/2017	1,100,000	200	0.00
Call Currency Option USD 106.00 28/10/2016	3,506,000	2,405	0.05
Unrealised Gains on Option Contracts		8,822	0.19
<b>Total Unrealised Gain on Option Contracts</b>		<b>8,822</b>	<b>0.19</b>

Cash at Bank	684,268	14.74
Net Current Liabilities	(36,624)	(0.79)

<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>	<b>4,641,516</b>	<b>100.00</b>
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Analysis of Total Assets	% Total Assets
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	82.11
Financial Derivative instruments dealt in or on a regulated market	(0.06)
Other Assets	17.95
<b>Total Assets</b>	<b>100.00</b>

All securities are transferable securities admitted to an official stock exchange listing.

The counterparties for the forward foreign currency exchange contracts are the Australia and New Zealand Banking Group, Bank of America Merrill Lynch, Barclays, Credit Suisse, Goldman Sachs, JPMorgan Chase & Co, Royal Bank of Canada, Standard Chartered and UBS.

The counterparties for the options contracts are the Australia and New Zealand Banking Group, Barclays, Goldman Sachs, Royal Bank of Canada and Skandinaviska Enskilda Banken AB.

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

GLOBAL SMALL CAP EQUITY FUND				GLOBAL SMALL CAP EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>TRANSFERABLE SECURITIES 98.71% (30 September 2015: 98.65%)</b>				<b>JAPAN 10.49% (30 September 2015: 10.31%)</b>			
<b>AUSTRALIA 2.15% (30 September 2015: 1.98%)</b>				<b>Auto/Truck Parts &amp; Equipment-Original</b>			
<b>Casino Hotels</b>				8,510	Unipres Corp	149,238	0.84
36,615	Star Entertainment Grp Ltd/The	167,864	0.94	<b>Building &amp; Construction Production-Miscellaneous</b>			
<b>Containers-Paper/Plastic</b>				7,700	Nichiha Corp	171,077	0.96
70,089	Orora Ltd	168,136	0.95	31,000	Toda Corp	162,601	0.92
<b>Metal-Diversified</b>				<b>Commercial Banks Non-US</b>			
11,886	Sandfire Resources NL	45,621	0.26	5,900	Suruga Bank Ltd	140,661	0.79
<b>BERMUDA 0.00% (30 September 2015: 0.87%)</b>				<b>Cosmetics &amp; Toiletries</b>			
<b>BRAZIL 0.00% (30 September 2015: 0.37%)</b>				10,000	Lion Corp	161,512	0.91
<b>CANADA 4.62% (30 September 2015: 2.79%)</b>				1,600	Pola Orbis Holdings Inc	142,669	0.81
<b>Auto-Medium &amp; Heavy Duty Trucks</b>				<b>Enterprise Software/Services</b>			
4,700	New Flyer Industries Inc	145,801	0.82	5,400	TIS Inc	139,429	0.79
<b>Containers-Metal/Glass</b>				<b>Finance-Management Loan/Banker</b>			
500	CCL Industries Inc	98,212	0.56	3,000	Zenkoku Hosho Co Ltd	123,658	0.70
<b>Enterprise Software/Services</b>				<b>Investment Management/Advisory Service</b>			
2,300	Open Text Corp	149,164	0.84	31,200	Ichigo Inc	137,404	0.77
<b>Multimedia</b>				<b>Medical-Drugs</b>			
15,800	Corus Entertainment Inc	144,172	0.81	1,900	Kaken Pharmaceutical Co Ltd	116,206	0.66
<b>Oil Company-Exploration &amp; Production</b>				<b>Retail-Apparel/Shoe</b>			
7,662	Cardinal Energy Ltd	49,424	0.28	1,000	Shimamura Co Ltd	121,332	0.68
4,400	Seven Generations Energy Ltd	105,237	0.59	<b>Retail-Miscellaneous/Diversified</b>			
<b>Reits-Apartments</b>				5,000	Valor Holdings Co Ltd	140,432	0.79
8,700	Milestone Apartments Real Estate Investment Trust	127,044	0.72	<b>Transport-Truck</b>			
<b>CHINA 1.77% (30 September 2015: 1.60%)</b>				27,000	Sankyu Inc	154,179	0.87
<b>Commercial Banks Non-US</b>				<b>MEXICO 1.60% (30 September 2015: 1.80%)</b>			
188,000	Chongqing Rural Commercial Bank Co Ltd	115,909	0.65	<b>Airport Development/Maintenance</b>			
<b>Electric-Generation</b>				10,500	Grupo Aeroportuario del Pacifico SAB de CV	97,191	0.55
225,000	China Power International Development Ltd	86,483	0.49	<b>Building-Heavy Construction</b>			
<b>Schools</b>				7,840	Promotora y Operadora de Infraestructura SAB de CV	84,856	0.48
2,363	New Oriental Education & Technology Group Inc	110,824	0.63	<b>Reits-Warehouse/Industrial</b>			
<b>FAROE ISLANDS 0.00% (30 September 2015: 0.73%)</b>				82,600	Macquarie Mexico Real Estate Management SA de CV	100,986	0.57
<b>FRANCE 3.60% (30 September 2015: 3.15%)</b>				<b>NETHERLANDS 0.00% (30 September 2015: 0.61%)</b>			
<b>Advertising Sales</b>				<b>NEW ZEALAND 0.88% (30 September 2015: 1.33%)</b>			
1,619	Teleperformance	169,821	0.96	<b>Respiratory Products</b>			
<b>Gas-Distribution</b>				21,424	Fisher & Paykel Healthcare Corp Ltd	155,671	0.88
2,033	Rubis SCA	184,894	1.04	<b>NORWAY 0.51% (30 September 2015: 0.00%)</b>			
<b>Medical-Nursing Homes</b>				<b>Oil Company-Exploration &amp; Production</b>			
1,452	Orpea	127,344	0.72	5,904	Det Norske Oljeselskap ASA	90,047	0.51
<b>Oil-Field Services</b>				<b>SINGAPORE 0.59% (30 September 2015: 0.00%)</b>			
2,569	Technip SA	156,297	0.88	<b>Finance-Leasing Companies</b>			
<b>GERMANY 0.96% (30 September 2015: 3.54%)</b>				20,200	BOC Aviation Ltd	103,957	0.59
<b>Machinery-Material Handling</b>				<b>SOUTH AFRICA 0.68% (30 September 2015: 0.72%)</b>			
2,681	KION Group AG	170,667	0.96	<b>Paper &amp; Related Products</b>			
<b>HONG KONG 0.00% (30 September 2015: 1.68%)</b>				23,821	Sappi Ltd	119,788	0.68
<b>INDIA 0.42% (30 September 2015: 0.00%)</b>				<b>SOUTH KOREA 2.39% (30 September 2015: 1.40%)</b>			
<b>Real Estate Operation/Development</b>				<b>Building-Residential/Commercial</b>			
62,414	Housing Development & Infrastructure Ltd	74,739	0.42	2,324	Hyundai Development Co- Engineering & Construction	108,250	0.61
<b>IRELAND 0.70% (30 September 2015: 0.00%)</b>				<b>Cellular Telecom</b>			
<b>Reits-Diversified</b>				10,860	LG Uplus Corp	115,862	0.65
80,743	Hibernia REIT plc	123,893	0.70	<b>Diversified Manufacturing Operations</b>			
<b>ITALY 2.50% (30 September 2015: 1.84%)</b>				3,766	SKC Co Ltd	96,770	0.55
<b>Building Production-Cement/Aggregate</b>				<b>Metal Products-Distribution</b>			
6,249	Buzzi Unicem SpA	125,168	0.70	863	Hyosung Corp	101,866	0.58
<b>Medical-Drugs</b>				<b>SPAIN 1.72% (30 September 2015: 0.56%)</b>			
5,191	Recordati SpA	164,353	0.93	<b>Food-Miscellaneous/Diversified</b>			
<b>Retail-Miscellaneous/Diversified</b>				5,592	Ebro Foods SA	127,956	0.72
15,122	Amplifon SpA	153,900	0.87	<b>Power Conversion/Supply Equipment</b>			
				7,366	Gamesa Corp Tecnologica SA	177,322	1.00



# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

GLOBAL SMALL CAP EQUITY FUND (continued)				GLOBAL SMALL CAP EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>SWEDEN 1.68% (30 September 2015: 1.46%)</b>				<b>UNITED STATES 50.65% (30 September 2015: 49.71%) (continued)</b>			
<b>Gambling (Non-Hotel)</b>				<b>Disposable Medical Products</b>			
4,369	Evolution Gaming Group AB	140,123	0.79	1,255	ICU Medical Inc	156,862	0.89
<b>Real Estate Management/Services</b>				<b>Electric-Integrated</b>			
10,572	Castellum AB	157,656	0.89	4,492	Avista Corp	189,293	1.07
<b>SWITZERLAND 1.02% (30 September 2015: 0.75%)</b>				<b>Engineering/Research &amp; Development Services</b>			
<b>Retail-Convenience Store</b>				3,344	EMCOR Group Inc	198,333	1.12
636	Valora Holding AG	180,739	1.02	<b>Enterprise Software/Services</b>			
<b>TAIWAN 3.26% (30 September 2015: 2.44%)</b>				3,000	Apptio Inc	64,800	0.36
<b>Auto/Truck Parts &amp; Equipment-Original</b>				1,558	SYNNEX Corp	176,755	1.00
	Hota Industrial Manufacturing Co			<b>Finance-Investment Banker/Broker</b>			
21,000	Ltd	102,168	0.57	5,052	Moelis & Co	132,261	0.75
<b>Commercial Banks Non-US</b>				<b>Food-Dairy Products</b>			
145,000	King's Town Bank Co Ltd	122,354	0.69	9,463	Dean Foods Co	155,099	0.88
<b>Electronic Component-Miscellaneous</b>				<b>Food-Miscellaneous/Diversified</b>			
41,000	Elite Material Co Ltd	111,834	0.63	2,334	Cal-Maine Foods Inc	92,613	0.52
<b>Electronic Component-Semiconductor</b>				<b>Gas-Distribution</b>			
40,872	Win Semiconductors Corp	119,961	0.68	2,587	Southwest Gas Corp	182,487	1.03
<b>Semicon Component-Integrated Circuits</b>				<b>Health Care Services</b>			
47,000	Powertech Technology Inc	121,903	0.69	2,208	Teladoc Inc	39,766	0.22
<b>UNITED KINGDOM 6.52% (30 September 2015: 9.01%)</b>				<b>Human Resources</b>			
<b>Building-Residential/Commercial</b>				3,613	AMN Healthcare Services Inc	113,918	0.64
3,787	Bellway Plc	111,066	0.63	2,465	Insperty Inc	179,057	1.01
<b>Containers-Paper/Plastic</b>				<b>Lasers-Systems/Components</b>			
10,429	RPC Group Plc	129,756	0.73	7,549	II-VI Inc	177,024	1.00
<b>Diversified Operations/Commercial Services</b>				<b>Leisure Clubs &amp; Facilities</b>			
57,200	Rentokil Initial Plc	164,088	0.92	7,970	Planet Fitness Inc	159,480	0.90
<b>E-Commerce/Services</b>				<b>Medical Laser Systems</b>			
2,407	Rightmove Plc	130,808	0.74	2,500	Cynosure Inc	126,525	0.71
<b>Private Equity</b>				<b>Medical Products</b>			
20,900	3i Group Plc	173,718	0.98	3,995	K2M Group Holdings Inc	69,113	0.39
20,191	Intermediate Capital Group Plc	152,508	0.86	<b>Medical-Biomedical/Genetics</b>			
<b>Property/Casualty Insurance</b>				759	Spark Therapeutics Inc	44,326	0.25
29,489	Beazley Plc	146,988	0.83	<b>Medical-Drugs</b>			
<b>Transport-Services</b>				2,357	FibroGen Inc	48,130	0.27
33,040	National Express Group Plc	147,191	0.83	3,155	PRA Health Sciences Inc	174,377	0.98
<b>UNITED STATES 50.65% (30 September 2015: 49.71%)</b>				3,411	Prestige Brands Holdings Inc	162,739	0.92
<b>Auto/Truck Parts &amp; Equipment-Original</b>				<b>Multi-Line Insurance</b>			
2,311	Visteon Corp	163,642	0.92	2,311	American Financial Group Inc/OH	172,239	0.97
<b>Building Production-Cement/Aggregate</b>				<b>Oil Company-Exploration &amp; Production</b>			
2,217	US Concrete Inc	102,581	0.58	2,313	Carrizo Oil & Gas Inc	92,173	0.52
<b>Building Production-Wood</b>				2,397	PDC Energy Inc	159,712	0.90
1,712	Universal Forest Products Inc	169,351	0.96	2,493	RSP Permian Inc	94,385	0.53
<b>Building &amp; Construction Production-Miscellaneous</b>				<b>Oil Refining &amp; Marketing</b>			
6,175	MasTec Inc	184,386	1.04	2,487	Murphy USA Inc	175,532	0.99
<b>Building-Maintenance &amp; Service</b>				<b>Oil-Field Services</b>			
4,205	ABM Industries Inc	165,383	0.93	2,440	Superior Energy Services Inc	41,456	0.23
<b>Chemicals-Specialty</b>				<b>Physical Therapy/Rehab Centers</b>			
2,879	Cabot Corp	150,399	0.85	3,753	HealthSouth Corp	152,072	0.86
<b>Commercial Banks-Central US</b>				<b>Power Conversion/Supply Equipment</b>			
3,230	Chemical Financial Corp	140,893	0.79	3,523	Advanced Energy Industries Inc	165,651	0.93
<b>Commer Banks-Southern US</b>				<b>Reinsurance</b>			
2,684	IBERIABANK Corp	176,580	1.00		Argo Group International Holdings Ltd	166,224	0.94
<b>Commer Banks-Western US</b>				2,963			
6,608	Central Pacific Financial Corp	163,416	0.92	<b>Reits-Mortgage</b>			
4,692	Great Western Bancorp Inc	154,507	0.87	19,787	CYS Investments Inc	171,751	0.97
<b>Computer Aided Design</b>				<b>Reits-Office Property</b>			
4,021	Aspen Technology Inc	188,987	1.07	3,409	Highwoods Properties Inc	177,609	1.00
<b>Computer Services</b>				6,011	Mack-Cali Realty Corp	163,619	0.93
1,777	CACI International Inc	178,500	1.00	<b>Reits-Shopping Centers</b>			
3,017	ExlService Holdings Inc	150,277	0.85	5,366	Kite Realty Group Trust	150,785	0.85
5,603	Sykes Enterprises Inc	154,082	0.87	<b>Reits-Warehouse/Industrial</b>			
<b>Computer Software</b>				6,536	First Industrial Realty Trust Inc	185,165	1.05
2,352	Blackbaud Inc	155,161	0.88		Monmouth Real Estate Investment Corp		
<b>Consulting Services</b>				12,689		181,453	1.02
8,642	Navigant Consulting Inc	171,717	0.97	3,161	QTS Realty Trust Inc	169,619	0.96
<b>Containers-Paper/Plastic</b>				<b>Resorts/Theme Parks</b>			
9,961	Graphic Packaging Holding Co	135,569	0.76	1,098	Vail Resorts Inc	172,386	0.97
				<b>Retail-Arts&amp;Crafts</b>			
				6,042	Michaels Cos Inc/The	145,129	0.82

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

GLOBAL SMALL CAP EQUITY FUND (continued)					
Nominal	Security		Value USD	% Net Assets	
UNITED STATES 50.65% (30 September 2015: 49.71%) (continued)					
Retail-Building Products					
7,420	Tile Shop Holdings Inc		123,691	0.70	
Rubber/Plastic Products					
2,651	Trinseo SA		151,929	0.86	
Rubber-Tires					
5,020	Cooper Tire & Rubber Co		186,443	1.05	
Telecommunication Equipment					
3,427	Plantronics Inc		175,874	0.99	
Therapeutics					
1,094	Neurocrine Biosciences Inc		55,061	0.31	
Wire & Cable Products					
5,517	Insteel Industries Inc		201,039	1.13	
Total Value of Transferable Securities at Mid Market Prices (Cost: USD15,084,069)			17,498,134	98.71	
Open Spot Currency Contracts 0.00% (30 September 2015: 0.00%)					
Settlement Buy Date	Amount Bought	Sell	Amount Sold	Unrealised Gain/Loss	% Net Assets
03/10/2016	USD	855	CAD (1,126)	(1)	(0.00)
03/10/2016	USD	142	CAD (187)	(0)	(0.00)
03/10/2016	USD	63,916	JPY (6,431,184)	269	0.00
04/10/2016	USD	24,181	AUD (31,547)	156	0.00
Unrealised Gains on Open Spot Currency Contracts				425	0.00
Unrealised Loss on Open Spot Currency Contracts				(1)	(0.00)
Net Unrealised Gain on Open Spot Currency Contracts				424	0.00
Cash at Bank			166,683	0.94	
Net Current Assets			61,954	0.35	
Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices				17,727,195	100.00
Analysis of Total Assets				% Total Assets	
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market				98.30	
Financial Derivative instruments dealt in or on a regulated market				0.00	
Other Assets				1.70	
Total Assets				100.00	
All securities are transferable securities admitted to an official stock exchange listing.					
The counterparty for the open spot currency contracts is the Bank of New York Mellon.					

ORIGIN GLOBAL EMERGING MARKETS FUND					
Nominal	Security		Value USD	% Net Assets	
TRANSFERABLE SECURITIES 98.66% (30 September 2015: 94.78%)					
BRAZIL 4.46% (30 September 2015: 4.38%)					
Advertising Services					
34,500	Smiles SA		549,396	0.57	
Brewery					
120,400	Ambev SA		728,646	0.76	
Rental Auto/Equipment					
35,000	Localiza Rent a Car SA		426,316	0.45	
Retail-Drug Store					
45,100	Raia Drogasil SA		917,088	0.96	
Schools					
122,900	Kroton Educacional SA		568,015	0.59	
Water					
115,600	Cia de Saneamento Basico do Estado de Sao Paulo		1,082,388	1.13	
CHINA 41.10% (30 September 2015: 34.88%)					
Applications Software					
231,100	TravelSky Technology Ltd		548,415	0.57	
Auto-Cars/Light Trucks					
2,536,400	Geely Automobile Holdings Ltd		2,263,681	2.36	
900,000	Great Wall Motor Co Ltd		876,357	0.92	
Cellular Telecom					
147,200	China Mobile Ltd		1,781,695	1.86	
Commercial Banks Non-US					
634,388	China CITIC Bank Corp Ltd		421,360	0.44	
3,017,000	China Construction Bank Corp		2,237,353	2.33	
	Industrial & Commercial Bank of China Ltd		1,376,119	1.44	
Diversified Operations					
1,538,452	Guangdong Investment Ltd		2,444,478	2.55	
E-Commerce/Products					
22,300	Alibaba Group Holding Ltd		2,353,765	2.46	
Electric Products-Miscellaneous					
238,800	Zhuzhou CRRC Times Electric Co Ltd		1,238,089	1.29	
Electronic Component-Miscellaneous					
112,067	AAC Technologies Holdings Inc		1,126,640	1.18	
Energy-Alternate Sources					
1,100,000	Xinyi Solar Holdings Ltd		411,417	0.43	
Entertainment Software					
13,902	NetEase Inc		3,365,118	3.51	
Industrial Automat/Robot					
34,500	Hollysys Automation Technologies Ltd		800,745	0.83	
Internet Application Software					
220,730	Tencent Holdings Ltd		6,063,625	6.33	
Investment Management/Advisory Service					
23,600	Noah Holdings Ltd		620,208	0.65	
Medical Products					
300,000	China Medical System Holdings Ltd		504,534	0.53	
Medical-Wholesale Drug Distribution					
495,700	Sinopharm Group Co Ltd		2,381,423	2.48	
Petrochemicals					
860,000	Sinopec Shanghai Petrochemical Co Ltd		433,677	0.45	
Photo Equipment & Supplies					
211,800	Sunny Optical Technology Group Co Ltd		1,046,203	1.09	
Property/Casualty Insurance					
591,600	PICC Property & Casualty Co Ltd		979,681	1.02	
Public Thoroughfares					
408,300	Zhejiang Expressway Co Ltd		430,749	0.45	
Real Estate Operation/Development					
395,601	China Overseas Land & Investment Ltd		1,341,852	1.40	
350,200	China Vanke Co Ltd		907,828	0.95	
Retail-Apparel/Shoe					
342,600	ANTA Sports Products Ltd		930,103	0.97	

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

ORIGIN GLOBAL EMERGING MARKETS FUND (continued)				ORIGIN GLOBAL EMERGING MARKETS FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>CHINA 41.10% (30 September 2015: 34.88%) (continued)</b>				<b>SWITZERLAND 0.60% (30 September 2015: 2.66%)</b>			
<b>Schools</b>				<b>Diversified Financial Services</b>			
43,100	New Oriental Education & Technology Group Inc	2,021,390	2.11	48,000	Credit Suisse AG/Nassau - P Note 08/04/2019	576,331	0.60
<b>Textile-Apparel</b>				<b>TAIWAN 16.15% (30 September 2015: 23.19%)</b>			
69,000	Shenzhou International Group Holdings Ltd	480,545	0.50	<b>Computers-Peripheral Equipment</b>			
<b>HONG KONG 1.28% (30 September 2015: 3.60%)</b>				334,963	Lite-On Technology Corp	481,946	0.50
<b>Audio/Video Products</b>				<b>Diversified Financial Services</b>			
1,020,800	Skyworth Digital Holdings Ltd	734,626	0.77	1,209,340	E.Sun Financial Holding Co Ltd	688,670	0.72
<b>Auto/Truck Parts &amp; Equipment-Replica</b>				2,123,706	Taishin Financial Holding Co Ltd	789,306	0.82
543,000	Xinyi Glass Holdings Ltd	490,918	0.51	<b>Electronic Component-Miscellaneous</b>			
<b>HUNGARY 1.06% (30 September 2015: 0.96%)</b>				354,071	Hon Hai Precision Industry Co Ltd	892,364	0.93
<b>Medical-Drugs</b>				78,600	Phison Electronics Corp	596,794	0.62
50,200	Richter Gedeon Nyrt	1,013,042	1.06	<b>Electronic Component-Semiconductor</b>			
<b>INDIA 0.98% (30 September 2015: 2.31%)</b>				32,600	Silicon Motion Technology Corp	1,685,746	1.76
<b>Auto-Cars/Light Trucks</b>				147,315	Win Semiconductors Corp	432,374	0.45
24,000	Tata Motors Ltd	943,680	0.98	<b>Life/Health Insurance</b>			
<b>MEXICO 1.05% (30 September 2015: 0.00%)</b>				739,507	China Life Insurance Co Ltd/Taiwan	675,914	0.71
<b>Airport Development/Maintenance</b>				<b>Optical Supplies</b>			
108,300	Grupo Aeroportuario del Centro Norte SAB de CV	618,998	0.65	20,000	St Shine Optical Co Ltd	465,138	0.49
<b>Building-Heavy Construction</b>				<b>Photo Equipment &amp; Supplies</b>			
35,400	Promotora y Operadora de Infraestructura SAB de CV	383,706	0.40	4,000	Largan Precision Co Ltd	482,366	0.50
<b>RUSSIA 1.21% (30 September 2015: 0.86%)</b>				<b>Semicon Component-Integrated Circuits</b>			
<b>Food-Retail</b>				177,000	Powertech Technology Inc	459,080	0.48
40,100	X5 Retail Group NV	1,163,301	1.21	158,100	Realtek Semiconductor Corp	519,510	0.54
<b>SOUTH AFRICA 4.54% (30 September 2015: 5.01%)</b>				160,763	Taiwan Semiconductor Manufacturing Co Ltd	4,887,195	5.10
<b>Cellular Telecom</b>				<b>Telecom Services</b>			
37,700	Vodacom Group Ltd	418,948	0.44	686,200	Chunghwa Telecom Co Ltd	2,419,010	2.53
<b>Food-Retail</b>				<b>THAILAND 3.52% (30 September 2015: 2.01%)</b>			
70,700	SPAR Group Ltd/The	979,218	1.02	<b>Chemicals-Diversified</b>			
<b>Home Furnishings</b>				621,900	PTT Global Chemical PCL	1,054,449	1.10
345,278	Steinhoff International Holdings Ltd	1,975,090	2.06	<b>Diversified Operations</b>			
<b>Paper &amp; Related Products</b>				38,000	Siam Cement PCL/The	565,888	0.59
46,390	Mondi Plc	973,028	1.02	54,700	Siam Cement PCL/The (FOR REG)	817,738	0.85
<b>SOUTH KOREA 21.97% (30 September 2015: 8.47%)</b>				<b>Oil Company-Integrated</b>			
<b>Aerospace/Defense</b>				96,000	PTT PCL	939,221	0.98
10,900	Hanwha Techwin Co Ltd	629,446	0.66	<b>TURKEY 0.74% (30 September 2015: 1.34%)</b>			
<b>Auto/Truck Parts &amp; Equipment-Original</b>				<b>Diversified Operations</b>			
53,400	Hanon Systems	601,226	0.63	84,800	KOC Holding AS	363,899	0.38
<b>Casino Hotels</b>				<b>Food-Retail</b>			
28,200	Kangwon Land Inc	1,006,274	1.05	20,700	BIM Birlesik Magazalar AS	345,944	0.36
<b>Cosmetics &amp; Toiletries</b>				<b>UNITED ARAB EMIRATES 0.00% (30 September 2015: 2.72%)</b>			
1,220	LG Household & Health Care Ltd	1,057,883	1.10	<b>UNITED STATES 0.00% (30 September 2015: 2.39%)</b>			
<b>Electric-Integrated</b>				<b>Total Value of Transferable Securities at Mid Market Prices</b>			
54,000	Korea Electric Power Corp	2,647,660	2.76			<b>94,552,390</b>	<b>98.66</b>
<b>Electronic Component-Semiconductor</b>				<b>UNLISTED 0.49% (30 September 2015: 2.55%)</b>			
3,300	Samsung Electronics Co Ltd	4,788,123	5.00	<b>SWITZERLAND 0.49% (30 September 2015: 2.55%)</b>			
<b>Life/Health Insurance</b>				<b>Diversified Financial Services</b>			
4,700	Samsung Life Insurance Co Ltd	450,220	0.47	13,000	Credit Suisse AG/Nassau - P Note 21/02/2019	474,338	0.49
<b>Non-Ferrous Metals</b>				<b>Total Value of Unlisted at Mid Market Prices</b>			
1,000	Korea Zinc Co Ltd	436,737	0.45			<b>474,338</b>	<b>0.49</b>
<b>Oil Refining &amp; Marketing</b>				<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD81,202,394)</b>			
6,300	SK Innovation Co Ltd	923,821	0.96			<b>95,026,728</b>	<b>99.15</b>
<b>Petrochemicals</b>				<b>Open Forward Foreign Currency Exchange Contracts 0.00% (30 September 2015: (0.01%))</b>			
6,100	LG Chem Ltd	1,337,586	1.39	<b>Open Spot Currency Contracts (0.00%) (30 September 2015: (0.00%))</b>			
3,600	Lotte Chemical Corp	974,077	1.02	<b>Settlement Buy Amount Sell Amount Unrealised % Net</b>			
<b>Rubber-Tires</b>				<b>Date Bought Sold Gain/Loss Assets</b>			
9,700	Hankook Tire Co Ltd	523,158	0.55	03/10/2016 USD 25,438 HKD (197,263) (3) (0.00)			
<b>Tobacco</b>							
30,300	KT&G Corp	3,438,961	3.59				
<b>Web Portals/Internet Service Provider</b>							
2,800	NAVER Corp	2,244,881	2.34				

**PORTFOLIO OF INVESTMENTS**  
**AS AT 30 SEPTEMBER 2016 (continued)**

72

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

ORIGIN GLOBAL EQUITY FUND (continued)				ORIGIN GLOBAL EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>JAPAN 10.07% (30 September 2015: 10.15%)</b>				<b>THAILAND 0.55% (30 September 2015: 0.00%)</b>			
<b>Auto/Truck Parts &amp; Equipment-Original</b>				<b>Diversified Manufacturing Operations</b>			
3,100	Koito Manufacturing Co Ltd	149,538	0.93	2,000	Fabrinet	87,580	0.55
<b>Building-Residential/Commercial</b>				<b>UNITED KINGDOM 2.04% (30 September 2015: 5.71%)</b>			
8,000	Haseko Corp	76,311	0.48	<b>Building-Residential/Commercial</b>			
4,600	Iida Group Holdings Co Ltd	92,032	0.57	1,750	Berkeley Group Holdings Plc	56,330	0.35
<b>Chemicals-Diversified</b>				<b>Diversified Operations/Commercial Services</b>			
5,137	Nissan Chemical Industries Ltd	155,128	0.97	2,500	Bunzl Plc	73,317	0.46
<b>Computer Services</b>				<b>Finance-Other Services</b>			
4,515	Nomura Research Institute Ltd	154,866	0.96	London Stock Exchange Group			
<b>E-Commerce/Products</b>				3,400	Plc	122,487	0.76
4,800	Start Today Co Ltd	82,084	0.51	<b>Rental Auto/Equipment</b>			
<b>Electronic Component-Miscellaneous</b>				4,700	Ashtead Group Plc	75,490	0.47
5,500	Fujitsu General Ltd	118,519	0.74	<b>UNITED STATES 51.89% (30 September 2015: 54.21%)</b>			
<b>Internet Content-Information/News</b>				<b>Aerospace/Defense</b>			
1,800	Mixi Inc	64,676	0.40	2,000	General Dynamics Corp	311,220	1.94
<b>Medical-Generic Drugs</b>				710	TransDigm Group Inc	203,834	1.27
1,100	Sawai Pharmaceutical Co Ltd	78,070	0.49	<b>Applications Software</b>			
<b>Medical-Wholesale Drug Distribution</b>				3,000	Citrix Systems Inc	254,820	1.59
3,600	Alfresa Holdings Corp	75,690	0.47	1,800	Paycom Software Inc	89,982	0.56
<b>Real Estate Management/Services</b>				<b>Auction House/Art Dealer</b>			
3,000	Open House Co Ltd	63,728	0.40	2,000	KAR Auction Services Inc	85,600	0.53
<b>Telephone-Integrated</b>				<b>Auto/Truck Parts &amp; Equipment-Original</b>			
9,210	KDDI Corp	283,588	1.77	870	Cooper-Standard Holding Inc	85,904	0.53
<b>Transport-Rail</b>				2,250	Lear Corp	267,232	1.67
1,300	Central Japan Railway Co	221,154	1.38	<b>Building &amp; Construction Production-Miscellaneous</b>			
<b>NORWAY 0.00% (30 September 2015: 1.21%)</b>				1,200	Drew Industries Inc	117,432	0.73
<b>RUSSIA 0.54% (30 September 2015: 0.00%)</b>				<b>Building-Residential/Commercial</b>			
<b>Food-Retail</b>				2,600	Thor Industries Inc	221,780	1.38
3,000	X5 Retail Group NV	87,030	0.54	<b>Commercial Service-Finance</b>			
<b>SINGAPORE 1.75% (30 September 2015: 0.72%)</b>				460	Alliance Data Systems Corp	97,957	0.61
<b>Electronic Component-Semiconductor</b>				<b>Containers-Paper/Plastic</b>			
1,630	Broadcom Ltd	281,110	1.75	1,800	Berry Plastics Group Inc	79,650	0.50
<b>SOUTH AFRICA 0.00% (30 September 2015: 0.51%)</b>				<b>Diagnostic Equipment</b>			
<b>SOUTH KOREA 4.98% (30 September 2015: 0.79%)</b>				850	Danaher Corp	65,560	0.41
<b>Electric-Integrated</b>				<b>Distribution/Wholesale</b>			
1,500	Korea Electric Power Corp	73,546	0.46	4,800	LKQ Corp	169,152	1.05
<b>Electronic Component-Semiconductor</b>				<b>Diversified Manufacturing Operations</b>			
200	Samsung Electronics Co Ltd	290,189	1.81	1,200	AO Smith Corp	117,492	0.73
<b>Tobacco</b>				1,600	AZZ Inc	103,456	0.65
2,100	KT&G Corp	238,344	1.49	<b>E-Commerce/Products</b>			
<b>Web Portals/Internet Service Provider</b>				320	Amazon.com Inc	265,296	1.65
245	NAVER Corp	196,427	1.22	800	Stamps.com Inc	74,840	0.47
<b>SWEDEN 0.47% (30 September 2015: 1.15%)</b>				<b>E-Commerce/Services</b>			
<b>Commercial Service-Finance</b>				90	Priceline Group Inc/The	132,568	0.83
2,400	Intrum Justitia AB	76,087	0.47	<b>Electronic Design Automation</b>			
<b>SWITZERLAND 1.90% (30 September 2015: 0.00%)</b>				2,900	Synopsys Inc	171,332	1.07
<b>Electronic Security Devices</b>				<b>Electronic Measuring Instruments</b>			
76	dorma+kaba Holding AG	55,731	0.35	425	Fortive Corp	21,548	0.13
<b>Medical-Drugs</b>				<b>Electronic Parts Distribution</b>			
1,450	Actelion Ltd	249,269	1.55	2,000	Arrow Electronics Inc	126,740	0.79
<b>TAIWAN 5.07% (30 September 2015: 4.65%)</b>				<b>E-Services/Consulting</b>			
<b>Computers</b>				4,200	CDW Corp/DE	190,218	1.19
28,000	Foxconn Technology Co Ltd	82,002	0.51	<b>Finance-Auto Loans</b>			
<b>Electronic Component-Semiconductor</b>				472	Credit Acceptance Corp	92,007	0.57
2,000	Silicon Motion Technology Corp	103,420	0.64	<b>Firearms &amp; Ammunition</b>			
<b>Optical Supplies</b>				3,000	Smith & Wesson Holding Corp	77,460	0.48
3,500	St Shine Optical Co Ltd	81,400	0.51	<b>Health Care Services</b>			
<b>Photo Equipment &amp; Supplies</b>				2,130	Aetna Inc	245,014	1.53
680	Largan Precision Co Ltd	82,002	0.51	2,000	HCA Holdings Inc	150,520	0.94
<b>Semicon Component-Integrated Circuits</b>				1,900	UnitedHealth Group Inc	262,808	1.64
Taiwan Semiconductor				900	Universal Health Services Inc	109,962	0.68
47,000	Manufacturing Co Ltd	273,644	1.71	<b>Human Resources</b>			
<b>Telecom Services</b>				4,000	AMN Healthcare Services Inc	126,120	0.79
54,000	Chunghwa Telecom Co Ltd	190,362	1.19	2,400	On Assignment Inc	86,520	0.54
				<b>Insurance Brokers</b>			
				1,350	Aon Plc	149,742	0.93
				<b>Internet Content-Entertainment</b>			
				2,470	Facebook Inc	316,382	1.97

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

ORIGIN GLOBAL EQUITY FUND (continued)				ORIGIN GLOBAL EQUITY FUND (continued)	
Nominal	Security	Value USD	% Net Assets		% Total Assets
<b>UNITED STATES 51.89% (30 September 2015: 54.21%) (continued)</b>				<b>Analysis of Total Assets</b>	
<b>Life/Health Insurance</b>				Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	97.22
3,200	Aflac Inc	228,992	1.43	Financial Derivative instruments dealt in or on a regulated market	0.00
<b>Lighting Products &amp; Systems</b>				Other Assets	2.78
310	Acuity Brands Inc	80,727	0.50	<b>Total Assets</b>	<b>100.00</b>
<b>Medical Equipment</b>				All securities are transferable securities admitted to an official stock exchange listing.	
860	Align Technology Inc	79,473	0.50		
<b>Medical-Biomedical/Genetics</b>					
700	Amgen Inc	115,815	0.72		
750	Biogen Inc	229,335	1.43		
794	United Therapeutics Corp	91,326	0.57		
<b>Medical-Drugs</b>					
2,000	Johnson & Johnson	234,540	1.46		
<b>Medical-Health Maintenance Organization</b>					
1,200	Centene Corp	81,180	0.51		
<b>Networking Products</b>					
1,050	Arista Networks Inc	89,481	0.56		
1,500	NETGEAR Inc	89,310	0.56		
<b>Poultry</b>					
800	Sanderson Farms Inc	77,320	0.48		
<b>Printing-Commercial</b>					
1,794	Deluxe Corp	118,314	0.74		
<b>Property/Casualty Insurance</b>					
4,340	AmTrust Financial Services Inc	115,357	0.72		
1,350	Travelers Cos Inc/The	153,725	0.96		
<b>Reinsurance</b>					
750	Reinsurance Group of America Inc	80,317	0.50		
<b>Research &amp; Development</b>					
2,200	PAREXEL International Corp	150,700	0.94		
<b>Retail-Apparel/Shoe</b>					
2,400	Foot Locker Inc	160,392	1.00		
1,400	Ross Stores Inc	88,690	0.55		
<b>Semicon Component-Integrated Circuits</b>					
3,600	Cirrus Logic Inc	185,436	1.16		
<b>Semiconductor Equipment</b>					
4,500	Applied Materials Inc	133,110	0.83		
1,700	MKS Instruments Inc	83,776	0.52		
6,000	Teradyne Inc	127,440	0.80		
<b>Television</b>					
5,600	Sinclair Broadcast Group Inc	158,984	0.99		
<b>Toys</b>					
1,300	Hasbro Inc	103,207	0.64		
<b>Veterinary Diagnostics</b>					
1,400	VCA Inc	96,362	0.60		
<b>Web Portals/ISP</b>					
240	Alphabet Inc 'A'	192,634	1.20		
<b>Wireless Equipment</b>					
2,000	Ubiquiti Networks Inc	107,680	0.67		
<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD13,348,724)</b>					
		<b>15,719,084</b>	<b>97.99</b>		
<b>Open Spot Currency Contracts 0.00% (30 September 2015: (0.00%))</b>					
Cash at Bank		426,511	2.66		
Net Current Liabilities		(103,980)	(0.65)		
<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>					
		<b>16,041,615</b>	<b>100.00</b>		

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

ORIGIN GLOBAL SMALLER COMPANIES FUND				ORIGIN GLOBAL SMALLER COMPANIES FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>TRANSFERABLE SECURITIES 97.70% (30 September 2015: 94.08%)</b>				<b>CHINA 4.82% (30 September 2015: 5.19%) (continued)</b>			
<b>AUSTRALIA 4.65% (30 September 2015: 0.39%)</b>				<b>Retail-Apparel/Shoe</b>			
20,051	Credit Corp Group Ltd	284,191	0.49	441,217	Xtep International Holdings Ltd	205,424	0.36
<b>Computer Aided Design</b>				<b>FAROE ISLANDS 0.00% (30 September 2015: 1.11%)</b>			
40,314	Altium Ltd	282,625	0.49	<b>FRANCE 0.57% (30 September 2015: 1.62%)</b>			
<b>Food-Miscellaneous/Diversified</b>				<b>Computer Services</b>			
22,086	Bellamy's Australia Ltd	218,721	0.38	4,751	Alten SA	329,670	0.57
<b>Gold Mining</b>				<b>GERMANY 3.07% (30 September 2015: 3.12%)</b>			
145,890	Northern Star Resources Ltd	517,495	0.90	<b>Applications Software</b>			
180,102	Regis Resources Ltd	529,177	0.92	7,804	Nemetschek SE	474,077	0.82
<b>Insurance Brokers</b>				<b>Computer Services</b>			
133,273	Steadfast Group Ltd	231,298	0.40	6,085	CANCOM SE	310,817	0.54
<b>Medical-Generic Drugs</b>				<b>Computers-Integrated Systems</b>			
404,837	Mayne Pharma Group Ltd	616,318	1.07	2,765	Bechtle AG	315,037	0.55
<b>AUSTRIA 0.68% (30 September 2015: 0.38%)</b>				<b>E-Commerce/Services</b>			
<b>Chemicals-Fibers</b>				4,783	Scout24 AG	158,869	0.28
3,359	Lenzing AG	393,591	0.68	<b>Enterprise Software/Services</b>			
<b>BRAZIL 2.63% (30 September 2015: 0.52%)</b>				4,562	Software AG	190,111	0.33
<b>Advertising Services</b>				<b>Private Equity</b>			
19,068	Smiles SA	303,649	0.53	9,557	Deutsche Beteiligungs AG	319,947	0.55
<b>Building-Residential/Commercial</b>				<b>GREECE 0.60% (30 September 2015: 0.00%)</b>			
61,891	MRV Engenharia e Participacoes SA	227,735	0.39	<b>Oil Refining &amp; Marketing</b>			
<b>Commercial Services</b>				15,896	Motor Oil Hellas Corinth Refineries SA	180,316	0.31
22,514	Multiplus SA	305,876	0.53	<b>Retail-Toy Store</b>			
<b>Consulting Services</b>				13,315	JUMBO SA	164,121	0.29
34,316	Qualicorp SA	196,302	0.34	<b>HONG KONG 2.19% (30 September 2015: 3.40%)</b>			
<b>Rental Auto/Equipment</b>				<b>Auto/Truck Parts &amp; Equipment-Original</b>			
18,479	Localiza Rent a Car SA	225,083	0.39	30,694	Xinyi Automobile Glass Hong Kong Enterprises Ltd	6,453	0.01
<b>Schools</b>				<b>Auto/Truck Parts &amp; Equipment-Replica</b>			
48,617	Ser Educacional SA	258,863	0.45	245,552	Xinyi Glass Holdings Ltd	222,000	0.39
<b>CANADA 3.24% (30 September 2015: 1.87%)</b>				<b>Containers-Paper/Plastic</b>			
<b>Airlines</b>				277,000	Lee & Man Paper Manufacturing Ltd	251,503	0.44
7,552	Exchange Income Corp	202,036	0.35	<b>Electronic Component-Miscellaneous</b>			
<b>Auto/Truck Parts &amp; Equipment-Original</b>				1,423,837	Tongda Group Holdings Ltd	347,067	0.60
4,682	Linamar Corp	189,520	0.33	382,495	Truly International Holdings Ltd	155,392	0.27
<b>Building Production-Wood</b>				<b>Retail-Home Furnishings</b>			
12,223	Norbord Inc	313,350	0.54	436,292	Man Wah Holdings Ltd	279,656	0.48
<b>Diamonds/Precious Stones</b>				<b>IRELAND 0.44% (30 September 2015: 0.41%)</b>			
88,273	Lucara Diamond Corp	263,511	0.46	<b>Consulting Services</b>			
<b>Gold Mining</b>				46,306	Keywords Studios Plc	255,122	0.44
82,138	B2Gold Corp	218,368	0.38	<b>ISLE OF MAN 0.52% (30 September 2015: 0.72%)</b>			
26,751	Kirkland Lake Gold Inc	208,887	0.36	<b>Internet Financial Services</b>			
<b>Internet Content-Entertainment</b>				52,202	Paysafe Group Plc	300,261	0.52
18,167	Intertain Group Ltd/The	152,621	0.27	<b>ISRAEL 0.65% (30 September 2015: 0.34%)</b>			
<b>Recreational Vehicles</b>				<b>Electronic Measuring Instruments</b>			
15,834	BRP Inc/CA	318,363	0.55	12,846	Orbotech Ltd	375,489	0.65
<b>CHINA 4.82% (30 September 2015: 5.19%)</b>				<b>ITALY 2.71% (30 September 2015: 1.91%)</b>			
<b>Auto/Truck Parts &amp; Equipment-Original</b>				<b>Auto/Truck Parts &amp; Equipment-Original</b>			
61,199	Minth Group Ltd	215,081	0.37	5,646	Brembo SpA	334,410	0.58
<b>Auto-Cars/Light Trucks</b>				<b>Commercial Services</b>			
330,708	Geely Automobile Holdings Ltd	295,150	0.51	34,173	Cerved Information Solutions SpA	283,291	0.49
<b>Batteries/Battery System</b>				<b>E-Services/Consulting</b>			
324,057	Tianneng Power International Ltd	276,258	0.48	2,036	Reply SpA	264,596	0.46
<b>Circuits</b>				<b>Medical-Drugs</b>			
22,146	Silergy Corp	327,115	0.57	10,532	Recordati SpA	332,186	0.58
<b>Industrial Automat/Robot</b>				<b>Retail-Miscellaneous/Diversified</b>			
12,701	Hollysys Automation Technologies Ltd	294,790	0.51	34,254	Amplifon SpA	348,021	0.60
<b>Medical Products</b>				<b>JAPAN 11.70% (30 September 2015: 11.08%)</b>			
128,677	China Medical System Holdings Ltd	216,406	0.37	<b>Auto/Truck Parts &amp; Equipment-Original</b>			
<b>Medical-Biomedical/Genetics</b>				17,200	Daikyonishikawa Corp	210,994	0.36
3,100	China Biologic Products Inc	383,563	0.66	7,254	Koito Manufacturing Co Ltd	349,919	0.61
<b>Photo Equipment &amp; Supplies</b>							
115,245	Sunny Optical Technology Group Co Ltd	569,262	0.99				

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

ORIGIN GLOBAL SMALLER COMPANIES FUND (continued)				ORIGIN GLOBAL SMALLER COMPANIES FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>JAPAN 11.70% (30 September 2015: 11.08%) (continued)</b>				<b>POLAND 0.00% (30 September 2015: 0.45%)</b>			
<b>Building &amp; Construction Production-Miscellaneous</b>				<b>SOUTH AFRICA 0.65% (30 September 2015: 0.00%)</b>			
5,900	Totetsu Kogyo Co Ltd	168,546	0.29	<b>Finance-Other Services</b>			
<b>Building-Heavy Construction</b>				16,075	JSE Ltd	185,158	0.32
16,800	Raito Kogyo Co Ltd	201,105	0.35	<b>Transport-Services</b>			
<b>Computers-Integrated Systems</b>				62,032	Super Group Ltd/South Africa	191,144	0.33
11,135	DTS Corp	246,552	0.43	<b>SOUTH KOREA 5.89% (30 September 2015: 5.48%)</b>			
<b>E-Commerce/Services</b>				<b>Advanced Materials/Prd</b>			
7,609	Dip Corp	234,667	0.41	1,695	SK Materials Co Ltd	242,550	0.42
13,400	Gurunavi Inc	366,508	0.63	<b>Chemicals-Diversified</b>			
<b>Electronic Component-Miscellaneous</b>				837	Korea Petrochemical Ind Co Ltd	162,255	0.28
19,649	Fujitsu General Ltd	423,415	0.74	<b>Chemicals-Specialty</b>			
<b>Electronic Measuring Instruments</b>				7,901	Soulbrain Co Ltd	436,892	0.76
11,550	Tokyo Seimitsu Co Ltd	306,089	0.53	<b>Electronic Component-Semiconductor</b>			
<b>Electronic Parts Distribution</b>				6,052	Silicon Works Co Ltd	164,028	0.28
10,506	Siix Corp	422,151	0.73	<b>Electronic Connectors</b>			
<b>E-Marketing/Information</b>				3,326	Korea Electric Terminal Co Ltd	234,347	0.41
8,000	CyberAgent Inc	236,604	0.41	<b>Internet Content-Entertainment</b>			
<b>Entertainment Software</b>				1,631	Com2uSCorp	148,091	0.26
16,755	Koei Tecmo Holdings Co Ltd	329,585	0.57	<b>Medical-Drugs</b>			
<b>Health Care Services</b>				5,830	Boryung Pharmaceutical Co Ltd	363,134	0.63
8,600	BML Inc	225,531	0.39	6,699	Samjin Pharmaceutical Co Ltd	196,162	0.34
<b>Human Resources</b>				<b>Metal Processors &amp; Fabricators</b>			
17,500	JAC Recruitment Co Ltd	209,484	0.37	<b>Medical-Drugs</b>			
<b>Internet Application Software</b>				32,969	Dongkuk Structures & Construction Co Ltd	222,717	0.39
8,695	COLOPL Inc	134,510	0.24	<b>Optical Supplies</b>			
<b>Internet Content-Entertainment</b>				4,551	Interojo Co Ltd	164,668	0.28
17,753	Nexon Co Ltd	276,390	0.48	<b>Publishing-Periodicals</b>			
<b>Internet Content-Information/News</b>				13,535	Woongjin Thinkbig Co Ltd	136,413	0.24
4,528	Mixi Inc	162,697	0.28	<b>Reinsurance</b>			
<b>Medical Laboratories &amp; Testing Services</b>				23,160	Korean Reinsurance Co	244,985	0.42
2,660	Ain Holdings Inc	180,375	0.31	<b>Semicon Component-Integrated Circuits</b>			
<b>Medical-Generic Drugs</b>				8,899	Viatron Technologies Inc	225,838	0.39
2,534	Sawai Pharmaceutical Co Ltd	179,846	0.31	<b>Semiconductor Equipment</b>			
<b>Medical-Wholesale Drug Distribution</b>				29,308	KC Tech Co Ltd	456,378	0.79
8,658	Alfresa Holdings Corp	182,035	0.32	<b>SWEDEN 0.00% (30 September 2015: 0.62%)</b>			
<b>Real Estate Management/Services</b>				<b>SWITZERLAND 1.54% (30 September 2015: 2.37%)</b>			
6,883	Open House Co Ltd	146,212	0.25	<b>Electronic Security Devices</b>			
3,140	Relo Group Inc	520,514	0.90	258	dorma+kaba Holding AG	189,194	0.33
18,200	Sun Frontier Fudousan Co Ltd	182,603	0.32	<b>Machinery-General Industry</b>			
<b>Real Estate Operation/Development</b>				750	Komax Holding AG	182,968	0.32
28,293	Leopalace21 Corp	185,702	0.32	<b>Wireless Equipment</b>			
<b>Toys</b>				2,462	u-blox Holding AG	516,985	0.89
11,770	Bandai Namco Holdings Inc	357,760	0.62	<b>TAIWAN 10.18% (30 September 2015: 6.99%)</b>			
<b>Transport-Truck</b>				<b>Auto/Truck Parts &amp; Equipment-Original</b>			
4,906	Trancom Co Ltd	307,458	0.53	61,055	Hiroca Holdings Ltd	235,685	0.41
<b>JERSEY 0.38% (30 September 2015: 0.00%)</b>				<b>Auto/Truck Parts &amp; Equipment-Replica</b>			
<b>Gold Mining</b>				54,783	Macaoto Industrial Co Ltd	361,777	0.63
112,951	Centamin Plc	221,100	0.38	<b>Beverages-Non-Alcoholic</b>			
<b>LUXEMBOURG 0.37% (30 September 2015: 0.36%)</b>				41,050	Grape King Bio Ltd	340,495	0.59
<b>Machinery-General Industry</b>				<b>Circuit Boards</b>			
3,803	Stabilus SA	211,068	0.37	88,994	Chin-Poon Industrial Co Ltd	198,171	0.34
<b>MALAYSIA 0.96% (30 September 2015: 0.38%)</b>				<b>Computers</b>			
<b>E-Commerce/Services</b>				47,251	Flytech Technology Co Ltd	163,556	0.28
599,388	My EG Services Bhd	330,457	0.58	<b>Computers-Integrated Systems</b>			
<b>Retail-Apparel/Shoe</b>				52,650	Posiflex Technology Inc	321,656	0.56
319,700	Padini Holdings Bhd	220,323	0.38	131,981	Primax Electronics Ltd	193,474	0.33
<b>NETHERLANDS 0.54% (30 September 2015: 0.79%)</b>				<b>Computers-Peripheral Equipment</b>			
<b>Chemicals-Specialty</b>				14,621	Ennoconn Corp	243,952	0.42
7,240	IMCD Group NV	312,219	0.54	132,589	Lite-On Technology Corp	190,769	0.33
<b>NORWAY 0.73% (30 September 2015: 0.45%)</b>				<b>Disposable Medical Products</b>			
<b>Fisheries</b>				49,615	Pacific Hospital Supply Co Ltd	158,126	0.27
3,797	Leroy Seafood Group ASA	189,036	0.33	<b>Electronic Component-Miscellaneous</b>			
7,739	Salmar ASA	233,000	0.40	136,809	Elite Material Co Ltd	373,169	0.65
				20,529	Phison Electronics Corp	155,872	0.27
				<b>Electronic Component-Semiconductor</b>			
				99,448	Visual Photonics Epitaxy Co Ltd	140,072	0.24
				114,632	Win Semiconductors Corp	336,448	0.59



# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

ORIGIN GLOBAL SMALLER COMPANIES FUND (continued)				ORIGIN GLOBAL SMALLER COMPANIES FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>TAIWAN 10.18% (30 September 2015: 6.99%) (continued)</b>				<b>UNITED STATES 29.62% (30 September 2015: 33.26%) (continued)</b>			
<b>Electronic Parts Distribution</b>				<b>Athletic Equipment</b>			
77,851	Sinbon Electronics Co Ltd	179,071	0.31	13,917	Nautilus Inc	316,890	0.55
<b>Energy-Alternate Sources</b>				<b>Audio/Video Products</b>			
12,150	Gigasolar Materials Corp	143,418	0.25	3,075	Universal Electronics Inc	229,979	0.40
<b>Audio/Video Products</b>				<b>Auto/Truck Parts &amp; Equipment-Original</b>			
83,047	Merry Electronics Co Ltd	325,877	0.57		American Axle & Manufacturing		
<b>Metal Processors &amp; Fabricators</b>				11,586	Holdings Inc	190,705	0.33
74,324	Shin Zu Shing Co Ltd	245,411	0.43	3,516	Cooper-Standard Holding Inc	347,170	0.60
<b>Power Conversion/Supply Equipment</b>				5,900	Tenneco Inc	334,117	0.58
18,249	Voltronic Power Technology Corp	285,272	0.49	<b>Auto/Truck Parts &amp; Equipment-Replica</b>			
<b>Retail-Restaurants</b>				3,231	Dorman Products Inc	206,299	0.36
40,941	Gourmet Master Co Ltd	407,509	0.71	<b>Auto-Truck Trailers</b>			
<b>Semicon Component-Integrated Circuits</b>				21,941	Wabash National Corp	315,512	0.55
17,423	Parade Technologies Ltd	177,590	0.31	<b>Batteries/Battery System</b>			
61,234	Realtek Semiconductor Corp	201,212	0.35	2,866	EnerSys	195,547	0.34
55,817	Sitronix Technology Corp	184,303	0.32	<b>Bicycle Manufacturing</b>			
<b>Wireless Equipment</b>				14,006	Fox Factory Holding Corp	309,953	0.54
97,464	Wistron NeWeb Corp	307,514	0.53	<b>Building &amp; Construction Production-Miscellaneous</b>			
<b>THAILAND 1.85% (30 September 2015: 1.20%)</b>				4,291	Drew Industries Inc	419,917	0.73
<b>Diversified Financial Services</b>				<b>Building-Residential/Commercial</b>			
122,400	Tisco Financial Group PCL	185,455	0.32	10,398	Installed Building Products Inc	371,105	0.64
<b>Diversified Manufacturing Operations</b>				2,950	Thor Industries Inc	251,635	0.44
11,029	Fabrinet	482,960	0.84	<b>Chemicals-Diversified</b>			
<b>Electronic Component-Miscellaneous</b>				5,273	Innospec Inc	311,845	0.54
174,741	Delta Electronics Thailand PCL	399,660	0.69	<b>Commercial Service-Finance</b>			
<b>TURKEY 0.49% (30 September 2015: 0.94%)</b>				7,081	Cardtronics Plc	310,573	0.54
<b>Electronics-Military</b>				3,372	Euronet Worldwide Inc	273,975	0.47
	Aselsan Elektronik Sanayi Ve			<b>Communications Software</b>			
91,118	Ticaret AS	284,234	0.49	6,551	BroadSoft Inc	305,342	0.53
<b>UKRAINE 0.35% (30 September 2015: 0.00%)</b>				<b>Computer Services</b>			
<b>Agricultural Operations</b>				3,245	j2 Global Inc	214,170	0.37
13,183	Kernel Holding SA	201,636	0.35	19,188	KEYW Holding Corp/The	206,463	0.36
<b>UNITED KINGDOM 5.68% (30 September 2015: 8.73%)</b>				<b>Consumer Products-Miscellaneous</b>			
<b>Airlines</b>				2,691	Helen of Troy Ltd	227,901	0.40
39,888	Dart Group Plc	215,098	0.37	<b>Diversified Manufacturing Operations</b>			
<b>Beverages-Non-Alcoholic</b>				4,394	AZZ Inc	284,116	0.49
30,225	Fevertree Drinks Plc	381,438	0.66	<b>E-Commerce/Products</b>			
<b>Building-Residential/Commercial</b>				2,586	Stamps.com Inc	241,920	0.42
6,887	Bellway Plc	203,647	0.35	<b>Electronic Component-Miscellaneous</b>			
5,386	Berkeley Group Holdings Plc	173,366	0.30	15,675	Gentex Corp	273,215	0.47
32,268	Crest Nicholson Holdings plc	177,780	0.31	<b>Electronic Component-Semiconductor</b>			
41,221	Redrow Plc	206,213	0.36	4,678	Ambarella Inc	331,530	0.58
<b>Enterprise Software/Services</b>				5,466	Cavium Inc	312,327	0.54
7,790	Micro Focus International Plc	218,533	0.38	8,116	Inphi Corp	348,095	0.60
<b>Food-Miscellaneous/Diversified</b>				26,344	ON Semiconductor Corp	318,763	0.55
9,694	Cranswick Plc	293,561	0.51	<b>Electronic Parts Distribution</b>			
<b>Home Furnishings</b>				2,222	Tech Data Corp	186,559	0.32
33,174	Howden Joinery Group Plc	181,396	0.31	<b>E-Marketing/Information</b>			
<b>Human Resources</b>				2,975	ePlus Inc	274,325	0.48
11,668	Staffline Group Plc	129,477	0.22	<b>Enterprise Software/Services</b>			
<b>Internet Gambling</b>				2,668	SYNNEX Corp	302,685	0.52
108,456	888 Holdings Plc	306,150	0.53	<b>Finance-Investment Banker/Broker</b>			
<b>Retail-Automobile</b>				13,319	KCG Holdings Inc	204,447	0.35
100,348	Lookers Plc	148,949	0.26	<b>Finance-Other Services</b>			
385,804	Pendragon Plc	150,041	0.26	3,116	WageWorks Inc	187,490	0.33
<b>Veterinary Diagnostics</b>				<b>Firearms &amp; Ammunition</b>			
25,432	CVS Group Plc	291,114	0.51	12,088	Smith & Wesson Holding Corp	312,112	0.54
<b>Wireless Equipment</b>				<b>Human Resources</b>			
10,545	accesso Technology Group Plc	199,343	0.35	4,573	AMN Healthcare Services Inc	144,187	0.25
<b>UNITED STATES 29.62% (30 September 2015: 33.26%)</b>				<b>Machinery-Farm</b>			
<b>Aerospace/Defense</b>				4,609	Alamo Group Inc	297,603	0.52
2,841	HEICO Corp	195,347	0.34	<b>Medical-Biomedical/Genetics</b>			
<b>Airlines</b>				3,203	ANI Pharmaceuticals Inc	211,975	0.37
6,298	Hawaiian Holdings Inc	301,044	0.52	1,714	United Therapeutics Corp	197,144	0.34
<b>Appliances</b>				<b>Medical-Drugs</b>			
7,898	iRobot Corp	346,248	0.60	5,780	PRA Health Sciences Inc	319,461	0.55
				<b>Metal Processors &amp; Fabricators</b>			
					Global Brass & Copper Holdings		
				6,586	Inc	187,899	0.33

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

ORIGIN GLOBAL SMALLER COMPANIES FUND (continued)						ORIGIN GLOBAL SMALLER COMPANIES FUND (continued)	
Nominal	Security			Value USD	% Net Assets	% Total Assets	
<b>UNITED STATES 29.62% (30 September 2015: 33.26%) (continued)</b>						<b>Analysis of Total Assets</b>	
<b>Mortgage Banks</b>						Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	
8,749	Walker & Dunlop Inc			215,050	0.37	89.40	
<b>Networking Products</b>						Transferable Securities other than those admitted to an official stock exchange listing or traded on a regulated market	
5,348	Gigamon Inc			294,621	0.51	0.00	
3,833	NETGEAR Inc			228,217	0.40	Financial Derivative instruments dealt in or on a regulated market	
<b>Optical Recognition Equip</b>						0.00	
6,800	Lumentum Holdings Inc			281,248	0.49	Other Assets	
<b>Patient Monitoring Equipment</b>						10.60	
6,306	Masimo Corp			369,406	0.64	<b>Total Assets</b>	
<b>Poultry</b>						<b>100.00</b>	
3,280	Sanderson Farms Inc			317,012	0.55	Except where stated above all securities are transferable securities admitted to an official stock exchange listing.	
<b>Printing-Commercial</b>						The counterparty for the open spot currency contracts is the Bank of New York Mellon.	
4,441	Deluxe Corp			292,884	0.51		
<b>Research &amp; Development</b>							
5,533	INC Research Holdings Inc			244,503	0.42		
<b>Retail-Computer Equip</b>							
6,596	PC Connection Inc			172,683	0.30		
<b>Retail-Miscellaneous/Diversified</b>							
6,532	FirstCash Inc			302,040	0.52		
<b>Rubber/Plastic Products</b>							
3,867	Trinseo SA			221,618	0.38		
<b>Rubber-Tires</b>							
6,196	Cooper Tire & Rubber Co			230,119	0.40		
<b>Semicon Component-Integrated Circuits</b>							
7,830	Cirrus Logic Inc			403,323	0.70		
<b>Semiconductor Equipment</b>							
18,262	Entegris Inc			313,559	0.54		
17,676	Rudolph Technologies Inc			311,981	0.54		
8,564	Teradyne Inc			181,899	0.32		
<b>Transactional Software</b>							
7,328	Synchronoss Technologies Inc			302,060	0.52		
<b>Vitamins &amp; Nutrition Production</b>							
11,062	Omega Protein Corp			258,408	0.45		
2,289	USANA Health Sciences Inc			311,785	0.54		
<b>Wireless Equipment</b>							
3,988	InterDigital Inc/PA			314,095	0.54		
7,499	Ubiquiti Networks Inc			403,746	0.70		
<b>Total Value of Transferable Securities at Mid Market Prices</b>				<b>56,355,700</b>	<b>97.70</b>		
<b>UNLISTED 0.00% (30 September 2015: 0.00%)</b>							
<b>SPAIN 0.00% (30 September 2015: 0.00%)</b>							
<b>Telecom Services</b>							
7,149	Let's GOWEX SA			—	0.00		
<b>Total Value of Unlisted at Mid Market Prices</b>				<b>—</b>	<b>0.00</b>		
<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD45,460,097)</b>				<b>56,355,700</b>	<b>97.70</b>		
<b>Open Spot Currency Contracts (0.00%) (30 September 2015: (0.01%))</b>							
<b>Settlement Buy Date</b>	<b>Amount Bought</b>	<b>Sell</b>	<b>Amount Sold</b>	<b>Unrealised Gain/Loss</b>	<b>% Net Assets</b>		
03/10/2016 EUR	121,273	USD	(136,367)	(968)	(0.00)		
03/10/2016 USD	947	CAD	(1,248)	(0)	(0.00)		
04/10/2016 USD	1,939	MYR	(7,992)	6	0.00		
Unrealised Gains on Open Spot Currency Contracts					6	0.00	
Unrealised Loss on Open Spot Currency Contracts					(968)	(0.00)	
<b>Net Unrealised Loss on Open Spot Currency Contracts</b>				<b>(962)</b>	<b>(0.00)</b>		
Cash at Bank				1,976,657	3.43		
Net Current Liabilities				(646,817)	(1.13)		
<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>				<b>57,684,578</b>	<b>100.00</b>		

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

LONG/SHORT GLOBAL OPPORTUNITIES EQUITY FUND				LONG/SHORT GLOBAL OPPORTUNITIES EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>TRANSFERABLE SECURITIES 93.04% (30 September 2015: 95.05%)</b>				<b>IRELAND 1.18% (30 September 2015: 2.71%)</b>			
<b>AUSTRALIA 0.00% (30 September 2015: 0.45%)</b>				<b>Computer Services</b>			
				693	Accenture Plc	84,296	1.18
<b>BELGIUM 0.00% (30 September 2015: 0.79%)</b>				<b>ISRAEL 0.00% (30 September 2015: 1.68%)</b>			
<b>BRAZIL 1.34% (30 September 2015: 0.00%)</b>				<b>JAPAN 6.88% (30 September 2015: 7.90%)</b>			
<b>Consulting Services</b>				<b>Auto/Truck Parts &amp; Equipment-Original</b>			
7,200	Qualicorp SA	41,187	0.58	1,300	Toyota Industries Corp	59,825	0.84
<b>Water</b>				<b>Building &amp; Construction Production-Miscellaneous</b>			
5,800	Cia de Saneamento Basico do Estado de Sao Paulo	54,307	0.76	6,200	Obayashi Corp	61,175	0.86
<b>CANADA 5.57% (30 September 2015: 2.93%)</b>				<b>Cellular Telecom</b>			
<b>Commercial Banks Non-US</b>				2,400	NTT DoCoMo Inc	60,852	0.85
1,200	Bank of Nova Scotia/The	64,395	0.90	<b>Commercial Banks Non-US</b>			
<b>Gold Mining</b>				10,000	77 Bank Ltd/The	40,675	0.57
3,600	Barrick Gold Corp	64,584	0.91	1,100	Sumitomo Mitsui Trust Holdings Inc	35,598	0.50
9,800	Kinross Gold Corp	41,696	0.58	<b>Electric Products-Miscellaneous</b>			
<b>Oil Company-Exploration &amp; Production</b>				10,000	Hitachi Ltd	46,375	0.65
2,100	Seven Generations Energy Ltd	50,227	0.70	<b>Finance-Leasing Companies</b>			
<b>Pipelines</b>				2,600	ORIX Corp	38,018	0.53
1,300	TransCanada Corp	61,830	0.86	<b>Import/Export</b>			
<b>Real Estate Operation/Development</b>				2,100	Mitsubishi Corp	47,489	0.66
2,300	Brookfield Asset Management Inc	81,135	1.14	<b>Machinery-General Industry</b>			
<b>Retail-Convenience Store</b>				14,000	Mitsubishi Heavy Industries Ltd	58,067	0.81
707	Alimentation Couche-Tard Inc	34,067	0.48	<b>Semiconductor Equipment</b>			
<b>CHINA 2.42% (30 September 2015: 0.56%)</b>				500	Tokyo Electron Ltd	43,926	0.61
<b>Auto-Cars/Light Trucks</b>				<b>MALAYSIA 0.50% (30 September 2015: 0.00%)</b>			
28,000	Guangzhou Automobile Group Co Ltd	36,007	0.51	<b>Electric-Integrated</b>			
<b>Entertainment Software</b>				10,400	Tenaga Nasional Bhd	35,962	0.50
181	NetEase Inc	43,813	0.61	<b>MEXICO 0.43% (30 September 2015: 0.51%)</b>			
<b>Internet Application Software</b>				<b>Building-Heavy Construction</b>			
1,700	Tencent Holdings Ltd	46,704	0.65		Promotora y Operadora de Infraestructura SAB de CV	30,901	0.43
<b>Telecom Services</b>				<b>NETHERLANDS 1.80% (30 September 2015: 0.45%)</b>			
92,000	China Telecom Corp Ltd	46,398	0.65	<b>Food-Retail</b>			
<b>DENMARK 0.46% (30 September 2015: 1.61%)</b>				2,365	Koninklijke Ahold Delhaize NV	52,846	0.74
<b>Medical-Biomedical/Genetics</b>				<b>Life/Health Insurance</b>			
197	Genmab A/S	33,024	0.46	2,539	NN Group NV	76,043	1.06
<b>FRANCE 6.22% (30 September 2015: 2.14%)</b>				<b>RUSSIA 0.66% (30 September 2015: 0.00%)</b>			
<b>Building &amp; Construction Production-Miscellaneous</b>				<b>Oil Company-Integrated</b>			
501	Eiffage SA	38,471	0.54	973	Lukoil PJSC	47,195	0.66
<b>Building-Heavy Construction</b>				<b>SOUTH KOREA 2.65% (30 September 2015: 0.63%)</b>			
1,433	Vinci SA	107,489	1.50	<b>Electric-Integrated</b>			
<b>Computer Services</b>				1,180	Korea Electric Power Corp	57,856	0.81
455	Capgemini SA	43,889	0.62	<b>Electronic Component-Semiconductor</b>			
<b>Diversified Banking Institutions</b>				38	Samsung Electronics Co Ltd	55,136	0.77
1,334	BNP Paribas SA	65,719	0.92	<b>Tobacco</b>			
<b>Reinsurance</b>				675	KT&G Corp	76,611	1.07
2,181	SCOR SE	65,992	0.92	<b>SPAIN 1.62% (30 September 2015: 0.71%)</b>			
<b>Telephone-Integrated</b>				<b>Airport Development/Maintenance</b>			
3,443	Orange SA	53,176	0.74	350	Aena SA	51,160	0.72
<b>Water</b>				<b>Electric-Integrated</b>			
3,080	Veolia Environnement SA	69,856	0.98	9,602	Iberdrola SA	64,518	0.90
<b>GERMANY 2.71% (30 September 2015: 3.30%)</b>				<b>SWEDEN 0.00% (30 September 2015: 0.96%)</b>			
<b>Athletic Footwear</b>				<b>SWITZERLAND 2.29% (30 September 2015: 4.71%)</b>			
224	adidas AG	38,191	0.53	<b>Chemicals-Specialty</b>			
<b>Diversified Manufacturing Operations</b>				273	Lonza Group AG	51,608	0.72
1,064	Siemens AG	121,435	1.70	<b>Engineering/Research &amp; Development Services</b>			
<b>Lighting Products &amp; Systems</b>				2,462	ABB Ltd	54,854	0.77
591	OSRAM Licht AG	34,158	0.48	<b>Reinsurance</b>			
<b>HONG KONG 0.61% (30 September 2015: 0.00%)</b>				643	Swiss Re AG	56,959	0.80
<b>Diversified Operations</b>				<b>TAIWAN 0.57% (30 September 2015: 0.63%)</b>			
6,000	Wharf Holdings Ltd/The	43,686	0.61	<b>Semicon Component-Integrated Circuits</b>			
<b>INDONESIA 0.75% (30 September 2015: 0.00%)</b>					Taiwan Semiconductor Manufacturing Co Ltd	40,755	0.57
<b>Telecom Services</b>				7,000			
158,900	Telekomunikasi Indonesia Persero Tbk PT	53,206	0.75				

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

LONG/SHORT GLOBAL OPPORTUNITIES EQUITY FUND (continued)				LONG/SHORT GLOBAL OPPORTUNITIES EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>UNITED KINGDOM 7.87% (30 September 2015: 7.12%)</b>				<b>UNITED STATES 46.51% (30 September 2015: 55.26%) (continued)</b>			
<b>Beverages-Wine/Spirits</b>				<b>Reinsurance</b>			
1,901	Diageo Plc	54,416	0.76	283	Everest Re Group Ltd	53,883	0.75
<b>Food-Catering</b>				<b>Reits-Apartments</b>			
4,066	Compass Group Plc	77,962	1.09		Mid-America Apartment Communities Inc	40,383	0.56
<b>Food-Miscellaneous/Diversified</b>				<b>Reits-Diversified</b>			
1,578	Unilever NV	71,924	1.01	413	Digital Realty Trust Inc	40,474	0.57
<b>Gas-Distribution</b>				<b>Reits-Storage</b>			
5,452	National Grid Plc	77,624	1.08	480	Extra Space Storage Inc	38,842	0.54
<b>Private Equity</b>				<b>Retail-Drug Store</b>			
6,943	3i Group Plc	57,709	0.81	631	CVS Health Corp	56,506	0.79
<b>Tobacco</b>				<b>Ship Building</b>			
2,381	British American Tobacco Plc	152,010	2.13	366	Huntington Ingalls Industries Inc	55,826	0.78
1,384	Imperial Brands Plc	70,924	0.99	<b>Super-Regional Banks-US</b>			
<b>UNITED STATES 46.51% (30 September 2015: 55.26%)</b>				1,425	SunTrust Banks Inc	61,489	0.86
<b>Advertising Agencies</b>				<b>Telephone-Integrated</b>			
2,765	Interpublic Group of Cos Inc/The	61,079	0.85	876	AT&T Inc	35,679	0.50
<b>Applications Software</b>				<b>Television</b>			
2,301	Microsoft Corp	132,077	1.85	1,126	CBS Corp	61,446	0.86
<b>Commercial Service-Finance</b>				<b>Tobacco</b>			
1,366	Total System Services Inc	63,819	0.89	1,151	Philip Morris International Inc	112,545	1.57
<b>Commercial Services</b>				<b>Veterinary Diagnostics</b>			
1,830	Aramark	69,357	0.97	985	VCA Inc	67,797	0.95
<b>Containers-Paper/Plastic</b>				<b>Web Portals/ISP</b>			
364	Packaging Corp of America	29,018	0.41	208	Alphabet Inc 'A'	166,949	2.34
<b>Distribution/Wholesale</b>				<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD6,320,388)</b>			
1,085	HD Supply Holdings Inc	34,101	0.48			<b>6,650,731</b>	<b>93.04</b>
<b>Diversified Banking Institutions</b>				<b>Open Spot Currency Contracts (0.00%) (30 September 2015: 0.00%)</b>			
2,761	JPMorgan Chase & Co	181,260	2.54	<b>Settlement Buy</b>	<b>Amount Sell</b>	<b>Amount Sold</b>	<b>Unrealised Gain/Loss</b>
<b>Diversified Manufacturing Operations</b>				<b>Date</b>	<b>Bought</b>		<b>% Net Assets</b>
524	Honeywell International Inc	60,884	0.85	03/10/2016	USD 225 CAD	(296)	(0.00)
<b>Electric-Integrated</b>				04/10/2016	USD 422 GBP	(325)	(0.00)
1,700	Exelon Corp	56,593	0.79	04/10/2016	USD 84 GBP	(65)	(0.00)
<b>Electronic Design Automation</b>				Unrealised Loss on Open Spot Currency Contracts			
1,510	Synopsys Inc	89,211	1.25			-	(0.00)
<b>Electronic Security Devices</b>				<b>Net Unrealised Loss on Open Spot Currency Contracts</b>			
1,069	Johnson Controls International plc	49,078	0.69			<b>(0)</b>	<b>(0.00)</b>
<b>Engineering/Research &amp; Development Services</b>				<b>Open Future Contracts 0.61% (30 September 2015: 2.24%)</b>			
589	EMCOR Group Inc	34,934	0.49	<b>No. of Contracts</b>	<b>Average Cost Price</b>	<b>Description</b>	<b>Maturity Date</b>
<b>Food-Retail</b>							<b>Unrealised Gain/(Loss)</b>
2,258	Kroger Co/The	66,611	0.93				<b>% Net Assets</b>
<b>Human Resources</b>				(34)	(3,658,315)	S&p500 Emini Future	16/12/2016
1,226	AMN Healthcare Services Inc	38,656	0.54			Mini MSCI Emerging Market Future	16/12/2016
<b>Internet Content-Entertainment</b>				(6)	(269,580)	Mini MSCI Eafe Future	16/12/2016
547	Facebook Inc	70,065	0.98	(30)	(2,555,700)		
<b>Internet Security</b>				Total Gains on Future Contracts			
1,987	Symantec Corp	49,695	0.70			45,940	0.64
<b>Life/Health Insurance</b>						(2,040)	(0.03)
694	Prudential Financial Inc	55,499	0.78	<b>Total Future Contracts</b>			
1,422	Unum Group	49,329	0.69			<b>43,900</b>	<b>0.61</b>
<b>Medical-Biomedical/Genetics</b>				Cash at Bank			
1,170	Amgen Inc	193,576	2.71			472,367	6.61
	Charles River Laboratories International Inc	60,172	0.84			(18,846)	(0.26)
729	Gilead Sciences Inc*	235,137	3.29	<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>			
<b>Medical-Drugs</b>						<b>7,148,152</b>	<b>100.00</b>
1,833	AbbVie Inc	115,149	1.61				
3,952	Pfizer Inc*	131,681	1.84				
1,524	Shire Plc	98,769	1.38				
<b>Medical-Health Maintenance Organization</b>							
544	Anthem Inc	67,962	0.95				
1,563	Centene Corp	105,737	1.48				
<b>Networking Products</b>							
5,675	Cisco Systems Inc	178,138	2.49				
<b>Non-Hazardous Waste Disposal</b>							
785	Waste Management Inc	49,667	0.69				
<b>Oil Company-Integrated</b>							
421	Exxon Mobil Corp	36,400	0.51				
<b>Property/Casualty Insurance</b>							
609	Travelers Cos Inc/The	69,347	0.97				

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

LONG/SHORT GLOBAL OPPORTUNITIES EQUITY FUND (continued)		CLARITAS LATIN AMERICAN EQUITY FUND			
	% Total Assets	Nominal	Security	Value USD	% Net Assets
<b>Analysis of Total Assets</b>		<b>TRANSFERABLE SECURITIES 96.93% (30 September 2015: 97.46%)</b>			
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	91.75	<b>BRAZIL 54.75% (30 September 2015: 43.35%)</b>			
Financial Derivative instruments dealt in or on a regulated market	0.61	<b>Brewery</b>			
Other Assets	7.64	<b>Commercial Banks Non-US</b>			
<b>Total Assets</b>	<b>100.00</b>	<b>Commercial Service-Finance</b>			
All securities are transferable securities admitted to an official stock exchange listing.		<b>Diversified Minerals</b>			
The counterparty for the open spot contracts is the Bank of New York Mellon.		<b>Diversified Operations</b>			
The counterparty for the future contracts is JPMorgan Chase & Co.		<b>Electric-Generation</b>			
*Alphabet Inc - 205 nominal pledged as collateral, Gilead Sciences Inc - 1,100 nominal pledged as collateral and Pfizer Inc - 3,000 nominal pledged as collateral in relation to the futures contracts held with JPMorgan Chase & Co. at 30 September 2016.		<b>Electric-Integrated</b>			
		<b>Finance-Other Services</b>			
		<b>Food-Meat Products</b>			
		<b>Investment Companies</b>			
		<b>Multi-Line Insurance</b>			
		<b>Oil Company-Integrated</b>			
		<b>Paper &amp; Related Products</b>			
		<b>Petrochemicals</b>			
		<b>Real Estate Operation/Development</b>			
		<b>Schools</b>			
		<b>Steel-Producers</b>			
		<b>Sugar</b>			
		<b>Travel Services</b>			
		<b>Water</b>			
		<b>CHILE 8.21% (30 September 2015: 8.95%)</b>			
		<b>Airlines</b>			
		<b>Beverages-Non-Alcoholic</b>			
		<b>Brewery</b>			

# PRINCIPAL GLOBAL INVESTORS FUNDS

## PORTFOLIO OF INVESTMENTS AS AT 30 SEPTEMBER 2016 (continued)

CLARITAS LATIN AMERICAN EQUITY FUND (continued)				CLARITAS LATIN AMERICAN EQUITY FUND (continued)			
Nominal	Security	Value USD	% Net Assets	Nominal	Security	Value USD	% Net Assets
<b>CHILE 8.21% (30 September 2015: 8.95%) (continued)</b>				<b>MEXICO 27.46% (30 September 2015: 37.99%) (continued)</b>			
<b>Cellular Telecom</b>				<b>Commercial Banks Non-US</b>			
1,447	Empresa Nacional de Telecomunicaciones SA	14,258	0.11	20,400	Gentera SAB de CV	36,356	0.29
<b>Chemicals-Diversified</b>				49,969	Grupo Financiero Banorte SAB de CV	261,173	2.11
2,211	Sociedad Quimica y Minera de Chile SA	58,608	0.47	48,130	Grupo Financiero Inbursa SAB de CV	77,166	0.63
<b>Commercial Banks Non-US</b>				13,590	Grupo Financiero Santander Mexico SAB de CV	23,645	0.19
536,656	Banco de Chile	60,702	0.49	<b>Diversified Financial Services</b>			
674	Banco de Credito e Inversiones	30,646	0.25	4,500	Unifin Financiera SAB de CV		
1,383,442	Banco Santander Chile	71,364	0.57		SOFOM ENR	13,423	0.11
2,681,062	Itau CorpBanca	23,173	0.19	<b>Diversified Operations</b>			
<b>Diversified Operations</b>				75,935	Alfa SAB de CV	117,334	0.95
10,296	Empresas COPEC SA	95,826	0.78	2,500	Grupo Carso SAB de CV	9,991	0.08
<b>Electric-Integrated</b>				<b>Finance-Consumer Loans</b>			
35,300	AES Gener SA	11,805	0.10		Credito Real SAB de CV SOFOM ER	50,565	0.41
149,296	Colbun SA	30,898	0.25	29,600			
75,799	Empresa Nacional de Electricidad SA/Chile	52,185	0.42	<b>Food-Flour Grain</b>			
83,199	Endesa Americas SA	38,178	0.31	2,700	Gruma SAB de CV	35,485	0.29
440,536	Enersis Americas SA	73,363	0.59	<b>Non-Ferrous Metals</b>			
483,436	Enersis Chile SA	46,350	0.37	81,413	Grupo Mexico SAB de CV	194,713	1.58
<b>Food-Retail</b>				3,488	Industrias Penoles SAB de CV	85,510	0.69
31,000	Cencosud SA	93,945	0.76	<b>Petrochemicals</b>			
<b>Paper &amp; Related Products</b>				36,200	Alpek SAB de CV	61,470	0.50
29,188	Empresas CMPC SA	59,004	0.48	59,367	Mexichem SAB de CV	133,606	1.08
<b>Retail-Major Deptment Store</b>				<b>Real Estate Management/Services</b>			
12,798	SACI Falabella	94,646	0.77		Corp Inmobiliaria Vesta SAB de CV		
<b>Water</b>				32,200		43,929	0.36
89,843	Aguas Andinas SA	57,715	0.47	<b>Reits-Diversified</b>			
<b>COLOMBIA 3.21% (30 September 2015: 3.89%)</b>				61,458	Fibra Uno Administracion SA de CV	111,564	0.90
<b>Building Production-Cement/Aggregate</b>					PLA Administradora Industrial S de RL de CV	17,892	0.15
8,775	Cementos Argos SA	35,248	0.29	10,900			
4,523	Grupo Argos SA/Colombia	29,926	0.24	<b>Retail-Hypermarkets</b>			
<b>Commercial Banks Non-US</b>				118,508	Wal-Mart de Mexico SAB de CV	263,744	2.13
3,857	Banco Davivienda SA	38,906	0.31	<b>Retail-Major Deptment Store</b>			
10,519	Bancolombia SA	102,179	0.83		EI Puerto de Liverpool SAB de CV		
<b>Food-Miscellaneous/Diversified</b>				3,800		39,479	0.32
3,532	Grupo Nutresa SA	31,086	0.25	<b>Retail-Restaurants</b>			
<b>Investment Companies</b>				47,014	Alsea SAB de CV	158,468	1.28
	Grupo de Inversiones Suramericana SA	101,177	0.82	<b>Steel-Producers</b>			
2,652	Grupo de Inversiones Suramericana SA PFD	34,415	0.28	8,300	Grupo Simec SAB de CV	25,468	0.21
<b>Oil Company-Integrated</b>				<b>PERU 3.30% (30 September 2015: 3.28%)</b>			
55,622	Ecopetrol SA	23,938	0.19	<b>Commercial Banks Non-US</b>			
<b>MEXICO 27.46% (30 September 2015: 37.99%)</b>				1,690	Credicorp Ltd	255,089	2.06
<b>Airlines</b>				<b>Gold Mining</b>			
47,600	Controladora Vuela Cia de Aviacion SAB de CV	81,580	0.66	4,441	Cia de Minas Buenaventura SAA	61,552	0.50
<b>Airport Development/Maintenance</b>				<b>Metal-Copper</b>			
25,000	Grupo Aeroportuario del Centro Norte SAB de CV	142,682	1.16	3,480	Southern Copper Corp	91,976	0.74
21,800	Grupo Aeroportuario del Pacifico SAB de CV	201,788	1.63	<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD12,086,819)</b>			
<b>Auto/Truck Parts &amp; Equipment-Original</b>					Cash at Bank	357,029	2.89
109,000	Nemak SAB de CV	117,875	0.95		Net Current Assets	22,094	0.18
<b>Auto/Truck Parts &amp; Equipment-Replica</b>				<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>			
14,800	Rassini SAB de CV	64,745	0.52			12,358,514	100.00
<b>Beverages-Non-Alcoholic</b>							
9,300	Arca Continental SAB de CV	55,007	0.44				
39,634	Fomento Economico Mexicano SAB de CV	360,866	2.92				
<b>Building Production-Cement/Aggregate</b>							
194,530	Cemex SAB de CV	158,223	1.28				
<b>Building-Heavy Construction</b>							
15,081	Promotora y Operadora de Infraestructura SAB de CV	163,228	1.32				
<b>Cellular Telecom</b>							
503,742	America Movil SAB de CV	286,242	2.32				

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**PORTFOLIO OF INVESTMENTS**  
**AS AT 30 SEPTEMBER 2016 (continued)**

**CLARITAS LATIN AMERICAN EQUITY FUND (continued)**

<b>Analysis of Total Assets</b>	<b>% Total Assets</b>
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	95.43
Financial Derivative instruments dealt in or on a regulated market	0.00
Other Assets	4.57
<b>Total Assets</b>	<b>100.00</b>

All securities are transferable securities admitted to an official stock exchange listing.

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

<b>FINISTERRE EMERGING MARKET DEBT FUND</b>					
<b>Nominal</b>	<b>Security</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Value USD</b>	<b>% Net Assets</b>
<b>TRANSFERABLE SECURITIES 75.90% (30 September 2015: 45.57%)</b>					
<b>BRAZIL 5.45% (30 September 2015: 0.46%)</b>					
<b>Corporate Bond</b>					
8,555,000	Odebrecht Offshore Drilling Finance Ltd	6.750%	01/10/2022	1,600,213	0.51
10,000,000	Petrobras Global Finance BV	8.375%	23/05/2021	10,942,450	3.48
<b>Government Bond</b>					
4,000,000	Banco Nacional de Desenvolvimento Economico e Social	3.625%	21/01/2019	4,598,523	1.46
<b>CHILE 0.00% (30 September 2015: 0.62%)</b>					
<b>CROATIA 4.77% (30 September 2015: 0.00%)</b>					
<b>Government Bond</b>					
13,500,000	Croatia Government International Bond	6.750%	05/11/2019	14,988,375	4.77
<b>FRANCE 0.00% (30 September 2015: 11.00%)</b>					
<b>GHANA 0.62% (30 September 2015: 0.00%)</b>					
<b>Government Bond</b>					
1,900,000	Ghana Government International Bond	9.250%	15/09/2022	1,953,989	0.62
<b>HUNGARY 6.80% (30 September 2015: 1.94%)</b>					
<b>Government Bond</b>					
100,000,000	Hungary Government Bond	2.000%	30/10/2019	372,477	0.12
5,000,000,000	Hungary Government Bond	6.500%	24/06/2019	20,788,050	6.61
100,000	Hungary Government International Bond	4.000%	25/03/2019	104,998	0.03
100,000	Hungary Government International Bond	6.375%	29/03/2021	116,022	0.04
<b>INDIA 0.00% (30 September 2015: 0.86%)</b>					
<b>INDONESIA 2.02% (30 September 2015: 0.32%)</b>					
<b>Government Bond</b>					
5,000,000	Indonesia Government International Bond	5.950%	08/01/2046	6,346,300	2.02
<b>ISRAEL 20.39% (30 September 2015: 2.29%)</b>					
<b>Government Bond</b>					
240,000,000	Israel Government Bond - Fixed	1.750%	31/08/2025	64,117,468	20.39
<b>OMAN 2.87% (30 September 2015: 0.00%)</b>					
<b>Government Bond</b>					
9,000,000	Oman Government International Bond	4.750%	15/06/2026	9,037,260	2.87
<b>POLAND 0.00% (30 September 2015: 11.05%)</b>					
<b>RUSSIA 7.14% (30 September 2015: 0.00%)</b>					
<b>Government Bond</b>					
12,000,000	Russian Foreign Bond - Eurobond	3.250%	04/04/2017	12,092,940	3.85
9,600,000	Russian Foreign Bond - Eurobond	4.750%	27/05/2026	10,353,120	3.29
<b>SINGAPORE 5.82% (30 September 2015: 0.00%)</b>					
<b>Government Bond</b>					
25,000,000	Singapore Government Bond	1.250%	01/10/2021	18,288,197	5.82
<b>SLOVENIA 6.74% (30 September 2015: 0.00%)</b>					
<b>Government Bond</b>					
18,900,000	Slovenia Government Bond	1.500%	25/03/2035	21,199,002	6.74
<b>SOUTH AFRICA 7.98% (30 September 2015: 0.36%)</b>					
<b>Government Bond</b>					
17,500,000	South Africa Government International Bond	4.300%	12/10/2028	17,255,875	5.49
7,800,000	South Africa Government International Bond	5.000%	12/10/2046	7,842,354	2.49
<b>SPAIN 0.00% (30 September 2015: 16.36%)</b>					
<b>TURKEY 3.31% (30 September 2015: 0.00%)</b>					
<b>Government Bond</b>					
10,000,000	Turkey Government International Bond	7.500%	14/07/2017	10,408,500	3.31
<b>UNITED STATES 1.45% (30 September 2015: 0.00%)</b>					
<b>Government Bond</b>					
4,650,000	United States Treasury Note/Bond	2.250%	15/08/2046	4,574,074	1.45
<b>VENEZUELA 0.54% (30 September 2015: 0.31%)</b>					
<b>Corporate Bond</b>					
2,000,000	Petroleos de Venezuela SA	5.250%	12/04/2017	1,706,480	0.54
<b>UNLISTED 0.00% (30 September 2015: 25.27%)</b>					



**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

<b>FINISTERRE EMERGING MARKET DEBT FUND (continued)</b>						
<b>Nominal</b>	<b>Security</b>		<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Value USD</b>	<b>% Net Assets</b>
<b>CZECH REPUBLIC 0.00% (30 September 2015: 14.47%)</b>						
<b>UNITED STATES 0.00% (30 September 2015: 10.80%)</b>						
<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD241,706,019)</b>					<b>238,686,667</b>	<b>75.90</b>
Interest Receivable on Transferable Securities					2,405,999	0.77
<b>Total Value of Transferable Securities</b>					<b>241,092,666</b>	<b>76.67</b>
<b>Open Forward Foreign Currency Exchange Contracts 0.76% (30 September 2015: 2.25%)</b>						
<b>Settlement Date</b>	<b>Buy</b>	<b>Amount Bought</b>	<b>Sell</b>	<b>Amount Sold</b>	<b>Unrealised Gain/Loss</b>	<b>% Net Assets</b>
04/10/2016	BRL	1,562,767	USD	(481,744)	(0)	0.00
04/10/2016	BRL	22,883,000	USD	(7,000,000)	53,995	0.02
04/10/2016	USD	7,000,000	BRL	(23,065,000)	(110,099)	(0.04)
04/10/2016	USD	262,744	BRL	(852,334)	(0)	0.00
11/10/2016	CNH	650,475,000	USD	(99,511,221)	(2,109,848)	(0.67)
11/10/2016	CNH	655,000,000	USD	(97,995,212)	83,729	0.03
11/10/2016	USD	100,000,000	CNH	(653,600,000)	2,130,693	0.68
11/10/2016	USD	100,000,000	CNH	(653,550,000)	2,138,180	0.68
12/10/2016	USD	15,000,000	CNH	(100,095,000)	13,197	0.00
17/10/2016	CHF	9,541	USD	(9,784)	66	0.00
17/10/2016	EUR	525,826	USD	(592,025)	(681)	(0.00)
17/10/2016	EUR	200,619	USD	(225,712)	(96)	(0.00)
17/10/2016	EUR	54,366	USD	(61,166)	(26)	(0.00)
17/10/2016	EUR	25	USD	(28)	(0)	0.00
17/10/2016	EUR	9,602	USD	(10,783)	16	0.00
17/10/2016	EUR	594,014	USD	(667,072)	955	0.00
17/10/2016	EUR	229,786,749	USD	(258,046,153)	371,864	0.12
17/10/2016	GBP	9,782	USD	(12,977)	(244)	(0.00)
17/10/2016	GBP	9,564	USD	(12,688)	(238)	(0.00)
17/10/2016	GBP	188	USD	(250)	(5)	(0.00)
17/10/2016	GBP	184	USD	(244)	(5)	(0.00)
17/10/2016	IDR	51,800,000,000	USD	(4,000,000)	(32,861)	(0.01)
17/10/2016	IDR	52,220,000,000	USD	(4,000,000)	(695)	(0.00)
17/10/2016	IDR	52,700,000,000	USD	(4,000,000)	36,066	0.01
17/10/2016	INR	532,880,000	USD	(8,000,000)	(13,241)	(0.01)
17/10/2016	INR	466,445,000	USD	(7,000,000)	(8,963)	(0.00)
17/10/2016	INR	335,100,000	USD	(5,000,000)	22,450	0.01
17/10/2016	SGD	9,963	USD	(7,332)	(21)	(0.00)
17/10/2016	USD	4,000,000	IDR(53,220,000,000)		(75,891)	(0.02)
17/10/2016	USD	5,000,000	INR	(336,350,000)	(41,185)	(0.01)
17/10/2016	USD	7,000,000	INR	(468,020,000)	(14,643)	(0.01)
17/10/2016	USD	4,000,000	IDR(52,360,000,000)		(10,027)	(0.00)
17/10/2016	USD	774	EUR	(688)	(0)	0.00
17/10/2016	USD	103	SGD	(140)	(0)	0.00
17/10/2016	USD	25	CHF	(24)	(0)	(0.00)
17/10/2016	USD	4,079	EUR	(3,623)	5	0.00
17/10/2016	USD	8,000,000	INR	(533,328,000)	6,526	0.00
19/10/2016	KRW	4,430,400,000	USD	(4,000,000)	26,779	0.01
19/10/2016	KRW	5,542,500,000	USD	(5,000,000)	37,564	0.01
19/10/2016	KRW	5,552,150,000	USD	(5,000,000)	46,335	0.01
19/10/2016	KRW	3,357,450,000	USD	(3,000,000)	51,578	0.02
19/10/2016	USD	3,000,000	KRW	(3,376,500,000)	(68,892)	(0.02)
19/10/2016	USD	5,000,000	KRW	(5,562,500,000)	(55,742)	(0.02)
19/10/2016	USD	5,000,000	KRW	(5,520,000,000)	(17,114)	(0.01)
21/10/2016	HUF	5,429,035,000	USD	(19,677,546)	94,627	0.03
21/10/2016	ILS	1,127,770,476	USD	(299,123,527)	1,656,161	0.53
21/10/2016	INR	1,339,000,000	USD	(20,000,000)	55,786	0.02
21/10/2016	INR	1,347,000,000	USD	(20,000,000)	175,611	0.06
21/10/2016	JPY	1,021,100,000	USD	(10,000,000)	96,225	0.03
21/10/2016	USD	42,115,221	HUF(11,661,283,405)		(354,375)	(0.11)
21/10/2016	USD	10,000,000	KRW(11,248,100,000)		(224,748)	(0.07)
21/10/2016	USD	20,000,000	INR	(1,343,800,000)	(127,681)	(0.04)
21/10/2016	USD	50,197,369	HKD	(389,130,005)	15,705	0.01
24/10/2016	RUB	643,000,000	USD	(10,000,000)	197,635	0.06
24/10/2016	USD	10,000,000	RUB	(642,070,000)	(182,886)	(0.06)
31/10/2016	MYR	41,215,000	USD	(10,000,000)	(27,892)	(0.01)
31/10/2016	USD	10,000,000	MYR	(41,280,000)	12,165	0.00
04/11/2016	CNH	1,322,200,000	USD	(200,000,000)	(2,421,055)	(0.77)
04/11/2016	USD	50,039,892	CNH	(334,917,000)	(7,413)	(0.00)
04/11/2016	USD	100,000,000	CNH	(654,600,000)	2,181,835	0.69
07/11/2016	USD	100,000,000	CNH	(654,110,000)	2,267,993	0.72

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

**FINISTERRE EMERGING MARKET DEBT FUND (continued)**

**Open Forward Foreign Currency Exchange Contracts 0.76% (30 September 2015: 2.25%) (continued)**

<b>Settlement Date (continued)</b>	<b>Buy (continued)</b>	<b>Amount Bought (continued)</b>	<b>Sell (continued)</b>	<b>Amount Sold (continued)</b>	<b>Unrealised Gain/Loss (continued)</b>	<b>% Net Assets (continued)</b>
15/11/2016	USD	10,058,290	OMR	(3,882,500)	(15,663)	(0.01)
08/12/2016	SAR	75,080,000	USD	(19,891,376)	89,090	0.03
08/12/2016	USD	19,767,258	SAR	(75,080,000)	(213,208)	(0.07)
21/12/2016	AUD	2,078,600	USD	(1,561,652)	29,054	0.01
21/12/2016	CNH	46,287,078	USD	(6,865,991)	35,481	0.01
21/12/2016	CZK	270,440,000	EUR	(10,000,000)	25,949	0.01
21/12/2016	CZK	270,642,900	EUR	(10,000,000)	34,432	0.01
21/12/2016	EUR	20,000,000	CZK	(540,320,000)	(28,485)	(0.01)
21/12/2016	EUR	5,546,800	USD	(6,252,076)	5,284	0.00
21/12/2016	EUR	2,000,000	TRY	(6,786,400)	29,477	0.01
21/12/2016	EUR	4,000,000	TRY	(13,645,200)	35,198	0.01
21/12/2016	EUR	3,000,000	TRY	(10,137,300)	58,095	0.02
21/12/2016	GBP	1,632,300	USD	(2,167,939)	(40,137)	(0.01)
21/12/2016	IDR	23,446,425,600	USD	(1,751,040)	33,980	0.01
21/12/2016	INR	91,298,977	USD	(1,346,394)	8,398	0.00
21/12/2016	JPY	478,327,098	USD	(4,712,118)	30,920	0.01
21/12/2016	JPY	507,990,000	USD	(5,000,000)	37,172	0.01
21/12/2016	JPY	760,650,000	USD	(7,500,000)	42,520	0.01
21/12/2016	JPY	712,932,500	USD	(7,000,000)	69,359	0.02
21/12/2016	KRW	2,118,319,529	USD	(1,890,479)	35,789	0.01
21/12/2016	MXN	207,718,500	USD	(11,000,000)	(353,283)	(0.11)
21/12/2016	MXN	395,530,831	USD	(20,222,446)	50,687	0.02
21/12/2016	MYR	30,381,189	USD	(7,373,538)	(33,458)	(0.01)
21/12/2016	PEN	16,755,000	USD	(5,000,000)	(118,135)	(0.04)
21/12/2016	PHP	34,364,495	USD	(715,182)	(7,806)	(0.00)
21/12/2016	SGD	68,428,471	USD	(50,156,469)	65,465	0.02
21/12/2016	THB	57,559,108	USD	(1,647,370)	12,015	0.00
21/12/2016	THB	174,625,000	USD	(5,000,000)	34,304	0.01
21/12/2016	TRY	10,000,000	EUR	(2,921,414)	(14,492)	(0.01)
21/12/2016	TWD	58,059,309	USD	(1,919,316)	(52,997)	(0.02)
21/12/2016	USD	19,930,505	MXN	(395,530,831)	(342,629)	(0.11)
21/12/2016	USD	9,817,420	MXN	(194,757,980)	(164,999)	(0.05)
21/12/2016	USD	7,000,000	JPY	(713,580,000)	(75,779)	(0.02)
21/12/2016	USD	10,378,037	EUR	(9,264,326)	(73,073)	(0.02)
21/12/2016	USD	10,378,037	EUR	(9,264,326)	(73,073)	(0.02)
21/12/2016	USD	4,986,436	THB	(174,625,000)	(47,868)	(0.02)
21/12/2016	USD	4,554,953	EUR	(4,066,142)	(32,072)	(0.01)
21/12/2016	USD	6,226,793	EUR	(5,546,800)	(30,566)	(0.01)
21/12/2016	USD	5,000,000	JPY	(506,755,000)	(24,926)	(0.01)
21/12/2016	USD	7,319,358	MYR	(30,381,189)	(20,723)	(0.01)
21/12/2016	USD	1,578,281	AUD	(2,078,600)	(12,425)	(0.00)
21/12/2016	USD	1,776,887	IDR	(23,446,425,655)	(8,133)	(0.00)
21/12/2016	USD	2,122,480	GBP	(1,632,300)	(5,323)	(0.00)
21/12/2016	USD	1,861,191	TWD	(58,059,309)	(5,127)	(0.00)
21/12/2016	USD	6,956,590	SGD	(9,485,310)	(4,995)	(0.00)
21/12/2016	USD	1,921,814	KRW	(2,118,319,525)	(4,454)	(0.00)
21/12/2016	USD	6,898,223	CNH	(46,287,078)	(3,249)	(0.00)
21/12/2016	USD	704,191	PHP	(34,364,495)	(3,185)	(0.00)
21/12/2016	USD	1,352,978	INR	(91,298,977)	(1,814)	(0.00)
21/12/2016	USD	1,657,966	THB	(57,559,108)	(1,419)	(0.00)
21/12/2016	USD	4,749,738	JPY	(478,327,097)	6,700	0.00
21/12/2016	USD	53,351,680	ILS	(199,695,338)	13,798	0.00
21/12/2016	USD	3,500,000	MXN	(67,903,500)	19,572	0.01
21/12/2016	USD	7,500,000	JPY	(752,087,250)	42,387	0.01
21/12/2016	USD	4,937,380	PEN	(16,755,000)	55,516	0.02
21/12/2016	USD	11,000,000	MXN	(213,180,000)	73,351	0.02
21/12/2016	USD	50,315,052	SGD	(68,428,471)	93,118	0.03
21/12/2016	USD	11,572,603	SGD	(15,591,189)	129,710	0.04
21/12/2016	USD	50,000,000	TRY	(151,850,000)	175,546	0.06
11/01/2017	AED	110,970,000	USD	(30,158,989)	26,081	0.01
11/01/2017	USD	30,000,000	AED	(110,970,000)	(185,070)	(0.06)
17/01/2017	CNH	100,054,125	USD	(15,000,000)	(102,365)	(0.03)
17/01/2017	CNH	100,815,000	USD	(15,000,000)	10,926	0.00
17/01/2017	CNH	334,205,000	USD	(49,736,588)	25,119	0.01
17/01/2017	CNH	67,355,000	USD	(10,000,000)	28,874	0.01
17/01/2017	CNH	67,373,000	USD	(10,000,000)	31,554	0.01
17/01/2017	CNH	67,473,000	USD	(10,000,000)	46,443	0.01
17/01/2017	CNH	67,480,000	USD	(10,000,000)	47,486	0.02
17/01/2017	CNH	131,878,500	USD	(19,500,000)	136,149	0.04
17/01/2017	USD	10,000,000	CNH	(67,700,000)	(80,243)	(0.03)
17/01/2017	USD	10,000,000	CNH	(67,660,000)	(74,287)	(0.02)

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

**FINISTERRE EMERGING MARKET DEBT FUND (continued)**

**Open Forward Foreign Currency Exchange Contracts 0.76% (30 September 2015: 2.25%) (continued)**

<b>Settlement Date (continued)</b>	<b>Buy (continued)</b>	<b>Amount Bought (continued)</b>	<b>Sell (continued)</b>	<b>Amount Sold (continued)</b>	<b>Unrealised Gain/Loss (continued)</b>	<b>% Net Assets (continued)</b>
17/01/2017	USD	14,296,950	CNH	(96,340,000)	(47,667)	(0.02)
17/01/2017	USD	25,000,000	CNH	(168,212,500)	(46,128)	(0.02)
17/01/2017	USD	15,000,000	CNH	(100,860,000)	(17,626)	(0.01)
17/01/2017	USD	10,000,000	CNH	(66,917,000)	36,343	0.01
23/02/2017	CNH	1,336,100,000	USD	(200,000,000)	(1,432,594)	(0.46)
23/02/2017	CNH	1,336,800,000	USD	(200,000,000)	(1,328,562)	(0.42)
23/02/2017	USD	200,000,000	CNH	(1,330,900,000)	2,205,404	0.70
23/02/2017	USD	200,000,000	CNH	(1,316,200,000)	4,390,076	1.40
28/02/2017	CNH	1,336,500,000	USD	(200,000,000)	(1,423,503)	(0.45)
28/02/2017	USD	200,000,000	CNH	(1,337,700,000)	1,245,208	0.40
03/03/2017	USD	19,693,548	CNH	(134,310,000)	(259,127)	(0.08)
09/03/2017	CNH	134,838,000	USD	(20,000,000)	25,015	0.01
10/03/2017	CNH	134,310,000	USD	(20,000,000)	(54,412)	(0.02)
10/03/2017	USD	20,320,824	CNH	(137,700,000)	(128,193)	(0.04)
14/03/2017	CNH	335,945,000	USD	(50,000,000)	(120,916)	(0.04)
14/03/2017	CNH	335,950,000	USD	(50,000,000)	(120,173)	(0.04)
14/03/2017	USD	50,000,000	CNH	(334,375,000)	354,020	0.11
14/03/2017	USD	49,137,709	CNH	(324,530,000)	953,455	0.30
21/03/2017	CNH	133,000,000	USD	(20,000,000)	(259,984)	(0.08)
21/03/2017	USD	19,231,113	CNH	(129,310,000)	38,771	0.01
24/03/2017	CNH	266,220,000	USD	(40,000,000)	(493,340)	(0.16)
24/03/2017	USD	37,629,351	CNH	(260,000,000)	(954,270)	(0.30)
31/03/2017	CNH	133,580,000	USD	(20,000,000)	(183,977)	(0.06)
31/03/2017	USD	19,848,440	CNH	(133,580,000)	32,417	0.01
10/04/2017	CNH	264,680,000	USD	(40,000,000)	(757,459)	(0.24)
10/04/2017	USD	19,521,190	CNH	(132,340,000)	(100,081)	(0.03)
10/04/2017	USD	19,663,375	CNH	(131,430,000)	177,025	0.06
04/05/2017	CNH	663,350,000	USD	(100,000,000)	(1,781,532)	(0.57)
04/05/2017	USD	200,000,000	CNH	(1,339,700,000)	1,638,229	0.52
05/05/2017	CNH	662,660,000	USD	(100,000,000)	(1,889,215)	(0.60)
10/05/2017	EUR	20,000,000	CZK	(537,250,000)	28,321	0.01
07/06/2017	INR	483,910,000	USD	(7,000,000)	6,692	0.00
07/06/2017	INR	486,850,000	USD	(7,000,000)	49,261	0.02
12/06/2017	CNH	311,466,000	USD	(46,000,000)	15,746	0.01
20/06/2017	AED	110,970,000	USD	(30,154,891)	(23,945)	(0.01)
20/06/2017	CNH	336,875,000	USD	(50,000,000)	(252,836)	(0.08)
20/06/2017	USD	19,734,525	SAR	(75,080,000)	(106,569)	(0.03)
20/06/2017	USD	30,089,479	AED	(110,970,000)	(41,467)	(0.01)
20/06/2017	USD	30,154,891	AED	(110,970,000)	23,945	0.01
20/06/2017	USD	50,000,000	CNH	(336,965,000)	239,546	0.08
10/07/2017	EUR	5,213,130	USD	(5,910,256)	26,563	0.01
10/07/2017	USD	5,872,852	EUR	(5,213,130)	(63,968)	(0.02)
24/07/2017	CNH	340,775,000	USD	(50,000,000)	226,311	0.07
24/07/2017	CNH	340,875,000	USD	(50,000,000)	241,050	0.08
24/07/2017	USD	50,000,000	CNH	(339,030,000)	30,882	0.01
24/07/2017	USD	50,000,000	CNH	(337,075,000)	319,026	0.10
21/08/2017	CNH	675,000,000	USD	(100,000,000)	(670,856)	(0.21)
21/08/2017	USD	100,000,000	CNH	(678,550,000)	148,458	0.05
29/08/2017	USD	100,000,000	ILS	(372,000,000)	(232,276)	(0.07)
29/08/2017	USD	100,000,000	ILS	(372,000,000)	(232,276)	(0.07)
13/09/2017	CNH	85,772,500	USD	(12,500,000)	105,271	0.03
21/09/2017	CNH	337,125,000	USD	(50,000,000)	(478,141)	(0.15)
21/09/2017	CNH	337,225,000	USD	(50,000,000)	(463,452)	(0.15)
21/09/2017	CNH	170,162,500	USD	(25,000,000)	(4,039)	(0.00)
21/09/2017	CNH	102,757,914	USD	(15,019,793)	74,795	0.02
21/09/2017	CNH	681,300,000	USD	(100,000,000)	79,325	0.03
21/09/2017	CNH	342,225,000	USD	(50,000,000)	271,022	0.09
21/09/2017	CNH	684,580,000	USD	(100,000,000)	561,140	0.18
21/09/2017	USD	100,000,000	CNH	(687,300,000)	(960,693)	(0.31)
21/09/2017	USD	100,000,000	CNH	(687,290,000)	(959,224)	(0.31)
21/09/2017	USD	48,675,400	CNH	(334,400,000)	(446,171)	(0.14)
21/09/2017	USD	50,000,000	CNH	(341,800,000)	(208,592)	(0.07)
21/09/2017	USD	50,000,000	CNH	(340,505,000)	(18,363)	(0.01)
21/09/2017	USD	1,138,927	CNH	(7,825,000)	(10,523)	(0.00)
21/09/2017	USD	100,000,000	CNH	(678,800,000)	287,911	0.09
21/12/2017	TRY	163,525,000	USD	(50,000,000)	(154,745)	(0.05)
10/05/2018	CZK	2,693,090,000	EUR	(100,000,000)	884,504	0.28
10/05/2018	EUR	50,000,000	CZK	(1,347,500,000)	(483,576)	(0.15)
06/09/2018	USD	55,000,000	ILS	(202,372,500)	(292,194)	(0.09)
06/09/2018	USD	45,000,000	ILS	(165,600,000)	(245,215)	(0.08)
06/09/2018	USD	10,000,000	ILS	(36,800,000)	(54,492)	(0.02)

PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

FINISTERRE EMERGING MARKET DEBT FUND (continued)

Open Forward Foreign Currency Exchange Contracts 0.76% (30 September 2015: 2.25%) (continued)

Settlement Date (continued)	Buy (continued)	Amount Bought (continued)	Sell (continued)	Amount Sold (continued)	Unrealised Gain/Loss (continued)	% Net Assets (continued)
21/09/2018	CNH	349,700,000	USD	(50,000,000)	135,662	0.04
Unrealised Gain on Forward Foreign Currency Exchange Contracts					28,350,134	9.02
Unrealised Loss on Forward Foreign Currency Exchange Contracts					(25,964,400)	(8.26)

**Net Unrealised Gain on Forward Foreign Currency Exchange Contracts** **2,385,734** **0.76**

Open Spot Currency Contracts 0.05% (30 September 2015: (0.26%))

Settlement Date	Buy	Amount Bought	Sell	Amount Sold	Unrealised Gain/Loss	% Net Assets
03/10/2016	SGD	9,485,310	USD	(6,954,295)	5,004	0.00
03/10/2016	USD	20,402,419	MXN	(395,908,941)	(70,937)	(0.02)
03/10/2016	USD	6,250,000	MXN	(116,787,500)	210,651	0.07
04/10/2016	EUR	688	USD	(773)	(0)	(0.00)
04/10/2016	USD	205,000	KRW	(225,776,644)	(0)	0.00
04/10/2016	USD	15,000	KRW	(16,520,242)	(0)	0.00
04/10/2016	USD	61,132	EUR	(54,366)	31	0.00
04/10/2016	USD	225,586	EUR	(200,619)	113	0.00
Unrealised Gains on Open Spot Currency Contracts					215,799	0.07
Unrealised Loss on Open Spot Currency Contracts					(70,937)	(0.02)

**Net Unrealised Gain on Open Spot Currency Contracts** **144,862** **0.05**

Open Future Contracts 0.04% (30 September 2015: (0.02%))

No. of Contracts	Cost Price	Description	Maturity Date	Unrealised Gain/(Loss)	% Net Assets
(629)	(260,914,351)	Fed Fund 30 day	31/01/2017	212,309	0.07
500	207,412,425	Fed Fund 30 day	30/11/2016	72,922	0.02
(200)	(26,187,250)	Long Gilt Future	28/12/2016	178,610	0.06
(35)	(6,698,700)	Euro Buxl 30 year Bond	08/12/2016	(32,593)	(0.01)
(90)	(14,847,500)	US Long Bond (CBT)	20/12/2016	(314,687)	(0.10)
Unrealised Gains on Future Contracts				463,841	0.15
Unrealised Loss on Future Contracts				(347,280)	(0.11)

**Total Unrealised Gain on Future Contracts** **116,561** **0.04**

Options (0.15%) (30 September 2015: 0.96%)

	No. of contracts	Value US\$	% Net Assets
Put Currency Option EUR 297.89 14/11/2016	30,000,000	6,899	0.00
Call Currency Option EUR 335.07 14/11/2016	30,000,000	4,354	0.00
Call Currency Option EUR 339.59 08/11/2016	15,000,000	835	0.00
Put Currency Option EUR 300.06 08/11/2016	15,000,000	4,888	0.00
Put Currency Option EUR 297.89 14/11/2016	(30,000,000)	(6,899)	(0.00)
Put Currency Option EUR 300.06 08/11/2016	(15,000,000)	(4,888)	(0.00)
Call Currency Option EUR 335.07 14/11/2016	(30,000,000)	(4,354)	(0.00)
Call Currency Option EUR 339.59 08/11/2016	(15,000,000)	(835)	(0.00)
Call Currency Option USD 19.49 11/11/2016	25,000,000	551,025	0.18
Put Currency Option EUR 0.82 12/10/2016	20,000,000	121	0.00
Put Currency Option EUR 0.79 12/10/2016	(20,000,000)	(4)	(0.00)
Put Currency Option USD 6.70 13/01/2017	(50,000,000)	(512,065)	(0.16)
Put Currency Option USD 6.40 13/01/2017	50,000,000	27,663	0.01
Put Currency Option USD 102.00 19/10/2016	20,000,000	215,114	0.07
Put Currency Option USD 102.00 19/10/2016	30,000,000	322,670	0.10
Call Currency Option USD 20.50 12/12/2016	30,000,000	523,367	0.17
Put Currency Option USD 17.50 22/02/2017	(30,000,000)	(157,716)	(0.05)
Put Currency Option EUR 0.82 12/10/2016	(20,000,000)	(121)	(0.00)
Put Currency Option EUR 0.79 12/10/2016	20,000,000	4	0.00
Put Currency Option USD 17.50 22/02/2017	(25,000,000)	(131,430)	(0.04)
Put Currency Option USD 17.83 31/10/2016	30,000,000	12,186	0.00
Call Currency Option EUR 0.89 11/11/2016	30,000,000	110,597	0.04
Put Currency Option USD 102.00 19/10/2016	(30,000,000)	(322,670)	(0.10)
Put Currency Option USD 99.00 19/10/2016	53,000,000	72,103	0.02
Put Currency Option USD 102.00 19/10/2016	(20,000,000)	(215,114)	(0.07)
Put Currency Option USD 99.00 19/10/2016	35,000,000	47,615	0.02
Call Currency Option EUR 1.56 13/12/2016	7,500,000	53,535	0.02
Put Currency Option USD 96.00 23/11/2016	20,000,000	28,169	0.01

PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

FINISTERRE EMERGING MARKET DEBT FUND (continued)

Options (0.15%) (30 September 2015: 0.96%) (continued)

	No. of contracts (continued)	Value US\$ (continued)	% Net Assets (continued)
Put Currency Option USD 96.00 23/11/2016	20,000,000	28,169	0.01
Call Currency Option EUR 0.89 11/11/2016	(30,000,000)	(110,597)	(0.04)
Put Currency Option EUR 4.30 03/10/2016	25,000,000	39,472	0.01
Call Currency Option USD 1,117.86 02/03/2017	(17,500,000)	(426,262)	(0.14)
Put Currency Option USD 1,117.86 02/03/2017	(17,500,000)	(663,910)	(0.21)
Call Currency Option USD 18.70 05/10/2016	(20,000,000)	(686,485)	(0.22)
Call Currency Option USD 7.07 08/06/2017	100,000,000	866,512	0.28
Put Currency Option USD 6.56 08/06/2017	(100,000,000)	(717,613)	(0.23)
Put Currency Option USD 13,000.00 09/03/2017	25,000,000	369,095	0.12
Put Currency Option USD 13,000.00 09/03/2017	25,000,000	369,095	0.12
Put Currency Option USD 12,350.00 09/03/2017	(50,000,000)	(160,871)	(0.05)
Put Currency Option USD 12,350.00 09/03/2017	(50,000,000)	(160,871)	(0.05)
Put Currency Option USD 7.25 11/09/2017	25,000,000	234,557	0.07
Call Currency Option USD 6.60 11/09/2017	(25,000,000)	(277,958)	(0.09)
Call Currency Option EUR 3.65 15/09/2017	10,000,000	575,949	0.18
Put Currency Option EUR 3.65 15/09/2017	10,000,000	499,153	0.16
Call Currency Option USD 20.50 12/12/2016	(30,000,000)	(523,367)	(0.17)
Put Currency Option USD 17.50 22/02/2017	30,000,000	157,716	0.05
Put Currency Option USD 18.70 05/10/2016	20,000,000	5,823	0.00
Call Currency Option USD 19.49 11/11/2016	(25,000,000)	(551,025)	(0.18)
Put Currency Option EUR 4.30 03/10/2016	(25,000,000)	(39,472)	(0.01)
Put Currency Option USD 17.50 22/02/2017	25,000,000	131,430	0.04
Put Currency Option USD 100.30 17/10/2016	25,000,000	140,399	0.04
Put Currency Option USD 100.30 17/10/2016	(25,000,000)	(140,399)	(0.04)
Call Currency Option EUR 3.65 21/12/2016	(20,000,000)	(123,299)	(0.04)
Put Currency Option USD 66.66 13/10/2016	15,000,000	52,455	0.02
Put Currency Option USD 3.70 29/03/2017	20,000,000	108,763	0.03
Call Currency Option USD 7.85 28/09/2017	100,000,000	219,799	0.07
Put Currency Option USD 7.75 28/09/2017	(40,000,000)	(263,590)	(0.08)
Put Currency Option USD 131.00 10/03/2016	500	7,813	0.00
Put Commodity Option USD 98.00 19/12/2016	4,000	25,000	0.01
Put Commodity Option USD 98.25 19/12/2016	(11,000)	(68,750)	(0.02)
Put Commodity Option USD 98.50 19/12/2016	7,000	43,750	0.01
Put Forward Premium Option USD 72.50 05/06/2017	15,000,000	(17,275)	(0.01)
Put Forward Premium Option USD 67.00 05/06/2017	(15,000,000)	(24,819)	(0.01)
Unrealised Gains on Option Contracts		5,856,095	1.86
Unrealised Loss on Option Contracts		(6,312,659)	(2.01)

**Total Unrealised Loss on Option Contracts** (456,564) (0.15)

Credit Default Swaps (2.43%) (30 September 2015: (0.17%))

Description	Maturity Date	Notional Amount	Fair Value USD	% Net Assets
<b>1 to 5 Years</b>				
Citigroup	20/06/2021	(25,000,000)	(1,528,541)	(0.49)
Citigroup	20/06/2021	(25,000,000)	(1,528,540)	(0.49)
Citigroup	20/06/2021	50,000,000	3,057,080	0.97
<b>Over 5 years</b>				
Barclays	20/12/2021	(20,000,000)	(1,135,972)	(0.36)
Barclays	20/12/2021	(20,000,000)	(1,137,269)	(0.36)
Goldman Sachs	20/12/2021	(10,000,000)	(567,986)	(0.18)
BNP Paribas	20/12/2021	10,000,000	764,531	0.24
BNP Paribas	20/12/2021	(20,000,000)	(491,784)	(0.16)
Citigroup	20/12/2021	25,000,000	1,609,246	0.51
Citigroup	20/12/2021	25,000,000	17,476	0.01
Citigroup	20/12/2021	(50,000,000)	(3,218,491)	(1.02)
Citigroup	20/12/2021	(50,000,000)	(3,218,491)	(1.02)
HSBC	20/12/2021	5,000,000	(80,676)	(0.03)
HSBC	20/12/2021	10,000,000	(167,436)	(0.05)
Unrealised Gain on Credit Default Swaps			5,448,333	1.73
Unrealised Loss on Credit Default Swaps			(13,075,186)	(4.16)

**Total Unrealised Loss on Credit Default Swaps** (7,626,853) (2.43)

PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

FINISTERRE EMERGING MARKET DEBT FUND (continued)

Interest Rate Swaps 0.53% (30 September 2015: (0.11%))

Description	Maturity Date	Notional Amount	Fair Value USD	% Net Assets
<b>Up to 1 year</b>				
Goldman Sachs	18/02/2017	175,000,000,000	184,248	0.06
Nomura	01/04/2017	3,330,000,000	28,331	0.01
Nomura	01/04/2017	3,330,000,000	21,358	0.01
Deutsche Bank	27/04/2017	—	—	—
JPMorgan Chase & Co	18/05/2017	5,250,000,000	(30,301)	(0.01)
JPMorgan Chase & Co	20/05/2017	230,000,000,000	255,361	0.08
Citigroup	15/06/2017	4,200,000,000	(10,624)	0.00
HSBC	27/06/2017	5,250,000,000	16,713	0.00
Citigroup	20/07/2017	6,800,000,000	34,101	0.01
JPMorgan Chase & Co	20/07/2017	8,150,000,000	(63,030)	(0.02)
Citigroup	19/09/2017	278,000,000	872,735	0.28
<b>1 to 5 Years</b>				
Nomura	04/10/2017	6,500,000,000	(87,647)	(0.03)
Citigroup	28/10/2017	69,500,000	(1,143,093)	(0.36)
Citigroup	28/10/2017	69,500,000	1,143,093	0.36
Goldman Sachs	21/12/2017	224,000,000,000	83,267	0.03
Morgan Stanley	21/12/2017	6,230,000,000	(31,128)	(0.01)
Citigroup	19/02/2018	110,000,000	(260,810)	(0.08)
Citigroup	19/02/2018	110,000,000	144,504	0.05
Deutsche Bank	21/12/2018	—	—	—
Citigroup	03/03/2019	108,000,000	244,569	0.08
Goldman Sachs	04/07/2019	7,600,000,000	(155,886)	(0.05)
Goldman Sachs	10/08/2019	4,700,000,000	(18,380)	(0.01)
Citigroup	13/09/2019	209,000,000	(57,019)	(0.02)
Citigroup	14/09/2019	274,000,000	(218,555)	(0.07)
HSBC	03/10/2020	100,000,000	(11,324)	0.00
Citigroup	03/10/2020	135,000,000	69,813	0.02
Citigroup	10/12/2020	125,000,000	5,834	0.00
Citigroup	10/12/2020	125,000,000	(5,834)	0.00
Citigroup	07/07/2021	28,000,000	(44,288)	(0.01)
Citigroup	15/09/2021	82,000,000	(86,575)	(0.03)
HSBC	19/09/2021	92,000,000	(435,344)	(0.14)
Merrill Lynch	19/09/2021	92,000,000	115,968	0.04
Morgan Stanley	21/09/2021	3,220,000,000	(252,678)	(0.08)
BNP Paribas	21/09/2021	75,000,000	108,930	0.03
Citigroup	21/09/2021	82,000,000	88,557	0.03
Goldman Sachs	21/09/2021	3,220,000,000	62,834	0.02
<b>Over 5 years</b>				
Nomura	30/09/2021	22,200,000,000	24,086	0.01
Goldman Sachs	21/12/2021	289,000,000	44,274	0.01
Goldman Sachs	21/12/2021	1,570,000,000	34,074	0.01
Goldman Sachs	21/12/2021	1,570,000,000	34,074	0.01
HSBC	02/01/2025	15,554,463	497,688	0.16
HSBC	02/01/2025	16,604,363	(120,060)	(0.04)
Deutsche Bank	02/01/2025	—	—	—
Deutsche Bank	02/01/2025	—	—	—
JPMorgan Chase & Co	02/01/2025	17,315,414	167,106	0.05
Deutsche Bank	02/01/2025	16,305,693	(77,749)	(0.03)
JPMorgan Chase & Co	02/01/2025	16,756,568	61,888	0.02
Citigroup	10/05/2026	473,000,000	(217,539)	(0.07)
Citigroup	07/06/2026	48,000,000	861,297	0.27
Goldman Sachs	21/09/2026	22,500,000,000	(19,043)	(0.01)
Citigroup	21/09/2026	50,000,000	(13,371)	0.00
Goldman Sachs	21/09/2036	11,600,000,000	(4,372)	0.00
Nomura	30/09/2036	22,200,000,000	(88,563)	(0.03)
Citigroup	21/09/2046	4,100,000	(73,724)	(0.02)
Unrealised Gain on Interest Rate Swaps			5,204,703	1.65
Unrealised Loss on Interest Rate Swaps			(3,526,937)	(1.12)
<b>Total Unrealised Gain on Interest Rate Swaps</b>			<b>1,677,766</b>	<b>0.53</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

**FINISTERRE EMERGING MARKET DEBT FUND (continued)**

**Cross Currency Swaps (0.05%) (30 September 2015: 0.00%)**

Description	Maturity	Notional Amount	Fair Value US\$	% Net Assets
<b>1 to 5 Years</b>				
Morgan Stanley	21/12/2017	(29,850,000)	(33,271)	(0.01)
Morgan Stanley	28/09/2021	(8,714,420,000)	(304,628)	(0.10)
Morgan Stanley	28/09/2021	(2,611,180,000)	(91,278)	(0.03)
<b>Over 5 years</b>				
HSBC	25/01/2026	(154,660,000)	287,223	0.09
Total Gain on Cross Currency Swaps			287,223	0.09
Total Loss on Cross Currency Swaps			(429,177)	(0.14)
<b>Total Unrealised Loss on Cross Currency Swaps</b>			<b>(141,954)</b>	<b>(0.05)</b>

**Forward Rate Agreements (0.09%) (30 September 2015: 0.00%)**

Description	Maturity	Notional Amount	Fair Value US\$	% Net Assets
<b>Up to 1 year</b>				
Barclays	02/06/2017	6,200,000,000	(278,642)	(0.09)
Total Loss on Forward Rate Agreements			(278,642)	(0.09)
<b>Total Unrealised Loss on Forward Rate Agreements</b>			<b>(278,642)</b>	<b>(0.09)</b>

Cash at Bank	13,804,394	4.39
Bank Overdraft	(522,908)	(0.17)
Net Current Assets	64,269,973	20.45

**Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices** **314,465,035** **100.00**

<b>Analysis of Total Assets</b>	<b>% Total Assets</b>
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	54.66
Financial Derivative instruments dealt in or on a regulated market	(0.86)
Other Assets	46.20
<b>Total Assets</b>	<b>100.00</b>

All securities are transferable securities admitted to an official stock exchange listing.

The counterparties for the forward foreign currency exchange contracts are the Bank of New York Mellon, Citigroup, Deutsche Bank, HSBC, Societe Generale, Standard Bank and State Street Global Markets.

The counterparty for the open spot currency contracts are Citigroup, Deutsche Bank, JPMorgan Chase & Co, Standard Bank and State Street Global Markets.

The counterparty for the future contracts is Citigroup.

The counterparty for the option contracts is Citigroup.

The counterparties for the credit default swaps are Barclays, BNP Paribas, Citigroup, Goldman Sachs and HSBC.

The counterparties for the cross currency swaps are HSBC and Morgan Stanley.

The counterparties for the interest rate swaps are Bank of America Merrill Lynch, BNP Paribas, Citigroup, Deutsche Bank, Goldman Sachs, HSBC, JPMorgan Chase & Co, Morgan Stanley, Nomura and Societe Generale.

The counterparty for the Forward Rate Agreements is Barclays.

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

SPECTRUM GLOBAL CAPITAL SECURITIES FUND						
Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets	
TRANSFERABLE SECURITIES 96.28% (30 September 2015: 94.98%)						
AUSTRALIA 2.02% (30 September 2015: 2.21%)						
Corporate Bond						
450,000	QBE Insurance Group Ltd	6.750%	02/12/2044	497,542	2.02	
DENMARK 4.73% (30 September 2015: 5.23%)						
Corporate Bond						
1,000,000	Danske Bank A/S	5.875%	Perpetual	1,163,949	4.73	
FRANCE 17.70% (30 September 2015: 21.87%)						
Corporate Bond						
1,000,000	BNP Paribas SA	7.625%	Perpetual	1,027,500	4.17	
925,000	Credit Agricole SA	7.875%	Perpetual	937,719	3.81	
450,000	Credit Agricole SA	8.125%	Perpetual	481,500	1.95	
1,000,000	Societe Generale SA	7.375%	Perpetual	985,000	4.00	
950,000	Societe Generale SA	7.875%	Perpetual	928,625	3.77	
GERMANY 0.00% (30 September 2015: 1.51%)						
NETHERLANDS 1.19% (30 September 2015: 3.37%)						
Corporate Bond						
300,000	ING Groep NV	6.500%	Perpetual	293,625	1.19	
NORWAY 2.01% (30 September 2015: 2.19%)						
Corporate Bond						
500,000	DNB Bank ASA	5.750%	Perpetual	493,599	2.01	
SPAIN 9.32% (30 September 2015: 6.44%)						
Corporate Bond						
800,000	Banco Bilbao Vizcaya Argentaria SA	8.875%	Perpetual	952,856	3.87	
1,000,000	Banco Bilbao Vizcaya Argentaria SA	9.000%	Perpetual	1,035,625	4.20	
300,000	Banco Santander SA	6.250%	Perpetual	306,994	1.25	
SWEDEN 13.29% (30 September 2015: 14.90%)						
Corporate Bond						
900,000	Nordea Bank AB	6.125%	Perpetual	882,000	3.58	
1,000,000	Skandinaviska Enskilda Banken AB	5.750%	Perpetual	997,184	4.05	
1,000,000	Svenska Handelsbanken AB	5.250%	Perpetual	990,625	4.02	
400,000	Swedbank AB	5.500%	Perpetual	402,750	1.64	
SWITZERLAND 16.94% (30 September 2015: 11.04%)						
Corporate Bond						
400,000	Aquarius & Investments Plc for Swiss Reinsurance Co Ltd	6.375%	01/09/2024	421,474	1.71	
1,000,000	Credit Suisse Group AG	6.250%	Perpetual	958,128	3.89	
775,000	Credit Suisse Group AG	7.500%	Perpetual	797,622	3.24	
2,000,000	UBS Group AG	6.875%	Perpetual	1,996,250	8.10	
UNITED KINGDOM 29.08% (30 September 2015: 26.22%)						
Corporate Bond						
450,000	Barclays Plc	6.625%	Perpetual	417,094	1.69	
500,000	Barclays Plc	7.875%	Perpetual	497,455	2.02	
900,000	Barclays Plc	8.250%	Perpetual	910,687	3.70	
1,900,000	HSBC Holdings Plc	6.875%	Perpetual	2,008,655	8.16	
550,000	Lloyds Banking Group Plc	7.625%	Perpetual	731,728	2.97	
1,250,000	Royal Bank of Scotland Group Plc	7.500%	Perpetual	1,154,375	4.69	
500,000	Royal Bank of Scotland Group Plc	8.000%	Perpetual	473,750	1.92	
500,000	Royal Bank of Scotland Group Plc	8.625%	Perpetual	498,766	2.02	
500,000	Standard Chartered Plc	6.500%	Perpetual	471,325	1.91	
Total Value of Transferable Securities at Mid Market Prices (Cost: USD23,971,813)				23,714,402	96.28	
Interest Receivable on Transferable Securities				328,616	1.33	
Total Value of Transferable Securities				24,043,018	97.61	
Open Forward Foreign Currency Exchange Contracts (0.36%) (30 September 2015: 0.23%)						
Settlement Date	Buy	Amount Bought	Sell	Amount Sold	Unrealised Gain/Loss	% Net Assets
17/10/2016	EUR	12,036,903	USD	(13,585,884)	(115,841)	(0.47)
17/10/2016	EUR	119,727	USD	(135,135)	(1,153)	(0.00)
17/10/2016	USD	83	CHF	(80)	(1)	(0.00)
17/10/2016	USD	18,214	GBP	(13,707)	436	0.00
17/10/2016	USD	2,632,991	EUR	(2,345,217)	8,548	0.03
17/10/2016	USD	831,716	GBP	(626,882)	18,627	0.08



**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

**SPECTRUM GLOBAL CAPITAL SECURITIES FUND (continued)**

**Open Forward Foreign Currency Exchange Contracts (0.36%) (30 September 2015: 0.23%) (continued)**

<b>Settlement Date (continued)</b>	<b>Buy (continued)</b>	<b>Amount Bought (continued)</b>	<b>Sell (continued)</b>	<b>Amount Sold (continued)</b>	<b>Unrealised Gain/Loss (continued)</b>	<b>% Net Assets (continued)</b>
					27,611	0.11
					(116,995)	(0.47)

<b>Net Unrealised Loss on Forward Foreign Currency Exchange Contracts</b>	<b>(89,384)</b>	<b>(0.36)</b>
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**Open Future Contracts 0.02% (30 September 2015: 0.00%)**

<b>No. of Contracts</b>	<b>Cost Price</b>	<b>Description</b>	<b>Maturity Date</b>	<b>Unrealised Gain/(Loss)</b>	<b>% Net Assets</b>
(40)	(180,400)	Euro Stoxx Bank	16/12/2016	4,474	0.02
		Unrealised Gains on Future Contracts		4,474	0.02

<b>Total Unrealised Gain on Future Contracts</b>	<b>4,474</b>	<b>0.02</b>
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**Options 0.21% (30 September 2015: 0.46%)**

	<b>No. of contracts</b>	<b>Value US\$</b>	<b>% Net Assets</b>
Call Commodity Option USD 170.00 21/10/2016	65	91,407	0.37
Call Commodity Option USD 173.00 21/10/2016	(130)	(62,969)	(0.25)
Call Commodity Option USD 177.00 21/10/2016	65	10,156	0.04
Put Commodity Option USD 159.00 21/10/2016	65	2,031	0.01
Put Commodity Option USD 163.00 21/10/2016	(130)	(16,250)	(0.07)
Put Commodity Option USD 166.00 21/10/2016	65	27,422	0.11
Unrealised Gains on Option Contracts		131,016	0.53
Unrealised Loss on Option Contracts		(79,219)	(0.32)

<b>Total Unrealised Gain on Option Contracts</b>	<b>51,797</b>	<b>0.21</b>
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Cash at Bank	604,526	2.45
Net Current Assets	14,988	0.07

<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>	<b>24,629,419</b>	<b>100.00</b>
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**Analysis of Total Assets**

	<b>% Total Assets</b>
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	95.25
Financial Derivative instruments dealt in or on a regulated market	(0.13)
Other Assets	4.88
<b>Total Assets</b>	<b>100.00</b>

All securities are transferable securities admitted to an official stock exchange listing.

The counterparty for the forward foreign currency exchange contracts is State Street Global Markets.

The counterparty for the open future contracts is Morgan Stanley.

The counterparty for the option contracts is Morgan Stanley.

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

GLOBAL CAPITAL STRUCTURE OPPORTUNITIES FUND						
Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets	
TRANSFERABLE SECURITIES 96.46% (30 September 2015: 91.15%)						
FRANCE 2.42% (30 September 2015: 2.84%)						
Corporate Bond						
250,000	BPCE SA	2.650%	03/02/2021	258,743	2.42	
IRELAND 4.42% (30 September 2015: 4.90%)						
Corporate Bond						
400,000	XLIT Ltd	4.450%	31/03/2025	408,177	3.82	
65,000	XLIT Ltd	5.500%	31/03/2045	64,383	0.60	
ITALY 0.00% (30 September 2015: 5.76%)						
MEXICO 0.00% (30 September 2015: 4.22%)						
NETHERLANDS 3.55% (30 September 2015: 8.49%)						
Corporate Bond						
350,000	Cooperatieve Rabobank UA	4.625%	01/12/2023	380,479	3.55	
SPAIN 3.42% (30 September 2015: 0.00%)						
Corporate Bond						
400,000	Banco Santander SA	6.375%	Perpetual	365,993	3.42	
SWEDEN 6.74% (30 September 2015: 4.62%)						
Corporate Bond						
425,000	Skandinaviska Enskilda Banken AB	5.750%	Perpetual	423,803	3.96	
300,000	Svenska Handelsbanken AB	5.250%	Perpetual	297,188	2.78	
SWITZERLAND 7.14% (30 September 2015: 3.56%)						
Corporate Bond						
400,000	Credit Suisse AG/Guernsey	5.860%	Perpetual	407,328	3.81	
350,000	UBS AG/Jersey	7.250%	22/02/2022	356,538	3.33	
UNITED KINGDOM 11.30% (30 September 2015: 0.98%)						
Corporate Bond						
350,000	Lloyds Banking Group Plc	4.650%	24/03/2026	364,202	3.41	
325,000	Nationwide Building Society	4.000%	14/09/2026	326,872	3.06	
430,000	Royal Bank of Scotland Group Plc	7.648%	Perpetual	517,075	4.83	
UNITED STATES 57.47% (30 September 2015: 55.78%)						
Corporate Bond						
600,000	American International Group Inc	3.875%	15/01/2035	592,897	5.54	
315,000	Associated Banc-Corp	4.250%	15/01/2025	329,572	3.08	
50,000	Bank of America Corp	3.500%	19/04/2026	52,273	0.49	
100,000	Bank of America Corp	4.750%	21/04/2045	109,127	1.02	
325,000	Bank of America Corp	5.125%	Perpetual	319,910	2.99	
335,000	First Horizon National Corp	3.500%	15/12/2020	342,753	3.21	
550,000	First Republic Bank/CA	4.375%	01/08/2046	554,349	5.18	
350,000	Goldman Sachs Group Inc/The	5.950%	15/01/2027	417,409	3.90	
250,000	HCP Inc	4.250%	15/11/2023	263,620	2.47	
200,000	Healthcare Trust of America Holdings LP	3.500%	01/08/2026	203,864	1.91	
415,000	JPMorgan Chase & Co	4.125%	15/12/2026	445,428	4.17	
100,000	JPMorgan Chase & Co	4.250%	01/10/2027	108,105	1.01	
450,000	JPMorgan Chase & Co	5.300%	Perpetual	456,750	4.27	
830,000	Morgan Stanley	5.000%	24/11/2025	933,801	8.73	
150,000	Prudential Financial Inc	5.375%	15/05/2045	156,900	1.47	
250,000	Ventas Realty LP / Ventas Capital Corp	4.750%	01/06/2021	278,282	2.60	
140,000	VEREIT Operating Partnership LP	4.125%	01/06/2021	145,250	1.36	
160,000	Wells Fargo & Co	4.400%	14/06/2046	163,942	1.53	
250,000	Welltower Inc	4.250%	01/04/2026	271,733	2.54	
Total Value of Transferable Securities at Mid Market Prices (Cost: USD10,041,253)				10,316,746	96.46	
Interest Receivable on Transferable Securities				130,743	1.22	
Total Value of Transferable Securities				10,447,489	97.68	
Open Forward Foreign Currency Exchange Contracts 0.00% (30 September 2015: (0.00%))						
Settlement Date	Buy	Amount Bought	Sell	Amount Sold	Unrealised Gain/Loss	% Net Assets
17/10/2016	USD	82	CHF	(80)	(1)	(0.00)
17/10/2016	USD	3,654	EUR	(3,262)	4	0.00

PRINCIPAL GLOBAL INVESTORS FUNDS

PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)

GLOBAL CAPITAL STRUCTURE OPPORTUNITIES FUND (continued)

Open Forward Foreign Currency Exchange Contracts 0.00% (30 September 2015: (0.00%)) (continued)

Settlement Date (continued)	Buy (continued)	Amount Bought (continued)	Sell (continued)	Amount Sold (continued)	Unrealised Gain/Loss (continued)	% Net Assets (continued)
					4	0.00
					(1)	(0.00)

**Net Unrealised Gain on Forward Foreign Currency Exchange Contracts** **3** **0.00**

Open Future Contracts (0.01%) (30 September 2015: (0.37%))

No. of Contracts	Cost Price	Description	Maturity Date	Unrealised Gain/(Loss)	% Net Assets
(7)	(919,024)	US 10 Year Note (CBT)	20/12/2016	(2,570)	(0.02)
(2)	(341,281)	US Long Bond (CBT)	20/12/2016	1,406	0.01
				1,406	0.01
				(2,570)	(0.02)

**Total Unrealised Loss on Future Contracts** **(1,164)** **(0.01)**

Cash at Bank	242,270	2.27
Net Current Assets	6,660	0.06

**Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices** **10,695,258** **100.00**

Analysis of Total Assets

	% Total Assets
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	95.96
Financial Derivative instruments dealt in or on a regulated market	(0.01)
Other Assets	4.05
<b>Total Assets</b>	<b>100.00</b>

All securities are transferable securities admitted to an official stock exchange listing.

The counterparty for the forward foreign currency exchange contracts is State Street Global Markets.

The counterparty for the future contracts is JPMorgan Chase & Co.

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

GLOBAL CREDIT ALPHA FUND					
Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets
	<b>TRANSFERABLE SECURITIES 91.69% (30 September 2015: 87.72%)</b>				
	<b>AUSTRALIA 0.00% (30 September 2015: 2.37%)</b>				
	<b>BRAZIL 1.02% (30 September 2015: 0.00%)</b>				
	<b>Corporate Bond</b>				
85,000	JBS USA LUX SA / JBS USA Finance Inc	5.875%	15/07/2024	85,213	1.02
	<b>CANADA 4.75% (30 September 2015: 0.00%)</b>				
	<b>Corporate Bond</b>				
150,000	Bank of Montreal	1.615%	27/08/2021	150,153	1.79
95,000	Bombardier Inc	4.750%	15/04/2019	93,219	1.11
100,000	Fortis Inc/Canada	2.100%	04/10/2021	99,745	1.19
60,000	Teck Resources Ltd	3.750%	01/02/2023	55,500	0.66
	<b>FRANCE 0.00% (30 September 2015: 3.07%)</b>				
	<b>GREECE 1.81% (30 September 2015: 2.40%)</b>				
	<b>Corporate Bond</b>				
210,000	Eletson Holdings Inc	9.625%	15/01/2022	152,250	1.81
	<b>IRELAND 0.00% (30 September 2015: 2.55%)</b>				
	<b>ISRAEL 0.96% (30 September 2015: 1.00%)</b>				
	<b>Corporate Bond</b>				
75,000	B Communications Ltd	7.375%	15/02/2021	80,906	0.96
	<b>ITALY 2.49% (30 September 2015: 2.48%)</b>				
	<b>Corporate Bond</b>				
200,000	Wind Acquisition Finance SA	7.375%	23/04/2021	209,250	2.49
	<b>JAPAN 2.38% (30 September 2015: 0.00%)</b>				
	<b>Corporate Bond</b>				
200,000	Mizuho Financial Group Inc	1.992%	13/09/2021	199,910	2.38
	<b>LUXEMBOURG 0.00% (30 September 2015: 2.39%)</b>				
	<b>MEXICO 8.03% (30 September 2015: 2.53%)</b>				
	<b>Corporate Bond</b>				
200,000	Cemex SAB de CV	6.125%	05/05/2025	205,960	2.45
250,000	Grupo Televisa SAB	4.625%	30/01/2026	270,046	3.22
200,000	Mexico City Airport Trust	5.500%	31/10/2046	198,000	2.36
	<b>NETHERLANDS 0.00% (30 September 2015: 5.06%)</b>				
	<b>PUERTO RICO 1.24% (30 September 2015: 1.57%)</b>				
	<b>Corporate Bond</b>				
100,000	Popular Inc	7.000%	01/07/2019	104,000	1.24
	<b>TRINIDAD &amp; TOBAGO 0.00% (30 September 2015: 2.39%)</b>				
	<b>UNITED KINGDOM 0.00% (30 September 2015: 5.13%)</b>				
	<b>UNITED STATES 69.01% (30 September 2015: 54.78%)</b>				
	<b>Common Stock</b>				
699	Verso Corp			4,564	0.05
	<b>Corporate Bond</b>				
85,000	Activision Blizzard Inc	6.125%	15/09/2023	93,437	1.11
150,000	AIG Global Funding	1.900%	06/10/2021	149,723	1.78
85,000	Ally Financial Inc	5.750%	20/11/2025	89,144	1.06
70,000	Beazer Homes USA Inc	8.750%	15/03/2022	74,025	0.88
135,000	BI-LO LLC / BI-LO Finance Corp	9.250%	15/02/2019	116,100	1.38
75,000	BMC East LLC	5.500%	01/10/2024	75,375	0.90
130,000	CCM Merger Inc	9.125%	01/05/2019	136,041	1.62
20,000	Centene Corp	5.625%	15/02/2021	21,250	0.25
25,000	Centene Corp	6.125%	15/02/2024	27,047	0.32
60,000	Continental Resources Inc/OK	4.500%	15/04/2023	58,050	0.69
40,000	Continental Resources Inc/OK	5.000%	15/09/2022	40,150	0.48
45,000	Credit Acceptance Corp	7.375%	15/03/2023	46,800	0.56
50,000	Crescent Communities LLC	8.875%	15/10/2021	50,000	0.60
140,000	DISH DBS Corp	5.875%	15/11/2024	138,425	1.65
130,000	Eldorado Resorts Inc	7.000%	01/08/2023	138,125	1.65
105,000	EP Energy LLC / Everest Acquisition Finance Inc	7.750%	01/09/2022	62,475	0.75
20,000	EP Energy LLC / Everest Acquisition Finance Inc	9.375%	01/05/2020	14,225	0.17
25,000	Frontier Communications Corp	10.500%	15/09/2022	26,484	0.32
50,000	Frontier Communications Corp	11.000%	15/09/2025	52,063	0.62

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

GLOBAL CREDIT ALPHA FUND (continued)						
Nominal	Security	Coupon Rate	Maturity Date	Value USD	% Net Assets	
UNITED STATES 69.01% (30 September 2015: 54.78%) (continued)						
Corporate Bond (continued)						
158,000	General Electric Co	1.850%	15/03/2023	158,692	1.89	
45,000	GLP Capital LP / GLP Financing II Inc	5.375%	15/04/2026	48,375	0.58	
250,000	Goldman Sachs Group Inc/The	2.241%	15/11/2021	249,356	2.97	
90,000	Halcon Resources Corp	8.625%	01/02/2020	90,225	1.08	
100,000	Hewlett Packard Enterprise Co	6.350%	15/10/2045	104,418	1.24	
74,000	Jazz US Holdings Inc	8.000%	31/12/2018	118,076	1.41	
140,000	JPMorgan Chase & Co	5.000%	Perpetual	138,075	1.64	
40,000	Kinetic Concepts Inc / KCI USA Inc	7.875%	15/02/2021	43,300	0.51	
185,000	Landry's Holdings II Inc	10.250%	01/01/2018	189,856	2.26	
165,000	Liberty Mutual Group Inc	7.000%	15/03/2037	141,488	1.69	
150,000	MetLife Inc	10.750%	01/08/2039	240,765	2.87	
150,000	Molson Coors Brewing Co	3.000%	15/07/2026	151,856	1.81	
135,000	MPH Acquisition Holdings LLC	7.125%	01/06/2024	145,125	1.73	
5,000	Navient Corp	5.000%	26/10/2020	4,938	0.06	
40,000	Navient Corp	5.875%	25/03/2021	39,950	0.47	
30,000	Navient Corp	7.250%	25/09/2023	30,015	0.36	
160,000	Navios Maritime Acquisition Corp / Navios Acquisition Finance US Inc	8.125%	15/11/2021	118,400	1.41	
200,000	Shire Acquisitions Investments Ireland DAC	3.200%	23/09/2026	201,889	2.40	
95,000	Signode Industrial Group Lux SA/Signode Industrial Group US Inc	6.375%	01/05/2022	96,306	1.15	
95,000	Springleaf Finance Corp	5.250%	15/12/2019	97,137	1.16	
45,000	Tesoro Logistics LP / Tesoro Logistics Finance Corp	6.125%	15/10/2021	47,081	0.56	
5,000	Tesoro Logistics LP / Tesoro Logistics Finance Corp	6.250%	15/10/2022	5,363	0.07	
40,000	Tesoro Logistics LP / Tesoro Logistics Finance Corp	6.375%	01/05/2024	42,900	0.51	
95,000	Universal Hospital Services Inc	7.625%	15/08/2020	90,963	1.08	
125,000	Voya Financial Inc	5.650%	15/05/2053	125,156	1.49	
130,000	WCI Communities Inc	6.875%	15/08/2021	138,612	1.65	
35,000	Whiting Petroleum Corp	5.000%	15/03/2019	33,775	0.40	
65,000	Whiting Petroleum Corp	5.750%	15/03/2021	60,775	0.72	
115,000	WideOpenWest Finance LLC / WideOpenWest Capital Corp	10.250%	15/07/2019	121,181	1.44	
96,037	Wise Metals Intermediate Holdings LLC/Wise Holdings Finance Corp	9.750%	15/06/2019	92,676	1.10	
75,000	WMG Acquisition Corp	6.750%	15/04/2022	79,781	0.95	
Government Bond						
700,000	United States Treasury Bill	0.000%	06/10/2016	699,997	8.34	
150,000	United States Treasury Note/Bond	1.375%	31/01/2021	151,904	1.81	
75,000	United States Treasury Note/Bond	1.750%	31/01/2023	76,978	0.92	
Mortgage Related						
100,000	Citigroup Commercial Mortgage Trust 2015-GC35	3.818%	10/11/2048	111,021	1.32	
85,000	COMM 2014-LC17 Mortgage Trust	4.490%	10/10/2047	94,375	1.12	
Total Value of Transferable Securities at Mid Market Prices				7,698,435	91.69	
UNLISTED 1.96% (30 September 2015: 5.41%)						
LUXEMBOURG 1.96% (30 September 2015: 1.95%)						
Corporate Bond						
160,000	Coveris Holdings SA	7.875%	01/11/2019	164,400	1.96	
UNITED KINGDOM 0.00% (30 September 2015: 0.53%)						
UNITED STATES 0.00% (30 September 2015: 2.93%)						
Total Value of Unlisted at Mid Market Prices				164,400	1.96	
Total Value of Transferable Securities at Mid Market Prices (Cost: USD7,899,049)				7,862,835	93.65	
Interest Receivable on Transferable Securities				91,722	1.09	
Total Value of Transferable Securities				7,954,557	94.74	
Open Forward Foreign Currency Exchange Contracts 0.01% (30 September 2015: (0.00%))						
Settlement Date	Buy	Amount Bought	Sell	Amount Sold	Unrealised Gain/Loss	% Net Assets
17/10/2016	USD	82	CHF	(80)	(1)	(0.00)
17/10/2016	USD	84	EUR	(75)	(0)	0.00
17/10/2016	USD	3,654	EUR	(3,262)	4	0.00
17/10/2016	USD	22,494	GBP	(16,954)	504	0.01
Unrealised Gain on Forward Foreign Currency Exchange Contracts					508	0.01
Unrealised Loss on Forward Foreign Currency Exchange Contracts					(1)	(0.00)
Net Unrealised Gain on Forward Foreign Currency Exchange Contracts				507	0.01	

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

**GLOBAL CREDIT ALPHA FUND (continued)**

**Open Future Contracts (0.03%) (30 September 2015: 0.00%)**

No. of Contracts	Cost Price	Description	Maturity Date	Unrealised Gain/(Loss)	% Net Assets
5	608,438	US 5 Year Note (CBT)	30/12/2016	547	0.01
2	262,420	Long Gilt Future	28/12/2016	(544)	(0.01)
3	511,031	US Long Bond (CBT)	20/12/2016	(1,219)	(0.02)
(2)	(288,906)	US 10 Year Ultra Future	20/12/2016	(1,094)	(0.01)
Unrealised Gains on Future Contracts				547	0.01
Unrealised Loss on Future Contracts				(2,857)	(0.04)

<b>Total Unrealised Loss on Future Contracts</b>	<b>(2,310)</b>	<b>(0.03)</b>
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**Credit Default Swaps (0.40%) (30 September 2015: 0.02%)**

Description	Maturity Date	Notional Amount	Fair Value USD	% Net Assets
<b>1 to 5 Years</b>				
Citigroup	20/12/2020	99,000	(5,173)	(0.06)
Citigroup	20/12/2020	19,800	(1,035)	(0.01)
Citigroup	20/06/2021	200,000	(9,162)	(0.11)
Citigroup	20/06/2021	400,000	(18,324)	(0.22)
Unrealised Loss on Credit Default Swaps				(33,694) (0.40)

<b>Total Unrealised Loss on Credit Default Swaps</b>	<b>(33,694)</b>	<b>(0.40)</b>
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**Total Return Swaps (0.05%) (30 September 2015: (0.04%))**

Description	Maturity Date	Notional Amount	Fair Value USD	% Net Assets
<b>Up to 1 year</b>				
Barclays	08/12/2016	100,000	(3,722)	(0.05)
Unrealised Loss on Total Return Swaps				(3,722) (0.05)

<b>Total Unrealised Loss on Total Return Swaps</b>	<b>(3,722)</b>	<b>(0.05)</b>
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Cash at Bank	915,245	10.90
Net Current Liabilities	(434,767)	(5.17)

<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>	<b>8,395,816</b>	<b>100.00</b>
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**Analysis of Total Assets**

Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market	85.42
Transferable Securities other than those admitted to an official stock exchange listing or traded on a regulated market	1.82
Financial Derivative instruments dealt in or on a regulated market	(0.44)
Other Assets	13.20
<b>Total Assets</b>	<b>100.00</b>

Except where stated above all securities are transferable securities admitted to an official stock exchange listing.

The counterparty for the forward foreign currency exchange contracts is State Street Global Markets.

The counterparty for the open future contracts is JPMorgan Chase & Co.

The counterparty for the credit default swaps is Citigroup.

The counterparty for the total return swap is Barclays.

**PRINCIPAL GLOBAL INVESTORS FUNDS**

**PORTFOLIO OF INVESTMENTS  
AS AT 30 SEPTEMBER 2016 (continued)**

<b>REAL ESTATE DEBT FUND</b>					
<b>Nominal</b>	<b>Security</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Value USD</b>	<b>% Net Assets</b>
<b>TRANSFERABLE SECURITIES 99.58%</b>					
<b>UNITED STATES 99.58%</b>					
<b>Mortgage Related</b>					
400,000	CFCRE Commercial Mortgage Trust 2011-C2	5.885%	15/12/2047	448,858	4.70
425,000	Citigroup Commercial Mortgage Trust 2016-GC37	3.576%	10/04/2049	450,039	4.72
570,000	COMM 2012-CCRE2 Mortgage Trust	5.016%	15/08/2045	594,341	6.23
5,282,083	COMM 2012-CCRE5 Mortgage Trust	1.904%	10/12/2045	375,780	3.94
315,000	COMM 2016-DC2 Mortgage Trust	3.765%	10/02/2049	348,201	3.65
425,000	GE Commercial Mortgage Corp Series 2007-C1 Trust	5.606%	10/12/2049	421,414	4.42
425,000	GS Mortgage Securities Corp II	4.150%	10/05/2050	442,419	4.64
450,000	GS Mortgage Securities Trust 2013-GC16	5.497%	10/11/2046	424,013	4.44
665,000	GS Mortgage Securities Trust 2014-GC22	4.391%	10/06/2047	734,195	7.69
410,000	JP Morgan Chase Commercial Mortgage Securities Trust 2014-C20	4.724%	15/07/2047	427,345	4.48
425,000	JPMBB Commercial Mortgage Securities Trust 2014-C19	4.829%	15/04/2047	448,466	4.70
3,651,573	JPMBB Commercial Mortgage Securities Trust 2015-C31	1.172%	15/08/2048	227,314	2.38
545,000	Morgan Stanley Bank of America Merrill Lynch Trust 2013-C13	5.054%	15/11/2046	601,556	6.30
5,837,371	Morgan Stanley Bank of America Merrill Lynch Trust 2013-C7	1.696%	15/02/2046	386,230	4.05
425,000	Morgan Stanley Bank of America Merrill Lynch Trust 2016-C29	3.325%	15/05/2049	455,535	4.77
425,000	Morgan Stanley Capital I Trust 2015-MS1	4.164%	15/05/2048	468,469	4.91
400,000	UBS-Barclays Commercial Mortgage Trust 2012-C3	3.814%	10/08/2049	433,821	4.55
370,000	UBS-Barclays Commercial Mortgage Trust 2013-C5	4.223%	10/03/2046	377,954	3.96
425,000	Wachovia Bank Commercial Mortgage Trust Series 2007-C30	5.413%	15/12/2043	425,887	4.46
172,462	Wachovia Bank Commercial Mortgage Trust Series 2007-C34	6.139%	15/05/2046	173,056	1.81
425,000	Wells Fargo Commercial Mortgage Trust 2014-LC18	4.193%	15/12/2047	444,652	4.66
6,254,908	WFRBS Commercial Mortgage Trust 2013-C17	1.700%	15/12/2046	393,340	4.12
<b>Total Value of Transferable Securities at Mid Market Prices (Cost: USD9,268,874)</b>				<b>9,502,885</b>	<b>99.58</b>
Interest Receivable on Transferable Securities				56,785	0.60
<b>Total Value of Transferable Securities</b>				<b>9,559,670</b>	<b>100.18</b>
Cash at Bank				17,838	0.19
Net Current Liabilities				(34,770)	(0.37)
<b>Net Assets Attributable to Holders of Redeemable Participating Units at Mid Market Prices</b>				<b>9,542,738</b>	<b>100.00</b>
<b>Analysis of Total Assets</b>					<b>% Total Assets</b>
Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market					98.76
Financial Derivative instruments dealt in or on a regulated market					0.00
Other Assets					1.24
<b>Total Assets</b>					<b>100.00</b>
All securities are transferable securities admitted to an official stock exchange listing.					

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2016**

	Note	GEF USD	AEF USD	EEF USD	EMEF USD	JEF USD	PSF USD	USEF USD	HYF USD	GPSF USD
<b>Current Assets:</b>										
Cash at Bank	4	1,588,637	162,816	21,765	216,523	256,631	135,154,790	1,118,720	6,139,310	2,724,238
Sale of Securities Receivable		–	5,263	812,715	44,304	–	4,593,780	925,649	–	72,394
Investments in Securities at Fair Value (Mid Prices)		46,883,996	7,923,003	99,847,516	7,143,329	30,847,380	2,320,621,231	115,953,843	133,097,876	162,351,791
Dividends Receivable		55,895	8,380	66,861	2,510	251,369	538,783	56,107	–	483,526
Due from Unitholders		–	–	988	–	789,566	13,417,831	123	217	210,568
Unrealised Gains on Open Spot Currency Contracts		–	13	1,419	211	–	6,906	–	–	130
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts		–	–	–	–	–	3,393,824	–	617,621	195,817
Other Assets		5,982	66,712	–	93,707	15,206	–	2,955	13,013	11,493
<b>Total Current Assets</b>		<b>48,534,510</b>	<b>8,166,187</b>	<b>100,751,264</b>	<b>7,500,584</b>	<b>32,160,152</b>	<b>2,477,727,145</b>	<b>118,057,397</b>	<b>139,868,037</b>	<b>166,049,957</b>
<b>Current Liabilities:</b>										
Management Fees Payable	7	(43,274)	(9,103)	(90,505)	(6,786)	(25,871)	(1,494,589)	(98,159)	(98,496)	(118,603)
Trustee Fees Payable	7	(3,234)	(673)	(9,286)	(2,186)	(2,217)	(130,075)	(8,103)	(9,047)	(10,570)
Depository Fees Payable <sup>1</sup>	7	(8,322)	(75,951)	(25,491)	(48,285)	(44,134)	(42,805)	(11,578)	(9,533)	(33,538)
Audit Fees Payable		(6,932)	(6,932)	(6,932)	(6,932)	(6,932)	(15,349)	(6,932)	(15,539)	(7,997)
Administration Fees Payable	7	(1,016)	(778)	(2,019)	(262)	(45)	(151,165)	(87)	(5,600)	(30)
Due to Unitholders		(15,641)	(33,262)	(42,000)	(96)	(1,019,829)	(11,887,839)	(720,150)	(68,240)	–
Purchase of Securities Payable		(134,224)	(72,253)	–	(67,144)	(640,566)	(47,694,610)	–	(810,000)	(2,587)
Unrealised Loss on Open Spot Currency Contracts		(3)	(1)	(178)	(19)	(22)	(5,073)	(463)	–	(293)
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts		–	–	–	–	–	(5,627,972)	–	(36,840)	(78,648)
Other Payables		(40,212)	(31,296)	(50,824)	(28,479)	(28,697)	(93,714)	(29,074)	(22,386)	(39,680)
<b>Total Current Liabilities</b>		<b>(252,858)</b>	<b>(230,249)</b>	<b>(227,235)</b>	<b>(160,189)</b>	<b>(1,768,313)</b>	<b>(67,143,191)</b>	<b>(874,546)</b>	<b>(1,075,681)</b>	<b>(291,946)</b>
<b>Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>48,281,652</b>	<b>7,935,938</b>	<b>100,524,029</b>	<b>7,340,395</b>	<b>30,391,839</b>	<b>2,410,583,954</b>	<b>117,182,851</b>	<b>138,792,356</b>	<b>165,758,011</b>

<sup>1</sup>Custodian (until 17 March 2016) and Depository (from 18 March 2016).



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2016 (continued)**

	Note	GEJF USD	GLTHY USD	GTDARF USD	EEIF* USD	GSCEF USD	OGEMF USD	OGEF USD	OGSCF USD	LSGOF USD
<b>Current Assets:</b>										
Cash at Bank	4	876,615	9,067,269	684,268	70,395	166,683	895,602	426,511	1,976,657	472,367
Margin Cash Receivable	4	–	–	–	–	–	–	–	–	21,142
Sale of Securities Receivable		–	11,419,424	–	–	87,672	5,044	–	4,612,265	225
Investments in Securities at Fair Value (Mid Prices)		63,391,044	857,595,659	3,996,788	–	17,498,134	95,026,728	15,719,084	56,355,700	6,300,584
Securities Pledged as Collateral	4	–	–	–	–	–	–	–	–	350,147
Dividends Receivable		52,907	–	–	–	21,895	72,797	12,585	91,990	8,158
Unrealised Gains on Open Spot Currency Contracts		–	–	–	–	425	–	–	6	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts		–	2,878,929	149,658	–	–	–	–	–	–
Unrealised Gains on Open Future Contracts		–	–	–	–	–	–	–	–	45,940
Unrealised Gains on Option Contracts		–	–	8,822	–	–	–	–	–	–
Other Assets		–	–	28,127	–	25,661	2,640	10,241	3,066	50,092
<b>Total Current Assets</b>		<b>64,320,566</b>	<b>880,961,281</b>	<b>4,867,663</b>	<b>70,395</b>	<b>17,800,470</b>	<b>96,002,811</b>	<b>16,168,421</b>	<b>63,039,684</b>	<b>7,248,655</b>
<b>Current Liabilities:</b>										
Management Fees Payable	7	(52,778)	(460,339)	(5,734)	–	(16,551)	(78,340)	(77,450)	(46,824)	(5,869)
Performance Fees Payable	7	–	–	(7,236)	–	–	–	–	–	–
Trustee Fees Payable	7	(3,929)	(50,918)	–	(3,890)	–	(23,297)	(376)	(3,906)	(3,410)
Depositary Fees Payable <sup>1</sup>	7	(16,536)	(9,275)	(6,224)	(4,902)	(14,527)	(21,798)	(7,798)	(26,410)	(17,070)
Audit Fees Payable		(11,744)	(10,505)	(11,632)	(6,927)	(6,932)	(6,932)	(6,932)	(7,996)	(6,932)
Administration Fees Payable	7	–	(2,862)	–	–	(472)	(1)	–	–	–
Due to Unitholders		–	–	–	–	–	–	–	–	–
Purchase of Securities Payable		–	(19,396,043)	(1,473)	–	–	–	–	(5,228,724)	(17,808)
Unrealised Loss on Open Spot Currency Contracts		(1)	–	–	–	(1)	(3)	–	(968)	–
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts		–	(6,973,130)	(161,396)	–	–	–	–	–	–
Unrealised Loss on Open Future Contracts		–	–	–	–	–	–	–	–	(2,040)
Other Payables		(32,059)	(32,309)	(32,452)	(54,676)	(34,792)	(33,322)	(34,250)	(40,278)	(47,374)
<b>Total Current Liabilities</b>		<b>(117,047)</b>	<b>(26,935,381)</b>	<b>(226,147)</b>	<b>(70,395)</b>	<b>(73,275)</b>	<b>(163,693)</b>	<b>(126,806)</b>	<b>(5,355,106)</b>	<b>(100,503)</b>
<b>Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>64,203,519</b>	<b>854,025,900</b>	<b>4,641,516</b>	<b>–</b>	<b>17,727,195</b>	<b>95,839,118</b>	<b>16,041,615</b>	<b>57,684,578</b>	<b>7,148,152</b>

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

<sup>1</sup>Custodian (until 17 March 2016) and Depositary (from 18 March 2016).

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2016 (continued)**

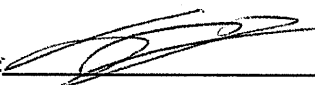

	Note	CLAF USD	FEMDF USD	GCSF USD	SDHY** USD	CSOF USD	GCAF USD	REDF*** USD	Total USD
<b>Current Assets:</b>									
Cash at Bank	4	357,029	13,804,394	604,526	63,262	242,270	915,245	17,838	178,024,361
Cash Collateral	4	—	45,980,000	—	—	—	—	—	45,980,000
Margin Cash Receivable	4	—	10,648,939	38,303	—	16,723	80,490	—	10,805,597
Sale of Securities Receivable		151,774	48,501,555	—	—	—	30,600	—	71,262,664
Investments in Securities at Fair Value (Mid Prices)		11,979,391	241,092,666	24,043,018	—	10,447,489	7,954,557	9,559,670	4,345,630,477
Securities Pledged as Collateral	4	—	—	—	—	—	—	—	350,147
Dividends Receivable		12,483	—	—	—	—	—	—	1,736,246
Due from Unitholders		—	30,808,709	—	—	—	—	—	45,228,002
Unrealised Gains on Open Spot Currency Contracts		—	215,799	—	—	—	—	—	224,909
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts		—	28,350,134	27,611	—	4	508	—	35,614,106
Unrealised Gains on Open Future Contracts		—	463,841	4,474	—	1,406	547	—	516,208
Unrealised Gains on Swap Contracts		—	10,940,259	—	—	—	—	—	10,940,259
Unrealised Gains on Option Contracts		—	5,856,095	131,016	—	—	—	—	5,995,933
Other Assets		52,932	20,973	47,528	—	43,132	30,159	45,031	568,650
<b>Total Current Assets</b>		<b>12,553,609</b>	<b>436,683,364</b>	<b>24,896,476</b>	<b>63,262</b>	<b>10,751,024</b>	<b>9,012,106</b>	<b>9,622,539</b>	<b>4,752,877,559</b>
<b>Current Liabilities:</b>									
Bank Overdraft	4	—	(522,908)	—	—	—	—	—	(522,908)
Management Fees Payable	7	(10,189)	(243,498)	(14,245)	—	(5,722)	(4,458)	(4,279)	(3,011,662)
Performance Fees Payable	7	—	(109,023)	—	—	—	—	—	(116,259)
Trustee Fees Payable	7	(3,319)	(37,003)	—	—	—	—	(651)	(306,090)
Depository Fees Payable <sup>1</sup>	7	(45,386)	(13,982)	(3,191)	(1,807)	(5,000)	(5,355)	—	(498,898)
Audit Fees Payable		(6,934)	(19,464)	(14,231)	(10,459)	(10,503)	(10,481)	(11,254)	(240,335)
Administration Fees Payable	7	—	(286)	(1)	—	—	—	—	(164,624)
Due to Unitholders		—	—	—	—	—	—	—	(13,787,057)
Purchase of Securities Payable		(93,249)	(71,147,056)	—	—	—	(528,767)	—	(145,834,504)
Unrealised Loss on Open Spot Currency Contracts		—	(70,937)	—	—	—	—	—	(77,962)
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts		—	(25,964,400)	(116,995)	—	(1)	(1)	—	(38,959,383)
Unrealised Loss on Forward Rate Agreements		—	(278,642)	—	—	—	—	—	(278,642)
Unrealised Loss on Open Future Contracts		—	(347,280)	—	—	(2,570)	(2,857)	—	(354,747)
Unrealised Loss on Swap Contracts		—	(17,031,300)	—	—	—	(37,416)	—	(17,068,716)
Unrealised Loss on Option Contracts		—	(6,312,659)	(79,219)	—	—	—	—	(6,391,878)
Other Payables		(36,018)	(119,891)	(39,175)	(50,996)	(31,970)	(26,955)	(63,617)	(1,074,496)
<b>Total Current Liabilities</b>		<b>(195,095)</b>	<b>(122,218,329)</b>	<b>(267,057)</b>	<b>(63,262)</b>	<b>(55,766)</b>	<b>(616,290)</b>	<b>(79,801)</b>	<b>(228,688,161)</b>
<b>Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>12,358,514</b>	<b>314,465,035</b>	<b>24,629,419</b>	<b>—</b>	<b>10,695,258</b>	<b>8,395,816</b>	<b>9,542,738</b>	<b>4,524,189,398</b>

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

<sup>1</sup>Custodian (until 17 March 2016) and Depository (from 18 March 2016).

Signed on behalf of Principal Global Investors (Ireland) Limited on 24 January 2017.

Director:  Director: 

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2016 (continued)**

	GEF	AEF	EEF	EMEF	JEF	PSF	USEF	HYF	GPSF
<b>Number of redeemable participating Units in issue</b>									
A Class Income units in issue at end of year	105,017	79,657	76,837	—	—	29,110,096	—	223,900	—
A Class Income (AUD hedged) units in issue at end of year	—	—	—	—	—	—	—	42,816	—
A Class Income (EUR hedged) units in issue at end of year	—	—	—	—	—	607,697	—	—	—
A Class Income (GBP hedged) units in issue at end of year	—	—	—	—	—	836,374	—	—	—
A Class Accumulation units in issue at end of year	81,326	102,980	172,357	55,359	104,357	10,178,468	31,510	1,721,874	—
A Class Accumulation (CHF hedged) units in issue at end of year	—	—	—	—	—	239,899	—	—	—
A Class Accumulation (EUR hedged) units in issue at end of year	—	—	—	—	—	5,353,421	—	—	—
A Class Accumulation (JPY hedged) units in issue at end of year	—	—	—	—	—	17,422	—	—	—
I Class Income units in issue at end of year	—	—	—	—	—	10,051,034	—	—	—
I Class Income (EUR hedged) units in issue at end of year	—	—	—	—	—	3,381,441	—	—	—
I Class Income (GBP hedged) units in issue at end of year	—	—	—	—	—	8,081,961	—	—	—
I Class Income (JPY hedged) units in issue at end of year	—	—	—	—	—	4,627,637	—	—	1,131,693
I Class Accumulation units in issue at end of year	1,929,944	27,801	2,041,436	104,992	1,134,032	19,325,092	3,214,442	2,646,725	3,552,892
I Class Accumulation (BRL hedged) units in issue at end of year	—	—	—	—	—	—	—	2,434,372	—
I Class Accumulation (CHF hedged) units in issue at end of year	—	—	—	—	—	132,834	—	—	—
I Class Accumulation (EUR hedged) units in issue at end of year	—	—	—	—	—	25,646,596	—	559,185	—
I Class Accumulation (EUR) units in issue at end of year	—	—	2,307,774	—	—	—	—	—	—
I Class Accumulation (GBP) units in issue at end of year	—	—	—	—	—	—	1,521,666	—	—
I Class Accumulation (JPY) units in issue at end of year	—	—	—	—	1,354,059	—	—	—	—
I Class Accumulation (JPY hedged) units in issue at end of year	—	—	—	—	—	15,052,976	—	—	—
I Class Accumulation (USD hedged) units in issue at end of year	—	—	—	—	—	—	—	—	1,235,006
I2 Class Income units in issue at end of year	—	—	—	—	—	—	—	—	3,983,759
D Class Income units in issue at end of year	—	—	—	—	—	26,300,866	—	—	—
D Class Accumulation units in issue at end of year	—	—	—	—	—	9,970,842	—	1,200,095	—
D2 Class Income units in issue at end of year	—	—	—	—	—	103,581	—	—	—
F Class Income units in issue at end of year	—	—	—	—	—	6,286,733	—	—	—
F Class Accumulation units in issue at end of year	—	—	—	—	—	3,017,617	—	124,119	36,352
F2 Class Accumulation units in issue at end of year	6,670	—	—	—	5,245	151,016	—	—	—
N Class Income units in issue at end of year	—	—	—	—	—	4,185	—	—	—
P Class Income units in issue at end of year	—	—	—	—	—	3,156,274	—	—	—
P Class Accumulation units in issue at end of year	—	—	—	—	—	1,782,525	—	—	—

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2016 (continued)**

	GEJF	GLTHY	GTDARF	EEIF*	GSCEF	OGEMF	OGEF	OGSCF	LSGOF
<b>Number of redeemable participating Units in issue</b>									
A Class Income units in issue at end of year	–	1,884,248	–	–	–	–	–	–	–
A Class Accumulation units in issue at end of year	–	291,181	–	–	250,125	–	–	–	–
I Class Income (EUR hedged) units in issue at end of year	–	2,126,984	–	–	–	–	–	–	–
I Class Income (GBP hedged) units in issue at end of year	–	2,541,090	–	–	–	–	–	–	–
I Class Accumulation units in issue at end of year	3,321,494	1,330,196	464,015	–	874,622	9,123,108	–	2,592,605	750,000
I Class Accumulation (CHF hedged) units in issue at end of year	–	66,744	–	–	–	–	–	–	–
I Class Accumulation (EUR hedged) units in issue at end of year	–	24,307,639	–	–	–	–	–	–	–
I Class Accumulation (GBP hedged) units in issue at end of year	–	1,235,572	–	–	–	–	–	–	–
I Class Accumulation (GBP) units in issue at end of year	–	–	–	–	–	69,262	1,237,633	1,600,148	–
I Class Accumulation (JPY) units in issue at end of year	369,891	–	–	–	–	–	–	–	–
I Class Accumulation (JPY hedged) units in issue at end of year	–	28,992,090	–	–	–	–	–	–	–
I Class Accumulation (SGD hedged) units in issue at end of year	–	111,541	–	–	–	–	–	–	–
I2 Class Accumulation units in issue at end of year	–	5,645,369	–	–	–	–	–	–	–
I2 Class Accumulation (EUR hedged) units in issue at end of year	–	4,076,817	–	–	–	–	–	–	–
I2 Class Accumulation (GBP hedged) units in issue at end of year	–	14,521,902	–	–	–	–	–	–	–
F2 Class Accumulation units in issue at end of year	–	–	–	–	–	2,185	–	–	–

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2016 (continued)**


	CLAF	FEMDF	GCSF	SDHY**	CSOF	GCAF	REDF***
<b>Number of redeemable participating Units in issue</b>							
A Class Income units in issue at end of year	—	50,000	—	—	—	—	—
A Class Accumulation units in issue at end of year	—	151,785	1,000	—	—	—	—
A Class Accumulation (CHF hedged) units in issue at end of year	—	1,040	—	—	—	—	—
A Class Accumulation (EUR hedged) units in issue at end of year	—	88,892	—	—	—	—	—
A Class Accumulation (GBP hedged) units in issue at end of year	—	1,487	—	—	—	—	—
A Class Accumulation (SGD hedged) units in issue at end of year	—	731	—	—	—	—	—
I Class Income units in issue at end of year	—	—	—	—	—	—	454,808
I Class Accumulation units in issue at end of year	1,621,607	4,561,882	1,000,000	—	1,001,473	745,725	447,917
I Class Accumulation (EUR hedged) units in issue at end of year	—	—	1,295,409	—	—	—	—
I Class Accumulation (GBP hedged) units in issue at end of year	—	1,487	—	—	—	—	—
I2 Class Income (EUR hedged) units in issue at end of year	—	31,508,853	—	—	—	—	—

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

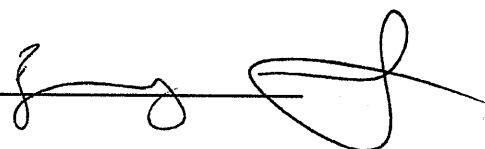
\*\*\*Real Estate Debt Fund launched on 21 March 2016.

Signed on behalf of Principal Global Investors (Ireland) Limited on 24 January 2017.

Director:



Director:



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2015**

	Note	GEF USD	AEF USD	EEF USD	EMEF USD	JEF USD	PSF USD	USEF USD	HYF USD
<b>Current Assets:</b>									
Cash at Bank	4	2,335,500	158,857	3,537,385	95,131	1,742,311	63,049,131	1,616,474	5,022,621
Sale of Securities Receivable		802,172	83	196,926	26,162	–	–	–	521,225
Investments in Securities at Fair Value (Mid Prices) <sup>1</sup>		51,806,107	7,573,559	100,117,394	8,387,412	20,433,676	1,696,026,558	133,897,903	125,052,002
Dividends Receivable		49,241	14,683	49,862	17,875	161,085	612,694	58,844	–
Due from Unitholders		70	–	561,335	32	831,636	1,992,995	70	–
Unrealised Gains on Open Spot Currency Contracts		238	–	206	–	307	257	–	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts		–	–	–	4	–	1,613,812	–	303,495
Other Assets		7,615	38,994	24,720	38,527	7,174	11,527	13,759	13,033
<b>Total Current Assets</b>		<b>55,000,943</b>	<b>7,786,176</b>	<b>104,487,828</b>	<b>8,565,143</b>	<b>23,176,189</b>	<b>1,763,306,974</b>	<b>135,587,050</b>	<b>130,912,376</b>
<b>Current Liabilities:</b>									
Management Fees Payable	7	(44,801)	(7,475)	(93,771)	(3,528)	(18,577)	(1,130,724)	(112,802)	(97,568)
Trustee Fees Payable	7	(2,466)	(517)	(6,992)	(2,111)	(1,070)	(36,125)	(5,244)	(5,370)
Custodian Fees Payable	7	(6,067)	(17,845)	(20,983)	(19,530)	(7,565)	(11,844)	(6,931)	(3,104)
Audit Fees Payable		(11,577)	(11,577)	(11,577)	(11,577)	(11,577)	(19,588)	(11,577)	(19,571)
Administration Fees Payable	7	(777)	(647)	(7,102)	(580)	(8)	(110,825)	(65)	(7,283)
Due to Unitholders		–	–	–	(13,991)	–	(1,062,397)	(850)	(136,042)
Purchase of Securities Payable		(444,436)	(35,387)	–	(16,881)	(387,832)	(72,066)	–	(1,305,000)
Unrealised Loss on Open Spot Currency Contracts		(46)	(10)	(37)	(51)	(58)	(1,212)	(5)	–
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts		–	–	–	–	–	(513,074)	–	(2,018,239)
Other Payables		(21,663)	(22,857)	(63,723)	(32,054)	(11,660)	(72,343)	(2,533)	(2,775)
<b>Total Current Liabilities</b>		<b>(531,833)</b>	<b>(96,315)</b>	<b>(204,185)</b>	<b>(100,303)</b>	<b>(438,347)</b>	<b>(3,030,198)</b>	<b>(140,007)</b>	<b>(3,594,952)</b>
<b>Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>54,469,110</b>	<b>7,689,861</b>	<b>104,283,643</b>	<b>8,464,840</b>	<b>22,737,842</b>	<b>1,760,276,776</b>	<b>135,447,043</b>	<b>127,317,424</b>

<sup>1</sup>Investments in Securities at Fair Value have been restated from Bid to Mid in accordance with FRS 102.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2015 (continued)**

	Note	GPSF USD	GEJF USD	GLTHY USD	GTDARF USD	EEIF USD	GSCEF USD	OGEMF USD	OGEF USD
<b>Current Assets:</b>									
Cash at Bank	4	1,039,930	880,104	22,923,202	174,803	89,770	254,347	1,224,404	189,133
Sale of Securities Receivable		–	2,360,985	3,158,750	–	–	15,239	1,210,347	713,402
Investments in Securities at Fair Value (Mid Prices) <sup>1</sup>		89,823,452	59,842,266	521,356,918	3,798,380	4,582,102	20,811,058	51,853,196	15,178,260
Dividends Receivable		171,548	38,417	–	–	10,614	29,471	84,630	15,287
Due from Unitholders		20,216,935	–	13,839,440	–	–	97	–	–
Unrealised Gains on Open Spot Currency Contracts		2,714	511	4,233	–	–	1	1	82
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts		80,190	–	1,455,893	163,752	–	–	–	–
Other Assets		14,802	3,078	7,194	20,154	13,554	67,817	7,267	11,669
<b>Total Current Assets</b>		<b>111,349,571</b>	<b>63,125,361</b>	<b>562,745,630</b>	<b>4,157,089</b>	<b>4,696,040</b>	<b>21,178,030</b>	<b>54,379,845</b>	<b>16,107,833</b>
<b>Current Liabilities:</b>									
Management Fees Payable	7	(48,742)	(50,465)	(321,367)	(4,068)	(4,777)	(9,232)	(44,120)	(9,614)
Trustee Fees Payable	7	(3,199)	(2,661)	(15,181)	(1,753)	(2,548)	(4,961)	(18,684)	(12,143)
Custodian Fees Payable	7	(13,911)	(11,022)	(2,356)	(2,426)	(4,292)	(1,535)	(9,520)	(5,279)
Audit Fees Payable		(12,634)	(11,577)	(15,060)	(16,137)	(11,578)	(11,577)	(11,577)	(11,574)
Administration Fees Payable	7	–	–	–	–	(294)	(445)	–	–
Due to Unitholders		(209,708)	–	(1,000,000)	–	–	(1)	–	–
Purchase of Securities Payable		(11,036,531)	(2,770,543)	(4,975,000)	–	–	(10,515)	(996,823)	(567,699)
Unrealised Loss on Open Spot Currency Contracts		(2,568)	(2,617)	–	–	–	–	(782)	(546)
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts		(10,076)	–	(1,011,352)	(58,329)	–	–	(6,029)	–
Other Payables		(12,827)	(29,132)	(22,812)	(16,185)	(30,561)	(43,522)	(18,064)	(47,751)
<b>Total Current Liabilities</b>		<b>(11,350,196)</b>	<b>(2,878,017)</b>	<b>(7,363,128)</b>	<b>(98,898)</b>	<b>(54,050)</b>	<b>(81,788)</b>	<b>(1,105,599)</b>	<b>(654,606)</b>
<b>Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>99,999,375</b>	<b>60,247,344</b>	<b>555,382,502</b>	<b>4,058,191</b>	<b>4,641,990</b>	<b>21,096,242</b>	<b>53,274,246</b>	<b>15,453,227</b>

<sup>1</sup>Investments in Securities at Fair Value have been restated from Bid to Mid in accordance with FRS 102.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2015 (continued)**

	Note	OGSCF USD	LSGOF USD	CLAF USD	FEMDF USD	GCSF* USD	SDHY** USD	CSOF*** USD	GCAF**** USD	Total USD
<b>Current Assets:</b>										
Cash at Bank	4	935,156	407,509	435,132	76,840,314	598,243	605,660	393,174	405,936	184,954,227
Cash Collateral	4	–	–	–	43,449,192	–	–	–	–	43,449,192
Margin Cash Receivable	4	–	–	–	1,010,892	–	–	91,822	–	1,102,714
Sale of Securities Receivable		4,681,124	107,984	31,729	2,647,031	–	–	304,966	–	16,778,125
Investments in Securities at Fair Value (Mid Prices) <sup>1</sup>		33,277,177	7,326,728	11,203,608	329,008,890	20,458,330	7,989,053	9,452,587	7,509,718	3,336,766,334
Dividends Receivable		46,884	6,972	4,897	–	–	–	–	–	1,373,004
Due from Unitholders		–	–	–	–	–	–	–	–	37,442,610
Unrealised Gains on Open Spot Currency Contracts		2,815	37	–	152,419	–	–	–	–	163,821
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts		–	–	–	40,646,215	60,337	31	–	–	44,323,729
Unrealised Gains on Open Future Contracts		–	172,710	–	–	–	–	–	–	172,710
Unrealised Gains on Swap Contracts		–	–	–	2,904,487	–	–	–	1,840	2,906,327
Unrealised Gains on Option Contracts		–	–	–	14,608,742	202,934	–	–	–	14,811,676
Other Assets		9,890	33,297	124,205	220,796	77,481	46,572	51,984	35,742	900,851
<b>Total Current Assets</b>		<b>38,953,046</b>	<b>8,055,237</b>	<b>11,799,571</b>	<b>511,488,978</b>	<b>21,397,325</b>	<b>8,641,316</b>	<b>10,294,533</b>	<b>7,953,236</b>	<b>3,685,145,320</b>
<b>Current Liabilities:</b>										
Margin Cash Payable	4	–	(239,270)	–	–	–	–	–	(13)	(239,283)
Management Fees Payable	7	(32,613)	(6,198)	(10,392)	(484,321)	(12,494)	(4,311)	(5,476)	(4,309)	(2,561,745)
Trustee Fees Payable	7	(12,055)	(11,666)	(10,766)	(23,536)	(850)	(432)	(508)	(419)	(181,257)
Custodian Fees Payable	7	(6,517)	(3,552)	(37,391)	–	(1,417)	(874)	(911)	(3,687)	(198,559)
Audit Fees Payable		(12,622)	(11,574)	(11,572)	(23,467)	(18,541)	(15,059)	(15,053)	(14,973)	(333,196)
Administration Fees Payable	7	–	–	–	(246)	–	–	–	–	(128,272)
Due to Unitholders		–	–	(202,622)	–	–	–	–	–	(2,625,611)
Purchase of Securities Payable		(3,478,611)	(54,998)	–	(1,742,141)	–	–	–	(1,840)	(27,896,303)
Unrealised Loss on Open Spot Currency Contracts		(7,648)	(7)	–	(1,324,261)	–	–	–	–	(1,339,848)
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts		–	–	–	(30,261,296)	(11,654)	(47)	(3)	(1)	(33,890,100)
Unrealised Loss on Open Future Contracts		–	–	–	(81,250)	–	–	(37,516)	–	(118,766)
Unrealised Loss on Swap Contracts		–	–	–	(4,200,347)	–	–	–	(3,135)	(4,203,482)
Unrealised Loss on Option Contracts		–	–	–	(10,139,992)	(105,725)	–	–	–	(10,245,717)
Other Payables		(31,716)	(19,341)	(30,975)	(63,453)	–	–	(537)	(8,483)	(604,967)
<b>Total Current Liabilities</b>		<b>(3,581,782)</b>	<b>(346,606)</b>	<b>(303,718)</b>	<b>(48,344,310)</b>	<b>(150,681)</b>	<b>(20,723)</b>	<b>(60,004)</b>	<b>(36,860)</b>	<b>(84,567,106)</b>
<b>Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>35,371,264</b>	<b>7,708,631</b>	<b>11,495,853</b>	<b>463,144,668</b>	<b>21,246,644</b>	<b>8,620,593</b>	<b>10,234,529</b>	<b>7,916,376</b>	<b>3,600,578,214</b>

\*Spectrum Global Capital Securities Fund launched on 30 October 2014.

\*\*Global Short Duration High Yield Fund launched on 10 December 2014.

\*\*\*Global Capital Structure Opportunities Fund launched on 11 December 2014.

\*\*\*\*Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.

<sup>1</sup>Investments in Securities at Fair Value have been restated from Bid to Mid in accordance with FRS 102.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2015 (continued)**

	GEF	AEF	EEF	EMEF	JEF	PSF	USEF	HYF
<b>Number of redeemable participating Units in issue</b>								
A Class Income units in issue at end of year	110,775	84,117	79,324	—	—	23,003,029	—	174,650
A Class Income (AUD hedged) units in issue at end of year	—	—	—	—	—	—	—	51,778
A Class Income (EUR hedged) units in issue at end of year	—	—	—	—	—	56,002	—	—
A Class Income (GBP hedged) units in issue at end of year	—	—	—	—	—	639,878	—	—
A Class Accumulation units in issue at end of year	105,978	105,138	182,212	53,356	10,668	5,050,052	27,204	2,292,413
A Class Accumulation (CHF hedged) units in issue at end of year	—	—	—	—	—	107,690	—	—
A Class Accumulation (EUR hedged) units in issue at end of year	—	—	—	—	—	1,443,572	—	—
I Class Income units in issue at end of year	—	—	—	—	—	11,282,990	—	—
I Class Income (EUR hedged) units in issue at end of year	—	—	—	—	—	3,171,024	—	—
I Class Income (GBP hedged) units in issue at end of year	—	—	—	—	—	856,345	—	—
I Class Income (JPY hedged) units in issue at end of year	—	—	—	—	—	3,183,726	—	—
I Class Accumulation units in issue at end of year	2,315,997	37,156	2,086,381	152,054	1,353,967	18,563,837	4,244,823	2,648,810
I Class Accumulation (BRL hedged) units in issue at end of year	—	—	—	—	—	—	—	2,070,296
I Class Accumulation (CHF hedged) units in issue at end of year	—	—	—	—	—	37,561	—	—
I Class Accumulation (EUR hedged) units in issue at end of year	—	—	—	—	—	15,711,629	—	499,573
I Class Accumulation (EUR) units in issue at end of year	—	—	2,574,057	—	—	—	—	—
I Class Accumulation (GBP) units in issue at end of year	—	—	—	—	—	—	1,612,866	—
I Class Accumulation (JPY hedged) units in issue at end of year	—	—	—	—	—	12,487,561	—	—
I Class Accumulation (JPY) units in issue at end of year	—	—	—	—	858,510	—	—	—
D Class Income units in issue at end of year	—	—	—	—	—	24,000,663	—	—
D Class Accumulation units in issue at end of year	—	—	—	—	—	7,040,069	—	1,552,608
F Class Income units in issue at end of year	—	—	—	—	—	6,777,290	—	—
F Class Accumulation units in issue at end of year	—	—	—	—	—	2,801,073	—	—
P Class Income units in issue at end of year	—	—	—	—	—	2,689,637	—	—
P Class Accumulation units in issue at end of year	—	—	—	—	—	1,932,222	—	—

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2015 (continued)**

	GPSF	GEJF	GLTHY	GTDARF	EEIF	GSCEF	OGEMF	OGEF
<b>Number of redeemable participating Units in issue</b>								
A Class Accumulation units in issue at end of year	—	—	—	—	200,509	250,028	—	—
I Class Income (JPY hedged) units in issue at end of year	1,132,282	—	—	—	—	—	—	—
I Class Accumulation units in issue at end of year	1,727,055	3,305,939	7,276,147	453,087	198,257	1,227,872	5,605,985	—
I Class Accumulation (CHF hedged) units in issue at end of year	—	—	10,000	—	—	—	—	—
I Class Accumulation (EUR hedged) units in issue at end of year	—	—	17,455,502	—	—	—	—	—
I Class Accumulation (GBP) units in issue at end of year	—	—	—	—	—	—	67,619	1,218,864
I Class Accumulation (GBP hedged) units in issue at end of year	—	—	5,907,659	—	—	—	—	—
I Class Accumulation (JPY hedged) units in issue at end of year	—	—	29,742,069	—	—	—	—	—
I Class Accumulation (JPY) units in issue at end of year	—	385,649	—	—	—	—	—	—
I Class Accumulation (USD hedged) units in issue at end of year	849,860	—	—	—	—	—	—	—
I2 Class Income units in issue at end of year	3,929,722	—	—	—	—	—	—	—

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF FINANCIAL POSITION as at 30 September 2015 (continued)**

	OGSCF	LSGOF	CLAF	FEMDF	GCSF*	SDHY**	CSOF***	GCAF****
<b>Number of redeemable participating Units in issue</b>								
A Class Income units in issue at end of year	—	—	—	50,000	—	—	—	—
A Class Income units in issue at end of year	—	—	—	50,000	—	—	—	—
A Class Accumulation units in issue at end of year	—	—	—	215,841	—	—	—	—
A Class Accumulation (CHF hedged) units in issue at end of year	—	—	—	1,040	—	—	—	—
A Class Accumulation (EUR hedged) units in issue at end of year	—	—	—	1,092	—	—	—	—
A Class Accumulation (GBP hedged) units in issue at end of year	—	—	—	1,487	—	—	—	—
A Class Accumulation (SGD hedged) units in issue at end of year	—	—	—	731	—	—	—	—
I Class Accumulation units in issue at end of year	928,227	750,000	2,002,532	8,624,284	1,000,000	849,260	1,000,000	745,725
I Class Accumulation (EUR hedged) units in issue at end of year	—	—	—	13,875,971	1,092,896	—	—	—
I Class Accumulation (GBP hedged) units in issue at end of year	—	—	—	2,933	—	—	—	—
I Class Accumulation (GBP) units in issue at end of year	1,913,179	—	—	—	—	—	—	—
I2 Class Income (EUR hedged) units in issue at end of year	—	—	—	32,681,701	—	—	—	—

\*Spectrum Global Capital Securities Fund launched on 30 October 2014.

\*\*Global Short Duration High Yield Fund launched on 10 December 2014.

\*\*\*Global Capital Structure Opportunities Fund launched on 11 December 2014.

\*\*\*\*Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.

**PRINCIPAL GLOBAL INVESTORS FUNDS  
STATEMENT OF COMPREHENSIVE INCOME**

**for the year ended 30 September 2016**

	Notes	GEF USD	AEF USD	EEF USD	EMEF USD	JEF USD	PSF USD	USEF USD	HYF USD	GPSF USD
<b>Income</b>										
Dividend Income	2	1,318,495	193,636	3,693,087	190,106	770,444	21,732,168	3,006,891	–	5,220,324
Deposit Interest		79	–	2	–	–	–	3,736	31,889	–
Other Income		5,057	3,113	4,429	3,839	4,016	10,976	4,455	6,060	4,576
Net Gain/(Loss) on investment activities		2,478,139	969,376	477,122	716,506	2,704,121	160,948,932	8,382,077	20,286,948	14,204,716
<b>Total investment income and Net gain/(loss)</b>		<b>3,801,770</b>	<b>1,166,125</b>	<b>4,174,640</b>	<b>910,451</b>	<b>3,478,581</b>	<b>182,692,076</b>	<b>11,397,159</b>	<b>20,324,897</b>	<b>19,429,616</b>
<b>Expenses</b>										
Management Fees	7	(586,222)	(106,714)	(1,175,582)	(89,416)	(296,571)	(15,565,284)	(1,364,901)	(1,145,726)	(1,187,427)
Trustee Fees	7	(10,986)	(1,571)	(21,516)	(1,553)	(6,082)	(272,937)	(24,910)	(24,668)	(27,080)
Depositary Fees <sup>1</sup>	7	(65,106)	(38,360)	(64,506)	(37,860)	(98,952)	(139,336)	(25,505)	(34,786)	(126,458)
Audit Fees		(12,322)	(12,322)	(12,322)	(12,322)	(12,322)	(19,173)	(12,322)	(18,685)	(13,081)
Administration Fees	7	(14,214)	(8,799)	(20,437)	(2,490)	(562)	(1,567,780)	(864)	(69,871)	(152)
Other Expenses		(71,675)	(78,620)	(50,006)	(104,511)	(67,367)	(251,834)	(83,057)	(101,026)	(104,672)
Rebate to the Fund due to capping	7	4,331	76,321	–	101,586	31,203	–	2,955	4,415	6,011
<b>Total operating expenses</b>		<b>(756,194)</b>	<b>(170,065)</b>	<b>(1,344,369)</b>	<b>(146,566)</b>	<b>(450,653)</b>	<b>(17,816,344)</b>	<b>(1,508,604)</b>	<b>(1,390,347)</b>	<b>(1,452,859)</b>
<b>Net Income and Net gain/(loss)</b>		<b>3,045,576</b>	<b>996,060</b>	<b>2,830,271</b>	<b>763,885</b>	<b>3,027,928</b>	<b>164,875,732</b>	<b>9,888,555</b>	<b>18,934,550</b>	<b>17,976,757</b>
<b>Finance Costs</b>										
Bank Interest		(24)	(6)	(1,035)	(18)	(7)	(1,201)	–	(3,575)	(288)
Distributions	6	(719)	–	(43,366)	–	–	(37,586,083)	–	(113,370)	(722,450)
<b>Gain/(Loss) for the period before taxation</b>		<b>3,044,833</b>	<b>996,054</b>	<b>2,785,870</b>	<b>763,867</b>	<b>3,027,921</b>	<b>127,288,448</b>	<b>9,888,555</b>	<b>18,817,605</b>	<b>17,254,019</b>
Withholding Tax on dividends	2, 3	(271,489)	(21,834)	(284,669)	(25,529)	(116,287)	30,332	(836,609)	–	(1,232,475)
Withholding Tax on coupon income	2, 3	–	–	–	–	–	(356,205)	–	(16,801)	–
<b>Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>2,773,344</b>	<b>974,220</b>	<b>2,501,201</b>	<b>738,338</b>	<b>2,911,634</b>	<b>126,962,575</b>	<b>9,051,946</b>	<b>18,800,804</b>	<b>16,021,544</b>

<sup>1</sup>Custodian (until 17 March 2016) and Depositary (from 18 March 2016).

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 30 September 2016 (continued)

	Notes	GEJF USD	GLTHY USD	GTDARF USD	EEIF* USD	GSCEF USD	OGEMF USD	OGEF USD	OGSCF USD	LSGOF USD
<b>Income</b>										
Dividend Income	2	1,695,243	121,667	–	129,054	456,913	1,604,871	246,484	918,174	179,230
Deposit Interest		219	590,931	–	–	1,373	4	–	1,017	–
Other Income		4,710	8,798	4,531	1,841	4,711	21,544	3,773	4,198	4,162
Net Gain/(Loss) on investment activities		3,271,571	63,767,937	577,688	627,406	2,080,694	9,854,994	300,786	4,182,152	(570,809)
<b>Total investment income and Net gain/(loss)</b>		<b>4,971,743</b>	<b>64,489,333</b>	<b>582,219</b>	<b>758,301</b>	<b>2,543,691</b>	<b>11,481,413</b>	<b>551,043</b>	<b>5,105,541</b>	<b>(387,417)</b>
<b>Expenses</b>										
Management Fees	7	(631,174)	(4,578,801)	(59,938)	(38,947)	(230,230)	(653,439)	(99,660)	(498,669)	(75,184)
Performance Fees	7	–	–	(7,236)	–	–	–	–	–	–
Trustee Fees	7	(12,902)	(102,101)	(15,416)	(18,037)	(14,184)	(22,967)	(10,558)	(13,401)	(9,306)
Custodian Fees	7	(55,183)	(35,912)	(17,539)	(14,936)	(57,861)	(66,980)	(21,076)	(49,963)	(37,068)
Audit Fees		(12,322)	(15,214)	(16,104)	(12,317)	(12,322)	(12,322)	(12,326)	(13,182)	(12,325)
Administration Fees	7	–	(15,181)	–	(2,483)	(5,417)	(4)	–	–	–
Other Expenses		(16,538)	(133,395)	(66,279)	(70,979)	(75,593)	(82,075)	(58,654)	(70,842)	(90,797)
Rebate to the Fund due to capping	7	–	–	83,687	105,614	52,182	4,310	44,741	6,348	87,692
<b>Total operating expenses</b>		<b>(728,119)</b>	<b>(4,880,604)</b>	<b>(98,825)</b>	<b>(52,085)</b>	<b>(343,425)</b>	<b>(833,477)</b>	<b>(157,533)</b>	<b>(639,709)</b>	<b>(136,988)</b>
<b>Net Income and Net gain/(loss)</b>		<b>4,243,624</b>	<b>59,608,729</b>	<b>483,394</b>	<b>706,216</b>	<b>2,200,266</b>	<b>10,647,936</b>	<b>393,510</b>	<b>4,465,832</b>	<b>(524,405)</b>
<b>Finance Costs</b>										
Bank Interest		(6)	(301)	(62)	(2)	(3)	(11)	(13)	(4)	(93)
Distributions	6	–	(411,437)	–	–	–	–	–	–	–
<b>Gain/(Loss) for the period before taxation</b>		<b>4,243,618</b>	<b>59,196,991</b>	<b>483,332</b>	<b>706,214</b>	<b>2,200,263</b>	<b>10,647,925</b>	<b>393,497</b>	<b>4,465,828</b>	<b>(524,498)</b>
Withholding Tax on dividends	2, 3	(348,828)	–	–	(28,820)	(89,256)	(196,389)	(44,829)	(133,695)	(35,981)
Withholding Tax on coupon income	2, 3	–	(116,256)	–	–	–	–	–	–	–
<b>Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>3,894,790</b>	<b>59,080,735</b>	<b>483,332</b>	<b>677,394</b>	<b>2,111,007</b>	<b>10,451,536</b>	<b>348,668</b>	<b>4,332,133</b>	<b>(560,479)</b>

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

<sup>1</sup>Custodian (until 17 March 2016) and Depositary (from 18 March 2016).

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 30 September 2016 (continued)

	Notes	CLAF USD	FEMDF USD	GCSF USD	SDHY** USD	CSOF USD	GCAF USD	REDF*** USD	Total USD
<b>Income</b>									
Dividend Income	2	328,459	—	—	—	—	—	—	41,805,246
Deposit Interest		4	2,860	—	—	—	2,595	—	634,709
Other Income		3,934	7,041	4,703	2,399	5,409	4,213	—	132,488
Net Gain/(Loss) on investment activities		3,111,666	16,545,131	1,651,203	349,956	563,253	545,692	581,745	318,609,002
<b>Total investment income and Net gain/(loss)</b>		<b>3,444,063</b>	<b>16,555,032</b>	<b>1,655,906</b>	<b>352,355</b>	<b>568,662</b>	<b>552,500</b>	<b>581,745</b>	<b>361,181,445</b>
<b>Expenses</b>									
Management Fees	7	(116,931)	(3,780,192)	(159,876)	(39,508)	(67,598)	(56,373)	(25,894)	(32,630,257)
Performance Fees	7	—	(109,207)	—	—	—	—	—	(116,443)
Trustee Fees	7	(9,188)	(57,722)	(4,688)	(3,715)	(2,133)	(1,635)	(989)	(690,245)
Custodian Fees	7	(58,692)	(137,982)	(16,286)	(8,951)	(16,635)	(16,486)	(1,000)	(1,243,419)
Audit Fees		(12,327)	(22,487)	(18,260)	(15,169)	(15,218)	(15,277)	(16,065)	(358,108)
Administration Fees	7	—	(3,103)	(2)	—	—	—	—	(1,711,359)
Listing Expense		—	—	—	—	—	—	(16,185)	(16,185)
Other Expenses		(68,203)	(152,177)	(105,009)	(105,661)	(107,092)	(68,552)	(55,574)	(2,240,188)
Rebate to the Fund due to capping	7	58,988	—	116,760	141,132	110,068	86,915	76,741	1,202,000
<b>Total operating expenses</b>		<b>(206,353)</b>	<b>(4,262,870)</b>	<b>(187,361)</b>	<b>(31,872)</b>	<b>(98,608)</b>	<b>(71,408)</b>	<b>(38,966)</b>	<b>(37,804,204)</b>
<b>Net Income and Net gain/(loss)</b>		<b>3,237,710</b>	<b>12,292,162</b>	<b>1,468,545</b>	<b>320,483</b>	<b>470,054</b>	<b>481,092</b>	<b>542,779</b>	<b>323,377,241</b>
<b>Finance Costs</b>									
Bank Interest		(61)	(85,939)	(2,609)	(208)	(14)	—	(41)	(95,521)
Distributions	6	—	(457,579)	—	—	—	—	(71,039)	(39,406,043)
<b>Gain/(Loss) for the period before taxation</b>		<b>3,237,649</b>	<b>11,748,644</b>	<b>1,465,936</b>	<b>320,275</b>	<b>470,040</b>	<b>481,092</b>	<b>471,699</b>	<b>283,875,677</b>
Withholding Tax on dividends	2, 3	(25,023)	—	—	—	—	—	—	(3,661,381)
Withholding Tax on coupon income	2, 3	—	(53,379)	(11,206)	493	(21,543)	(1,652)	—	(576,549)
<b>Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>3,212,626</b>	<b>11,695,265</b>	<b>1,454,730</b>	<b>320,768</b>	<b>448,497</b>	<b>479,440</b>	<b>471,699</b>	<b>279,637,747</b>

<sup>1</sup>Custodian (until 17 March 2016) and Depositary (from 18 March 2016).

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

Signed on behalf of Principal Global Investors (Ireland) Limited on 24 January 2017.

Director: 

Director: 

**PRINCIPAL GLOBAL INVESTORS FUNDS  
STATEMENT OF COMPREHENSIVE INCOME**

**for the year ended 30 September 2015**

	Notes	GEF USD	AEF USD	EEF USD	EMEF USD	JEF USD	PSF USD	USEF USD	HYF USD
<b>Income</b>									
Dividend Income	2	1,325,105	237,111	2,784,142	283,428	532,880	22,903,105	2,842,203	–
Deposit Interest		–	–	140	–	–	–	–	170,162
Other Income		7,143	7,194	7,175	7,268	7,174	16,151	14,917	8,295
Net Gain/(Loss) on investment activities		(3,345,433)	(1,193,066)	(5,754,072)	(1,781,545)	(1,213,897)	(8,679,150)	(4,563,153)	(10,422,234)
<b>Total investment income and Net gain/(loss)</b>		<b>(2,013,185)</b>	<b>(948,761)</b>	<b>(2,962,615)</b>	<b>(1,490,849)</b>	<b>(673,843)</b>	<b>14,240,106</b>	<b>(1,706,033)</b>	<b>(10,243,777)</b>
<b>Expenses</b>									
Management Fees	7	(610,291)	(117,460)	(1,048,331)	(127,429)	(293,528)	(12,703,644)	(1,481,607)	(996,117)
Trustee Fees	7	(10,845)	(1,739)	(18,901)	(2,143)	(5,840)	(163,185)	(24,797)	(21,126)
Custodian Fees	7	(77,852)	(43,894)	(99,012)	(54,118)	(47,802)	(123,812)	(44,979)	(30,917)
Audit Fees		(11,867)	(12,012)	(11,923)	(10,087)	(11,820)	(20,298)	(11,912)	(21,406)
Administration Fees	7	(20,405)	(9,148)	(27,800)	(3,632)	(442)	(1,220,901)	(536)	(70,209)
Other Expenses		(41,000)	(20,566)	(67,047)	(18,638)	(21,500)	(12,945)	(6,327)	(49,276)
Rebate to the Fund due to capping	7	–	12,178	6,057	5,203	101	–	287	–
Recharge to the Fund due to capping	7	(13,219)	–	–	–	–	–	–	(11,554)
<b>Total operating expenses</b>		<b>(785,479)</b>	<b>(192,641)</b>	<b>(1,266,957)</b>	<b>(210,844)</b>	<b>(380,831)</b>	<b>(14,244,785)</b>	<b>(1,569,871)</b>	<b>(1,200,605)</b>
<b>Net Income and Net gain/(loss)</b>		<b>(2,798,664)</b>	<b>(1,141,402)</b>	<b>(4,229,572)</b>	<b>(1,701,693)</b>	<b>(1,054,674)</b>	<b>(4,679)</b>	<b>(3,275,904)</b>	<b>(11,444,382)</b>
<b>Finance Costs</b>									
Bank Interest		(76)	(3)	(7)	(14)	(238)	(6,884)	(29)	(1,542)
Distributions	6	–	(12,310)	(23,271)	–	–	(33,036,842)	–	(128,439)
<b>Gain/(Loss) for the period before taxation</b>		<b>(2,798,740)</b>	<b>(1,153,715)</b>	<b>(4,252,850)</b>	<b>(1,701,707)</b>	<b>(1,054,912)</b>	<b>(33,043,726)</b>	<b>(3,275,933)</b>	<b>(11,574,363)</b>
Withholding Tax on dividends	2, 3	(260,967)	(28,979)	(129,740)	(23,621)	(79,932)	37	(798,910)	–
Withholding Tax on coupon income	2, 3	–	–	–	–	–	(11,186)	–	(37,682)
<b>Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>(3,059,707)</b>	<b>(1,182,694)</b>	<b>(4,382,590)</b>	<b>(1,725,328)</b>	<b>(1,134,844)</b>	<b>(33,054,689)</b>	<b>(4,074,843)</b>	<b>(11,612,045)</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 30 September 2015 (continued)

	Notes	GPSF USD	GEJF USD	GLTHY USD	GTDARF USD	EEIF USD	GSCEF USD	OGEMF USD	OGEF USD
<b>Income</b>									
Dividend Income	2	2,364,642	1,839,636	1,216,969	–	209,988	616,709	1,608,567	276,531
Deposit Interest		1,550	7	485,748	13	1	11	16	1
Other Income		8,347	5,307	13,301	7,385	7,175	7,453	7,267	7,189
Net Gain/(Loss) on investment activities		1,336,217	(4,247,390)	(39,787,261)	(10,172)	(494,158)	1,748,695	(7,344,665)	(15,113)
<b>Total investment income and Net gain/(loss)</b>		<b>3,710,756</b>	<b>(2,402,440)</b>	<b>(38,071,243)</b>	<b>(2,774)</b>	<b>(276,994)</b>	<b>2,372,868</b>	<b>(5,728,815)</b>	<b>268,608</b>
<b>Expenses</b>									
Management Fees	7	(538,800)	(740,964)	(4,258,892)	(40,772)	(59,994)	(283,388)	(607,775)	(116,279)
Trustee Fees	7	(15,636)	(14,818)	(70,845)	(15,196)	(19,077)	(13,320)	(27,186)	(18,105)
Custodian Fees	7	(134,915)	(52,857)	(27,039)	(16,997)	(26,276)	(81,447)	(62,278)	(25,651)
Audit Fees		(15,171)	(12,081)	(15,424)	(16,076)	(11,900)	(12,074)	(11,782)	(10,721)
Administration Fees	7	–	–	–	–	(3,926)	(5,541)	–	–
Other Expenses		(33,888)	(12,177)	19,206	(28,370)	(36,311)	14,331	(23,026)	(12,136)
Rebate to the Fund due to capping	7	–	–	–	30,304	36,922	177	–	165
Recharge to the Fund due to capping	7	(13,965)	–	–	–	–	–	(6,216)	–
<b>Total operating expenses</b>		<b>(752,375)</b>	<b>(832,897)</b>	<b>(4,352,994)</b>	<b>(87,107)</b>	<b>(120,562)</b>	<b>(381,262)</b>	<b>(738,263)</b>	<b>(182,727)</b>
<b>Net Income and Net gain/(loss)</b>		<b>2,958,381</b>	<b>(3,235,337)</b>	<b>(42,424,237)</b>	<b>(89,881)</b>	<b>(397,556)</b>	<b>1,991,606</b>	<b>(6,467,078)</b>	<b>85,881</b>
<b>Finance Costs</b>									
Bank Interest		(91)	–	(2,238)	(24)	(1)	(2)	(2)	(21)
Distributions	6	(134,406)	–	(282,774)	–	–	–	–	–
<b>Gain/(Loss) for the period before taxation</b>		<b>2,823,884</b>	<b>(3,235,337)</b>	<b>(42,709,249)</b>	<b>(89,905)</b>	<b>(397,557)</b>	<b>1,991,604</b>	<b>(6,467,080)</b>	<b>85,860</b>
Withholding Tax on dividends	2, 3	(532,611)	(398,246)	(75,944)	–	(59,785)	(111,032)	(198,567)	(52,185)
Withholding Tax on coupon income	2, 3	–	–	(5,354)	–	–	–	–	–
<b>Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>2,291,273</b>	<b>(3,633,583)</b>	<b>(42,790,547)</b>	<b>(89,905)</b>	<b>(457,342)</b>	<b>1,880,572</b>	<b>(6,665,647)</b>	<b>33,675</b>



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 30 September 2015 (continued)

	Notes	OGSCF USD	LSGOF USD	CLAF USD	FEMDF USD	GCSF* USD	SDHY** USD	CSOF*** USD	GCAF**** USD	Total USD
<b>Income</b>										
Dividend Income	2	604,306	181,506	438,830	–	–	–	1,844	–	40,267,502
Deposit Interest	1	–	–	10	20,016	1	–	4	1,622	679,303
Other Income		7,138	7,477	7,174	18,685	7,326	4,329	5,257	–	196,127
Net Gain/(Loss) on investment activities		(395,890)	(53,378)	(7,727,092)	(56,505,281)	422,047	186,446	322,454	(417,049)	(149,934,140)
<b>Total investment income and Net gain/(loss)</b>		<b>215,555</b>	<b>135,605</b>	<b>(7,281,078)</b>	<b>(56,466,580)</b>	<b>429,374</b>	<b>190,775</b>	<b>329,559</b>	<b>(415,427)</b>	<b>(108,791,208)</b>
<b>Expenses</b>										
Management Fees	7	(370,487)	(77,739)	(159,612)	(6,728,871)	(55,324)	(29,171)	(49,773)	(9,187)	(31,505,435)
Performance Fees	7	–	–	–	(421,164)	–	–	–	–	(421,164)
Trustee Fees	7	(17,930)	(19,112)	(18,424)	(73,272)	(2,228)	(1,374)	(1,644)	(442)	(577,185)
Custodian Fees	7	(30,592)	(38,995)	(68,287)	(84,673)	(12,985)	(8,236)	(10,125)	(4,734)	(1,208,473)
Audit Fees		(12,120)	(10,852)	(10,069)	(28,760)	(18,541)	(15,058)	(15,054)	(14,972)	(341,980)
Administration Fees	7	–	–	–	(1,164)	–	–	–	–	(1,363,704)
Other Expenses		(16,624)	(33,719)	(57,461)	(122,955)	(44,744)	(54,597)	(35,327)	(17,372)	(732,469)
Rebate to the Fund due to capping	7	94	25,301	36,435	74,045	39,261	36,283	32,658	29,029	364,500
Recharge to the Fund due to capping	7	–	–	–	–	–	–	–	–	(44,954)
<b>Total operating expenses</b>		<b>(447,659)</b>	<b>(155,116)</b>	<b>(277,418)</b>	<b>(7,386,814)</b>	<b>(94,561)</b>	<b>(72,153)</b>	<b>(79,265)</b>	<b>(17,678)</b>	<b>(35,830,864)</b>
<b>Net Income and Net gain/(loss)</b>		<b>(232,104)</b>	<b>(19,511)</b>	<b>(7,558,496)</b>	<b>(63,853,394)</b>	<b>334,813</b>	<b>118,622</b>	<b>250,294</b>	<b>(433,105)</b>	<b>(144,622,072)</b>
<b>Finance Costs</b>										
Bank Interest		(71)	(45)	(57)	(368,245)	(610)	(1)	–	(90)	(380,291)
Distributions	6	–	–	–	–	–	–	–	–	(33,618,042)
<b>Gain/(Loss) for the period before taxation</b>		<b>(232,175)</b>	<b>(19,556)</b>	<b>(7,558,553)</b>	<b>(64,221,639)</b>	<b>334,203</b>	<b>118,621</b>	<b>250,294</b>	<b>(433,195)</b>	<b>(178,620,405)</b>
Withholding Tax on dividends	2, 3	(104,324)	(39,159)	(27,184)	–	–	–	–	–	(2,921,149)
Withholding Tax on coupon income	2, 3	–	–	–	(76,736)	(14,059)	(512)	(15,765)	(2,544)	(163,838)
<b>Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders at Mid Market Prices</b>		<b>(336,499)</b>	<b>(58,715)</b>	<b>(7,585,737)</b>	<b>(64,298,375)</b>	<b>320,144</b>	<b>118,109</b>	<b>234,529</b>	<b>(435,739)</b>	<b>(181,705,392)</b>

\*Spectrum Global Capital Securities Fund launched on 30 October 2014.

\*\*Global Short Duration High Yield Fund launched on 10 December 2014.

\*\*\*Global Capital Structure Opportunities Fund launched on 11 December 2014.

\*\*\*\*Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MOVEMENT IN NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS**  
**for the year ended 30 September 2016**

	GEF USD	AEF USD	EEF USD	EMEF USD	JEF USD	PSF USD	USEF USD	HYF USD	GPSF USD
<b>Net Assets Attributable to Redeemable Participating Unitholders at the start of the year</b>	<b>54,469,110</b>	<b>7,689,861</b>	<b>104,283,643</b>	<b>8,464,840</b>	<b>22,737,842</b>	<b>1,760,276,776</b>	<b>135,447,043</b>	<b>127,317,424</b>	<b>99,999,375</b>
Movement due to sales and repurchases of units									
Add: Amounts received on creation of units	4,885,582	18,736	20,164,283	418,814	37,144,382	1,147,068,025	7,999,213	35,444,737	85,479,534
Less: Amounts paid on cancellation of units	(13,846,384)	(746,879)	(26,425,098)	(2,281,597)	(32,402,019)	(623,723,422)	(35,315,351)	(42,770,609)	(35,742,442)
Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders resulting from operations	2,773,344	974,220	2,501,201	738,338	2,911,634	126,962,575	9,051,946	18,800,804	16,021,544
<b>Net Assets Attributable to Redeemable Participating Unitholders at the end of the year</b>	<b>48,281,652</b>	<b>7,935,938</b>	<b>100,524,029</b>	<b>7,340,395</b>	<b>30,391,839</b>	<b>2,410,583,954</b>	<b>117,182,851</b>	<b>138,792,356</b>	<b>165,758,011</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MOVEMENT IN NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS**  
**for the year ended 30 September 2016 (continued)**

	GEJF USD	GLTHY USD	GTDARF USD	EEIF* USD	GSCEF USD	OGEMF USD	OGEF USD	OGSCF USD	LSGOF USD
<b>Net Assets Attributable to Redeemable Participating Unitholders at the start of the year</b>	<b>60,247,344</b>	<b>555,382,502</b>	<b>4,058,191</b>	<b>4,641,990</b>	<b>21,096,242</b>	<b>53,274,246</b>	<b>15,453,227</b>	<b>35,371,264</b>	<b>7,708,631</b>
Movement due to sales and repurchases of units									
Add: Amounts received on creation of units	5,236,329	467,485,348	385,426	556	1,201,705	32,301,122	250,627	22,914,208	–
Less: Amounts paid on cancellation of units	(5,174,944)	(227,922,685)	(285,433)	(5,319,940)	(6,681,759)	(187,786)	(10,907)	(4,933,027)	–
Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders resulting from operations	3,894,790	59,080,735	483,332	677,394	2,111,007	10,451,536	348,668	4,332,133	(560,479)
<b>Net Assets Attributable to Redeemable Participating Unitholders at the end of the year</b>	<b>64,203,519</b>	<b>854,025,900</b>	<b>4,641,516</b>	<b>–</b>	<b>17,727,195</b>	<b>95,839,118</b>	<b>16,041,615</b>	<b>57,684,578</b>	<b>7,148,152</b>

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

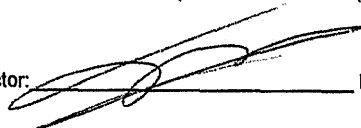

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MOVEMENT IN NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS**  
**for the year ended 30 September 2016 (continued)**

	CLAF USD	FEMDF USD	GCSF USD	SDHY** USD	CSOF USD	GCAF USD	REDF*** USD	Total USD
<b>Net Assets Attributable to Redeemable Participating Unitholders at the start of the year</b>	11,495,853	463,144,668	21,246,644	8,620,593	10,234,529	7,916,376	–	3,600,578,214
Movement due to sales and repurchases of units								
Add: Amounts received on creation of units	–	60,911,278	5,087,699	400,601	309,051	–	9,071,039	1,944,178,295
Less: Amounts paid on cancellation of units	(2,349,965)	(221,286,176)	(3,159,654)	(9,341,962)	(296,819)	–	–	(1,300,204,858)
Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders resulting from operations	3,212,626	11,695,265	1,454,730	320,768	448,497	479,440	471,699	279,637,747
<b>Net Assets Attributable to Redeemable Participating Unitholders at the end of the year</b>	<b>12,358,514</b>	<b>314,465,035</b>	<b>24,629,419</b>	<b>–</b>	<b>10,695,258</b>	<b>8,395,816</b>	<b>9,542,738</b>	<b>4,524,189,398</b>

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

Signed on behalf of Principal Global Investors (Ireland) Limited on 24 January 2017.

Director:  Director: 

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MOVEMENT IN NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS**  
**for the year ended 30 September 2015**

	GEF USD	AEF USD	EEF USD	EMEF USD	JEF USD	PSF USD	USEF USD	HYF USD
<b>Net Assets Attributable to Redeemable Participating Unitholders at the start of the year</b>	<b>56,148,523</b>	<b>8,883,958</b>	<b>118,279,145</b>	<b>13,086,417</b>	<b>63,282,578</b>	<b>1,260,808,686</b>	<b>170,471,828</b>	<b>110,054,732</b>
Movement due to sales and repurchases of units								
Add: Amounts received on creation of units	27,036,065	1,896,445	44,797,520	1,031,859	16,185,074	965,137,601	30,477,508	84,133,697
Less: Amounts paid on cancellation of units	(25,655,771)	(1,907,848)	(54,410,432)	(3,928,108)	(55,594,966)	(432,609,957)	(61,427,450)	(55,258,960)
Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders resulting from operations	(3,059,707)	(1,182,694)	(4,382,590)	(1,725,328)	(1,134,844)	(33,059,554)	(4,074,843)	(11,612,045)
<b>Net Assets Attributable to Redeemable Participating Unitholders at the end of the year</b>	<b>54,469,110</b>	<b>7,689,861</b>	<b>104,283,643</b>	<b>8,464,840</b>	<b>22,737,842</b>	<b>1,760,276,776</b>	<b>135,447,043</b>	<b>127,317,424</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MOVEMENT IN NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS**  
**for the year ended 30 September 2015 (continued)**

	GPSF USD	GEJF USD	GLTHY USD	GTDARF USD	EEIF USD	GSCEF USD	OGEMF USD	OGEF USD
<b>Net Assets Attributable to Redeemable Participating Unitholders at the start of the year</b>	<b>67,821,567</b>	<b>77,735,822</b>	<b>657,614,003</b>	<b>4,850,950</b>	<b>5,099,332</b>	<b>33,819,803</b>	<b>59,451,774</b>	<b>21,853,954</b>
Movement due to sales and repurchases of units								
Add: Amounts received on creation of units	60,785,341	345,105	140,597,647	4,200,000	–	3,928,516	938,078	575,994
Less: Amounts paid on cancellation of units	(30,898,806)	(14,200,000)	(200,038,601)	(4,902,854)	–	(18,532,649)	(449,959)	(7,010,396)
Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders resulting from operations	2,291,273	(3,633,583)	(42,790,547)	(89,905)	(457,342)	1,880,572	(6,665,647)	33,675
<b>Net Assets Attributable to Redeemable Participating Unitholders at the end of the year</b>	<b>99,999,375</b>	<b>60,247,344</b>	<b>555,382,502</b>	<b>4,058,191</b>	<b>4,641,990</b>	<b>21,096,242</b>	<b>53,274,246</b>	<b>15,453,227</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MOVEMENT IN NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS**  
**for the year ended 30 September 2015 (continued)**

	OGSCF USD	LSGOF USD	CLAF USD	FEMDF USD	GCSF* USD	SDHY** USD	CSOF*** USD	GCAF**** USD	Total USD
<b>Net Assets Attributable to Redeemable Participating Unitholders at the start of the year</b>	<b>35,121,170</b>	<b>7,767,346</b>	<b>15,571,289</b>	<b>442,446,674</b>	–	–	–	–	<b>3,230,169,551</b>
Movement due to sales and repurchases of units									
Add: Amounts received on creation of units	1,129,086	–	5,479,200	325,250,710	20,926,500	8,520,336	10,000,000	8,352,115	1,761,724,397
Less: Amounts paid on cancellation of units	(542,493)	–	(1,968,899)	(240,254,341)	–	(17,852)	–	–	(1,209,610,342)
Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Unitholders resulting from operations	(336,499)	(58,715)	(7,585,737)	(64,298,375)	320,144	118,109	234,529	(435,739)	(181,705,392)
<b>Net Assets Attributable to Redeemable Participating Unitholders at the end of the year</b>	<b>35,371,264</b>	<b>7,708,631</b>	<b>11,495,853</b>	<b>463,144,668</b>	<b>21,246,644</b>	<b>8,620,593</b>	<b>10,234,529</b>	<b>7,916,376</b>	<b>3,600,578,214</b>

\*Spectrum Global Capital Securities Fund launched on 30 October 2014.

\*\*Global Short Duration High Yield Fund launched on 10 December 2014.

\*\*\*Global Capital Structure Opportunities Fund launched on 11 December 2014.

\*\*\*\*Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016**

**1. FORMATION**

The Principal Global Investors Funds (“the Trust”) was constituted under the laws of Ireland by a Trust Deed dated 13 October 1992 as an open-ended umbrella Unit Trust established as an Undertaking for Collective Investment in Transferable Securities (“UCITS”). It is an umbrella Unit Trust in that different classes of units may be issued from time to time by the Manager. Units of certain classes of the Trust are listed on the Irish Stock Exchange. The Trust has been authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended), the Central Bank (Supervision and Enforcement Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015, and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1)) (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 (the “UCITS Regulations”).

The Financial Statements have been prepared for the year ended 30 September 2016.

The investment portfolios (“Funds”) of the Trust are listed on pages 4 to 6. The Portfolios of Investments are listed on pages 30 to 99 of which there is a change in presentation basis from country of incorporation to country of risk.

**2. PRINCIPAL ACCOUNTING POLICIES**

**Accounting Convention and Basis of Accounting**

The financial statements are prepared in accordance with accounting standards generally accepted in Ireland (“Irish GAAP”) including Financial Reporting Standard (“FRS”) 102, the financial reporting standard applicable in the United Kingdom and Republic of Ireland and the provisions of the UCITS Regulations and the Hong Kong Securities and Futures Commission’s Code on Unit Trusts and Mutual Funds. Irish GAAP used in preparing financial statements which present a true and fair view are those standards published by the Institute of Chartered Accountants in Ireland (the “Institute”) and issued by the Financial Reporting Council (“FRC”). The Trust has also applied the “Amendments to FRS 102 – Fair value hierarchy disclosures” which were issued in March 2016 and are applicable for accounting periods beginning on or after 1 January 2017 with early application permitted. The Trust has taken the option to early adopt the amendments.

The Trust has availed of the exemption available to open ended investment funds that hold a substantial proportion of highly liquid and fair valued investments under Section 7 “Statement of Cash Flows” of FRS 102 and is not presenting cash flow statements.

The report has been prepared on a going concern basis for all Funds in the Trust under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss except for the EDGE Small/Mid-Cap Equity Income Fund and Global Short Duration High Yield Fund which have terminated during the period – these have been prepared on a non-going concern basis. The report has been prepared in USD for all Funds on the platform. The functional and presentation currency of the Trust is the USD.

The format and certain wordings of the financial statements have been adapted from those contained in Irish statute so that, in the opinion of the Directors, they more appropriately reflect the nature of the Trusts business as an investment fund.

Under FRS 102, in accounting for its financial instruments a reporting entity is required to apply either (a) the full provisions of Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments Issues” of FRS 102, (b) the recognition and measurement provisions of International Accounting Standards (“IAS”) 39 “Financial Instruments: Recognition and Measurement” (“IAS 39”) and only the disclosure requirements of Sections 11 and 12 of FRS 102; or c) the recognition and measurement provisions of International Financial Reporting Standards (“IFRS”) 9 “Financial Instruments” (“IFRS 9”) and the disclosure requirements of Sections 11 and 12. The Trust has elected to apply the recognition and measurement provisions of IAS 39 and the disclosure requirements of Sections 11 and 12. The Trust has also early adopted the “Amendments to FRS 102 – Fair value hierarchy disclosures”.

The information required by FRS 102, to be included in a Statement of Total Recognised Gains and Losses and a Reconciliation of Movements in Shareholders’ Funds are, in the opinion of the Directors, contained in the Statements of Comprehensive Income and the Statements of Movement in Net Assets Attributable to Redeemable Participating Unitholders on pages 118 to 120. In arriving at the results for the period, all amounts in the Statements of Comprehensive Income on pages 112 to 114 relate to continuing activities except for the EDGE Small/Mid-Cap Equity Income Fund and Global Short Duration High Yield Fund which have terminated. In the opinion of the Directors, the financial statements give, in all other respects, the information required by the UCITS Regulations and the Hong Kong Securities and Futures Commission’s Code on Unit Trusts and Mutual Funds.

All gains or losses for the period are reflected in the Statements of Comprehensive Income on pages 112 to 114.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

**Financial Instruments at Fair Value through Profit or Loss**

This category has two sub-categories: financial assets and liabilities held for trading, and those designated by the Investment Adviser at fair value through profit or loss at inception. All instruments on the Portfolio of Investments are classified as held at fair value through profit or loss. Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income. Financial assets are derecognised when the rights to receive the cashflow from the investments have expired or the Funds have transferred substantially all of the risks or rewards of ownership.

**Accounting for Investments**

Investments are recognised at the trade date at mid or last traded prices. Realised gains or losses on investment disposals are calculated using the average cost method. Realised gains or losses on investment transactions in debt instruments are calculated using the amortised cost method based on the effective interest rate.

**Valuation of Investments**

The year end valuation date was 30 September 2016, the last business day of the year. Securities listed on a recognised stock exchange or traded on any other organised market, are valued at the current mid price at each valuation point on the stock exchange or market which constitutes the principal market for such securities. If trades are received after the dealing cut-off time they will be accounted for in the next valuation. If for specific assets the current mid prices do not, in the opinion of the Manager, reflect their fair value or are not available, the price of the most recent transaction provides evidence of the current fair value as long as there has not been a significant change in economic circumstances since the time of the transaction or the Manager may also apply a fair value adjustment where they deem appropriate in order to reflect fair value.

In the case of any security not listed, quoted or dealt on a regulated market or for which no quotation or value is available which would provide a fair valuation, or in respect of which the price is unrepresentative, the fair value of such security is determined on the basis of the probable realisation value and is determined by the Investment Adviser, Sub-Investment Adviser, a stockbroker or other competent person appointed by the Investment Adviser and approved for the purpose by the Trustee, using valuation techniques.

**Futures**

A futures contract obligates one party to sell and the other party to purchase a specific instrument for an agreed price at an agreed future date. Futures may be used subject to the conditions and limits laid down by the Central Bank and the Trust Deed and subject to any other restrictions or regulations which may affect the portfolio management of the Funds or the Investment Adviser/Sub-Investment Adviser. Certain Funds may buy or sell futures to provide an efficient, liquid and effective method for the management of risks by "locking in" gains and/or protecting against future declines in value. The fair value of open future contracts is calculated as the difference between the contracted rate and the current rate that would close out the contract on the Statement of Financial Position date. Gains or losses on futures are included in the Unrealised Gain/(Loss) on Open Future Contracts on the Statement of Financial Position and are shown in the Portfolio of Investments. When the contract is terminated, the Fund will recognise a realised gain or loss in the Statement of Comprehensive Income equal to the difference between the value of the contract at the time it was entered into and the time it was closed.

**Forward Foreign Currency Exchange Contracts**

In a Forward Foreign Currency Exchange Contract, the Fund agrees to receive or deliver a fixed quantity of one currency for another, at a pre-determined price at a future date. The fair value of Forward Foreign Currency Exchange Contracts is calculated as the difference between the contracted rate and the current forward rate that would close out the contract on the Statement of Financial Position date. Gains or losses on Forward Foreign Currency Exchange Contracts are included in the Unrealised Gain/(Loss) on Forward Foreign Currency Exchange Contracts on the Statement of Financial Position and are shown in the Portfolio of Investments. Any realised gains or losses are recognised in the Statement of Comprehensive Income at trade date. The Funds may enter into these contracts to hedge against changes in currency exchange rates. The Forward Foreign Currency Exchange Contracts are used to hedge the currency exposure on individual positions taken by the Funds and to hedge non base currency investors.

**Spot Currency Contracts**

In a Spot Currency Contract the Fund agrees to receive or deliver a fixed quantity of one currency for another, at a pre-determined price at a future date (the spot date) this date is typically within three business days of inception of the contract. The fair value of Open Spot Currency Contracts is calculated as the difference between the contracted rate and the current forward rate that would close out the contract on the Statement of Financial Position date. Gains or losses on Spot Currency Contracts are included in the Unrealised Gain/(Loss) on Open Spot Currency Contracts on the Statement of Financial Position and are shown in the Portfolio of Investments. Any realised gains or losses are recognised in the Statement of Comprehensive Income at trade date. The Funds may enter into these contracts to hedge against changes in currency exchange rates.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

**Forward Rate Agreements**

A Forward Rate Agreement ("FRA") is a forward contract on a short-term interest rate, usually Libor, in which cash flow obligations at maturity are calculated on a notional amount and based on the difference between a predetermined forward rate and the market rate prevailing on that date. The settlement rate of an FRA is the date on which cash flow obligations are determined. Gains or losses on FRA's are included in the Unrealised Gain/(Loss) on Forward Rate Agreements on the Statement of Financial Position and are shown in the Portfolio of Investments. Any realised gains or losses are recognised in the Statement of Comprehensive Income at trade date. The Funds may enter into these contracts to hedge against changes in currency exchange rates.

**Credit Default Swaps**

A Credit Default Swap is a credit derivative transaction in which two parties enter into an agreement, whereby one party pays the other a fixed periodic coupon for the specified life of the agreement. The other party makes no payments unless a credit event, relating to a predetermined reference asset occurs. If such an event occurs, the party will then make a payment to the first party and the swap will terminate. When the swap terminates any gains or losses arising are reflected in the Statement of Comprehensive Income as part of the Net Gain/(Loss) on investment activities. A Credit Default Swap provides the Fund with an alternative to investing in assets themselves for a potentially higher return with the same risk or they may be used to obtain exposure to assets which the Fund could not otherwise acquire due to illiquidity in the relevant market. The Fund recognises the swap when it becomes party to the contract. The Credit Default Swaps are marked to market daily based upon quotations from market makers and recorded in the Statement of Financial Position as Unrealised Gain on Swap Contracts. At 30 September 2016, there was Cash Collateral pledged by the Funds. This collateral is pledged with the counterparty to the contract.

**Interest Rate Swaps**

An Interest Rate Swap is a bilateral agreement in which each of the parties agrees to exchange a series of interest payments for another series of payments (usually fixed/floating) based on a notional amount that serves as a computation basis and that is usually not exchanged. The Interest Rate Swaps are marked to market daily based upon quotations from market makers and recorded in the Statement of Financial Position as Unrealised Gain on Swap Contracts. When the swap terminates any gains or losses arising are reflected in the Statement of Comprehensive Income as part of the Net Gain/(Loss) on investment activities. At 30 September 2016, there was Cash Collateral pledged by the Funds. This collateral is pledged with the counterparty to the contract.

**Cross Currency Swaps**

A Cross Currency Swap is an interest rate swap in which the cash flows are in different currencies. Upon initiation of a Cross Currency Swap, the counterparties make an initial exchange of notional principles in the two currencies. During the life of the swap, each party pays interest (in the currency of the principle received) to the other at fixed dates and at the maturity of the swap, the parties make the final exchange of the initial principle amounts, reversing the initial exchange at the same spot rate. The Cross Currency Swaps are marked to market daily based upon quotations from market makers and recorded in the Statement of Financial Position as Unrealised Gain on Swap Contracts. When the swap terminates any gains or losses arising are reflected in the Statement of Comprehensive Income as part of the Net Gain/(Loss) on investment activities. At 30 September 2016, there was Cash Collateral pledged by the Funds. This collateral is pledged with the counterparty to the contract.

**Total Return Swaps**

A Total Return Swap is a financial contract whereby one party agrees to pay another party the total return of a defined asset in return for receiving a floating rate return. The Trust enters into unfunded swap agreements on behalf of the Fund. Total Return Swaps are marked to market using valuation sources/methods and the fair value is recorded in the Statement of Financial Position as Unrealised Gain on Swap Contracts. The change in unrealised gains and losses is shown in Net gain/(loss) on investment activities in the Statement of Comprehensive Income.

Total Return Swap positions are valued using models which utilise observable data to the extent practicable and contain assumptions on the application of this data. Changes in data inputs and assumptions about these factors could affect the reported fair value of the Total Return Swaps.

**Option Contracts**

Options are Financial Derivative Instruments ("FDIs") that give the buyer, in exchange for a premium payment, the right, but not the obligation, to either purchase (call option) or to sell to (put option) the writer a specified underlying instrument at a specified price on or before a specified date. The Funds enter into exchange-traded contracts to meet the requirements of its risk management and trading activities. All open option positions are detailed in the Unrealised Gain/(Loss) on Option Contracts in the Statement of Financial Position.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

**Option Contracts (continued)**

When options are closed, the difference between the premium and the amount paid or received, net of brokerage commissions, or the full amount of the premium if the option expires worthless, is treated as a realised gain or loss and is included in Net Gain/Loss on investment activities in the Statement of Comprehensive Income. The Funds may enter into these contracts to hedge against changes in currency exchange rates.

**Foreign Currency Transactions**

In accordance with Section 30 "Foreign Currency Translation" of FRS 102, items included in the individual Fund's financial statements are measured using the currency of the primary economic environment in which it operates (functional currency). The Fund's selection of the functional currency is attributable to the functional currency being: a) the major component of the Fund's benchmark and b) the common proxy for most clients in the Fund's varied client base. The functional currency assessment was completed at a Fund level. The Funds' presentation currencies equated to their respective functional currencies when assessed under FRS 102. The functional currency of each Fund of the Trust is USD.

**For each Fund:**

- (i) Currency gains or losses can arise where there is a difference between the amounts of foreign dividends and interest is recorded on the Fund's books and the Fund's functional currency equivalent of the amounts actually received or paid. These gains or losses are included where appropriate in the dividend and interest income figure in the individual Fund's Statement of Comprehensive Income on pages 112 to 114;
- (ii) Currency gains or losses realised on securities purchases and sales transactions are included in Net Gain/(Loss) on investment activities in the individual Fund's Statement of Comprehensive Income on pages 112 to 114;
- (iii) Unrealised currency gains or losses on securities held at year end are included in Net Gain/(Loss) on investment activities in the individual Fund's Statement of Comprehensive Income on pages 112 to 114; and
- (iv) Monetary assets and liabilities denominated in currencies other than the Fund's functional currency are translated at the rate of exchange ruling at the close of business on the Statement of Financial Position date and exchange differences are included in Net Gain/(Loss) on investment activities in the individual Fund's Statement of Comprehensive Income on pages 112 to 114.

**Income from Investments**

Dividends are credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex-dividend". Interest income is accounted for daily on an effective yield basis. Income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Statement of Comprehensive Income, and net of any tax credits. Realised gains or losses on investment transactions in debt instruments are calculated using the amortised cost method based on the effective interest rate.

**Net Gain/(Loss) on Investment Activities**

In respect of each instrument type classified as Financial Instruments at Fair Value through Profit or Loss, the movement in unrealised gains/(losses) since the prior period end and realised gains/(losses) are included in Net Gain/(Loss) on investment activities in the Statement of Comprehensive Income. Interest earned on fixed income securities such as bonds are included here also.

**Expenses**

Operating expenses inclusive of Performance Fees, are recognised on an accruals basis in the Statement of Comprehensive Income.

**Formation Costs**

As at 30 September 2016 on the EDGE Small/Mid-Cap Equity Income Fund and Global Short Duration High Yield Fund, formation costs of USD Nil (30 September 2015: USD 39,256) and USD Nil (30 September 2015: USD 18,738) were expensed as incurred in line with Irish GAAP requirements. However, formation costs per the dealing valuation are being written off over a five year period.

**Anti Dilution Levy**

The Manager may exercise its discretion to apply an anti dilution levy in relation to subscriptions and redemptions of units. The levy is an allowance for fiscal and other charges that may be deducted from the Net Asset Value per Unit of the relevant class to reflect the costs of acquiring or disposing of underlying assets to fund subscriptions or redemptions from the Fund, respectively. The levy is intended to be used to ensure that all investors in the Trust are treated equitably by allocating transaction costs to the investors whose transactions give rise to those costs.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

**Cash at Bank**

Cash is valued at amortised cost, which approximates fair value. Cash is held with the Bank of New York Mellon Trust Company (Ireland) Limited.

**Cash Collateral & Pledged Collateral**

Cash Collateral provided by the Fund is identified in the Statement of Financial Position as Cash Collateral and is not included as a component of Cash at Bank. For collateral other than cash, if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral, the Fund classifies that asset in its Statement of Financial Position separately from Other Assets and identifies the asset as pledged collateral. Where the party to whom the collateral is provided does not have the right to sell or re-pledge; a disclosure of the collateral provided is made in the notes to the financial statements.

**Margin Cash Receivable/Payable**

Cash Collateral Receivable/Payable to the Trust in relation to the open Futures Contracts and open Swap Contracts is identified in the Statement of Financial Position as Margin Cash Receivable/Payable and is not included as a component of Cash at Bank. Margin Cash Receivable/Payable at 30 September 2016 is held with the brokers Citigroup, JP Morgan Chase & Co and Morgan Stanley.

**Distributions**

The Preferred Securities Fund will declare and pay quarterly distributions to Unitholders holding the A, I, D, F, N and P Income Unit Classes.

The High Yield Fund will declare and pay quarterly distributions to Unitholders holding the A Income Unit Class.

The Post Global Limited Term High Yield Fund will declare and pay quarterly distributions to Unitholders holding the I Income Unit Class and A Income Unit Class.

The A Income Unit Classes from the Global Equity Fund, Asian Equity Fund, European Equity Fund and Finisterre Emerging Market Debt Fund will declare and pay annual distributions to Unitholders.

The I and I2 Income Unit Classes from the Global Property Securities Fund and the I2 Income Unit Class from the Finisterre Emerging Market Debt Fund will also declare and pay annual distributions to Unitholders.

The Real Estate Debt Fund will declare and pay quarterly distribution to Unitholders holding the I Income Unit Class.

The D2 Income Unit Classes from the Preferred Securities Fund, High Yield Fund, Global Property Securities Fund and Real Estate Debt Fund will declare and pay monthly distributions to Unitholders.

Distributions are recorded by each Fund on ex-dividend date in the Statement of Comprehensive Income once approved by the board.

**Offsetting**

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis, or minimise the assets and settle the liability simultaneously.

**Participating Units**

All participating units issued by the Funds provide the investors the right to acquire redemptions for cash at the value proportionate to the investor's share in the Fund's net assets at the redemption date. Such instruments give rise to a financial liability for the present value of the redemption amount. In accordance with the issued prospectus the Funds are contractually obliged to redeem units at the traded Net Asset Value per unit which is calculated at each valuation point.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**3. TAXATION**

Under current law and practice the Trust qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a “chargeable event”. A chargeable event includes any distribution payments to Unitholders, any encashment, redemption, cancellation or transfer of units and the holding of units at the end of each eight year period beginning with the acquisition of such units.

No Irish tax will arise on the Trust in respect of chargeable events in respect of:

- (i) a Unitholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Trust or the Trust has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations; and
- (ii) certain exempted Irish tax resident Unitholders who have provided the Trust with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the Trust may be subject to taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Trust or its Unitholders.

**Redeeming Units**

When a redemption request has been submitted by a Unitholder who is or is deemed to be an Irish resident, or is acting on behalf of an Irish resident, the Manager shall deduct from the redemption proceeds an amount which is equal to the tax payable by the Unit Trust to the Revenue Commissioners in Ireland in respect of the relevant transaction.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**4. CASH AND BANK BALANCES**

At 30 September 2016	GEF USD	AEF USD	EEF USD	EMEF USD	JEF USD	PSF USD	USEF USD	HYF USD	GPSF USD	GEJF USD	GLTHY USD	GTDARF USD
Cash at Bank	1,588,637	162,816	21,765	216,523	256,631	135,154,790	1,118,720	6,139,310	2,724,238	876,615	9,067,269	684,268
	<b>1,588,637</b>	<b>162,816</b>	<b>21,765</b>	<b>216,523</b>	<b>256,631</b>	<b>135,154,790</b>	<b>1,118,720</b>	<b>6,139,310</b>	<b>2,724,238</b>	<b>876,615</b>	<b>9,067,269</b>	<b>684,268</b>

At 30 September 2016	EEIF* USD	GSCEF USD	OGEMF USD	OGEF USD	OGSCF USD	LSGOF USD	CLAF USD	FEMDF USD	GCSF USD	SDHY** USD	CSOF USD	GCAF USD
Cash at Bank	70,395	166,683	895,602	426,511	1,976,657	472,367	357,029	13,804,394	604,526	63,262	242,270	915,245
Cash Collateral	–	–	–	–	–	–	–	45,980,000	–	–	–	–
Margin Cash Receivable	–	–	–	–	–	21,142	–	10,648,939	38,303	–	16,723	80,490
Bank Overdraft	–	–	–	–	–	–	–	(522,908)	–	–	–	–
Securities Pledged as Collateral	–	–	–	–	–	350,147	–	–	–	–	–	–
	<b>70,395</b>	<b>166,683</b>	<b>895,602</b>	<b>426,511</b>	<b>1,976,657</b>	<b>843,656</b>	<b>357,029</b>	<b>69,910,425</b>	<b>642,829</b>	<b>63,262</b>	<b>258,993</b>	<b>995,735</b>

At 30 September 2016	REDF*** USD	Total USD
Cash at Bank	17,838	178,024,361
Cash Collateral	–	45,980,000
Margin Cash Receivable	–	10,805,597
Bank Overdraft	–	(522,908)
Securities Pledged as Collateral	–	350,147
	<b>17,838</b>	<b>234,637,197</b>

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

All Cash at Bank balances are held with BNY Mellon Trust Company (Ireland) Limited.

Cash Collateral is held with the following counterparties: Barclays, BNP Paribas, Citigroup, Deutsche Bank, Goldman Sachs, HSBC, JP Morgan Chase & Co, Merrill Lynch, Morgan Stanley and Nomura.

Margin Cash Receivable/Payable is held with Citigroup, JP Morgan Chase & Co and Morgan Stanley.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**4. CASH AND BANK BALANCES (continued)**

At 30 September 2015	GEF USD	AEF USD	EEF USD	EMEF USD	JEF USD	PSF USD	USEF USD	HYF USD	GPSF USD	GEJF USD	GLTHY USD	GTDARF USD
Cash at Bank	2,335,500	158,857	3,537,385	95,131	1,742,311	63,049,131	1,616,474	5,022,621	1,039,930	880,104	22,923,202	174,803
	<b>2,335,500</b>	<b>158,857</b>	<b>3,537,385</b>	<b>95,131</b>	<b>1,742,311</b>	<b>63,049,131</b>	<b>1,616,474</b>	<b>5,022,621</b>	<b>1,039,930</b>	<b>880,104</b>	<b>22,923,202</b>	<b>174,803</b>

At 30 September 2015	EEIF USD	GSCEF USD	OGEMF USD	OGEF USD	OGSCF USD	LSGOF USD	CLAF USD	FEMDF USD	GCSF* USD	SDHY** USD	CSOF*** USD	GCAF**** USD
Cash at Bank	89,770	254,347	1,224,404	189,133	935,156	407,509	435,132	76,840,314	598,243	605,660	393,174	405,936
Cash Collateral	–	–	–	–	–	–	–	43,449,192	–	–	–	–
Margin Cash Receivable	–	–	–	–	–	–	–	1,010,892	–	–	91,822	–
Margin Cash Payable	–	–	–	–	–	(239,270)	–	–	–	–	–	(13)
	<b>89,770</b>	<b>254,347</b>	<b>1,224,404</b>	<b>189,133</b>	<b>935,156</b>	<b>168,239</b>	<b>435,132</b>	<b>121,300,398</b>	<b>598,243</b>	<b>605,660</b>	<b>484,996</b>	<b>405,923</b>

At 30 September 2015	Total USD
Cash at Bank	184,954,227
Cash Collateral	43,449,192
Margin Cash Receivable	1,102,714
Margin Cash Payable	(239,283)
	<b>229,266,850</b>

\*Spectrum Global Capital Securities Fund launched on 30 October 2014.

\*\*Global Short Duration High Yield Fund launched on 10 December 2014.

\*\*\*Global Capital Structure Opportunities Fund launched on 11 December 2014.

\*\*\*\* Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.

All Cash at Bank balances are held with BNY Mellon Trust Company (Ireland) Limited.

Cash Collateral is held with the following counterparties: Barclays, BNP Paribas, Citigroup, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, JP Morgan Chase & Co, Morgan Stanley and Nomura.

Margin Cash Receivable/Payable is held with Citigroup and JP Morgan Chase & Co.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**5. MOVEMENT IN REDEEMABLE PARTICIPATING UNITS**

For the year ended 30 September 2016

	Units in issue at beginning of the year	Issued during the year	Redeemed during the year	Units in issue at end of the year
<b>Global Equity Fund</b>				
A Class Income units	110,775	17	(5,775)	105,017
A Class Accumulation units	105,978	64,057	(88,709)	81,326
I Class Accumulation units	2,315,997	90,270	(476,323)	1,929,944
F2 Class Accumulation units	–	7,688	(1,018)	6,670
<b>Asian Equity Fund</b>				
A Class Income units	84,117	–	(4,460)	79,657
A Class Accumulation units	105,138	185	(2,343)	102,980
I Class Accumulation units	37,156	239	(9,594)	27,801
<b>European Equity Fund</b>				
A Class Income units	79,324	1,531	(4,018)	76,837
A Class Accumulation units	182,212	11,057	(20,912)	172,357
I Class Accumulation units	2,086,382	458,538	(503,484)	2,041,436
I Class Accumulation (EUR) units	2,574,057	538,445	(804,728)	2,307,774
<b>Emerging Markets Equity Fund</b>				
A Class Accumulation units	53,356	10,054	(8,051)	55,359
I Class Accumulation units	152,054	269	(47,331)	104,992
<b>Japanese Equity Fund</b>				
A Class Accumulation units	10,669	1,243,981	(1,150,293)	104,357
I Class Accumulation units	1,353,967	449,335	(669,270)	1,134,032
I Class Accumulation (JPY) units	858,510	1,762,101	(1,266,552)	1,354,059
F2 Class Accumulation units	–	6,245	(1,000)	5,245
<b>Preferred Securities Fund</b>				
A Class Income units	23,003,029	13,601,241	(7,494,174)	29,110,096
A Class Income (EUR hedged) units	56,002	580,451	(28,756)	607,697
A Class Income (GBP hedged) units	639,878	585,427	(388,931)	836,374
A Class Accumulation units	5,050,052	7,688,131	(2,559,715)	10,178,468
A Class Accumulation (CHF hedged) units	107,690	186,299	(54,090)	239,899
A Class Accumulation (EUR hedged) units	1,443,572	4,931,850	(1,022,001)	5,353,421
A Class Accumulation (JPY hedged) units	–	17,422	–	17,422
I Class Income units	11,282,990	5,133,521	(6,365,477)	10,051,034
I Class Income (EUR hedged) units	3,171,024	1,406,307	(1,195,890)	3,381,441
I Class Income (GBP hedged) units	856,345	7,655,665	(430,049)	8,081,961
I Class Income (JPY hedged) units	3,183,726	1,455,069	(11,158)	4,627,637
I Class Accumulation units	18,563,837	11,498,264	(10,737,009)	19,325,092
I Class Accumulation (CHF hedged) units	37,561	138,189	(42,916)	132,834
I Class Accumulation (EUR hedged) units	15,711,629	12,876,873	(2,941,906)	25,646,596
I Class Accumulation (JPY hedged) units	12,487,561	3,482,748	(917,333)	15,052,976
D Class Income units	24,000,663	8,734,781	(6,434,578)	26,300,866
D Class Accumulation units	7,040,069	5,596,549	(2,665,776)	9,970,842
D2 Class Income units	–	114,340	(10,759)	103,581
F Class Income units	6,777,290	866,559	(1,357,116)	6,286,733
F Class Accumulation units	2,801,073	908,780	(692,236)	3,017,617
F2 Class Accumulation units	–	162,031	(11,015)	151,016
N Class Income units	–	4,185	–	4,185
P Class Income units	2,689,637	1,112,661	(646,024)	3,156,274
P Class Accumulation units	1,932,222	826,019	(975,716)	1,782,525
<b>U.S. Equity Fund</b>				
A Class Accumulation units	27,204	10,583	(6,277)	31,510
I Class Accumulation units	4,244,823	237,998	(1,268,379)	3,214,442
I Class Accumulation (GBP) units	1,612,866	85,854	(177,054)	1,521,666



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**5. MOVEMENT IN REDEEMABLE PARTICIPATING UNITS (continued)**

For the year ended 30 September 2016 (continued)

	Units in issue at beginning of the year	Issued during the year	Redeemed during the year	Units in issue at end of the year
<b>High Yield Fund</b>				
A Class Income units	174,650	134,897	(85,647)	223,900
A Class Income (AUD hedged) units	51,778	2,127	(11,089)	42,816
A Class Accumulation units	2,292,413	201,144	(771,683)	1,721,874
I Class Accumulation units	2,648,810	830,360	(832,445)	2,646,725
I Class Accumulation (BRL hedged) units	2,070,296	446,886	(82,810)	2,434,372
I Class Accumulation (EUR hedged) units	499,573	545,821	(486,209)	559,185
D Class Accumulation units	1,552,608	320,593	(673,106)	1,200,095
F Class Accumulation units	–	128,352	(4,233)	124,119
<b>Global Property Securities Fund</b>				
A Class Accumulation units	–	18,472	(18,472)	–
I Class Income (JPY hedged) units	1,132,282	–	(589)	1,131,693
I Class Accumulation units	1,727,055	3,108,597	(1,282,760)	3,552,892
I Class Accumulation (USD hedged) units	849,860	608,793	(223,647)	1,235,006
I2 Class Income units	3,929,722	54,037	–	3,983,759
F Class Accumulation units	–	38,864	(2,512)	36,352
<b>Global Equity (ex-Japan) Fund</b>				
I Class Accumulation units	3,305,939	15,555	–	3,321,494
I Class Accumulation (JPY) units	385,649	369,891	(385,649)	369,891
<b>Post Global Limited Term High Yield Fund</b>				
A Class Income units	–	2,255,353	(371,105)	1,884,248
A Class Accumulation units	–	591,181	(300,000)	291,181
I Class Income (EUR hedged) units	–	2,126,984	–	2,126,984
I Class Income (GBP hedged) units	–	2,541,090	–	2,541,090
I Class Accumulation units	7,276,147	2,140,367	(8,086,318)	1,330,196
I Class Accumulation (CHF hedged) units	10,000	68,789	(12,045)	66,744
I Class Accumulation (EUR hedged) units	17,455,502	9,780,150	(2,928,013)	24,307,639
I Class Accumulation (GBP hedged) units	5,907,659	53,010	(4,725,097)	1,235,572
I Class Accumulation (JPY hedged) units	29,742,069	422,275	(1,172,254)	28,992,090
I Class Accumulation (SGD hedged) units	–	111,541	–	111,541
I2 Class Accumulation units	–	6,590,415	(945,046)	5,645,369
I2 Class Accumulation (EUR hedged) units	–	5,256,897	(1,180,080)	4,076,817
I2 Class Accumulation (GBP hedged) units	–	15,421,414	(899,512)	14,521,902
<b>Global Time Diversified Absolute Return Fund</b>				
I Class Accumulation units	453,087	41,587	(30,659)	464,015
<b>EDGE Small/Mid-Cap Equity Income Fund*</b>				
A Class Accumulation units	200,509	–	(200,509)	–
I Class Accumulation units	198,257	–	(198,257)	–
<b>Global Small Cap Equity Fund</b>				
A Class Accumulation units	250,028	118	(21)	250,125
I Class Accumulation units	1,227,872	84,547	(437,797)	874,622
<b>Origin Global Emerging Markets Fund</b>				
I Class Accumulation units	5,605,985	3,527,702	(10,579)	9,123,108
I Class Accumulation (GBP) units	67,619	9,952	(8,309)	69,262
F2 Class Accumulation units	–	3,185	(1,000)	2,185
<b>Origin Global Equity Fund</b>				
I Class Accumulation (GBP) units	1,218,864	19,616	(847)	1,237,633

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**5. MOVEMENT IN REDEEMABLE PARTICIPATING UNITS (continued)**

**For the year ended 30 September 2016 (continued)**

	Units in issue at beginning of the year	Issued during the year	Redeemed during the year	Units in issue at end of the year
<b>Origin Global Smaller Companies Fund</b>				
I Class Accumulation units	928,227	1,664,378	–	2,592,605
I Class Accumulation (GBP) units	1,913,179	55,259	(368,290)	1,600,148
<b>Long/Short Global Opportunities Equity Fund</b>				
I Class Accumulation units	750,000	–	–	750,000
<b>Claritas Latin American Equity Fund</b>				
I Class Accumulation units	2,002,532	–	(380,925)	1,621,607
<b>Finisterre Emerging Market Debt Fund</b>				
A Class Income units	50,000	–	–	50,000
A Class Accumulation units	215,841	113,819	(177,875)	151,785
A Class Accumulation (CHF hedged) units	1,040	–	–	1,040
A Class Accumulation (EUR hedged) units	1,092	87,800	–	88,892
A Class Accumulation (GBP hedged) units	1,487	–	–	1,487
A Class Accumulation (SGD hedged) units	731	–	–	731
I Class Accumulation units	8,624,284	4,500,669	(8,563,071)	4,561,882
I Class Accumulation (EUR hedged) units	13,875,971	43,300	(13,919,271)	–
I Class Accumulation (GBP hedged) units	2,933	–	(1,446)	1,487
I2 Class Income (EUR hedged) units	32,681,701	1,223,127	(2,395,975)	31,508,853
<b>Spectrum Global Capital Securities Fund</b>				
A Class Accumulation units	–	1,000	–	1,000
I Class Accumulation units	1,000,000	24,546	(24,546)	1,000,000
I Class Accumulation (EUR hedged) units	1,092,896	477,589	(275,076)	1,295,409
<b>Global Short Duration High Yield Fund**</b>				
I Class Accumulation units	849,260	38,526	(887,786)	–
<b>Global Capital Structure Opportunities Fund</b>				
I Class Accumulation units	1,000,000	29,418	(27,945)	1,001,473
<b>Global Credit Alpha Fund</b>				
I Class Accumulation units	745,725	–	–	745,725
<b>Real Estate Debt Fund***</b>				
I Class Income units	–	454,808	–	454,808
I Class Accumulation units	–	447,917	–	447,917

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**5. MOVEMENT IN REDEEMABLE PARTICIPATING UNITS (continued)**

**For the year ended 30 September 2015**

	Units in issue at beginning of the year	Issued during the year	Redeemed during the year	Units in issue at end of the year
<b>Global Equity Fund</b>				
A Class Income units	116,310	48	(5,583)	110,775
A Class Accumulation units	363,584	162,607	(420,213)	105,978
I Class Accumulation units	1,637,356	921,591	(242,950)	2,315,997
<b>Asian Equity Fund</b>				
A Class Income units	100,222	388	(16,493)	84,117
A Class Accumulation units	72,942	45,892	(13,696)	105,138
I Class Accumulation units	50,548	299	(13,691)	37,156
<b>European Equity Fund</b>				
A Class Income units	83,888	1,251	(5,815)	79,324
A Class Accumulation units	209,197	29,662	(56,647)	182,212
I Class Accumulation units	3,643,474	214,200	(1,771,292)	2,086,382
I Class Accumulation (EUR) units	707,070	2,314,645	(447,658)	2,574,057
<b>Emerging Markets Equity Fund</b>				
A Class Accumulation units	67,163	5,036	(18,843)	53,356
I Class Accumulation units	195,017	18,453	(61,416)	152,054
<b>Japanese Equity Fund</b>				
A Class Accumulation units	12,701	616,231	(618,263)	10,669
I Class Accumulation units	5,557,390	587,442	(4,790,865)	1,353,967
I Class Accumulation (JPY) units	1,029,672	440,960	(612,122)	858,510
<b>Preferred Securities Fund</b>				
A Class Income units	20,798,894	7,384,997	(5,180,862)	23,003,029
A Class Income (EUR hedged) units	19,329	60,150	(23,477)	56,002
A Class Income (GBP hedged) units	463,384	252,019	(75,525)	639,878
A Class Accumulation units	3,632,794	2,650,958	(1,233,700)	5,050,052
A Class Accumulation (CHF hedged) units	60,478	57,158	(9,946)	107,690
A Class Accumulation (EUR hedged) units	971,499	1,866,121	(1,394,048)	1,443,572
I Class Income units	9,052,481	6,737,633	(4,507,124)	11,282,990
I Class Income (EUR hedged) units	54,392	3,225,180	(108,548)	3,171,024
I Class Income (GBP hedged) units	1,655,337	228,697	(1,027,689)	856,345
I Class Income (JPY hedged) units	1,486,439	1,697,287	–	3,183,726
I Class Accumulation units	9,074,087	15,700,539	(6,210,789)	18,563,837
I Class Accumulation (CHF hedged) units	11,612	27,842	(1,893)	37,561
I Class Accumulation (EUR hedged) units	9,028,297	7,396,816	(713,484)	15,711,629
I Class Accumulation (JPY hedged) units	7,567,066	4,921,129	(634)	12,487,561
D Class Income units	18,928,521	11,209,113	(6,136,971)	24,000,663
D Class Accumulation units	4,531,787	4,337,871	(1,829,589)	7,040,069
F Class Income units	7,240,321	1,279,434	(1,742,465)	6,777,290
F Class Accumulation units	3,225,068	603,534	(1,027,529)	2,801,073
P Class Income units	2,228,367	924,815	(463,545)	2,689,637
P Class Accumulation units	974,730	1,368,010	(410,518)	1,932,222
<b>U.S. Equity Fund</b>				
A Class Accumulation units	13,706	21,025	(7,527)	27,204
I Class Accumulation units	5,604,279	947,846	(2,307,302)	4,244,823
I Class Accumulation (GBP) units	1,584,309	264,209	(235,652)	1,612,866

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**5. MOVEMENT IN REDEEMABLE PARTICIPATING UNITS (continued)**

**For the year ended 30 September 2015 (continued)**

	Units in issue at beginning of the year	Issued during the year	Redeemed during the year	Units in issue at end of the year
<b>High Yield Fund</b>				
A Class Income units	354,761	110,377	(290,488)	174,650
A Class Income (AUD hedged) units	–	64,499	(12,721)	51,778
A Class Accumulation units	2,068,851	882,294	(658,732)	2,292,413
I Class Accumulation units	1,549,027	2,073,525	(973,742)	2,648,810
I Class Accumulation (BRL hedged) units	2,171,804	35,804	(137,312)	2,070,296
I Class Accumulation (EUR hedged) units	1,877,001	498,114	(1,875,542)	499,573
D Class Accumulation units	–	1,747,339	(194,731)	1,552,608
<b>Global Property Securities Fund</b>				
I Class Income (JPY hedged) units	–	1,132,282	–	1,132,282
I Class Accumulation units	79,873	1,727,055	(79,873)	1,727,055
I Class Accumulation (EUR hedged) units	397,533	–	(397,533)	–
I Class Accumulation (GBP hedged) units	200,734	–	(200,734)	–
I Class Accumulation (JPY hedged) units	942,444	115,041	(1,057,485)	–
I Class Accumulation (USD hedged) units	1,458,951	562,289	(1,171,380)	849,860
I2 Class Income units	3,918,141	11,581	–	3,929,722
<b>Global Equity (ex-Japan) Fund</b>				
I Class Accumulation units	4,054,447	19,051	(767,559)	3,305,939
I Class Accumulation (JPY) units	385,649	–	–	385,649
<b>Post Global Limited Term High Yield Fund</b>				
I Class Income (GBP hedged) units	611,621	–	(611,621)	–
I Class Accumulation units	11,643,680	2,413,909	(6,781,442)	7,276,147
I Class Accumulation (CHF hedged) units	–	10,000	–	10,000
I Class Accumulation (EUR hedged) units	21,643,021	3,892,013	(8,079,532)	17,455,502
I Class Accumulation (GBP hedged) units	2,628,599	4,792,664	(1,513,604)	5,907,659
I Class Accumulation (JPY hedged) units	29,820,427	2,128,544	(2,206,902)	29,742,069
<b>Global Time Diversified Absolute Return Fund</b>				
I Class Accumulation units	530,659	422,428	(500,000)	453,087
<b>EDGE Small/Mid-Cap Equity Income Fund</b>				
A Class Accumulation units	200,509	–	–	200,509
I Class Accumulation units	198,257	–	–	198,257
<b>Global Small Cap Equity Fund</b>				
A Class Accumulation units	250,000	28	–	250,028
I Class Accumulation units	2,152,100	263,212	(1,187,440)	1,227,872
<b>Origin Global Emerging Markets Fund</b>				
I Class Accumulation units	5,551,466	65,098	(10,579)	5,605,985
I Class Accumulation (GBP) units	76,902	22,332	(31,615)	67,619
<b>Origin Global Equity Fund</b>				
I Class Accumulation (GBP) units	1,709,549	41,824	(532,509)	1,218,864
<b>Origin Global Smaller Companies Fund</b>				
I Class Accumulation units	917,571	50,428	(39,772)	928,227
I Class Accumulation (GBP) units	1,879,507	33,672	–	1,913,179

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**5. MOVEMENT IN REDEEMABLE PARTICIPATING UNITS (continued)**

**For the year ended 30 September 2015 (continued)**

	Units in issue at beginning of the year	Issued during the year	Redeemed during the year	Units in issue at end of the year
<b>Long/Short Global Opportunities Equity Fund</b>				
I Class Accumulation units	750,000	–	–	750,000
<b>Claritas Latin American Equity Fund</b>				
I Class Accumulation units	1,636,588	635,324	(269,380)	2,002,532
<b>Finisterre Emerging Market Debt Fund</b>				
A Class Income units	–	50,000	–	50,000
A Class Accumulation units	–	225,723	(9,882)	215,841
A Class Accumulation (CHF hedged) units	–	1,040	–	1,040
A Class Accumulation (EUR hedged) units	–	1,092	–	1,092
A Class Accumulation (GBP hedged) units	–	1,487	–	1,487
A Class Accumulation (SGD hedged) units	–	731	–	731
I Class Accumulation units	9,009,569	9,084,084	(9,469,369)	8,624,284
I Class Accumulation (EUR hedged) units	2,840,232	17,819,282	(6,783,543)	13,875,971
I Class Accumulation (GBP hedged) units	–	2,933	–	2,933
I2 Class Income (EUR hedged) units	34,079,993	8,535,473	(9,933,765)	32,681,701
<b>Spectrum Global Capital Securities Fund*</b>				
I Class Accumulation units	–	1,000,000	–	1,000,000
I Class Accumulation (EUR hedged) units	–	1,092,896	–	1,092,896
<b>Global Short Duration High Yield Fund**</b>				
I Class Accumulation units	–	850,995	(1,735)	849,260
<b>Global Capital Structure Opportunities Fund***</b>				
I Class Accumulation units	–	1,000,001	(1)	1,000,000
<b>Global Credit Alpha Fund****</b>				
I Class Accumulation units	–	745,725	–	745,725

\*Spectrum Global Capital Securities Fund launched on 30 October 2014.

\*\*Global Short Duration High Yield Fund launched on 10 December 2014.

\*\*\*Global Capital Structure Opportunities Fund launched on 11 December 2014.

\*\*\*\* Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**6. DISTRIBUTIONS**

**For the year ended 30 September 2016**

Distributions reflect income earned on the Funds below during the year to 30 September 2016 and 30 September 2015 and were declared on 1 October 2016 and 1 October 2015 respectively. Distributions declared on 1 October 2016 or nearest business day have not been included in the Statement of Comprehensive Income for 30 September 2016. These will be included in the financial statements for 30 September 2017.

**Accumulation Classes**

The Accumulation Unit Classes did not declare Distributions on 30 September 2016 or 30 September 2015.

**Quarterly and Annual Distributions**

	For the year ended 30 September 2016				For the year ended 30 September 2015			
	31 December 2015 USD/Unit	31 March 2016 USD/Unit	30 June 2016 USD/Unit	30 September 2016 USD/Unit	31 December 2014 USD/Unit	31 March 2015 USD/Unit	30 June 2015 USD/Unit	30 September 2015 USD/Unit
<b>Global Equity Fund*</b>								
A Class Income units	-	-	-	-	-	-	-	0.00650
<b>Asian Equity Fund*</b>								
A Class Income units	-	-	-	-	-	-	-	-
<b>European Equity Fund*</b>								
A Class Income units	-	-	-	0.71800	-	-	-	0.54670
<b>Preferred Securities Fund**</b>								
A Class Income units	0.10080	0.10350	0.10240	0.10120	0.10630	0.10540	0.10020	0.10310
A Class Income (EUR hedged) units	0.09616	0.09949	0.10086	0.09838	0.11652	0.10621	0.09649	0.09990
A Class Income (GBP hedged) units	0.11634	0.11436	0.11023	0.10218	0.12948	0.12320	0.11622	0.12163
I Class Income units	0.13030	0.13270	0.13160	0.13090	0.13690	0.13560	0.12990	0.13300
I Class Income (EUR hedged) units	0.10156	0.10415	0.10575	0.10388	0.12282	0.11104	0.10206	0.10526
I Class Income (GBP hedged) units	0.12838	0.12401	0.12098	0.11271	0.14241	0.13537	0.12849	0.13390
I Class Income (JPY hedged) units	0.09736	0.10235	0.10834	0.11294	0.10980	0.10248	0.09722	0.09782
D Class Income units	0.12560	0.12950	0.12810	0.12610	0.13280	0.13170	0.12470	0.12860
F Class Income units	0.10990	0.11430	0.11300	0.11030	0.11680	0.11590	0.10880	0.11270
N Class Income units	-	-	-	0.01550	-	-	-	-
P Class Income units	0.11850	0.12130	0.11990	0.11900	0.12700	0.12380	0.11800	0.12110
<b>High Yield Fund**</b>								
A Class Income units	0.11000	0.11650	0.11440	0.11680	0.11930	0.10990	0.10760	0.10790
A Class Income (AUD hedged) units	0.10430	0.11155	0.11747	0.12119	-	0.10345	0.11168	0.10702
<b>Global Property Securities Fund*</b>								
I Class Income (JPY hedged) units	-	-	-	0.16926	-	-	-	0.04085
I2 Class Income units	-	-	-	0.22560	-	-	-	0.17210

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**6. DISTRIBUTIONS (continued)**

**Accumulation Classes (continued)**

**Quarterly and Annual Distributions (continued)**

	For the year ended 30 September 2016				For the year ended 30 September 2015			
	31 December 2015 USD/Unit	31 March 2016 USD/Unit	30 June 2016 USD/Unit	30 September 2016 USD/Unit	31 December 2014 USD/Unit	31 March 2015 USD/Unit	30 June 2015 USD/Unit	30 September 2015 USD/Unit
<b>Post Global Limited Term High Yield Fund**</b>								
A Class Income units	-	0.02620	0.08030	0.07360	-	-	-	-
I Class Income (EUR hedged) units	-	-	-	0.03455	-	-	-	-
I Class Income (GBP hedged) units	-	0.05108	0.09113	0.07946	0.12122	-	0.10018	-
<b>Finisterre Emerging Market Debt Fund*</b>								
A Class Income units	-	-	-	-	-	-	-	-
I2 Class Income (EUR hedged) units	-	-	-	0.06686	-	-	-	0.0140
<b>Real Estate Debt Fund<sup>1**</sup></b>								
I Class Income units	-	-	0.15860	0.18960	-	-	-	-

**Monthly Distributions**

	For the year ended 30 September 2016						
	31 March 2016 USD/Unit	30 April 2016 USD/Unit	31 May 2016 USD/Unit	30 June 2016 USD/Unit	31 July 2016 USD/Unit	31 August 2016 USD/Unit	30 September 2016 USD/Unit
<b>Preferred Securities Fund</b>							
D2 Class Income units <sup>2</sup>	0.00100	0.03320	0.03760	0.04030	0.03280	0.04120	0.03510

\*These Funds offer annual distributions to investors.

\*\*These Funds offer quarterly distributions to investors except for D2 Class Income units which offer monthly distributions to investors.

<sup>1</sup>Real Estate Debt Fund launched on 21 March 2016.

<sup>2</sup>This unit class offers monthly distributions and launched on 30 March 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**7. SIGNIFICANT CONTRACTS AND TRANSACTIONS WITH RELATED PARTIES**

**Management Fee**

Pursuant to the Trust Deed dated 13 October 1992, Principal Global Investors (Ireland) Limited ("the Manager") acts as Manager to the Trust and is responsible for its management and administration. For services rendered, the Trust will pay to the Manager an annual fee, accrued daily in the unit price and payable monthly in arrears. The Management Fee is currently calculated as a percentage of the Net Asset Value of each Fund at rates attributable to "Investor" and "Institutional" units. These related party transactions have been entered into in the ordinary course of business. The Management Fee expense is shown in the Statement of Comprehensive Income and the accrued amount is shown in the Statement of Financial Position. Management Fee rates for each unit class are listed in the supplement for each Fund. These are available from [www.principalglobal.com](http://www.principalglobal.com).

**Management Fee Rebate**

I Class Investors in certain Funds, in agreement with the Investment Adviser, are entitled to a reduction in their effective annual Management Fee. This fee reduction is effected by way of a Management Fee Rebate, paid as cash and/or additional units purchased on the investors behalf by the Manager of the Fund. The effective Management Fees paid/accrued by these investors are disclosed in the Statement of Comprehensive Income and Statement of Financial Position. Those Funds to which the rebate applies, the ranges and the amount of the rebate applicable to those ranges are disclosed in the supplements for each Fund.

**Expense Cap**

The Manager, at its discretion, may absorb (directly by waiving a portion of its fees or by reimbursement to the account of each Fund), certain additional fees, costs or expenses for each Fund that may arise in respect of the management and operation of the Trust attributable to each Fund. This Expense Cap fee is shown as Rebate/Recharge to the Fund due to capping in the Statement of Comprehensive Income and the accrual/prepaid amount is shown as part of Other Assets or Other Payables in the Statement of Financial Position.

**Administration Fee**

In addition to the Management Fee, the Trust Deed permits the Manager to charge an Administration Fee of up to 0.15% per annum of the value of the units in the Funds for administering the Trust. Currently the Manager only charges this fee on the Net Asset Value of the Funds attributable to A, D, F and N Class units. This fee is calculated as a percentage of the Net Asset Value of each Fund attributable to A, D, F and N Class units and is accrued every Business Day, and the total accrued amount is paid monthly in arrears. All fees and expenses payable to the Administrator in respect of the administration services it provides to the Manager will be met by the Manager. Administration Fee expense is shown in the Statement of Comprehensive Income and the accrued amount is shown in the Statement of Financial Position.

**Trustee**

The Manager appointed BNY Mellon Trust Company (Ireland) Limited to act as the Trustee to the Trust. The principal activity of the Trustee is to act as the Depositary and Trustee of the assets of collective investment schemes ("CISs"). For the period to 30 June 2016, the Trustee retained for its own use out of each Fund a fee of up to 0.02% per annum of the Net Asset Value of the Units up to US\$100 million, and thereafter, a fee of 0.01% calculated on each Business Day during the month, accrued and deducted from the Fund the following month - subject to a minimum fee of US\$20,000 per annum which may be waived. Effective 1 July 2016, the Trustee may retain for its own use out of each Fund a fee of up to 0.022% per annum of the Net Asset Value of the units calculated on each Business Day during the month, accrued and deducted from the Fund the following month - subject to a minimum fee of US\$15,000 per annum which may be waived. The fee currently charged by the Trustee per Fund is disclosed in the relevant supplement for each Fund. The Trustee Fee expense is shown in the Statement of Comprehensive Income and the accrued amount is shown in the Statement of Financial Position.

**Directors' Remuneration**

Mr. David Shubotham, Mr. John O'Connell, Mr. Denis Murphy (resigned 3 August 2016), Ms. Bronwyn Wright and Mr Jim Firm (appointed 3 August 2016) are independent non-executive Directors of the Manager and have no executive function with the Investment Adviser or its related party companies. The Manager pays each independent non-executive Director an annual fee of €25,000 (€20,000 prior to 1 July 2016) for their services rendered to the Trust. Mr. Christopher J. Reddy (resigned 26 January 2016), Mr. Nicholas Lyster, Mr. Christopher Henderson and Mr. Mike Beer (appointed 26 January 2016) are related parties to the Investment Adviser and receive no compensation from the Trust.

**Depositary Fee**

The Depositary will be paid a fee at normal commercial rates and such fee shall be paid out of the Fund. The level of Sub-Custodian Fees and expenses will vary depending on the investment profile of the Fund including, in particular, the nature of the securities markets in which the Fund invests, the size of the Fund and the amount of trading in the assets of the Fund. Such fees will be charged at normal commercial rates and will only be reimbursed from a Fund where they are less than 0.50% per annum of the Net Asset Value of the Fund. The Manager will pay any fees that exceed this level. Depositary Fee expense is shown in the Statement of Comprehensive Income and the accrued amount is shown in the Statement of Financial Position. In accordance UCITS V: BNY Mellon Trust Company (Ireland) Limited was the Custodian for the Funds until 17 March 2016 and from 18 March 2016 assumed the role of Depositary for the Funds.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**7. SIGNIFICANT CONTRACTS AND TRANSACTIONS WITH RELATED PARTIES (continued)**

**Performance Fees**

The Investment Adviser is entitled to receive out of the Net Asset Value of the Global Time Diversified Absolute Return Fund and the Finisterre Emerging Market Debt Fund a Performance Fee. The Performance Fee is accrued on each Business Day as an expense of the relevant Unit Class. It is calculated and paid by the Administrator in respect of each period of one calendar year (a Performance Period). For each Performance Period, the Performance Fee in respect of each unit will be equal to 20% for the Global Time Diversified Absolute Return Fund and 15% on the Finisterre Emerging Market Debt Fund (20% for any A Class Units) of the appreciation in the Net Asset Value per Unit before the deduction of any accrued Performance Fee during the Performance Period above the Initial Issue Price of that Unit Class or, if higher, above the highest Net Asset Value per Unit Class achieved as of the end of any previous Performance Period where a Performance Fee was paid (the Peak Net Asset Value). The Peak Net Asset Value is recalculated at the end of each Performance Period.

**8. COMPARATIVE NET ASSET VALUES AT DEALING PRICES**

	30 September 2016 Net Asset Value and USD /unit	30 September 2015 Net Asset Value and USD /unit	30 September 2014 Net Asset Value and USD /unit
<b>Global Equity Fund</b>			
<i>Total Income Class</i>	4,304,046	4,314,950	4,821,231
A Class Income units	40.98	38.95	41.45
<i>Total Accumulation Class</i>	43,977,606	50,154,160	51,327,292
A Class Accumulation units	47.30	44.98	47.86
I Class Accumulation units	20.76	19.60	20.72
F2 Class Accumulation units	10.14	–	–
<b>Asian Equity Fund</b>			
<i>Total Income Class</i>	2,545,174	2,378,520	3,246,646
A Class Income units	31.95	28.28	32.39
<i>Total Accumulation Class</i>	5,390,764	5,311,341	5,637,312
A Class Accumulation units	36.59	32.38	36.95
I Class Accumulation units	58.35	51.33	58.20
<b>European Equity Fund</b>			
<i>Total Income Class</i>	4,236,896	4,345,627	4,781,541
A Class Income units	55.14	54.78	57.00
<i>Total Accumulation Class</i>	96,287,133	99,938,016	113,497,604
A Class Accumulation units	69.51	68.38	70.80
I Class Accumulation units	23.95	23.42	24.09
I Class Accumulation (EUR) units	15.34	15.00	15.43
<b>Emerging Markets Equity Fund</b>			
<i>Total Accumulation Class</i>	7,340,395	8,464,840	13,086,417
A Class Accumulation units	40.65	36.22	44.04
I Class Accumulation units	48.48	42.96	51.94
<b>Japanese Equity Fund</b>			
<i>Total Accumulation Class</i>	30,391,839	22,737,842	63,282,578
A Class Accumulation units	8.30	7.64	7.90
I Class Accumulation units	9.54	8.74	8.97
I Class Accumulation (JPY) units	13.77	12.61	12.94
F2 Class Accumulation units	11.23	–	–

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**8. COMPARATIVE NET ASSET VALUES AT DEALING PRICES (continued)**

	30 September 2016 Net Asset Value and USD /unit	30 September 2015 Net Asset Value and USD /unit	30 September 2014 Net Asset Value and USD /unit
<b>Preferred Securities Fund</b>			
<i>Total Income Class</i>	948,320,200	776,891,353	660,488,795
A Class Income units	9.09	8.92	9.12
A Class Income (EUR hedged) units	8.79	8.74	10.11
A Class Income (GBP hedged) units	8.99	10.33	11.27
I Class Income units	10.27	10.08	10.31
I Class Income (EUR hedged) units	8.11	8.06	9.34
I Class Income (GBP hedged) units	8.66	9.98	10.90
I Class Income (JPY hedged) units	9.07	7.55	8.51
D Class Income units	12.13	11.90	12.17
D2 Class Income units	10.47	–	–
F Class Income units	12.04	11.81	12.08
N Class Income units	10.04	–	–
P Class Income units	10.24	10.04	10.28
<i>Total Accumulation Class</i>	1,462,263,754	983,385,423	600,319,891
A Class Accumulation units	13.58	12.72	12.42
A Class Accumulation (CHF hedged) units	11.15	10.54	10.61
A Class Accumulation (EUR hedged) units	17.89	16.98	18.70
A Class Accumulation (JPY hedged) units	10.89	–	–
I Class Accumulation units	20.07	18.68	18.12
I Class Accumulation (CHF hedged) units	11.52	10.83	10.85
I Class Accumulation (EUR hedged) units	11.98	11.29	12.38
I Class Accumulation (JPY hedged) units	14.87	11.76	12.57
D Class Accumulation units	21.90	20.57	20.15
F Class Accumulation units	21.03	19.85	19.54
F2 Class Accumulation units	10.63	–	–
P Class Accumulation units	12.07	11.28	10.99
<b>U.S. Equity Fund</b>			
<i>Total Accumulation Class</i>	117,182,851	135,447,043	170,471,828
A Class Accumulation units	22.38	21.09	21.83
I Class Accumulation units	24.57	23.01	23.66
I Class Accumulation (GBP) units	24.64	23.06	23.72
<b>High Yield Fund</b>			
<i>Total Income Class</i>	2,531,259	2,010,079	3,419,904
A Class Income units	9.43	8.99	9.64
A Class Income (AUD hedged) units	9.81	8.49	–
<i>Total Accumulation Class</i>	136,261,097	125,307,345	106,634,828
A Class Accumulation units	16.80	15.25	15.58
I Class Accumulation units	23.66	21.39	21.76
I Class Accumulation (BRL hedged) units	10.36	6.87	10.22
I Class Accumulation (EUR hedged) units	9.38	8.57	9.85
D Class Accumulation units	10.75	9.79	–
F Class Accumulation units	10.99	–	–
<b>Global Property Securities Fund</b>			
<i>Total Income Class</i>	57,612,614	50,142,849	37,793,125
I Class Income (JPY hedged) units	12.01	9.30	–
I2 Class Income units	11.05	10.08	9.65
<i>Total Accumulation Class</i>	108,145,397	49,856,526	30,028,442
I Class Accumulation units	26.42	23.82	22.85
I Class Accumulation (EUR hedged) units	–	–	8.54
I Class Accumulation (GBP hedged) units	–	–	7.56
I Class Accumulation (JPY hedged) units	–	–	10.07
I Class Accumulation (USD hedged) units	11.27	10.25	9.46
F Class Accumulation units	10.24	–	–

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**8. COMPARATIVE NET ASSET VALUES AT DEALING PRICES (continued)**

	30 September 2016 Net Asset Value and USD /unit	30 September 2015 Net Asset Value and USD /unit	30 September 2014 Net Asset Value and USD /unit
<b>Global Equity (ex-Japan) Fund</b>			
<i>Total Accumulation Class</i>	64,203,519	60,247,344	77,735,822
I Class Accumulation units	17.83	16.75	17.89
I Class Accumulation (JPY) units	13.44	12.62	13.48
<b>Post Global Limited Term High Yield Fund</b>			
<i>Total Income Class</i>	63,877,919	—	6,569,188
A Class Income units	10.22	—	—
I Class Income (EUR hedged) units	9.88	—	—
I Class Income (GBP hedged) units	9.30	—	10.74
<i>Total Accumulation Class</i>	790,147,981	555,382,502	651,044,815
A Class Accumulation units	10.27	—	—
I Class Accumulation units	12.58	11.91	11.72
I Class Accumulation (CHF hedged) units	10.35	9.91	—
I Class Accumulation (EUR hedged) units	9.77	9.39	10.44
I Class Accumulation (GBP hedged) units	10.54	11.69	12.27
I Class Accumulation (JPY hedged) units	9.84	7.92	8.59
I Class Accumulation (SGD hedged) units	10.20	—	—
I2 Class Accumulation units	10.54	—	—
I2 Class Accumulation (EUR hedged) units	10.42	—	—
I2 Class Accumulation (GBP hedged) units	9.00	—	—
<b>Global Time Diversified Absolute Return Fund</b>			
<i>Total Accumulation Class</i>	4,641,516	4,058,191	4,850,950
I Class Accumulation units	10.00	8.96	9.14
<b>EDGE Small/Mid-Cap Equity Income Fund*</b>			
<i>Total Accumulation Class</i>	—	4,641,990	5,099,332
A Class Accumulation units	—	11.61	12.70
I Class Accumulation units	—	11.87	12.88
<b>Global Small Cap Equity Fund</b>			
<i>Total Accumulation Class</i>	17,727,195	21,096,242	33,819,803
A Class Accumulation units	15.43	14.03	13.92
I Class Accumulation units	15.86	14.33	14.10
<b>Origin Global Emerging Markets Fund</b>			
<i>Total Accumulation Class</i>	95,839,118	53,274,246	59,451,774
I Class Accumulation units	10.42	9.39	10.56
I Class Accumulation (GBP) units	10.68	9.62	10.81
F2 Class Accumulation units	11.15	—	—
<b>Origin Global Equity Fund</b>			
<i>Total Accumulation Class</i>	16,041,615	15,453,227	21,853,954
I Class Accumulation (GBP) units	12.96	12.68	12.78
<b>Origin Global Smaller Companies Fund</b>			
<i>Total Accumulation Class</i>	57,684,578	35,371,264	35,121,170
I Class Accumulation units	13.74	12.42	12.53
I Class Accumulation (GBP) units	13.79	12.46	12.57
<b>Long/Short Global Opportunities Equity Fund</b>			
<i>Total Accumulation Class</i>	7,148,152	7,708,631	7,767,346
I Class Accumulation units	9.53	10.28	10.36
<b>Claritas Latin American Equity Fund</b>			
<i>Total Accumulation Class</i>	12,358,514	11,495,853	15,571,289
I Class Accumulation units	7.62	5.74	9.51

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**8. COMPARATIVE NET ASSET VALUES AT DEALING PRICES (continued)**

	30 September 2016 Net Asset Value and USD /unit	30 September 2015 Net Asset Value and USD /unit	30 September 2014 Net Asset Value and USD /unit
<b>Finisterre Emerging Market Debt Fund</b>			
<i>Total Income Class</i>	262,133,618	259,785,965	317,694,623
A Class Income units	9.75	9.38	–
I2 Class Income (EUR hedged) units	8.30	7.93	9.32
<i>Total Accumulation Class</i>	52,331,417	203,358,703	124,752,051
A Class Accumulation units	9.85	9.47	–
A Class Accumulation (CHF hedged) units	9.53	9.25	–
A Class Accumulation (EUR hedged) units	10.00	9.66	–
A Class Accumulation (GBP hedged) units	8.63	9.63	–
A Class Accumulation (SGD hedged) units	9.95	9.14	–
I Class Accumulation units	10.94	10.47	10.87
I Class Accumulation (EUR hedged) units	–	8.00	9.44
I Class Accumulation (GBP hedged) units	8.71	9.67	–
<b>Spectrum Global Capital Securities Fund</b>			
<i>Total Accumulation Class</i>	24,629,419	21,246,644	–
A Class Accumulation units	10.00	–	–
I Class Accumulation units	10.94	10.28	–
I Class Accumulation (EUR hedged) units	10.57	10.03	–
<b>Global Short Duration High Yield Fund**</b>			
<i>Total Accumulation Class</i>	–	8,620,593	–
I Class Accumulation units	–	10.15	–
<b>Global Capital Structure Opportunities Fund</b>			
<i>Total Accumulation Class</i>	10,695,258	10,234,529	–
I Class Accumulation units	10.68	10.23	–
<b>Global Credit Alpha Fund</b>			
<i>Total Accumulation Class</i>	8,395,816	7,916,376	–
I Class Accumulation units	11.26	10.62	–
<b>Real Estate Debt Fund***</b>			
<i>Total Income Class</i>	4,770,969	–	–
I Class Income units	10.49	–	–
<i>Total Accumulation Class</i>	4,771,769	–	–
I Class Accumulation units	10.65	–	–

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

**9. EFFICIENT PORTFOLIO MANAGEMENT**

The Funds are denominated in USD but purchase assets denominated in a range of currencies. During the year, transactions were entered into which are economically appropriate to the reduction of relevant risks or costs to improve investment performance.

Subject to the conditions and within the limits from time to time laid down by the Central Bank, and except as otherwise stated in the investment objective and policies of a Fund, the Investment Adviser and/or Sub-Investment Adviser(s) may employ, for certain Funds, investment techniques and instruments such as futures, options, forward foreign currency exchange contracts and other derivatives for Efficient Portfolio Management (“EPM”) purposes. Furthermore, new techniques and instruments may be developed which may be suitable for use by a Fund in the future, and a Fund may employ such techniques and instruments subject to the prior approval of, and any restrictions imposed by, the Central Bank.

For UCITS which have engaged in EPM techniques, certain disclosures are required under Chapter 4 of the Central Bank UCITS Regulations. The Investment Advisers of the Funds have identified all FDIs which are used for EPM. A UCITS is required to disclose the revenues arising from EPM techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**9. EFFICIENT PORTFOLIO MANAGEMENT (continued)**

The Investment Adviser considers only repurchase agreements, reverse repurchase agreements and securities lending to be EPM techniques. None of the Funds held repurchase agreements, reverse repurchase agreements or took part in securities lending as at year end date 30 September 2016 or at 30 September 2015.

Details of all open transactions at the year end are disclosed in the Portfolios of Investments.

**10. DEALING COMMISSION ARRANGEMENTS**

The Investment Adviser appointed in relation to each Fund is responsible for the selection of brokers with whom they deal. In relation to certain equity funds, the Investment Advisers have entered into dealing commission arrangements with brokers whereby they obtain services or benefits from them, or from third parties – which are paid for out of commissions charged to the Funds. Such services or benefits relate primarily to research and portfolio management, and their purchase is compliant with relevant local regulation; including being a permitted service. The relevant Investment Advisers are satisfied that trades generating soft commissions comply with the relevant local regulations requiring best execution – which requires consideration of relevant factors, including price and execution quality.

**11. FINANCIAL RISK MANAGEMENT**

**Strategy in Using Financial Instruments**

The activities of each Fund expose it to a variety of financial risks such as market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Funds' overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Funds' financial performance. The Funds make use of FDIs to moderate certain risk exposures. The general risk factors set out in the "Special Investment Considerations and Risks" section of the Prospectus apply to the Funds and risks specific to these Funds are set out below. These risk factors do not purport to be an exhaustive or complete explanation of all the risks associated with an investment in the Funds and persons considering purchasing units should inform themselves as to (i) the legal requirements within their own countries for the purchase of units, (ii) any foreign exchange restrictions which may be applicable and (iii) the income and other tax consequences of purchase and repurchase of units.

The risk management process operates at a number of levels. In addition to the Investment Adviser monitoring investment activity and exposure at the point of execution ensuring a Fund is managed according to its guidelines and objectives, the Depositary and the Trustee of the Funds also provide an independent analysis of financial instrument exposure by monitoring investment limits in accordance with the UCITS Regulations and the Funds' Prospectus.

The Funds' overall market positions are monitored on a daily basis by the Investment Adviser and compliance with the Funds' investment guidelines are monitored on an ongoing basis by the Investment Adviser/Sub Investment Adviser(s) and Trustee. The Board of Directors of the Manager have oversight of the risk management process and receive monthly and quarterly reports from the Investment Adviser/Sub-Investment Adviser(s) and the Trustee. The Funds' investments in securities are subject to normal market fluctuations and other risks inherent in investing in securities. The value of investments and the income from them, and therefore the value of the units can go down as well as up and an investor may not get back the amount they invest.

The strategies as enumerated for the funds below and overleaf are summarised, please refer to the prospectus and supplements of the individual funds for greater detail. These are available on the [www.principalglobal.com](http://www.principalglobal.com) website.

**Global Equity Fund**

The Fund seeks to achieve capital growth by investing principally in equity securities from investment markets around the world. Investments can also include unlisted securities (limited to 10% of the net assets), bank deposits, debt securities, and fixed interest and money market securities. The Fund may also invest in Real Estate Investment Trusts ("REITS") and in other Funds of the Trust. No more than 15% of the net assets will be invested in Russia.

**Asian Equity Fund**

The Fund seeks to achieve capital growth by investing principally in the equity securities of companies domiciled or with their core business in the Asian region (excluding Japan). Investments can also include unlisted securities (limited to 10% of the net assets), bank deposits, debt securities, fixed interest and money market securities. The Fund may also invest in REITS and in other Funds of the Trust. No more than 30% of the net assets will be invested in Pakistan.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Strategy in Using Financial Instruments (continued)**

**European Equity Fund**

The Fund seeks to achieve capital growth by investing principally in the equity securities of companies domiciled or with their core business in Europe (including Eastern Europe). Investments can also include unlisted securities (limited to 10% of the net assets), bank deposits, debt securities, and fixed interest and money market securities. The Fund may also invest in REITS and in other Funds of the Trust. No more than 15% of the net assets will be invested in Russia.

**Emerging Markets Equity Fund**

The Fund seeks to achieve capital growth by investing principally in the equity securities of companies domiciled or with their core business in the world's emerging investment markets as identified by the International Finance Corporation (a division of the World Bank). Investments can also include unlisted securities (limited to 10% of the net assets), bank deposits, debt securities, fixed interest, money market securities and other CISs. The Fund may also invest in REITS and in other Funds of the Trust. No more than 15% of the net assets will be invested in Russia.

**Japanese Equity Fund**

The Fund seeks to achieve capital growth by investing principally in the equity securities of companies domiciled or with their core business in Japan. Investments can also include unlisted securities (limited to 10% of the net assets), bank deposits, debt securities, fixed interest and money market securities. The Fund may also invest in REITS and in other Funds of the Trust.

**Preferred Securities Fund**

The Fund will seek to provide a return consisting of income and capital preservation by investing primarily in a portfolio of USD denominated preferred securities and debt securities. Investments can also include ancillary liquid assets such as bank deposits. The Fund's investment universe will include REITS.

**U.S. Equity Fund**

The Fund seeks to achieve capital growth by investing principally in the equity securities of companies domiciled or with their core business in the United States, which the Investment Adviser believes are mispriced by the market and have the potential for significant growth. The Fund can invest in both listed and unlisted equity securities, with a level of 10% of the net assets of the Fund permitted in unlisted securities. The Fund may also invest in debt securities, as set out in the Prospectus, as well as REITS and other Funds of the Trust.

**High Yield Fund**

The Fund will seek to provide a return consisting of income and, over the long term, capital appreciation by investing primarily in a portfolio of USD denominated public and private issued high-yield fixed income securities. The Fund may also hold ancillary liquid assets such as bank deposits as well as invest in REITS and in other Funds of the Trust.

**Global Property Securities Fund**

The Fund will seek to provide a total return primarily through investment in a global portfolio of publicly traded securities of companies engaged in the property industry or whose value is derived from property assets. The Fund's investments will include no less than 80% of the net assets in REITS or real estate operating companies ("REOCs"). The Fund may also invest in common and preferred equity securities, debt securities, options, warrants (up to 5% of the Fund), convertible securities, exchange traded funds ("ETFs") and depositary receipts.

**Global Equity (ex-Japan) Fund**

The Fund seeks to achieve capital growth by investing in equity securities from investment markets around the world, with the exception of Japan. Investments can also include unlisted securities (limited to 10% of the net assets), bank deposits, debt securities, fixed interest and money market securities. The Fund may also invest in REITS and in other Funds of the Trust.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Strategy in Using Financial Instruments (continued)**

**Post Global Limited Term High Yield Fund**

The Fund aims to provide a high rate of return with low volatility relative to typical high yield investments by investing primarily in a portfolio of global short-term, lower volatility high yield debt securities with an average duration of approximately 12-24 months. These securities will generally be rated below investment grade. The portfolio will be diversified, consisting from time to time of securities including fixed and floating rate global corporate bonds, debt issued in the leveraged loan market such as bank loan assignments and participations, convertible bonds, commercial paper, private placements, such as section 144A securities, preferred securities, hybrids and taxable municipal bonds. The Fund may also invest in other Funds of the Trust in order to obtain its objective.

**Global Time Diversified Absolute Return Fund**

The Global Time Diversified Absolute Return Fund will seek to provide a consistent stream of positive returns in excess of USD 3 month LIBOR ("London Inter-Bank Offer Rate") over a 3-5 year horizon by investing primarily in FDIs to gain exposure to a portfolio of cross currency positions on a leveraged basis. The FDIs will gain exposure to an investible currency universe which will primarily comprise 12 currencies which the Sub-Investment Adviser considers to be the most tradable currencies in the developed world at any given time.

**EDGE Small/Mid-Cap Equity Income Fund**

The investment objective of the Fund was to provide income with long-term growth in both income and capital. The Fund sought to achieve its objective by investing primarily in dividend paying equity securities. The majority of the portfolio was generally invested in the equity securities of US listed companies, but the Fund could also invest in the equity securities of non-US listed companies. The Fund could also hold securities throughout the capitalisation spectrum including mid and small cap securities. The Fund could also invest in REITS and Master Limited Partnerships that were eligible for investment by the Fund. The Fund terminated on 31 May 2016.

**Global Small Cap Equity Fund**

The investment objective of the Fund is to provide medium to long-term capital growth. The Fund seeks to achieve its objective by investing primarily in publicly listed equity securities of smaller capitalisation companies in markets globally. It is anticipated that the Fund will usually hold at least 70% in such securities. The Fund can also invest in REITS and equity securities of issuers that derive income or profits from products or services related to the global property industry. It may also invest in other Funds of the Trust in order to seek to meet its objective.

**Origin Global Emerging Markets Fund**

The objective of the Fund is to seek to achieve capital growth through investment in global emerging market equities. The Fund will invest in transferable equity and equity-related securities of a diversified range of companies in what the Sub-Investment Adviser considers to be emerging economies of the world, normally with a minimum market capitalisation on purchase of USD250 million. These securities will primarily be common stocks and other securities with equity characteristics, including but not limited to preferred stocks, warrants (only held where an existing holding is subject to an issuance of warrants and, in aggregate, normally not more than 5% of the Fund's Net Asset Value) and rights as well as depositary receipts for such securities, all of which are traded on securities exchanges or regulated markets.

**Origin Global Equity Fund**

The objective of the Fund is to seek to achieve capital growth through investment in global equities. The Fund will invest in transferable equity and equity-related securities of a diversified range of companies throughout the globe, normally with a minimum market capitalisation on purchase of USD1 billion. The Fund is constructed with very limited regard to the characteristics of any market capitalisation weighted global equity indices. These securities will primarily be common stocks and other securities with equity characteristics, including but not limited to preferred stocks, warrants (only held where an existing holding is subject to an issuance of warrants and, in aggregate, normally not more than 5% of the Fund's Net Asset Value) and rights as well as depositary receipts for such securities, all of which are traded on securities exchanges or regulated markets.

**Origin Global Smaller Companies Fund**

The objective of the Fund is to seek to achieve capital growth through investment in global smaller companies. The Fund will invest in transferable equity and equity-related securities of a diversified range of companies throughout the globe, normally with a maximum market capitalisation on purchase of up to USD5 billion. These securities will primarily be common stocks and other securities with equity characteristics, including but not limited to preferred stocks, warrants (only held where an existing holding is subject to an issuance of warrants and, in aggregate, normally not more than 5% of the Fund's Net Asset Value) and rights as well as depositary receipts for such securities, all of which are traded on securities exchanges or regulated markets.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Strategy in Using Financial Instruments (continued)**

**Long/Short Global Opportunities Equity Fund**

The investment objective of the Fund is to seek capital growth over the medium to long term with the secondary objective of seeking to limit volatility. The Fund seeks to achieve its objective by investing principally in both long and short positions in equity securities and equity related securities (comprising American Depositary Receipts and Global Depositary Receipts) from investment markets around the world. The Fund will hold short positions synthetically through the use of FDIs. The Fund may also invest in eligible REITS or other REIT-like structures which will be the equivalent of REITS. It may also invest in other Funds of the Trust and eligible ETFs.

**Claritas Latin American Equity Fund**

The investment objective of the Fund is to provide capital growth over the medium to long term. The Fund will invest primarily in equity securities of Latin American companies, which are, companies with their principal place of business or principal office in Latin American countries and/or companies for which their principal securities trading market is a Latin American country. "Latin American" is defined as all countries located in the American continent, except Canada and the United States of America.

**Finisterre Emerging Market Debt Fund**

The investment objective of the Fund is to generate medium to long term positive total returns from a combination of current income and capital appreciation by investing in global emerging market securities. The Fund seeks to achieve its objective by investing primarily in fixed income instruments of sovereign and quasi-sovereign issuers and corporate debt obligations in emerging markets. The types of fixed income instruments and corporate debt obligations that the Fund may invest in are bonds, asset-backed securities, convertible bonds, CoCos, credit and index linked securities, Rule 144A and/or Regulation S securities. The Fund may use FDIs for investment purposes as well as for hedging and/or EPM purposes. From time to time, the Fund may hold an unlimited amount of investments which are traded in Russia.

**Spectrum Global Capital Securities Fund**

The investment objective of the Fund is to generate positive total return over the medium to long term including capital preservation. The Fund seeks to achieve its objective by investing the majority of its assets in below investment grade CoCos from around the world, together with volatility mitigation strategies to mitigate the credit and interest rate volatility associated with CoCos. The Fund may also invest in UCITS eligible ETFs.

**Global Short Duration High Yield Fund**

The Fund aimed to provide a high rate of return with lower price volatility relative to typical high yield investments by investing in limited duration high yield securities. The Fund sought to achieve its objective by investing the majority of its assets in global short-term, high yield debt securities with lower price volatility, as measured by the Investment Adviser, relative to typical high yield investments and with an average duration of approximately 12-24 months. These securities were generally rated below investment grade. The Fund could also invest in UCITS eligible CISs, including other Funds of the Trust and ETFs. The Fund terminated on 31 July 2016.

**Global Capital Structure Opportunities Fund**

The Fund aims to provide high single digit returns over any given market cycle while minimising drawdown risk. The Fund seeks to achieve its objective primarily by investing across the capital structure of companies around the world which, together with investment in FDI's, will seek to minimise certain risks associated with such investments. In certain market conditions the Fund may also invest in government debt. The Fund may also invest in UCITS eligible CISs and ETFs.

**Global Credit Alpha Fund**

The investment objective of the Fund is to seek a high rate of total return over the medium to long term. The Fund seeks to achieve its objective by investing the majority of its assets in high yield corporate bonds, securitised debt, emerging markets bonds as well as government bonds and investment grade corporate bonds from markets around the world. The Fund may invest in UCITS eligible CISs, including other Funds of the Unit Trust and ETFs.

**Real Estate Debt Fund**

The objective of the Fund is to provide attractive long term risk adjusted returns. The Fund seeks to achieve the investment objective by investing the majority of its assets in a diversified portfolio of U.S. commercial mortgage-backed securities ("CMBS"). CMBS are structured debt securities, typically secured by diversified pools of mortgages on commercial real estate properties located across the U.S. While the Fund will primarily invest in CMBS, it may also invest in unsecured bonds issued by companies primarily engaged in a real estate or real estate related business. The CMBS and unsecured bonds may include Rule 144A securities. The Fund may also use certain FDI's for investment purposes and the Fund may also hold ancillary liquid assets such as bank deposits and U.S. Treasury Securities.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk**

All securities and investments present a risk of loss of capital. The Investment Adviser/Sub-Investment Adviser(s) moderates this risk through diversification and a careful selection of securities and other financial instruments within the limits defined in the Prospectus.

Except for derivatives, the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Possible losses from written options can be unlimited and losses on forwards and futures can result from the movement in currency exchange rates in the time between the forward trade date and the settlement date depending on the volatility of the currencies.

The maximum risk of the Interest Rate Swaps, Credit Default Swaps, Cross Currency Swaps and Total Return Swaps is determined by the fair value of the swaps. The Funds' overall market positions are monitored on a daily basis by the Funds' Sub-Investment Adviser.

The Investment Adviser reviews the portfolio characteristics of each Fund in its entirety. This review may include as appropriate a review of country allocations, country weights, capitalization, distribution, industry sector weights, price/book levels, currency exposure, portfolio maturity, portfolio duration, sector exposure, quality exposure and other key risk measures.

The Funds may employ investment techniques and FDIs for EPM and/or investment purposes within the limits set out in the Prospectus as described in the sections 'General Information' and 'Special Investment Considerations and Risks'. The Funds may hold a combination of FDIs such as options, futures, options on futures, forward foreign currency exchange contracts, repurchase contracts, reverse repurchase agreements, sale and buyback agreements, stock lending agreements, credit default swaps, interest rate swaps and other over the counter derivative instruments may be used subject to the conditions and limits laid down by the Central Bank and the Trust Deed and subject to any other restrictions or regulations which may affect the portfolio management of the Funds.

**Sensitivity Analysis**

Sensitivity Analysis is an indication based on historical data showing what an impact of 5% movement in the Benchmark would do to the net asset of the Funds at the Statement of Financial Position date.

**Limitations of Sensitivity Analysis:**

Some limitations of sensitivity analysis are;

- the models are based on historical data and cannot take account of the fact that future market price movements, correlations between markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and future market conditions could vary significantly from those experienced in the past.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**NAV following a 5% Increase/Decrease in Benchmark Return**

**As at 30 September 2016**

Fund Name	Benchmark	Currency	Change in Net Asset Value*	
			5% Increase	5% Decrease
Global Equity Fund	MSCI AC World Index	USD	1,984,948	(1,984,948)
Asian Equity Fund	MSCI AC Asia ex-Japan Index	USD	382,757	(382,757)
European Equity Fund	MSCI Europe Index	USD	4,842,698	(4,842,698)
Emerging Markets Equity Fund	MSCI Emerging Markets Index	USD	349,490	(349,490)
Japanese Equity Fund	MSCI Japan Index	USD	1,480,652	(1,480,652)
Preferred Securities Fund	50% BofA Merrill Lynch Fixed Rate Preferred Securities Index			
	50% BofA Merrill Lynch US Capital Securities Index	USD	142,873,757	(142,873,757)
U.S. Equity Fund	S&P 500 Index	USD	5,597,037	(5,597,037)
High Yield Fund	BofA Merrill Lynch Global High Yield Hedged Index	USD	5,956,049	(5,956,049)
Global Property Securities Fund	FTSE-EPRA-NAREIT Developed NTR Index	USD	8,658,413	(8,658,413)
Global Equity (ex-Japan) Fund	MSCI Kokusai (World ex-Japan) Index	USD	2,995,865	(2,995,865)
Post Global Limited Term High Yield Fund	Barclays Capital US Government 1-2 Year Index	USD	14,087,047	(14,087,047)
Global Time Diversified Absolute Return Fund <sup>4</sup>	N/A	USD	N/A	N/A
EDGE Small/Mid-Cap Equity Income Fund <sup>1</sup>	Russell 2500 Value Index	USD	N/A	N/A
Global Small Cap Equity Fund	MSCI ACWI Small Cap Index	USD	843,409	(843,409)
Origin Global Emerging Markets Fund	MSCI Emerging Markets Index	USD	3,960,369	(3,960,369)
Origin Global Equity Fund	MSCI World Index	USD	795,367	(795,367)
Origin Global Smaller Companies Fund	MSCI ACWI Small Cap Index	USD	2,481,050	(2,481,050)
Long/Short Global Opportunities Equity Fund <sup>4</sup>	N/A	USD	N/A	N/A
Claritas Latin American Equity Fund <sup>5</sup>	N/A	USD	N/A	N/A
Finisterre Emerging Market Debt Fund <sup>4</sup>	N/A	USD	N/A	N/A
Spectrum Global Capital Securities Fund	BofA Merrill Lynch Global Non-Sovereign Index	USD	358,732	(358,732)
Global Short Duration High Yield Fund <sup>2</sup>	Barclays Capital Mutual Fund (1-2) US Government Index	USD	N/A	N/A
Global Capital Structure Opportunities Fund	3 Month US LIBOR	USD	14,078,885	(14,078,885)
Global Credit Alpha Fund	3 Month US LIBOR	USD	21,313,651	(21,313,651)
Real Estate Debt Fund <sup>3</sup>	Barclays Capital CMBS Investment Grade Index	USD	457,128	(457,128)

\*The changes in Net Asset Value have been calculated by applying a beta calculation based on performance for the period multiplied by a 5% increase/(decrease) in the index. The Manager considers this movement to be reasonable.

<sup>1</sup>EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

<sup>2</sup>Global Short Duration High Yield Fund terminated on 1 July 2016.

<sup>3</sup>Real Estate Debt Fund launched on 21 March 2016.

<sup>4</sup>The Finisterre Emerging Market Debt Fund, Long/Short Global Opportunities Equity Fund and Global Time Diversified Absolute Return Fund do not have applicable benchmark indices, and as a result there is no sensitivity analysis prepared for these Funds.

<sup>5</sup>For the Claritas Latin American Equity Fund there is currently no license for the benchmark index and as a result there is no sensitivity prepared for this Fund.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**NAV following a 5% Increase/Decrease in Benchmark Return**

**As at 30 September 2015**

Fund Name	Benchmark	Currency	Change in Net Asset Value*	
			5% Increase	5% Decrease
Global Equity Fund	MSCI AC World Index	USD	2,891,438	(2,891,438)
Asian Equity Fund <sup>8</sup>	MSCI AC Asia ex-Japan Index	USD	366,775	(366,775)
European Equity Fund	MSCI Europe Index	USD	1,546,316	(1,546,316)
Emerging Markets Equity Fund	MSCI Emerging Markets Index	USD	379,488	(379,488)
Japanese Equity Fund	MSCI Japan Index	USD	1,265,016	(1,265,016)
Preferred Securities Fund	50% BofA Merrill Lynch Fixed Rate Preferred Securities Index			
	50% BofA Merrill Lynch US Capital Securities Index	USD	68,256,801	(68,256,801)
U.S. Equity Fund	S&P 500 Index	USD	30,276,253	(30,276,253)
	BofA Merrill Lynch Global High Yield Blended Index	USD	2,906,194	(2,906,194)
High Yield Fund <sup>7</sup>	FTSE-EPRA-NAREIT Developed NTR Index	USD	7,307,522	(7,307,522)
Global Property Securities Fund	MSCI Kokusai (World ex-Japan) Index	USD	3,310,525	(3,310,525)
Global Equity (ex-Japan) Fund	Barclays Capital US Government 1-2 Year Index	USD	63,271,361	(63,271,361)
Post Global Limited Term High Yield Fund				
Global Time Diversified Absolute Return Fund <sup>5</sup>	N/A	USD	N/A	N/A
EDGE Small/Mid-Cap Equity Income Fund	Russell 2500 Value Index	USD	826,842	(826,842)
Global Small Cap Equity Fund	MSCI ACWI Small Cap Index	USD	524,083	(524,083)
Origin Global Emerging Markets Fund	MSCI Emerging Markets Index	USD	1,530,536	(1,530,536)
Origin Global Equity Fund	MSCI World Index	USD	206,266	(206,266)
Origin Global Smaller Companies Fund	MSCI ACWI Small Cap Index	USD	472,910	(472,910)
Long/Short Global Opportunities Equity Fund <sup>5</sup>	N/A	USD	N/A	N/A
Claritas Latin American Equity Fund <sup>6</sup>	N/A	USD	N/A	N/A
Finisterre Emerging Market Debt Fund <sup>5</sup>	N/A	USD	N/A	N/A
Spectrum Global Capital Securities Fund <sup>1</sup>	BofA Merrill Lynch Global Non-Sovereign Index	USD	1,000,720	(1,000,720)
Global Short Duration High Yield Fund <sup>2</sup>	Barclays Capital Mutual Fund (1-2) US Government Index	USD	1,253,103	(1,253,103)
Global Capital Structure Opportunities Fund <sup>3</sup>	3 Month US LIBOR	USD	5,826,193	(5,826,193)
Global Credit Alpha Fund <sup>4</sup>	3 Month US LIBOR	USD	24,328,596	(24,328,596)

\*The changes in Net Asset Value have been calculated by applying a beta calculation based on performance for the period multiplied by a 5% increase/(decrease) in the index. The Manager considers this movement to be reasonable.

<sup>1</sup>Spectrum Global Capital Securities Fund launched on 30 October 2014.

<sup>2</sup>Global Short Duration High Yield Fund launched on 10 December 2014.

<sup>3</sup>Global Capital Structure Opportunities Fund launched on 11 December 2014.

<sup>4</sup>Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.

<sup>5</sup>The Finisterre Emerging Market Debt Fund, Long/Short Global Opportunities Equity Fund and the Global Time Diversified Absolute Return Funds do not have applicable benchmark indices, and as a result there is no sensitivity analysis prepared for these Funds.

<sup>6</sup>For the Claritas Latin American Equity Fund there is currently no license for the benchmark index and as a result there is no sensitivity prepared for this Fund.

<sup>7</sup>High Yield Fund changed Benchmark from the BofA Merrill Lynch Global High Yield Index to the BofA Merrill Lynch Global High Yield Hedged Index on the 1 January 2015.

<sup>8</sup>Asian Equity Fund changed Benchmark from the MSCI Far East ex-Japan Index to the MSCI AC Asia ex-Japan index on the 31 March 2015.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

The Funds' market price risk is managed through investment selection and diversification in accordance with 'The UCITS Regulations' and the limits set out in the Prospectus. The Investment Adviser uses their portfolio management selection tool and makes use of tracking errors to monitor deviation with the benchmark. Monthly performance reports are reviewed by the Investment Adviser/Sub-Investment Adviser and quarterly by the Board of Directors of the Manager. Each Fund's overall market exposures and notional exposures for derivatives are disclosed in the Portfolio of Investments.

Global Time Diversified Absolute Return Fund, Finisterre Emerging Market Debt Fund, Global Capital Structure Opportunities Fund and Global Credit Alpha Fund use an Absolute Value at Risk ("VaR") model to assess the Fund's market risk. The Global Time Diversified Absolute Return Fund's proprietary model uses a non-parametric approach based on a confidence level of 99% for a daily horizon and considering no less than two years of historical data. The Finisterre Emerging Market Debt Fund uses a third-party independent VaR provider; they use a parametric approach with 1 year history based on a confidence level of 99% with a daily horizon. The Global Capital Structure Opportunities Fund calculates VaR using an historical parametric approach with a one-tailed 99% confidence level for a daily holding period and considering at least one year of historical data.

It is noted that the use of VaR models to assess risk has limitations; these models use historical market data as a basis for their estimates, and assume that future conditions will be like those in the past. The estimates may be unreliable, especially under new or extreme market conditions. As there are frequent changes in a Fund's holdings, the sensitivity analysis should not be relied upon as a measure of future performance.

The VaR as of 30 September 2016 and 30 September 2015 based on a confidence level of 99% is included in the table below:

	30 September 2016	30 September 2015
	%	%
Global Time Diversified Absolute Return Fund	1.8	1.4
Finisterre Emerging Market Debt Fund	1.2	0.2
Global Capital Structure Opportunities Fund	0.6	1.3
Global Credit Alpha Fund	0.3	0.9

The lowest, highest, and average utilisation of the VaR limit, using an Absolute VaR approach based on the above inputs are included in the tables below:

**During the year ended 30 September 2016**

Fund	Lowest %	Highest %	Average %
Global Time Diversified Absolute Return Fund	1.2	2.7	1.8
Finisterre Emerging Market Debt Fund	0.5	1.2	0.6
Global Capital Structure Opportunities Fund	0.5	2.1	1.2
Global Credit Alpha Fund	0.3	1.5	0.8

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**During the year ended 30 September 2015**

<b>Fund</b>	<b>Lowest %</b>	<b>Highest %</b>	<b>Average %</b>
Global Time Diversified Absolute Return Fund*	1.4	3.4	2.0
Global Time Diversified Absolute Return Fund**	1.8	3.8	2.9
Finisterre Emerging Market Debt Fund	0.1	1.0	0.5
Global Capital Structure Opportunities Fund***	0.1	1.6	1.2
Global Credit Alpha Fund****	0.7	1.1	0.9

\*VaR is displayed for 2 January 2015 to 30 September 2015. Global Time Diversified Absolute Return Fund relaunched with a new strategy on 2 January 2015 including a new currency universe and modified risk target.

\*\*VaR is displayed for 1 October 2014 to 31 December 2014. Global Time Diversified Absolute Return Fund relaunched with a new strategy on 2 January 2015 including a new currency universe and modified risk target.

\*\*\*Global Capital Structure Opportunities Fund launched on 11 December 2014.

\*\*\*\*Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.

**Financial Assets at Fair Value through Profit or Loss**

Under FRS 102, the Trust is required to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The above levels of fair value hierarchy have changed from those previously disclosed by the Trust under Irish GAAP.

The FRC has issued "Amendments to FRS 102 - Fair value hierarchy disclosures", effective for accounting periods beginning on or after 1 January 2017, with early adoption permitted. FRED 62 proposed to amend paragraphs 34.22 and 34.42 of FRS 102 to require disclosure of financial instruments held at fair value on the basis of a fair value hierarchy consistent with EU-adopted IFRS based on Level 1, 2 and 3 classifications. The Trust has availed of early adoption thus the financial statements have been prepared in accordance with these amendments and fair value measurement is categorised based on Levels 1, 2 and 3.

The only securities held in Level 3 for the year ended 30 September 2016 were nil valued securities which have been indicated by an asterisk on any relevant funds.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

The following tables analyse the financial assets of each Fund against the fair value hierarchy and measures them at fair value for 30 September 2016 and 30 September 2015 in accordance with FRS 102.

**As at 30 September 2016**

<b>Global Equity Fund</b>	<b>Level 1 Quoted prices in active markets USD</b>	<b>Level 2 Other observable inputs USD</b>	<b>Level 3 Unobservable inputs USD</b>
<b>Assets</b>			
Investments in Securities at Fair Value	46,883,996	–	–
<b>Total Assets</b>	<b>46,883,996</b>	<b>–</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(3)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(3)</b>	<b>–</b>
<b>Asian Equity Fund</b>	<b>Level 1 Quoted prices in active markets USD</b>	<b>Level 2 Other observable inputs USD</b>	<b>Level 3 Unobservable inputs USD</b>
<b>Assets</b>			
Investments in Securities at Fair Value*	7,923,003	–	–
Unrealised Gains on Open Spot Currency Contracts	–	13	–
<b>Total Assets</b>	<b>7,923,003</b>	<b>13</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(1)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(1)</b>	<b>–</b>
<b>European Equity Fund</b>	<b>Level 1 Quoted prices in active markets USD</b>	<b>Level 2 Other observable inputs USD</b>	<b>Level 3 Unobservable inputs USD</b>
<b>Assets</b>			
Investments in Securities at Fair Value	99,847,516	–	–
Unrealised Gains on Open Spot Currency Contracts	–	1,419	–
<b>Total Assets</b>	<b>99,847,516</b>	<b>1,419</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(178)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(178)</b>	<b>–</b>
<b>Emerging Markets Equity Fund</b>	<b>Level 1 Quoted prices in active markets USD</b>	<b>Level 2 Other observable inputs USD</b>	<b>Level 3 Unobservable inputs USD</b>
<b>Assets</b>			
Investments in Securities at Fair Value	7,143,329	–	–
Unrealised Gains on Open Spot Currency Contracts	–	211	–
<b>Total Assets</b>	<b>7,143,329</b>	<b>211</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(19)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(19)</b>	<b>–</b>

\*Contains Level 3 security at Nil market value.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

As at 30 September 2016 (continued)

**Japanese Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	30,847,380	–	–
<b>Total Assets</b>	<b>30,847,380</b>	<b>–</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(22)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(22)</b>	<b>–</b>

**Preferred Securities Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	334,676,926	1,958,228,663	–
Unrealised Gains on Open Spot Currency Contracts	–	6,906	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	3,393,824	–
<b>Total Assets</b>	<b>334,676,926</b>	<b>1,961,629,393</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(5,073)	–
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(5,627,972)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(5,633,045)</b>	<b>–</b>

**U.S. Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	115,953,843	–	–
<b>Total Assets</b>	<b>115,953,843</b>	<b>–</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(463)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(463)</b>	<b>–</b>

**High Yield Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value*	216,902	130,684,238	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	617,621	–
<b>Total Assets</b>	<b>216,902</b>	<b>131,301,859</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(36,840)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(36,840)</b>	<b>–</b>

\*Contains Level 3 security at Nil market value.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

As at 30 September 2016 (continued)

**Global Property Securities Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	162,351,791	–	–
Unrealised Gains on Open Spot Currency Contracts	–	130	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	195,817	–
<b>Total Assets</b>	<b>162,351,791</b>	<b>195,947</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(293)	–
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(78,648)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(78,941)</b>	<b>–</b>

**Global Equity (ex-Japan) Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	63,391,044	–	–
<b>Total Assets</b>	<b>63,391,044</b>	<b>–</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(1)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(1)</b>	<b>–</b>

**Post Global Limited Term High Yield Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	–	847,166,830	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	2,878,929	–
<b>Total Assets</b>	<b>–</b>	<b>850,045,759</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(6,973,130)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(6,973,130)</b>	<b>–</b>

**Global Time Diversified Absolute Return Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	3,996,788	–	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	149,658	–
Unrealised Gains on Option Contracts	8,822	–	–
<b>Total Assets</b>	<b>4,005,610</b>	<b>149,658</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(161,396)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(161,396)</b>	<b>–</b>



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

As at 30 September 2016 (continued)

**Global Small Cap Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	17,498,134	–	–
Unrealised Gains on Open Spot Currency Contracts	–	425	–
<b>Total Assets</b>	<b>17,498,134</b>	<b>425</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(1)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(1)</b>	<b>–</b>

**Origin Global Emerging Markets Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	95,026,728	–	–
<b>Total Assets</b>	<b>95,026,728</b>	<b>–</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(3)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(3)</b>	<b>–</b>

**Origin Global Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	15,719,084	–	–
<b>Total Assets</b>	<b>15,719,084</b>	<b>–</b>	<b>–</b>

**Origin Global Smaller Companies Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value*	56,355,700	–	–
Unrealised Gains on Open Spot Currency Contracts	–	6	–
<b>Total Assets</b>	<b>56,355,700</b>	<b>6</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(968)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(968)</b>	<b>–</b>

\*Contains Level 3 security at Nil market value.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

As at 30 September 2016 (continued)

**Long/Short Global Opportunities Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	6,650,731	–	–
Unrealised Gains on Open Futures Contracts	45,940	–	–
<b>Total Assets</b>	<b>6,696,671</b>	<b>–</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Futures Contracts	(2,040)	–	–
<b>Total Liabilities</b>	<b>(2,040)</b>	<b>–</b>	<b>–</b>

**Claritas Latin American Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	11,979,391	–	–
<b>Total Assets</b>	<b>11,979,391</b>	<b>–</b>	<b>–</b>

**Finisterre Emerging Market Debt Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	–	238,686,667	–
Unrealised Gains on Open Spot Currency Contracts	–	215,799	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	28,350,134	–
Unrealised Gains on Open Futures Contracts	463,841	–	–
Unrealised Gains on Swap Contracts	–	10,940,259	–
Unrealised Gains on Option Contracts	5,856,095	–	–
<b>Total Assets</b>	<b>6,319,936</b>	<b>278,192,859</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(70,937)	–
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(25,964,400)	–
Unrealised Loss on Forward Rate Agreements	–	(278,642)	–
Unrealised Loss on Open Futures Contracts	(347,280)	–	–
Unrealised Loss on Swap Contracts	–	(17,031,300)	–
Unrealised Loss on Option Contracts	(6,312,659)	–	–
<b>Total Liabilities</b>	<b>(6,659,939)</b>	<b>(43,345,279)</b>	<b>–</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

As at 30 September 2016 (continued)

**Spectrum Global Capital Securities Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	–	23,714,402	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	27,611	–
Unrealised Gains on Open Futures Contracts	4,474	–	–
Unrealised Gains on Option Contracts	131,016	–	–
<b>Total Assets</b>	<b>135,490</b>	<b>23,742,013</b>	–
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(116,995)	–
Unrealised Loss on Option Contracts	(79,219)	–	–
<b>Total Liabilities</b>	<b>(79,219)</b>	<b>(116,995)</b>	–

**Global Capital Structure Opportunities Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	–	10,316,746	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	4	–
Unrealised Gains on Open Futures Contracts	1,406	–	–
<b>Total Assets</b>	<b>1,406</b>	<b>10,316,750</b>	–
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(1)	–
Unrealised Loss on Open Futures Contracts	(2,570)	–	–
<b>Total Liabilities</b>	<b>(2,570)</b>	<b>(1)</b>	–

**Global Credit Alpha Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	704,561	7,158,274	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	508	–
Unrealised Gains on Open Futures Contracts	547	–	–
<b>Total Assets</b>	<b>705,108</b>	<b>7,158,782</b>	–
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(1)	–
Unrealised Loss on Open Futures Contracts	(2,857)	–	–
Unrealised Loss on Swap Contracts	–	(37,416)	–
<b>Total Liabilities</b>	<b>(2,857)</b>	<b>(37,417)</b>	–

**Real Estate Debt Fund\*\***

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	–	9,502,885	–
<b>Total Assets</b>	–	<b>9,502,885</b>	–

\*\*Real Estate Debt Fund launched on 21 March 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

As at 30 September 2015

<b>Global Equity Fund</b>	<b>Level 1 Quoted prices in active markets USD</b>	<b>Level 2 Other observable inputs USD</b>	<b>Level 3 Unobservable inputs USD</b>
<b>Assets</b>			
Investments in Securities at Fair Value	51,806,107	–	–
Unrealised Gains on Open Spot Currency Contracts	–	238	–
<b>Total Assets</b>	<b>51,806,107</b>	<b>238</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(46)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(46)</b>	<b>–</b>
<b>Asian Equity Fund</b>	<b>Level 1 Quoted prices in active markets USD</b>	<b>Level 2 Other observable inputs USD</b>	<b>Level 3 Unobservable inputs USD</b>
<b>Assets</b>			
Investments in Securities at Fair Value*	7,573,559	–	–
<b>Total Assets</b>	<b>7,573,559</b>	<b>–</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(10)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(10)</b>	<b>–</b>
<b>European Equity Fund</b>	<b>Level 1 Quoted prices in active markets USD</b>	<b>Level 2 Other observable inputs USD</b>	<b>Level 3 Unobservable inputs USD</b>
<b>Assets</b>			
Investments in Securities at Fair Value	100,117,394	–	–
Unrealised Gains on Open Spot Currency Contracts	–	206	–
<b>Total Assets</b>	<b>100,117,394</b>	<b>206</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(37)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(37)</b>	<b>–</b>
<b>Emerging Markets Equity Fund</b>	<b>Level 1 Quoted prices in active markets USD</b>	<b>Level 2 Other observable inputs USD</b>	<b>Level 3 Unobservable inputs USD</b>
<b>Assets</b>			
Investments in Securities at Fair Value	8,387,412	–	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	4	–
<b>Total Assets</b>	<b>8,387,412</b>	<b>4</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(51)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(51)</b>	<b>–</b>

\*Contains Level 3 security at Nil market value.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

**As at 30 September 2015 (continued)**

**Japanese Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	20,433,676	–	–
Unrealised Gains on Open Spot Currency Contracts	–	307	–
<b>Total Assets</b>	<b>20,433,676</b>	<b>307</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(58)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(58)</b>	<b>–</b>

**Preferred Securities Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	374,169,428	1,302,197,949	–
Unrealised Gains on Open Spot Currency Contracts	–	257	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	1,613,812	–
<b>Total Assets</b>	<b>374,169,428</b>	<b>1,303,812,018</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(1,212)	–
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(513,074)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(514,286)</b>	<b>–</b>

**U.S. Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	133,897,903	–	–
<b>Total Assets</b>	<b>133,897,903</b>	<b>–</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(5)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(5)</b>	<b>–</b>

**High Yield Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	–	122,653,524	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	303,495	–
<b>Total Assets</b>	<b>–</b>	<b>122,957,019</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(2,018,239)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(2,018,239)</b>	<b>–</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

As at 30 September 2015 (continued)

**Global Property Securities Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	89,823,452	–	–
Unrealised Gains on Open Spot Currency Contracts	–	2,714	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	80,190	–
<b>Total Assets</b>	<b>89,823,452</b>	<b>82,904</b>	–
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(2,568)	–
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(10,076)	–
<b>Total Liabilities</b>	–	<b>(12,644)</b>	–

**Global Equity (ex-Japan) Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	59,842,266	–	–
Unrealised Gains on Open Spot Currency Contracts	–	511	–
<b>Total Assets</b>	<b>59,842,266</b>	<b>511</b>	–
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(2,617)	–
<b>Total Liabilities</b>	–	<b>(2,617)</b>	–

**Post Global Limited Term High Yield Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	1,581,000	512,659,676	–
Unrealised Gains on Open Spot Currency Contracts	–	4,233	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	1,455,893	–
<b>Total Assets</b>	<b>1,581,000</b>	<b>514,119,802</b>	–
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(1,011,352)	–
<b>Total Liabilities</b>	–	<b>(1,011,352)</b>	–

**Global Time Diversified Absolute Return Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	3,798,380	–	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	163,752	–
<b>Total Assets</b>	<b>3,798,380</b>	<b>163,752</b>	–
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(58,329)	–
<b>Total Liabilities</b>	–	<b>(58,329)</b>	–

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

As at 30 September 2015 (continued)

**EDGE Small/Mid-Cap Equity Income Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	4,582,102	–	–
<b>Total Assets</b>	<b>4,582,102</b>	<b>–</b>	<b>–</b>

**Global Small Cap Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	20,811,058	–	–
Unrealised Gains on Open Spot Currency Contracts	–	1	–
<b>Total Assets</b>	<b>20,811,058</b>	<b>1</b>	<b>–</b>

**Origin Global Emerging Markets Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	51,853,196	–	–
Unrealised Gains on Open Spot Currency Contracts	–	1	–
<b>Total Assets</b>	<b>51,853,196</b>	<b>1</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(782)	–
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(6,029)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(6,811)</b>	<b>–</b>

**Origin Global Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	15,178,260	–	–
Unrealised Gains on Open Spot Currency Contracts	–	82	–
<b>Total Assets</b>	<b>15,178,260</b>	<b>82</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(546)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(546)</b>	<b>–</b>

**Origin Global Smaller Companies Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value*	33,277,177	–	–
Unrealised Gains on Open Spot Currency Contracts	–	2,815	–
<b>Total Assets</b>	<b>33,277,177</b>	<b>2,815</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(7,648)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(7,648)</b>	<b>–</b>

\*Contains Level 3 security at Nil market value.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

**As at 30 September 2015 (continued)**

**Long/Short Global Opportunities Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	7,326,728	–	–
Unrealised Gains on Open Spot Currency Contracts	–	37	–
Unrealised Gains on Open Futures Contracts	172,710	–	–
<b>Total Assets</b>	<b>7,499,438</b>	<b>37</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(7)	–
<b>Total Liabilities</b>	<b>–</b>	<b>(7)</b>	<b>–</b>

**Claritas Latin American Equity Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	11,203,608	–	–
<b>Total Assets</b>	<b>11,203,608</b>	<b>–</b>	<b>–</b>

**Finisterre Emerging Market Debt Fund**

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	244,742,505	83,340,778	–
Unrealised Gains on Open Spot Currency Contracts	–	152,419	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	40,646,215	–
Unrealised Gains on Swap Contracts	–	2,904,487	–
Unrealised Gains on Option Contracts	14,608,742	–	–
<b>Total Assets</b>	<b>259,351,247</b>	<b>127,043,899</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Spot Currency Contracts	–	(1,324,261)	–
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(30,261,296)	–
Unrealised Loss on Open Futures Contracts	(81,250)	–	–
Unrealised Loss on Swap Contracts	–	(4,200,347)	–
Unrealised Loss on Option Contracts	(10,139,992)	–	–
<b>Total Liabilities</b>	<b>(10,221,242)</b>	<b>(35,785,904)</b>	<b>–</b>

**Spectrum Global Capital Securities Fund\*\*\***

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	–	20,179,966	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	60,337	–
Unrealised Gains on Option Contracts	202,934	–	–
<b>Total Assets</b>	<b>202,934</b>	<b>20,240,303</b>	<b>–</b>
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(11,654)	–
Unrealised Loss on Option Contracts	(105,725)	–	–
<b>Total Liabilities</b>	<b>(105,725)</b>	<b>(11,654)</b>	<b>–</b>



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Market Price Risk (continued)**

**Financial Assets at Fair Value through Profit or Loss (continued)**

As at 30 September 2015 (continued)

**Global Short Duration High Yield Fund\*\*\*\***

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	–	7,835,698	–
Unrealised Gains on Open Forward Foreign Currency Exchange Contracts	–	31	–
<b>Total Assets</b>	–	<b>7,835,729</b>	–
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(47)	–
<b>Total Liabilities</b>	–	<b>(47)</b>	–

**Global Capital Structure Opportunities Fund\*\*\*\*\***

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	–	9,329,020	–
<b>Total Assets</b>	–	<b>9,329,020</b>	–
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(3)	–
Unrealised Loss on Open Futures Contracts	(37,516)	–	–
<b>Total Liabilities</b>	<b>(37,516)</b>	<b>(3)</b>	–

**Global Credit Alpha Fund\*\*\*\*\***

	Level 1 Quoted prices in active markets USD	Level 2 Other observable inputs USD	Level 3 Unobservable inputs USD
<b>Assets</b>			
Investments in Securities at Fair Value	–	7,372,425	–
Unrealised Gains on Swap Contracts	–	1,840	–
<b>Total Assets</b>	–	<b>7,374,265</b>	–
<b>Liabilities</b>			
Unrealised Loss on Open Forward Foreign Currency Exchange Contracts	–	(1)	–
Unrealised Loss on Swap Contracts	–	(3,135)	–
<b>Total Liabilities</b>	–	<b>(3,136)</b>	–

\*\*\*Spectrum Global Capital Securities Fund launched on 30 October 2014.

\*\*\*\*Global Short Duration High Yield Fund launched on 10 December 2014.

\*\*\*\*\*Global Capital Structure Opportunities Fund launched on 11 December 2014.

\*\*\*\*\*Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Interest Rate Risk**

Funds which hold interest bearing financial assets and liabilities are exposed to interest rate risk, where the value of the securities may fluctuate as a result of a change in interest rate.

This risk is managed by the setting of limits on the level of cash holdings in the Funds and such limits are set out in the Funds' Prospectus. With the fixed income Funds, the Investment Adviser has set limits of exposure and uses an internal process to monitor macroeconomic factors affecting interest rate risk.

The Global Equity Fund, Asian Equity Fund, European Equity Fund, Emerging Markets Equity Fund, Japanese Equity Fund, U.S. Equity Fund, Global Property Securities Fund, Global Equity (ex-Japan) Fund, EDGE Small/Mid-Cap Equity Income Fund, Global Small Cap Equity Fund, Origin Global Emerging Markets Fund, Origin Global Equity Fund, Origin Global Smaller Companies Fund, Long/Short Global Opportunities Equity Fund and Claritas Latin American Equity Fund are not included in the below chart as the majority of the financial assets and liabilities of those Funds are non-interest bearing or have a very short time to maturity. As a result, those Funds are not subject to significant amounts of risk due to fluctuations in the market interest rates.

The following tables summarise the exposure to interest rate risk for the Preferred Securities Fund, High Yield Fund, Post Global Limited Term High Yield Fund, Global Time Diversified Absolute Return Fund, Finisterre Emerging Market Debt Fund, Spectrum Global Capital Securities Fund, Global Capital Structure Opportunities Fund, Global Credit Alpha Fund and Real Estate Debt Fund. They include each Fund's assets and trading liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity dates. Global Short Duration High Yield Fund terminated on 1 July 2016.

**As at 30 September 2016**

<b>Preferred Securities Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	—	—	—	135,154,790	135,154,790
Transferable securities	—	83,808,785	2,209,096,804	—	2,292,905,589
Financial Derivative Instruments	—	—	—	3,400,730	3,400,730
Other Assets	—	—	—	46,266,036	46,266,036
<b>Total Assets</b>	<b>—</b>	<b>83,808,785</b>	<b>2,209,096,804</b>	<b>184,821,556</b>	<b>2,477,727,145</b>
<b>Liabilities</b>					
Bank Overdraft	—	—	—	—	—
Financial Derivative Instruments	—	—	—	(5,633,045)	(5,633,045)
Creditors	—	—	—	(61,510,146)	(61,510,146)
<b>Total Liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(67,143,191)</b>	<b>(67,143,191)</b>
<b>Total interest sensitivity gap</b>	<b>—</b>	<b>83,808,785</b>	<b>2,209,096,804</b>		

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Interest Rate Risk (continued)**

As at 30 September 2016 (continued)

High Yield Fund	Up to 1 year USD	1-5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Assets</b>					
Cash and cash equivalents	—	—	—	6,139,310	6,139,310
Transferable securities	1,098,488	47,507,844	82,077,906	216,902	130,901,140
Financial Derivative Instruments	—	—	—	617,621	617,621
Other Assets	—	—	—	2,209,966	2,209,966
<b>Total Assets</b>	<b>1,098,488</b>	<b>47,507,844</b>	<b>82,077,906</b>	<b>9,183,799</b>	<b>139,868,037</b>
<b>Liabilities</b>					
Bank Overdraft	—	—	—	—	—
Financial Derivative Instruments	—	—	—	(36,840)	(36,840)
Creditors	—	—	—	(1,038,841)	(1,038,841)
<b>Total Liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(1,075,681)</b>	<b>(1,075,681)</b>
<b>Total interest sensitivity gap</b>	<b>1,098,488</b>	<b>47,507,844</b>	<b>82,077,906</b>		
<b>Post Global Limited Term High Yield Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	—	—	—	9,067,269	9,067,269
Transferable securities	71,217,038	693,769,512	82,180,280	—	847,166,830
Financial Derivative Instruments	—	—	—	2,878,929	2,878,929
Other Assets	—	—	—	21,848,253	21,848,253
<b>Total Assets</b>	<b>71,217,038</b>	<b>693,769,512</b>	<b>82,180,280</b>	<b>33,794,451</b>	<b>880,961,281</b>
<b>Liabilities</b>					
Bank Overdraft	—	—	—	—	—
Financial Derivative Instruments	—	—	—	(6,973,130)	(6,973,130)
Creditors	—	—	—	(19,962,251)	(19,962,251)
<b>Total Liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(26,935,381)</b>	<b>(26,935,381)</b>
<b>Total interest sensitivity gap</b>	<b>71,217,038</b>	<b>693,769,512</b>	<b>82,180,280</b>		
<b>Global Time Diversified Absolute Return Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	—	—	—	684,268	684,268
Transferable securities	3,996,788	—	—	—	3,996,788
Financial Derivative Instruments	—	—	—	158,480	158,480
Other Assets	—	—	—	28,127	28,127
<b>Total Assets</b>	<b>3,996,788</b>	<b>—</b>	<b>—</b>	<b>870,875</b>	<b>4,867,663</b>
<b>Liabilities</b>					
Bank Overdraft	—	—	—	—	—
Financial Derivative Instruments	—	—	—	(161,396)	(161,396)
Creditors	—	—	—	(64,751)	(64,751)
<b>Total Liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(226,147)</b>	<b>(226,147)</b>
<b>Total interest sensitivity gap</b>	<b>3,996,788</b>	<b>—</b>	<b>—</b>		

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Interest Rate Risk (continued)**

As at 30 September 2016 (continued)

<b>Finisterre Emerging Market Debt Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	–	–	–	70,433,333	70,433,333
Transferable securities	24,207,920	51,910,895	162,567,852	–	238,686,667
Financial Derivative Instruments	–	–	–	45,826,128	45,826,128
Other Assets	–	–	–	81,737,236	81,737,236
<b>Total Assets</b>	<b>24,207,920</b>	<b>51,910,895</b>	<b>162,567,852</b>	<b>197,996,697</b>	<b>436,683,364</b>
<b>Liabilities</b>					
Bank Overdraft	–	–	–	(522,908)	(522,908)
Financial Derivative Instruments	–	–	–	(50,005,218)	(50,005,218)
Creditors	–	–	–	(71,690,203)	(71,690,203)
<b>Total Liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(122,218,329)</b>	<b>(122,218,329)</b>
<b>Total interest sensitivity gap</b>	<b>24,207,920</b>	<b>51,910,895</b>	<b>162,567,852</b>		
<b>Spectrum Global Capital Securities Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	–	–	–	642,829	642,829
Transferable securities	–	–	23,714,402	–	23,714,402
Financial Derivative Instruments	–	–	–	163,101	163,101
Other Assets	–	–	–	376,144	376,144
<b>Total Assets</b>	<b>–</b>	<b>–</b>	<b>23,714,402</b>	<b>1,182,074</b>	<b>24,896,476</b>
<b>Liabilities</b>					
Bank Overdraft	–	–	–	–	–
Financial Derivative Instruments	–	–	–	(196,214)	(196,214)
Creditors	–	–	–	(70,843)	(70,843)
<b>Total Liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(267,057)</b>	<b>(267,057)</b>
<b>Total interest sensitivity gap</b>	<b>–</b>	<b>–</b>	<b>23,714,402</b>		

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Interest Rate Risk (continued)**

As at 30 September 2016 (continued)

<b>Global Capital Structure Opportunities Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	—	—	—	258,993	258,993
Transferable securities	—	1,025,028	9,291,718	—	10,316,746
Financial Derivative Instruments	—	—	—	1,410	1,410
Other Assets	—	—	—	173,875	173,875
<b>Total Assets</b>	<b>—</b>	<b>1,025,028</b>	<b>9,291,718</b>	<b>434,278</b>	<b>10,751,024</b>
<b>Liabilities</b>					
Bank Overdraft	—	—	—	—	—
Financial Derivative Instruments	—	—	—	(2,571)	(2,571)
Creditors	—	—	—	(53,195)	(53,195)
<b>Total Liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(55,766)</b>	<b>(55,766)</b>
<b>Total interest sensitivity gap</b>	<b>—</b>	<b>1,025,028</b>	<b>9,291,718</b>		
<b>Global Credit Alpha Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	—	—	—	995,735	995,735
Transferable securities	699,997	2,562,822	4,595,452	4,564	7,862,835
Financial Derivative Instruments	—	—	—	1,055	1,055
Other Assets	—	—	—	152,481	152,481
<b>Total Assets</b>	<b>699,997</b>	<b>2,562,822</b>	<b>4,595,452</b>	<b>1,153,835</b>	<b>9,012,106</b>
<b>Liabilities</b>					
Bank Overdraft	—	—	—	—	—
Financial Derivative Instruments	—	—	—	(40,274)	(40,274)
Creditors	—	—	—	(576,016)	(576,016)
<b>Total Liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(616,290)</b>	<b>(616,290)</b>
<b>Total interest sensitivity gap</b>	<b>699,997</b>	<b>2,562,822</b>	<b>4,595,452</b>		
<b>Real Estate Debt Fund*</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	—	—	—	17,838	17,838
Transferable securities	—	—	9,502,885	—	9,502,885
Financial Derivative Instruments	—	—	—	—	—
Other Assets	—	—	—	101,816	101,816
<b>Total Assets</b>	<b>—</b>	<b>—</b>	<b>9,502,885</b>	<b>119,654</b>	<b>9,622,539</b>
<b>Liabilities</b>					
Bank Overdraft	—	—	—	—	—
Financial Derivative Instruments	—	—	—	—	—
Creditors	—	—	—	(79,801)	(79,801)
<b>Total Liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(79,801)</b>	<b>(79,801)</b>
<b>Total interest sensitivity gap</b>	<b>—</b>	<b>—</b>	<b>9,502,885</b>		

\*Real Estate Debt Fund launched on 21 March 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Interest Rate Risk (continued)**

**As at 30 September 2015**

<b>Preferred Securities Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	–	–	–	63,049,131	63,049,131
Transferable securities	–	65,385,870	1,610,981,507	–	1,676,367,377
Financial Derivative Instruments	–	–	–	1,614,069	1,614,069
Other Assets	–	–	–	22,276,397	22,276,397
<b>Total Assets</b>	<b>–</b>	<b>65,385,870</b>	<b>1,610,981,507</b>	<b>86,939,597</b>	<b>1,763,306,974</b>

<b>Liabilities</b>					
Bank Overdraft	–	–	–	–	–
Financial Derivative Instruments	–	–	–	(514,286)	(514,286)
Creditors	–	–	–	(2,515,912)	(2,515,912)
<b>Total Liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(3,030,198)</b>	<b>(3,030,198)</b>
<b>Total interest sensitivity gap</b>	<b>–</b>	<b>65,385,870</b>	<b>1,610,981,507</b>		

<b>High Yield Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	–	–	–	5,022,621	5,022,621
Transferable securities	–	35,238,023	87,415,501	–	122,653,524
Financial Derivative Instruments	–	–	–	303,495	303,495
Other Assets	–	–	–	2,932,736	2,932,736
<b>Total Assets</b>	<b>–</b>	<b>35,238,023</b>	<b>87,415,501</b>	<b>8,258,852</b>	<b>130,912,376</b>

<b>Liabilities</b>					
Bank Overdraft	–	–	–	–	–
Financial Derivative Instruments	–	–	–	(2,018,239)	(2,018,239)
Creditors	–	–	–	(1,576,713)	(1,576,713)
<b>Total Liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(3,594,952)</b>	<b>(3,594,952)</b>
<b>Total interest sensitivity gap</b>	<b>–</b>	<b>35,238,023</b>	<b>87,415,501</b>		

<b>Post Global Limited Term High Yield Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	–	–	–	22,923,202	22,923,202
Transferable securities	13,690,031	485,307,650	15,242,995	–	514,240,676
Financial Derivative Instruments	–	–	–	1,460,126	1,460,126
Other Assets	–	–	–	24,121,626	24,121,626
<b>Total Assets</b>	<b>13,690,031</b>	<b>485,307,650</b>	<b>15,242,995</b>	<b>48,504,954</b>	<b>562,745,630</b>

<b>Liabilities</b>					
Bank Overdraft	–	–	–	–	–
Financial Derivative Instruments	–	–	–	(1,011,352)	(1,011,352)
Creditors	–	–	–	(6,351,776)	(6,351,776)
<b>Total Liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(7,363,128)</b>	<b>(7,363,128)</b>
<b>Total interest sensitivity gap</b>	<b>13,690,031</b>	<b>485,307,650</b>	<b>15,242,995</b>		

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Interest Rate Risk (continued)**

**As at 30 September 2015 (continued)**

<b>Global Time Diversified Absolute Return Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	–	–	–	174,803	174,803
Transferable securities	3,798,380	–	–	–	3,798,380
Financial Derivative Instruments	–	–	–	163,752	163,752
Other Assets	–	–	–	20,154	20,154
<b>Total Assets</b>	<b>3,798,380</b>	<b>–</b>	<b>–</b>	<b>358,709</b>	<b>4,157,089</b>
<b>Liabilities</b>					
Financial Derivative Instruments	–	–	–	(58,329)	(58,329)
Creditors	–	–	–	(40,569)	(40,569)
<b>Total Liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(98,898)</b>	<b>(98,898)</b>
<b>Total interest sensitivity gap</b>	<b>3,798,380</b>	<b>–</b>	<b>–</b>		
<b>Finisterre Emerging Market Debt Fund</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	–	–	–	121,300,398	121,300,398
Transferable securities	263,688,166	56,271,929	8,123,188	–	328,083,283
Financial Derivative Instruments	–	–	–	58,311,863	58,311,863
Other Assets	–	–	–	3,793,434	3,793,434
<b>Total Assets</b>	<b>263,688,166</b>	<b>56,271,929</b>	<b>8,123,188</b>	<b>183,405,695</b>	<b>511,488,978</b>
<b>Liabilities</b>					
Financial Derivative Instruments	–	–	–	(46,007,146)	(46,007,146)
Creditors	–	–	–	(2,337,164)	(2,337,164)
<b>Total Liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(48,344,310)</b>	<b>(48,344,310)</b>
<b>Total interest sensitivity gap</b>	<b>263,688,166</b>	<b>56,271,929</b>	<b>8,123,188</b>		
<b>Spectrum Global Capital Securities Fund*</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	–	–	–	598,243	598,243
Transferable securities	–	–	20,179,966	–	20,179,966
Financial Derivative Instruments	–	–	–	263,271	263,271
Other Assets	–	–	–	355,845	355,845
<b>Total Assets</b>	<b>–</b>	<b>–</b>	<b>20,179,966</b>	<b>1,217,359</b>	<b>21,397,325</b>
<b>Liabilities</b>					
Financial Derivative Instruments	–	–	–	(117,379)	(117,379)
Creditors	–	–	–	(33,302)	(33,302)
<b>Total Liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(150,681)</b>	<b>(150,681)</b>
<b>Total interest sensitivity gap</b>	<b>–</b>	<b>–</b>	<b>20,179,966</b>		

\*Spectrum Global Capital Securities Fund launched on 30 October 2014.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Interest Rate Risk (continued)**

**As at 30 September 2015 (continued)**

<b>Global Short Duration High Yield Fund**</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	–	–	–	605,660	605,660
Transferable securities	–	6,692,838	1,142,860	–	7,835,698
Financial Derivative Instruments	–	–	–	31	31
Other Assets	–	–	–	199,927	199,927
<b>Total Assets</b>	<b>–</b>	<b>6,692,838</b>	<b>1,142,860</b>	<b>805,618</b>	<b>8,641,316</b>
<b>Liabilities</b>					
Financial Derivative Instruments	–	–	–	(47)	(47)
Creditors	–	–	–	(20,676)	(20,676)
<b>Total Liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(20,723)</b>	<b>(20,723)</b>
<b>Total interest sensitivity gap</b>	<b>–</b>	<b>6,692,838</b>	<b>1,142,860</b>		
<b>Global Capital Structure Opportunities Fund***</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	–	–	–	484,996	484,996
Transferable securities	–	563,931	8,765,089	–	9,329,020
Other Assets	–	–	–	480,517	480,517
<b>Total Assets</b>	<b>–</b>	<b>563,931</b>	<b>8,765,089</b>	<b>965,513</b>	<b>10,294,533</b>
<b>Liabilities</b>					
Financial Derivative Instruments	–	–	–	(37,519)	(37,519)
Creditors	–	–	–	(22,485)	(22,485)
<b>Total Liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(60,004)</b>	<b>(60,004)</b>
<b>Total interest sensitivity gap</b>	<b>–</b>	<b>563,931</b>	<b>8,765,089</b>		
<b>Global Credit Alpha Fund****</b>	<b>Up to 1 year USD</b>	<b>1-5 years USD</b>	<b>Over 5 years USD</b>	<b>Non-interest bearing USD</b>	<b>Total USD</b>
<b>Assets</b>					
Cash and cash equivalents	–	–	–	405,936	405,936
Transferable securities	–	2,317,935	5,054,490	–	7,372,425
Financial Derivative Instruments	–	–	–	1,840	1,840
Other Assets	–	–	–	173,035	173,035
<b>Total Assets</b>	<b>–</b>	<b>2,317,935</b>	<b>5,054,490</b>	<b>580,811</b>	<b>7,953,236</b>
<b>Liabilities</b>					
Bank Overdraft	–	–	–	(13)	(13)
Financial Derivative Instruments	–	–	–	(3,136)	(3,136)
Creditors	–	–	–	(33,711)	(33,711)
<b>Total Liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(36,860)</b>	<b>(36,860)</b>
<b>Total interest sensitivity gap</b>	<b>–</b>	<b>2,317,935</b>	<b>5,054,490</b>		

\*\*Global Short Duration High Yield Fund launched on 10 December 2014.

\*\*\*Global Capital Structure Opportunities Fund launched on 11 December 2014.

\*\*\*\*Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Interest Rate Risk (continued)**

The below interest rate sensitivity information is a relative estimate of risk and is not intended to be a precise and accurate number. The calculations are based on historical data. Future price movements and correlations between securities could vary significantly from those experienced in the past.

**Approximate increase or decrease in net asset value due to a 1% change in market interest rates**

Fund Name	Currency	Change in Net Asset Value	
		As at 30 September 2016	As at 30 September 2015
Preferred Securities Fund	USD	22,929,056	16,763,674
High Yield Fund	USD	1,306,842	1,226,535
Post Global Limited Term High Yield Fund	USD	8,471,668	5,142,407
Global Time Diversified Absolute Return Fund*	USD	N/A	N/A
Finisterre Emerging Market Debt Fund*	USD	N/A	N/A
Spectrum Global Capital Securities Fund	USD	237,144	201,800
Global Short Duration High Yield Fund**	USD	-	78,357
Global Capital Structure Opportunities Fund*	USD	N/A	N/A
Global Credit Alpha Fund*	USD	N/A	N/A
Real Estate Debt Fund***	USD	95,029	-

The Investment Adviser considers a 1% movement to be reasonable.

\*The Global Time Diversified Absolute Return Fund, Finisterre Emerging Market Debt Fund, Global Capital Structure Opportunities Fund and the Global Credit Alpha Fund use the VaR model for sensitivity risk, and as a result there is no sensitivity analysis prepared for these funds.

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk**

The Funds may hold assets denominated in currencies other than the functional currency of a Fund. They are therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. A Fund may utilise financial instruments to hedge against fluctuations in the relative values of their portfolio positions.

The Investment Adviser monitors the currency positions on a daily basis utilizing quantitative and fundamental models.

The following tables detail the material monetary currency exposures.

**As at 30 September 2016**

**Global Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Brazilian Real	(117,214)	603,487	–	486,273
Canadian Dollar	3,091	2,355,396	(1,513)	2,356,974
Danish Krone	–	224,463	–	224,463
Euro	(2,116)	6,977,166	–	6,975,050
Hong Kong Dollar	–	1,194,401	–	1,194,401
Indonesian Rupiah	–	380,245	–	380,245
Japanese Yen	36,728	3,212,665	–	3,249,393
Malaysian Ringgit	–	243,088	–	243,088
Mexican Peso	–	224,099	–	224,099
Pound Sterling	10,206	4,172,752	(3,617)	4,179,341
South African Rand	1	–	–	1
South Korean Won	–	1,379,456	–	1,379,456
Swiss Franc	–	1,077,397	–	1,077,397
Taiwan Dollar	–	279,466	–	279,466
U.S. Dollar	1,466,963	24,559,915	5,127	26,032,005
	<b>1,397,659</b>	<b>46,883,996</b>	<b>(3)</b>	<b>48,281,652</b>

**Asian Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Chinese Renminbi	1,933	–	–	1,933
Euro	(1,253)	–	–	(1,253)
Hong Kong Dollar	(10,162)	3,133,421	15,131	3,138,390
Indian Rupee	86,979	920,780	–	1,007,759
Indonesian Rupiah	–	237,437	–	237,437
Singapore Dollar	2,066	145,916	(2,066)	145,916
South Korean Won	(29,159)	1,390,614	–	1,361,455
Taiwan Dollar	–	1,202,416	–	1,202,416
Thailand Baht	–	348,186	–	348,186
U.S. Dollar	(37,481)	544,233	(13,053)	493,699
	<b>12,923</b>	<b>7,923,003</b>	<b>12</b>	<b>7,935,938</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2016 (continued)**

**European Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Danish Krone	—	7,875,264	—	7,875,264
Euro	499,219	45,400,003	(472,980)	45,426,242
Hong Kong Dollar	9,216	—	—	9,216
Norwegian Krone	—	1,406,021	—	1,406,021
Pound Sterling	209,965	28,296,722	(171,250)	28,335,437
Swedish Krona	—	4,572,932	—	4,572,932
Swiss Franc	176,786	12,296,574	(176,786)	12,296,574
U.S. Dollar	(219,914)	—	822,257	602,343
	<b>675,272</b>	<b>99,847,516</b>	<b>1,241</b>	<b>100,524,029</b>

**Emerging Markets Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Brazilian Real	526	534,367	—	534,893
Chilean Peso	—	84,467	—	84,467
Chinese Renminbi	1,779	—	—	1,779
Euro	(130)	—	—	(130)
Hong Kong Dollar	6,431	1,537,117	(6,747)	1,536,801
Hungarian Forint	—	76,422	—	76,422
Indian Rupee	64,789	682,605	—	747,394
Indonesian Rupiah	—	189,636	—	189,636
Malaysian Ringgit	—	110,892	—	110,892
Mexican Peso	10	240,955	—	240,965
South African Rand	4,392	469,243	(4,392)	469,243
South Korean Won	(23,167)	1,039,595	—	1,016,428
Taiwan Dollar	—	991,552	—	991,552
Thailand Baht	—	197,090	—	197,090
U.S. Dollar	142,244	989,388	11,331	1,142,963
	<b>196,874</b>	<b>7,143,329</b>	<b>192</b>	<b>7,340,395</b>

**Japanese Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	(2,133)	—	—	(2,133)
Japanese Yen	254,627	30,209,860	(3,257)	30,461,230
U.S. Dollar	(708,013)	637,520	3,235	(67,258)
	<b>(455,519)</b>	<b>30,847,380</b>	<b>(22)</b>	<b>30,391,839</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2016 (continued)**

**Preferred Securities Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	805,812	20,949,123	410,267,422	432,022,357
Japanese Yen	—	—	263,837,046	263,837,046
Pound Sterling	909,762	27,809,275	47,410,450	76,129,487
Swiss Franc	—	—	3,580,837	3,580,837
U.S. Dollar	118,195,106	2,244,147,191	(727,328,070)	1,635,014,227
	<b>119,910,680</b>	<b>2,292,905,589</b>	<b>(2,232,315)</b>	<b>2,410,583,954</b>

**U.S. Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	(2,545)	—	—	(2,545)
Pound Sterling	(77,995)	—	114,965	36,970
U.S. Dollar	1,310,011	115,953,843	(115,428)	117,148,426
	<b>1,229,471</b>	<b>115,953,843</b>	<b>(463)</b>	<b>117,182,851</b>

**High Yield Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	19	—	412,783	412,802
Brazilian Real	—	—	25,232,336	25,232,336
Euro	1,162,787	28,245,002	(23,587,970)	5,819,819
Pound Sterling	113,791	4,579,548	(4,698,961)	(5,622)
Swiss Franc	—	—	(82)	(82)
U.S. Dollar	6,033,838	98,076,590	3,222,675	107,333,103
	<b>7,310,435</b>	<b>130,901,140</b>	<b>580,781</b>	<b>138,792,356</b>

**Global Property Securities Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	—	11,186,744	(1,826,706)	9,360,038
Euro	972	16,889,412	(2,880,495)	14,009,889
Hong Kong Dollar	3,868	10,283,529	(1,735,523)	8,551,874
Japanese Yen	256,751	20,999,365	10,133,879	31,389,995
Mexican Peso	(2,587)	1,201,387	(194,917)	1,003,883
Pound Sterling	42,963	6,940,547	(1,193,110)	5,790,400
Singapore Dollar	—	859,401	(142,741)	716,660
Swedish Krona	—	4,366,501	(742,678)	3,623,823
Swiss Franc	—	—	(13)	(13)
U.S. Dollar	2,987,247	89,624,905	(1,300,690)	91,311,462
	<b>3,289,214</b>	<b>162,351,791</b>	<b>117,006</b>	<b>165,758,011</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2016 (continued)**

**Global Equity (ex-Japan) Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	9,821	520,698	—	530,519
Canadian Dollar	5,053	3,634,034	—	3,639,087
Danish Krone	—	692,031	—	692,031
Euro	1,102	8,458,386	—	8,459,488
Hong Kong Dollar	2,075	935,689	—	937,764
Norwegian Krone	—	295,291	—	295,291
Pound Sterling	14,999	5,635,366	(3,217)	5,647,148
Swedish Krona	—	384,301	—	384,301
Swiss Franc	—	1,970,619	—	1,970,619
U.S. Dollar	779,426	40,864,629	3,216	41,647,271
	<b>812,476</b>	<b>63,391,044</b>	<b>(1)</b>	<b>64,203,519</b>

**Post Global Limited Term High Yield Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	(5,107)	—	301,055,265	301,050,158
Japanese Yen	—	—	285,048,822	285,048,822
Pound Sterling	1,044	—	167,223,594	167,224,638
Singapore Dollar	—	—	1,138,073	1,138,073
Swiss Franc	—	—	690,196	690,196
U.S. Dollar	10,957,334	847,166,830	(759,250,151)	98,874,013
	<b>10,953,271</b>	<b>847,166,830</b>	<b>(4,094,201)</b>	<b>854,025,900</b>

**Global Time Diversified Absolute Return Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	1,831	—	(1,853,874)	(1,852,043)
Canadian Dollar	—	—	379,269	379,269
Euro	83	—	(1,690,628)	(1,690,545)
Japanese Yen	—	—	2,514,255	2,514,255
New Zealand Dollar	674	—	863,395	864,069
Norwegian Krone	—	—	166,725	166,725
Pound Sterling	—	—	702,626	702,626
Swedish Krona	—	—	(513,100)	(513,100)
Swiss Franc	200	—	(2,473,780)	(2,473,580)
U.S. Dollar	647,644	4,002,822	1,893,374	6,543,840
	<b>650,432</b>	<b>4,002,822</b>	<b>(11,738)</b>	<b>4,641,516</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2016 (continued)**

**EDGE Small/Mid-Cap Equity Income Fund\***

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Canadian Dollar	214	–	–	214
Euro	411	–	–	411
Pound Sterling	1	–	–	1
U.S. Dollar	(626)	–	–	(626)
	<b>0</b>	<b>–</b>	<b>–</b>	<b>–</b>

**Global Small Cap Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	28,071	381,621	(24,025)	385,667
Canadian Dollar	2,086	819,054	(998)	820,142
Euro	(730)	1,681,615	–	1,680,885
Hong Kong Dollar	1,233	306,349	–	307,582
Indian Rupee	–	74,739	–	74,739
Japanese Yen	71,414	1,860,398	(63,647)	1,868,165
Mexican Peso	–	283,033	–	283,033
New Zealand Dollar	–	155,671	–	155,671
Norwegian Krone	–	90,047	–	90,047
Pound Sterling	–	1,156,123	–	1,156,123
South African Rand	–	119,788	–	119,788
South Korean Won	–	422,748	–	422,748
Swedish Krona	–	297,779	–	297,779
Swiss Franc	–	180,739	–	180,739
Taiwan Dollar	–	578,220	–	578,220
U.S. Dollar	126,563	9,090,210	89,094	9,305,867
	<b>228,637</b>	<b>17,498,134</b>	<b>424</b>	<b>17,727,195</b>

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2016 (continued)**

**Origin Global Emerging Markets Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Brazilian Real	9,974	4,271,849	—	4,281,823
Euro	(2,186)	—	—	(2,186)
Hong Kong Dollar	46,125	31,451,367	(25,441)	31,472,051
Hungarian Forint	—	1,013,042	—	1,013,042
Mexican Peso	—	1,002,704	—	1,002,704
Pound Sterling	82,379	973,028	—	1,055,407
South African Rand	3	3,373,257	—	3,373,260
South Korean Won	—	21,060,053	—	21,060,053
Taiwan Dollar	68,604	8,902,471	—	8,971,075
Thailand Baht	—	3,377,296	—	3,377,296
Turkish Yeni	—	709,843	—	709,843
U.S. Dollar	607,494	18,891,818	25,438	19,524,750
	<b>812,393</b>	<b>95,026,728</b>	<b>(3)</b>	<b>95,839,118</b>

**Origin Global Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	—	219,326	—	219,326
Brazilian Real	381	—	—	381
Canadian Dollar	—	168,606	—	168,606
Danish Krone	—	95,538	—	95,538
Euro	(1,814)	802,297	—	800,483
Hong Kong Dollar	—	1,000,947	—	1,000,947
Hungarian Forint	—	80,720	—	80,720
Japanese Yen	11,724	1,615,384	—	1,627,108
Pound Sterling	13,649	431,159	—	444,808
South African Rand	—	—	—	—
South Korean Won	—	798,506	—	798,506
Swedish Krona	—	76,087	—	76,087
Swiss Franc	—	305,000	—	305,000
Taiwan Dollar	—	709,409	—	709,409
U.S. Dollar	298,591	9,416,105	—	9,714,696
	<b>322,531</b>	<b>15,719,084</b>	<b>—</b>	<b>16,041,615</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2016 (continued)**

**Origin Global Smaller Companies Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	9,292	2,679,825	—	2,689,117
Brazilian Real	(623,766)	1,517,508	—	893,742
Canadian Dollar	(204,026)	1,866,656	(948)	1,661,682
Euro	(137,346)	4,922,346	135,399	4,920,399
Hong Kong Dollar	7,455	3,039,652	—	3,047,107
Japanese Yen	31,245	6,747,252	—	6,778,497
Malaysian Ringgit	1,933	550,780	(1,932)	550,781
Norwegian Krone	—	422,036	—	422,036
Polish Zloty	—	201,636	—	201,636
Pound Sterling	18,133	4,052,589	—	4,070,722
South African Rand	5	376,302	—	376,307
South Korean Won	—	3,398,458	—	3,398,458
Swiss Franc	—	889,147	—	889,147
Taiwan Dollar	41,754	6,197,515	—	6,239,269
Thailand Baht	—	585,115	—	585,115
Turkish Yeni	—	284,234	—	284,234
U.S. Dollar	2,185,161	18,624,649	(133,481)	20,676,329
	<b>1,329,840</b>	<b>56,355,700</b>	<b>(962)</b>	<b>57,684,578</b>

**Long/Short Global Opportunities Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Brazilian Real	(17,583)	95,494	—	77,911
Canadian Dollar	(4,321)	333,350	(225)	328,804
Danish Krone	—	33,024	—	33,024
Euro	(1,798)	954,867	—	953,069
Hong Kong Dollar	—	172,795	—	172,795
Indonesian Rupiah	—	53,206	—	53,206
Japanese Yen	5,532	492,000	—	497,532
Malaysian Ringgit	—	35,962	—	35,962
Mexican Peso	—	30,901	—	30,901
Pound Sterling	1,477	589,413	(506)	590,384
South African Rand	—	—	—	—
South Korean Won	—	189,603	—	189,603
Swiss Franc	—	163,421	—	163,421
Taiwan Dollar	—	40,755	—	40,755
U.S. Dollar	514,114	3,465,940	731	3,980,785
	<b>497,421</b>	<b>6,650,731</b>	<b>0</b>	<b>7,148,152</b>



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2016 (continued)**

**Claritas Latin American Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Brazilian Real	73,921	6,766,242	–	6,840,163
Chilean Peso	–	1,014,440	–	1,014,440
Colombian Peso	1,024	396,875	–	397,899
Euro	(2,037)	–	–	(2,037)
Mexican Peso	39,150	3,393,217	–	3,432,367
U.S. Dollar	267,065	408,617	–	675,682
	<b>379,123</b>	<b>11,979,391</b>	<b>–</b>	<b>12,358,514</b>

**Finisterre Emerging Market Debt Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Brazilian Real	309,871	–	162,897	472,768
Chinese Renminbi	44,274	–	43,373,518	43,417,792
Czech Krone	(218,016)	–	35,575,593	35,357,577
Euro	156,211	27,110,806	205,937,899	233,204,916
Hong Kong Dollar	(3)	–	(50,181,664)	(50,181,667)
Hungarian Forint	326,258	21,160,527	(22,697,422)	(1,210,637)
Indian Rupee	(121,696)	–	34,110,614	33,988,918
Indonesian Rupiah	–	–	3,916,593	3,916,593
Israeli Shekel	96,251	64,117,468	(63,614,648)	599,071
Japanese Yen	–	–	10,186,958	10,186,958
Malaysian Ringgit	(321,684)	–	(15,727)	(337,411)
Mexican Peso	20,473,357	–	(40,255,484)	(19,782,127)
Omani Rial	–	–	(10,073,953)	(10,073,953)
Polish Zloty	1,839	–	–	1,839
Pound Sterling	(168,479)	–	25,668	(142,811)
Russian Ruble	–	–	14,749	14,749
Saudi Riyal	–	–	(19,841,094)	(19,841,094)
Singapore Dollar	(5,234,758)	18,288,197	(11,437,971)	1,615,468
South African Rand	(278,641)	–	–	(278,641)
South Korean Won	742,102	–	(6,424,240)	(5,682,138)
Swiss Franc	–	–	9,825	9,825
Taiwan Dollar	(100,894)	–	–	(100,894)
Thailand Baht	(11,774)	–	–	(11,774)
Turkish Yeni	–	–	(6,728,190)	(6,728,190)
UAE Dirham	102,096	–	(30,130,947)	(30,028,851)
U.S. Dollar	(7,993,319)	173,454,446	(69,382,378)	96,078,749
	<b>7,802,995</b>	<b>304,131,444</b>	<b>2,530,596</b>	<b>314,465,035</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2016 (continued)**

**Spectrum Global Capital Securities Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	213,928	2,423,798	10,979,581	13,617,307
Pound Sterling	82,019	731,728	(830,867)	(17,120)
Swiss Franc	—	—	(83)	(83)
U.S. Dollar	577,438	20,689,892	(10,238,015)	11,029,315
	<b>873,385</b>	<b>23,845,418</b>	<b>(89,384)</b>	<b>24,629,419</b>

**Global Short Duration High Yield Fund\*\***

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
	—	—	—	—

**Global Capital Structure Opportunities Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	(2,434)	—	(3,650)	(6,084)
Swiss Franc	—	—	(83)	(83)
U.S. Dollar	380,943	10,316,746	3,736	10,701,425
	<b>378,509</b>	<b>10,316,746</b>	<b>3</b>	<b>10,695,258</b>

**Global Credit Alpha Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	(2,155)	—	(3,734)	(5,889)
Pound Sterling	21,439	—	(21,990)	(551)
Swiss Franc	—	—	(83)	(83)
U.S. Dollar	493,921	7,882,104	26,314	8,402,339
	<b>513,205</b>	<b>7,882,104</b>	<b>507</b>	<b>8,395,816</b>

**Real Estate Debt Fund\*\*\***

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
U.S. Dollar	39,853	9,502,885	—	9,542,738
	<b>39,853</b>	<b>9,502,885</b>	<b>—</b>	<b>9,542,738</b>

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2015**

**Global Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Canadian Dollar	–	1,599,504	(2,349)	1,597,155
Danish Krone	–	847,108	–	847,108
Euro	40,369	4,822,494	–	4,862,863
Hong Kong Dollar	–	306,192	–	306,192
Japanese Yen	161,177	4,224,298	(132,477)	4,252,998
Mexican Peso	–	279,297	–	279,297
Pound Sterling	21,735	4,016,068	(21,387)	4,016,416
South Korean Won	–	394,794	–	394,794
Swedish Krona	–	475,641	–	475,641
Swiss Franc	–	2,546,567	–	2,546,567
Taiwan Dollar	–	333,405	–	333,405
U.S. Dollar	2,439,530	31,960,739	156,405	34,556,674
	<b>2,662,811</b>	<b>51,806,107</b>	<b>192</b>	<b>54,469,110</b>

**Asian Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Chinese Renminbi	1,886	–	–	1,886
Hong Kong Dollar	(795)	2,761,056	7,099	2,767,360
Indian Rupee	702	944,451	–	945,153
Indonesian Rupiah	–	105,386	–	105,386
Malaysian Ringgit	2,384	28,879	–	31,263
Singapore Dollar	1,606	213,677	(1,607)	213,676
South Korean Won	(20,958)	1,463,466	–	1,442,508
Taiwan Dollar	(88,248)	1,571,503	–	1,483,255
Thailand Baht	(76)	123,171	–	123,095
U.S. Dollar	219,811	361,970	(5,502)	576,279
	<b>116,312</b>	<b>7,573,559</b>	<b>(10)</b>	<b>7,689,861</b>

**European Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Danish Krone	–	9,070,552	–	9,070,552
Euro	732,256	38,634,316	(196,926)	39,169,646
Norwegian Krone	–	1,355,595	–	1,355,595
Pound Sterling	53,814	31,157,499	(27,262)	31,184,051
Swedish Krona	–	6,992,670	–	6,992,670
Swiss Franc	–	12,906,762	–	12,906,762
U.S. Dollar	3,380,010	–	224,357	3,604,367
	<b>4,166,080</b>	<b>100,117,394</b>	<b>169</b>	<b>104,283,643</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2015 (continued)**

**Emerging Markets Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Brazilian Real	1,448	378,890	—	380,338
Chinese Renminbi	2,319	—	—	2,319
Hong Kong Dollar	7,229	1,917,411	(6,656)	1,917,984
Hungarian Forint	—	45,858	—	45,858
Indian Rupee	375	927,161	—	927,536
Indonesian Rupiah	—	100,836	—	100,836
Mexican Peso	—	616,885	—	616,885
Polish Zloty	7,632	142,293	—	149,925
Pound Sterling	—	81,262	—	81,262
South African Rand	(276)	628,274	276	628,274
South Korean Won	—	1,357,378	—	1,357,378
Taiwan Dollar	5,082	1,385,156	—	1,390,238
Thailand Baht	—	69,408	—	69,408
Turkish Yeni	9,492	127,070	(9,492)	127,070
UAE Dirham	—	48,229	—	48,229
U.S. Dollar	44,174	561,301	15,825	621,300
	<b>77,475</b>	<b>8,387,412</b>	<b>(47)</b>	<b>8,464,840</b>

**Japanese Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Japanese Yen	(17,368)	20,433,676	178,454	20,594,762
U.S. Dollar	2,321,285	—	(178,205)	2,143,080
	<b>2,303,917</b>	<b>20,433,676</b>	<b>249</b>	<b>22,737,842</b>

**Preferred Securities Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	239,188	6,713,567	221,972,442	228,925,197
Japanese Yen	—	—	171,518,225	171,518,225
Pound Sterling	969,834	30,464,884	(16,431,118)	15,003,600
Swiss Franc	—	—	1,555,904	1,555,904
U.S. Dollar	81,600,594	1,639,188,926	(377,515,670)	1,343,273,850
	<b>82,809,616</b>	<b>1,676,367,377</b>	<b>1,099,783</b>	<b>1,760,276,776</b>

**U.S. Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Pound Sterling	1,743	—	(1,743)	—
U.S. Dollar	1,547,402	133,897,903	1,738	135,447,043
	<b>1,549,145</b>	<b>133,897,903</b>	<b>(5)</b>	<b>135,447,043</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2015 (continued)**

**High Yield Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	17	–	448,691	448,708
Brazilian Real	–	–	14,471,062	14,471,062
Euro	592,742	21,866,510	(18,462,933)	3,996,319
Pound Sterling	373,273	3,109,341	(3,476,993)	5,621
U.S. Dollar	5,412,612	97,677,673	5,305,429	108,395,714
	<b>6,378,644</b>	<b>122,653,524</b>	<b>(1,714,744)</b>	<b>127,317,424</b>

**Global Property Securities Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	(416,471)	4,798,680	(645,232)	3,736,977
Euro	(754,822)	8,781,388	(1,131,189)	6,895,377
Hong Kong Dollar	(387,375)	5,629,591	(894,859)	4,347,357
Japanese Yen	(574,394)	6,840,830	9,604,452	15,870,888
Pound Sterling	(691,028)	8,028,807	(1,046,791)	6,290,988
Singapore Dollar	(81,028)	907,862	(123,982)	702,852
Swedish Krona	–	1,449,707	(340,855)	1,108,852
U.S. Dollar	13,010,782	53,386,586	(5,351,284)	61,046,084
	<b>10,105,664</b>	<b>89,823,451</b>	<b>70,260</b>	<b>99,999,375</b>

**Global Equity (ex-Japan) Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	29,528	1,103,765	(20,742)	1,112,551
Canadian Dollar	1,818	1,950,615	(1,354)	1,951,079
Danish Krone	–	677,827	–	677,827
Euro	(100,966)	8,397,565	140,644	8,437,243
Israeli Shekel	–	444,393	–	444,393
Norwegian Krone	294,005	–	(294,005)	–
Pound Sterling	(213,456)	5,680,643	214,797	5,681,984
Swedish Krona	211,108	936,435	(211,108)	936,435
Swiss Franc	–	2,085,602	–	2,085,602
U.S. Dollar	185,147	38,565,421	169,662	38,920,230
	<b>407,184</b>	<b>59,842,266</b>	<b>(2,106)</b>	<b>60,247,344</b>

**Post Global Limited Term High Yield Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	86,977	2,794,078	163,117,809	165,998,864
Japanese Yen	–	–	238,462,240	238,462,240
Pound Sterling	1,222	–	64,724,669	64,725,891
Swiss Franc	–	–	100,296	100,296
U.S. Dollar	40,604,853	511,446,598	(465,956,240)	86,095,211
	<b>40,693,052</b>	<b>514,240,676</b>	<b>448,774</b>	<b>555,382,502</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2015 (continued)**

**Global Time Diversified Absolute Return Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	—	—	(1,591,101)	(1,591,101)
Canadian Dollar	—	—	(69,643)	(69,643)
Euro	—	—	(1,136,175)	(1,136,175)
Japanese Yen	—	—	1,932,694	1,932,694
New Zealand Dollar	—	—	1,556,592	1,556,592
Norwegian Krone	—	—	(311,575)	(311,575)
Pound Sterling	—	—	(616,519)	(616,519)
Singapore Dollar	—	—	1,677	1,677
Swedish Krona	—	—	(190)	(190)
Swiss Franc	—	—	(912,904)	(912,904)
U.S. Dollar	154,388	3,798,380	1,252,567	5,205,335
	<b>154,388</b>	<b>3,798,380</b>	<b>105,423</b>	<b>4,058,191</b>

**EDGE Small/Mid-Cap Equity Income Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Canadian Dollar	301	99,358	—	99,659
Euro	414	—	—	414
Pound Sterling	1	—	—	1
U.S. Dollar	59,172	4,482,744	—	4,541,916
	<b>59,888</b>	<b>4,582,102</b>	<b>—</b>	<b>4,641,990</b>

**Global Small Cap Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	2,179	418,236	—	420,415
Brazilian Real	—	78,064	—	78,064
Canadian Dollar	17,003	588,661	(2,535)	603,129
Euro	—	2,195,897	—	2,195,897
Hong Kong Dollar	—	691,381	—	691,381
Japanese Yen	9,921	2,175,081	—	2,185,002
Mexican Peso	—	378,789	—	378,789
New Zealand Dollar	—	279,762	—	279,762
Norwegian Krone	—	154,620	—	154,620
Pound Sterling	4,960	1,902,151	—	1,907,111
South Korean Won	—	294,756	—	294,756
Swedish Krona	—	307,868	—	307,868
Swiss Franc	—	159,303	—	159,303
Taiwan Dollar	2,337	514,444	—	516,781
U.S. Dollar	248,783	10,672,045	2,536	10,923,364
	<b>285,183</b>	<b>20,811,058</b>	<b>1</b>	<b>21,096,242</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2015 (continued)**

**Origin Global Emerging Markets Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Brazilian Real	5,976	2,331,104	–	2,337,080
Hong Kong Dollar	(125,094)	18,399,849	148,026	18,422,781
Hungarian Forint	–	510,728	–	510,728
Polish Zloty	4,928	–	–	4,928
Pound Sterling	176,086	1,054,186	(176,086)	1,054,186
South African Rand	376,569	1,616,593	(376,344)	1,616,818
South Korean Won	–	4,514,696	–	4,514,696
Taiwan Dollar	38,678	10,017,910	–	10,056,588
Thailand Baht	–	1,072,242	–	1,072,242
Turkish Yeni	–	715,088	–	715,088
UAE Dirham	(156,443)	1,449,989	156,443	1,449,989
U.S. Dollar	1,107,160	10,170,811	241,151	11,519,122
	<b>1,427,860</b>	<b>51,853,196</b>	<b>(6,810)</b>	<b>53,274,246</b>

**Origin Global Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	–	74,836	–	74,836
Brazilian Real	357	88,270	–	88,627
Canadian Dollar	–	391,514	–	391,514
Danish Krone	–	174,324	–	174,324
Euro	–	829,193	–	829,193
Hong Kong Dollar	(21,993)	885,934	23,366	887,307
Japanese Yen	83,840	1,567,923	(72,458)	1,579,305
Norwegian Krone	–	186,368	–	186,368
Pound Sterling	129,401	1,116,812	(128,740)	1,117,473
South Korean Won	–	122,290	–	122,290
Swedish Krona	–	177,268	–	177,268
Taiwan Dollar	1,883	718,733	–	720,616
U.S. Dollar	81,943	8,844,795	177,368	9,104,106
	<b>275,431</b>	<b>15,178,260</b>	<b>(464)</b>	<b>15,453,227</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2015 (continued)**

**Origin Global Smaller Companies Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	155,569	138,605	(154,245)	139,929
Brazilian Real	459	185,252	–	185,711
Canadian Dollar	(127,890)	662,476	127,890	662,476
Euro	(189,033)	3,120,873	58,659	2,990,499
Hong Kong Dollar	41,389	2,485,738	(37,113)	2,490,014
Japanese Yen	29,558	3,919,738	(13,017)	3,936,279
Malaysian Ringgit	(131,573)	135,731	–	4,158
Norwegian Krone	–	551,899	–	551,899
Polish Zloty	–	159,537	–	159,537
Pound Sterling	373,250	3,113,543	(496,869)	2,989,924
South Korean Won	–	1,938,921	–	1,938,921
Swedish Krona	–	217,936	–	217,936
Swiss Franc	(133,978)	838,991	133,978	838,991
Taiwan Dollar	23,346	2,607,853	–	2,631,199
Thailand Baht	335,360	423,673	–	759,033
Turkish Yeni	87,851	332,410	(87,852)	332,409
U.S. Dollar	1,634,612	12,444,001	463,736	14,542,349
	<b>2,098,920</b>	<b>33,277,177</b>	<b>(4,833)</b>	<b>35,371,264</b>

**Long/Short Global Opportunities Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Canadian Dollar	–	226,120	(320)	225,800
Danish Krone	–	124,424	–	124,424
Euro	–	676,989	–	676,989
Hong Kong Dollar	–	42,983	–	42,983
Japanese Yen	24,497	609,256	(20,316)	613,437
Mexican Peso	–	39,058	–	39,058
Pound Sterling	3,129	556,363	(3,080)	556,412
South Korean Won	–	48,781	–	48,781
Swedish Krona	–	73,802	–	73,802
Swiss Franc	–	362,866	–	362,866
Taiwan Dollar	–	48,297	–	48,297
U.S. Dollar	354,247	4,517,789	23,746	4,895,782
	<b>381,873</b>	<b>7,326,728</b>	<b>30</b>	<b>7,708,631</b>



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2015 (continued)**

**Claritas Latin American Equity Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Brazilian Real	38,649	4,983,684	—	5,022,333
Chilean Peso	70	1,029,286	—	1,029,356
Colombian Peso	1,085	447,246	—	448,331
Mexican Peso	44,406	4,366,865	—	4,411,271
U.S. Dollar	208,035	376,527	—	584,562
	<b>292,245</b>	<b>11,203,608</b>	<b>—</b>	<b>11,495,853</b>

**Finisterre Emerging Market Debt Fund**

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Australian Dollar	320	—	—	320
Brazilian Real	—	—	570,981	570,981
Canadian Dollar	(348)	—	—	(348)
Chinese Renminbi	1,401	281,556	(23,135,501)	(22,852,544)
Colombian Peso	—	—	(200,048)	(200,048)
Czech Krone	(1,882)	66,887,940	(67,322,742)	(436,684)
Euro	1,787,388	126,955,639	261,316,477	390,059,504
Hong Kong Dollar	—	—	(60,590)	(60,590)
Hungarian Forint	698,867	8,987,677	(9,273,198)	413,346
Indian Rupee	—	—	4,105	4,105
Indonesian Rupiah	—	—	(4,949)	(4,949)
Israeli Shekel	36,818	10,589,137	(10,717,381)	(91,426)
Japanese Yen	—	—	20,003,922	20,003,922
Malaysian Ringgit	—	—	10,665,441	10,665,441
Mexican Peso	40	—	(19,887)	(19,847)
Omani Rial	—	—	(9,920,079)	(9,920,079)
Philippines Peso	—	—	329,922	329,922
Polish Zloty	397,362	51,205,371	(62,774,174)	(11,171,441)
Pound Sterling	352,666	—	43,008	395,674
Saudi Riyal	—	—	(19,904,605)	(19,904,605)
Singapore Dollar	(240,109)	(130,896)	(9,815,155)	(10,186,160)
South African Rand	(4,760)	—	(7,029,658)	(7,034,418)
South Korean Won	—	—	(9,940,683)	(9,940,683)
Swiss Franc	—	—	9,692	9,692
Thailand Baht	114,398	(26,098)	74,316	162,616
Turkish Yen	(10)	—	(197,121)	(197,131)
U.S. Dollar	75,955,641	110,083,473	(53,489,016)	132,550,098
	<b>79,097,792</b>	<b>374,833,799</b>	<b>9,213,077</b>	<b>463,144,668</b>

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**As at 30 September 2015 (continued)**

**Spectrum Global Capital Securities Fund\***

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	188,608	2,870,820	7,535,896	10,595,324
Pound Sterling	64,179	846,689	(928,021)	(17,153)
U.S. Dollar	590,517	16,637,148	(6,559,192)	10,668,473
	<b>843,304</b>	<b>20,354,657</b>	<b>48,683</b>	<b>21,246,644</b>

**Global Short Duration High Yield Fund\*\***

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	190,208	337,063	(530,133)	(2,862)
U.S. Dollar	594,703	7,498,635	530,117	8,623,455
	<b>784,911</b>	<b>7,835,698</b>	<b>(16)</b>	<b>8,620,593</b>

**Global Capital Structure Opportunities Fund\*\*\***

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	—	—	(962)	(962)
U.S. Dollar	905,512	9,329,020	959	10,235,491
	<b>905,512</b>	<b>9,329,020</b>	<b>(3)</b>	<b>10,234,529</b>

**Global Credit Alpha Fund\*\*\*\***

<b>Foreign Currency Exposure</b>	<b>Monetary Assets USD</b>	<b>Non-Monetary Assets USD</b>	<b>Forward FX Contracts USD</b>	<b>Net Financial Assets USD</b>
Euro	84	—	(663)	(579)
U.S. Dollar	509,422	7,406,871	662	7,916,955
	<b>509,506</b>	<b>7,406,871</b>	<b>(1)</b>	<b>7,916,376</b>

\*Spectrum Global Capital Securities Fund launched on 30 October 2014.

\*\*Global Short Duration High Yield Fund launched on 10 December 2014.

\*\*\*Global Capital Structure Opportunities Fund launched on 11 December 2014.

\*\*\*\*Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Sensitivity Analysis**

The table below details the approximate increase or decrease in Net Assets Attributable to Redeemable Participating Unitholders had the exchange rate between the base currency of the relevant Fund and the relevant foreign currency increased by 5% (or 10% for emerging market currencies), for forward foreign currency exchange contracts the 5% (or 10% for emerging market currencies) has been applied to the contract price. The Investment Adviser considers this movement to be reasonable.

Emerging market countries are those that have low or middle per capita income as determined by the World Bank for at least two consecutive years based on data lagging one year, or those countries that either had restructured external/local debt during the past 10 years or currently have restructured external/local debt outstanding. Investments denominated in emerging market currencies may experience more volatility, can be subject to significant depreciation and may not be freely convertible.

Funds	As at 30 September 2016			As at 30 September 2015		
	Monetary Assets USD	Non- Monetary Assets USD	Forward FX Contracts USD	Monetary Assets USD	Non- Monetary Assets USD	Forward FX Contracts USD
Global Equity Fund	(9,326)	1,331,418	(257)	11,164	1,057,953	(7,811)
Asian Equity Fund	5,103	737,878	1,306	(10,351)	721,160	549
European Equity Fund	45,220	4,992,376	(41,051)	39,304	5,005,871	(11,209)
Emerging Markets Equity Fund	5,469	615,396	(1,114)	3,330	778,548	(1,587)
Japanese Equity Fund	12,624	1,510,493	(163)	(868)	1,021,684	8,923
Preferred Securities Fund	85,779	2,437,920	36,254,788	60,451	1,858,923	18,930,773
U.S. Equity Fund	(4,027)	–	5,748	87	–	(87)
High Yield Fund	63,830	1,641,227	1,129,522	48,302	1,248,793	372,544
Global Property Securities Fund	15,163	4,253,560	(32,775)	(168,676)	2,148,716	220,135
Global Equity (ex-Japan) Fund	1,757	1,173,106	(161)	11,101	1,086,061	(8,588)
Post Global Limited Term High Yield Fund	(203)	–	37,814,701	4,410	139,704	23,320,251
Global Time Diversified Absolute Return Fund	140	–	(95,256)	–	–	57,273
EDGE Small/Mid-Cap Equity Income Fund*	32	–	–	36	4,968	–
Global Small Cap Equity Fund	5,165	509,641	(4,433)	1,937	604,822	(127)
Origin Global Emerging Markets Fund	16,480	7,564,839	(2,544)	23,266	4,115,529	(15,992)
Origin Global Equity Fund	1,215	444,628	–	8,687	407,435	(7,723)
Origin Global Smaller Companies Fund	(71,396)	2,694,113	6,530	41,057	1,455,115	(29,677)
Long/Short Global Opportunities Equity Fund	(1,713)	190,176	(36)	1,381	149,403	(1,186)
Claritas Latin American Equity Fund	11,307	1,157,078	–	8,421	1,082,708	–
Finisterre Emerging Market Debt Fund	1,580,245	11,712,160	(3,616,720)	109,057	20,117,061	(7,798,446)
Spectrum Global Capital Securities Fund	14,797	157,776	507,432	12,639	185,875	330,394
Global Short Duration High Yield Fund**	–	–	–	9,510	16,853	(26,507)
Global Capital Structure Opportunities Fund	(122)	–	(187)	–	–	(48)
Global Credit Alpha Fund	964	–	(1,291)	4	–	(33)
Real Estate Debt Fund***	–	–	–	–	–	–

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Depository Risk**

The Trust's Depository is the Bank of New York Mellon Trust Company (Ireland) Limited ('the Depository'). Substantially all of the Cash at Bank and investments in debt securities of the Trust are held by the Depository. The Trust is exposed to credit risk through the use of the Depository for their cash and investments. Bankruptcy or insolvency of the Depository may cause the Trust's rights with respect to its cash and investments in debt securities held by the Depository to be delayed or limited. The maximum exposure to this risk at 30 September 2016 and 30 September 2015 is the amount of Cash at Bank disclosed in Note 4 and the investments in securities, liquidity instruments and forward foreign currency exchange contracts disclosed in the relevant Funds' Portfolio of Investments.

To mitigate the risks the Trust is exposed to from the use of the Depository, the Manager employs appropriate procedures to ensure that the counterparties are reputable institutions and that the credit risk is acceptable to the Trust. The Trust only transacts with Depository's that are regulated entities subject to prudential supervision, or with high credit-ratings assigned by international credit-rating agencies. In addition, the Trust's non-cash assets are maintained by the Depository in segregated accounts. Thus in the event of insolvency or bankruptcy of the Depository the Trust's non-cash assets are segregated and protected and this further reduces counterparty risk. The Trust will, however, be exposed to the credit risk of the Depository or counterparty/Sub-Custodian used by the Depository, in relation to the Trust's Cash at Bank held by the Depository. In the event of the insolvency or bankruptcy of the Depository, the Trust will be treated as a general creditor of the Depository in relation to cash holdings of the Trust. To mitigate these risks the Investment Adviser ensures that the Trust transacts only with Depository's that are regulated entities subject to prudential supervision or with high credit-ratings assigned by international credit-rating agencies.

**Credit Risk**

The Funds will be exposed to credit risk, which is the risk that a counterparty or issuer will be unable to pay amounts in full when due. Impairment provisions are provided for losses that have been incurred by the Statement of Financial Position date, if any. The carrying amount of financial assets best represents its maximum exposure to credit risk at the reporting date.

The Funds' main credit risk concentrations arise from trading equity and debt securities and FDIs in addition to Cash at Bank balances held at the Depository, Trustee and other counterparties. The Funds' Prospectus lists various investment restrictions with regard to issuer and counterparty concentration limits.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet their obligation.

Interest Rate Swaps may be traded bilaterally between a Fund and a counterparty or centrally cleared through a central counterparty clearing house ("CCP"). The Funds that engage in swaps trading bilaterally restrict their exposure to credit losses on the trading of derivative instruments held by entering into master netting arrangements with counterparties. Netting arrangements do not result in an offset of Statement of Financial Position assets and liabilities, as transactions are usually disclosed on a gross basis and settled on a net basis. However, the credit risk associated with favourable contracts is reduced by a netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Funds that engage in swaps trading through a CCP restrict their exposure to credit losses on the trading of derivative instruments held by entering into master netting arrangements with the CCP. The CCPs at the 30 September 2016 are Barclays, Citigroup, Goldman Sachs and HSBC.

The Investment Adviser may utilise over-the-counter and exchange traded derivatives. Derivatives traded on exchanges will usually be supported by daily margin calls and therefore not carry the same degree of counterparty risk.

The Investment Adviser may use Futures and Options as part of its investment strategy. The Funds' ability to use these strategies may be limited by market conditions, regulatory requirements and tax considerations.

As part of its investing in derivatives the Funds may pledge or receive collateral. This collateral can be pledged or received either in the form of cash and cash equivalents or securities. There is a risk that the value of such collateral may fall below the value of the underlying derivatives. In addition, as the Funds may invest in Cash Collateral received, subject to conditions, the Funds may be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Credit Risk (continued)**

The prices of all derivative instruments, including Futures, Forward Foreign Currency Exchange Contracts, Options, Interest Rate Swaps, Credit Default Swaps, Cross Currency Swaps and Total Return Swaps are highly volatile. The Fund is also subject to the risk of the failure of any of the exchanges on which the open exchange traded Futures Contracts are traded and backed by the exchange. Margin Cash Receivable/Payable consists primarily of cash receivable/payable from the Trust's clearing broker. Derivative instruments held with counterparties are held on an unsecured basis.

The counterparties for the various investments held by the Funds are listed below along with their credit rating at 30 September 2016:

<b>Financial Instrument Type</b>	<b>Counterparty</b>	<b>Credit Rating at 30 September 2016</b>
<b>Forward Foreign Currency Exchange Contracts</b>	Bank of America Merrill Lynch	BBB+
	Barclays	BBB
	Citigroup	BBB+
	Credit Suisse	BBB+
	Deutsche Bank	BBB+
	Goldman Sachs	BBB+
	HSBC	A
	JP Morgan Chase & Co	A-
	Royal Bank of Canada	AA-
	Societe Generale	A
	Standard Bank	BBB-
	Standard Chartered	BBB+
	State Street Global Markets	A
	The Australia and New Zealand Banking Group	AA-
	The Bank of New York Mellon	A
	UBS	A-
<b>Spot Currency Contracts</b>	Citigroup	BBB+
	Deutsche Bank	BBB+
	JP Morgan Chase & Co	A-
	Standard Bank	BBB-
	State Street Global Markets	A
	The Bank of New York Mellon	A
<b>Forward Rate Agreements</b>	Barclays	BBB
<b>Futures Contracts</b>	Citigroup	BBB+
	JP Morgan Chase & Co	A-
	Morgan Stanley	BBB+
<b>Option Contracts</b>	Barclays	BBB
	Citigroup	BBB+
	Goldman Sachs	BBB+
	Morgan Stanley	BBB+
	Royal Bank of Canada	AA-
	SEB	A+
	The Australia and New Zealand Banking Group	AA-

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Credit Risk (continued)**

<b>Financial Instrument Type</b>	<b>Counterparty</b>	<b>Credit Rating at 30 September 2016</b>
<b>Swap Contracts</b>	Bank of America Merrill Lynch	BBB+
	Barclays	BBB
	BNP Paribas	A
	Citigroup	BBB+
	Deutsche Bank	BBB+
	Goldman Sachs	BBB+
	HSBC	A
	JP Morgan Chase & Co	A-
	Morgan Stanley	BBB+
	Nomura	BBB+
	Societe Generale	A

There were no assets held by the Funds with counterparties that were past due or impaired at 30 September 2016 or 30 September 2015.

The Funds reduce issuer risk by having investment restrictions in place and subjecting issuers to a selection process that includes a review of their rating.

The Funds' exposure and the credit quality of financial assets invested in are continuously monitored by the Investment Adviser.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Credit Risk (continued)**

The Preferred Securities Fund, High Yield Fund, Post Global Limited Term High Yield Fund, Global Time Diversified Absolute Return Fund, Finisterre Emerging Market Debt Fund, Spectrum Global Capital Securities Fund, Global Capital Structure Opportunities Fund, Global Credit Alpha Fund and Real Estate Debt Fund had the following exposure to counterparty and issuer credit risk at 30 September 2016. The Global Short Duration High Yield Fund terminated on 1 July 2016.

<b>Preferred Securities Fund</b>		<b>High Yield Fund</b>		<b>Post Global Limited Term High Yield Fund</b>	
<b>Credit Rating</b>	<b>Rating %</b>	<b>Credit Rating</b>	<b>Rating %</b>	<b>Credit Rating</b>	<b>Rating %</b>
A	9.76%	A	0.01%	B	26.82%
AA	1.25%	B	41.02%	BB	49.98%
B	3.94%	BB	34.87%	BBB	11.58%
BB	19.60%	BBB	6.20%	CCC	8.00%
BBB	60.27%	CC	0.51%	NR	2.82%
NR	0.30%	CCC	8.22%		
<b>Total Portfolio</b>	<b>95.12%</b>	D	0.13%	<b>Total Portfolio</b>	<b>99.20%</b>
		NR	3.19%		
		<b>Total Portfolio</b>	<b>94.15%</b>		
<b>Global Time Diversified Absolute Return Fund</b>		<b>Finisterre Emerging Market Debt Fund</b>		<b>Spectrum Global Capital Securities Fund</b>	
<b>Credit Rating</b>	<b>Rating %</b>	<b>Credit Rating</b>	<b>Rating %</b>	<b>Credit Rating</b>	<b>Rating %</b>
NR	86.11%	A	6.74%	A	12.21%
<b>Total Portfolio</b>	<b>86.11%</b>	B	4.10%	B	16.04%
		BB	12.10%	BB	36.08%
		BBB	17.65%	BBB	30.24%
		CC	0.54%	NR	1.71%
		CCC	0.51%	<b>Total Portfolio</b>	<b>96.28%</b>
		NR	34.26%		
		<b>Total Portfolio</b>	<b>75.90%</b>		
<b>Global Capital Structure Opportunities Fund</b>		<b>Global Credit Alpha Fund</b>		<b>Real Estate Debt Fund*</b>	
<b>Credit Rating</b>	<b>Rating %</b>	<b>Credit Rating</b>	<b>Rating %</b>	<b>Credit Rating</b>	<b>Rating %</b>
A	13.45%	A	4.17%	A	4.70%
B	4.83%	AA	1.89%	B	6.23%
BB	10.01%	B	31.57%	D	4.46%
BBB	64.75%	BB	13.48%	NR	84.19%
NR	3.42%	BBB	17.26%	<b>Total Portfolio</b>	<b>99.58%</b>
<b>Total Portfolio</b>	<b>96.46%</b>	CCC	7.34%		
		NR	17.89%		
		<b>Total Portfolio</b>	<b>93.60%</b>		

\*Real Estate Debt Fund launched on 21 March 2016.

These ratings are based on the Standard & Poors, Moodys and Fitch bond rating services.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Credit Risk (continued)**

The Preferred Securities Fund, High Yield Fund, Post Global Limited Term High Yield Fund, Global Time Diversified Absolute Return Fund, Finisterre Emerging Market Debt Fund, Spectrum Global Capital Securities Fund, Global Short Duration High Yield Fund, Global Capital Structure Opportunities Fund and Global Credit Alpha Fund had the following exposure to counterparty and issuer credit risk at 30 September 2015:

<b>Preferred Securities Fund</b>	
<b>Credit Rating</b>	<b>Rating %</b>
A	11.44%
AA	1.47%
B	2.68%
BB	21.41%
BBB	57.89%
NR	0.34%
<b>Total Portfolio</b>	<b>95.23%</b>

<b>High Yield Fund</b>	
<b>Credit Rating</b>	<b>Rating %</b>
A	0.02%
B	37.96%
BB	37.22%
BBB	4.86%
CC	0.03%
CCC	15.56%
D	0.19%
NR	0.50%
<b>Total Portfolio</b>	<b>96.34%</b>

<b>Post Global Limited Term High Yield Fund</b>	
<b>Credit Rating</b>	<b>Rating %</b>
B	36.10%
BB	41.28%
BBB	8.69%
CCC	4.13%
NR	2.39%
<b>Total Portfolio</b>	<b>92.59%</b>

<b>Global Time Diversified Absolute Return Fund</b>	
<b>Credit Rating</b>	<b>Rating %</b>
AA	93.60%
<b>Total Portfolio</b>	<b>93.60%</b>

<b>Finisterre Emerging Market Debt Fund</b>	
<b>Credit Rating</b>	<b>Rating %</b>
A	35.15%
AA	30.82%
B	0.46%
BB	2.30%
BBB	0.62%
CCC	0.31%
NR	1.18%
<b>Total Portfolio</b>	<b>70.84%</b>

<b>Spectrum Global Capital Securities Fund*</b>	
<b>Credit Rating</b>	<b>Rating %</b>
A	4.47%
AA	2.01%
B	13.38%
BB	48.89%
BBB	19.32%
NR	6.91%
<b>Total Portfolio</b>	<b>94.98%</b>

<b>Global Short Duration High Yield Fund**</b>	
<b>Credit Rating</b>	<b>Rating %</b>
B	38.19%
BB	38.48%
BBB	2.87%
CCC	11.36%
<b>Total Portfolio</b>	<b>90.90%</b>

<b>Global Capital Structure Opportunities Fund***</b>	
<b>Credit Rating</b>	<b>Rating %</b>
A	9.78%
B	5.76%
BB	12.11%
BBB	63.50%
<b>Total Portfolio</b>	<b>91.15%</b>

<b>Global Credit Alpha Fund****</b>	
<b>Credit Rating</b>	<b>Rating %</b>
B	32.89%
BB	28.92%
BBB	14.02%
CCC	14.65%
D	0.63%
NR	2.02%
<b>Total Portfolio</b>	<b>93.13%</b>

\*Spectrum Global Capital Securities Fund launched on 30 October 2014.

\*\*Global Short Duration High Yield Fund launched on 10 December 2014 and terminated on 1 July 2016.

\*\*\*Global Capital Structure Opportunities Fund launched on 11 December 2014.

\*\*\*\*Global Credit Alpha Fund commenced operations under the PGIF umbrella on 23 June 2015.

These ratings are based on the Standard & Poors, Moodys and Fitch bond rating services.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Liquidity Risk**

Liquidity risk is the risk that the Funds will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with financial instruments. This arises when trading volume, lack of a market maker or legal restrictions impair the Funds' ability to sell particular securities at an advantageous time or price.

The Funds, with the exception of the Post Global Limited Term High Yield Fund which is exposed to bi-monthly cash redemptions and the Finisterre Emerging Market Debt Fund and the Global Time Diversified Absolute Return Fund which are exposed to weekly redemptions, are exposed to daily cash redemptions by Unitholders. Therefore, the Funds invest the majority of their assets in investments that are traded in an active market and can be readily disposed of; only a limited proportion of the assets are invested in assets not actively traded on a stock exchange. In addition, the Funds may restrict redemptions and have the ability to borrow in the short term to ensure settlement.

The Investment Adviser monitors the Funds' liquidity positions on a daily basis.

As at 30 September 2016 and 30 September 2015, all of the Funds' financial liabilities and all of the Funds' FDIs were due or settled within 1 month of the Statement of Financial Position date with the exception of the following;

- Audit Fees Payable which will be due or settled within 3 months to 1 year of the Statement of Financial Position date. These fees payable are detailed on each individual Fund's Statement of Financial Position as at 30 September 2016 on pages 100 to 105 and as at 30 September 2015 on pages 106 to 111.
- Open Forward Foreign Exchange Contracts which will be due or settled within 1 month to 3 months of the Statement of Financial Position date on High Yield Fund (see page 58) and Global Time Diversified Absolute Return Fund (see page 66), and for periods within 1 month to 3 months, 3 months to 1 year, and 1 year to 5 years of the Statement of Financial Position date on Finisterre Emerging Market Debt Fund (see pages 85 to 88).
- Credit Default Swaps which will be due or settled within 1 year to 5 years and over 5 years of the Statement of Financial Position date on Finisterre Emerging Market Debt Fund (see page 90) and for periods within 1 year to 5 years of the Statement of Financial Position date on Global Credit Alpha Fund (see page 99).
- Interest Rate Swaps which will be due or settled up to 1 year, within 1 year to 5 years and over 5 years of the Statement of Financial Position date on Finisterre Emerging Market Debt Fund (see page 91).
- Cross Currency Swaps which will be due or settled within 1 year to 5 years and over 5 years of the Statement of Financial Position date on Finisterre Emerging Market Debt Fund (see page 92).
- Forward Rate Agreements which will be due or settled up to 1 year of the Statement of Financial Position date on Finisterre Emerging Market Debt Fund (see page 92).
- Total Return Swaps which will be due or settled up to 1 year of the Statement of Financial Position date on Global Credit Alpha Fund (see page 99).

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Liquidity Risk (continued)**

The following table shows the individual percentage holding, of each registered Unitholder, owning greater than 20% of the units of each class of each Fund.

	30 September 2016			30 September 2015		
	Unitholder %	Unitholder %	Unitholder %	Unitholder %	Unitholder %	Unitholder %
<b>Global Equity Fund</b>						
A Class Income units	37.21	—	—	35.27	—	—
A Class Accumulation units	—	—	—	—	—	—
I Class Accumulation units	33.60 <sup>1</sup>	31.29 <sup>1</sup>	26.64 <sup>1</sup>	42.57 <sup>1</sup>	28.14 <sup>1</sup>	22.09 <sup>1</sup>
F2 Class Accumulation units	100.00	—	—	—	—	—
<b>Asian Equity Fund</b>						
A Class Income units	22.97	—	—	21.75	—	—
A Class Accumulation units	43.37	—	—	42.48	—	—
I Class Accumulation units	81.99	—	—	81.79	—	—
<b>European Equity Fund</b>						
A Class Income units	28.92	—	—	27.75	—	—
A Class Accumulation units	64.59	—	—	65.22	—	—
I Class Accumulation units	52.65	35.20	—	43.55	39.12	—
I Class Accumulation (EUR) units	66.86 <sup>1</sup>	32.51	—	74.98 <sup>1</sup>	24.45	—
<b>Emerging Markets Equity Fund</b>						
A Class Accumulation units	31.18 <sup>1</sup>	—	—	—	—	—
I Class Accumulation units	47.83 <sup>1</sup>	32.37 <sup>1</sup>	—	34.50 <sup>1</sup>	26.39 <sup>1</sup>	24.48
<b>Japanese Equity Fund</b>						
A Class Accumulation units	48.89	41.52	—	23.34	—	—
I Class Accumulation units	59.70	24.23	—	53.64	26.44	—
I Class Accumulation (JPY) units	82.54 <sup>1</sup>	—	—	72.55 <sup>1</sup>	27.45	—
F2 Class Accumulation units	100.00	—	—	—	—	—
<b>Preferred Securities Fund</b>						
A Class Income units	25.71	—	—	39.55	—	—
A Class Income (EUR hedged) units	53.64	25.83	—	—	—	—
A Class Income (GBP hedged) units	56.08	39.47	—	90.56	—	—
A Class Accumulation units	32.24	29.26	25.95	42.25	33.04	—
A Class Accumulation (CHF hedged) units	33.35	33.26	31.78	85.97	—	—
A Class Accumulation (EUR hedged) units	43.20	20.00	—	64.75	—	—
A Class Accumulation (JPY hedged) units	100.00 <sup>1</sup>	—	—	—	—	—
I Class Income units	30.47	21.70	—	45.31	26.49	—
I Class Income (EUR hedged) units	53.92	29.70	—	68.70	—	—
I Class Income (GBP hedged) units	84.29	—	—	53.85	31.24 <sup>1</sup>	—
I Class Income (JPY hedged) units	64.29	35.71	—	50.69	49.31	—
I Class Accumulation units	31.34	21.86	—	34.75	25.64	—
I Class Accumulation (CHF hedged) units	84.69	—	—	43.83	26.22	25.16
I Class Accumulation (EUR hedged) units	31.63	—	—	44.40	—	—
I Class Accumulation (JPY hedged) units	61.49	38.51	—	64.52	28.17	—
D Class Income units	43.67	—	—	41.08	—	—
D Class Accumulation units	20.77	—	—	21.72	—	—
D2 Class Income units	84.66	—	—	—	—	—
F Class Income units	34.38	—	—	42.23	—	—
F Class Accumulation units	39.59	—	—	56.98	—	—
F2 Class Accumulation units	100.00	—	—	—	—	—
N Class Income units	100.00	—	—	—	—	—
P Class Income units	99.55	—	—	100.00	—	—
P Class Accumulation units	82.90	—	—	99.77	—	—

<sup>1</sup>Unitholder is a related party fund.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Liquidity Risk (continued)**

	30 September 2016			30 September 2015		
	Unitholder %	Unitholder %	Unitholder %	Unitholder %	Unitholder %	Unitholder %
<b>U.S. Equity Fund</b>						
A Class Accumulation units	79.23	—	—	62.21	—	—
I Class Accumulation units	53.59	32.07	—	44.41	31.75	—
I Class Accumulation (GBP) units	100.00	—	—	100.00	—	—
<b>High Yield Fund</b>						
A Class Income units	63.55	—	—	99.71	—	—
A Class Income (AUD hedged) units	85.09	—	—	87.43	—	—
A Class Accumulation units	—	—	—	23.11	—	—
I Class Accumulation units	60.32 <sup>1</sup>	—	—	49.56	—	—
I Class Accumulation (BRL hedged) units	100.00 <sup>1</sup>	—	—	100.00	—	—
I Class Accumulation (EUR hedged) units	67.47	27.51	—	61.66	26.02	—
D Class Accumulation units	56.89	—	—	31.82	—	—
F Class Accumulation units	93.54	—	—	—	—	—
<b>Global Property Securities Fund</b>						
I Class Income (JPY hedged) units	100.00	—	—	100.00	—	—
I Class Accumulation units	35.44	24.28	—	48.78 <sup>1</sup>	43.90	—
I Class Accumulation (USD hedged) units	60.66 <sup>1</sup>	—	—	56.39 <sup>1</sup>	22.49 <sup>1</sup>	—
I2 Class Income units	100.00	—	—	100.00	—	—
F Class Accumulation units	100.00	—	—	—	—	—
<b>Global Equity (ex-Japan) Fund</b>						
I Class Accumulation units	100.00	—	—	100.00	—	—
I Class Accumulation (JPY) units	100.00 <sup>1</sup>	—	—	100.00 <sup>1</sup>	—	—
<b>Post Global Limited Term High Yield Fund</b>						
A Class Income units	100.00	—	—	—	—	—
A Class Accumulation units	100.00	—	—	—	—	—
I Class Income (EUR hedged) units	100.00	—	—	—	—	—
I Class Income (GBP hedged) units	74.61	25.39	—	—	—	—
I Class Accumulation units	43.49	24.16	21.07	69.26	—	—
I Class Accumulation (CHF hedged) units	53.62	46.38	—	100.00	—	—
I Class Accumulation (EUR hedged) units	43.09	25.70	—	33.46	22.45	20.65
I Class Accumulation (GBP hedged) units	95.47	—	—	42.58	40.09	—
I Class Accumulation (JPY hedged) units	45.81	41.32	—	44.66	42.78	—
I Class Accumulation (SGD hedged) units	75.05	24.95	—	—	—	—
I2 Class Accumulation units	33.48	24.17	—	—	—	—
I2 Class Accumulation (EUR hedged) units	57.61	26.05	—	—	—	—
I2 Class Accumulation (GBP hedged) units	34.62	27.25	—	—	—	—
<b>Global Time Diversified Absolute Return Fund</b>						
I Class Accumulation units	82.14	—	—	84.04 <sup>1</sup>	—	—
<b>EDGE Small/Mid-Cap Equity Income Fund*</b>						
A Class Accumulation units	—	—	—	100.00 <sup>1</sup>	—	—
I Class Accumulation units	—	—	—	100.00 <sup>1</sup>	—	—
<b>Global Small Cap Equity Fund</b>						
A Class Accumulation units	99.95 <sup>1</sup>	—	—	100.00 <sup>1</sup>	—	—
I Class Accumulation units	67.88 <sup>1</sup>	28.58 <sup>1</sup>	—	76.22 <sup>1</sup>	20.36 <sup>1</sup>	—

<sup>1</sup>Unitholder is a related party fund.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended 30 September 2016 (continued)

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Liquidity Risk (continued)**

	30 September 2016			30 September 2015		
	Unitholder %	Unitholder %	Unitholder %	Unitholder %	Unitholder %	Unitholder %
<b>Origin Global Emerging Markets Fund</b>						
I Class Accumulation units	87.66	—	—	81.16	—	—
I Class Accumulation (GBP) units	38.49	22.96	22.51	38.56	23.00	22.54
F2 Class Accumulation units	100.00	—	—	—	—	—
<b>Origin Global Equity Fund</b>						
I Class Accumulation (GBP) units	79.44	—	—	79.41	—	—
<b>Origin Global Smaller Companies Fund</b>						
I Class Accumulation units	63.67	34.76 <sup>1</sup>	—	95.69 <sup>1</sup>	—	—
I Class Accumulation (GBP) units	54.41	35.25	—	64.01	29.06	—
<b>Long/Short Global Opportunities Equity</b>						
I Class Accumulation units	100.00 <sup>1</sup>	—	—	100.00 <sup>1</sup>	—	—
<b>Claritas Latin American Equity Fund</b>						
I Class Accumulation units	63.44 <sup>1</sup>	—	—	51.38 <sup>1</sup>	—	—
<b>Finisterre Emerging Market Debt Fund</b>						
A Class Income units	100.00	—	—	100.00	—	—
A Class Accumulation units	54.98	40.94	—	77.53	22.01	—
A Class Accumulation (CHF hedged) units	100.00 <sup>1</sup>	—	—	100.00 <sup>1</sup>	—	—
A Class Accumulation (EUR hedged) units	98.77	—	—	100.00 <sup>1</sup>	—	—
A Class Accumulation (GBP hedged) units	100.00 <sup>1</sup>	—	—	100.00 <sup>1</sup>	—	—
A Class Accumulation (SGD hedged) units	100.00 <sup>1</sup>	—	—	100.00 <sup>1</sup>	—	—
I Class Accumulation units	60.12	33.07	—	51.59	32.12	—
I Class Accumulation (EUR hedged) units	—	—	—	39.36	37.05	—
I Class Accumulation (GBP hedged) units	100.00 <sup>1</sup>	—	—	50.68 <sup>1</sup>	49.32	—
I2 Class Income (EUR hedged) units	24.51	—	—	23.59	—	—
<b>Spectrum Global Capital Securities</b>						
A Class Accumulation units	100.00	—	—	—	—	—
I Class Accumulation units	100.00 <sup>1</sup>	—	—	100.00 <sup>1</sup>	—	—
I Class Accumulation (EUR) units	33.87	29.56	—	40.00	40.00	20.00
<b>Global Short Duration High Yield**</b>						
I Class Accumulation units	—	—	—	94.20 <sup>1</sup>	—	—
<b>Global Capital Structure Opportunities Fund</b>						
I Class Accumulation units	99.85 <sup>1</sup>	—	—	100.00 <sup>1</sup>	—	—
<b>Global Credit Alpha Fund</b>						
I Class Accumulation units	100.00 <sup>1</sup>	—	—	100.00 <sup>1</sup>	—	—
<b>Real Estate Debt Fund***</b>						
I Class Income units	100.00 <sup>1</sup>	—	—	—	—	—
I Class Accumulation units	100.00 <sup>1</sup>	—	—	—	—	—

<sup>1</sup>Unitholder is a related party fund.

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**11. FINANCIAL RISK MANAGEMENT (continued)**

**Cybersecurity Risk**

Cybersecurity breaches may occur allowing an unauthorised party to gain access to assets of the Funds, Unitholder data, or proprietary information, or may cause the Trust, the Investment Manager, the Distributor, the Administrator or the Depositary to suffer data corruption or lose operational functionality.

The Funds may be affected by intentional cybersecurity breaches which include unauthorised access to systems, networks, or devices (such as through “hacking” activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of Unitholder data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Trust, the Investment Manager, the Distributor, the Administrator, the Depositary, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. Consequently, Unitholders may lose some or all of their invested capital. In addition, such incidents could affect issuers in which a Fund invests, and thereby cause a Fund’s investments to lose value, as a result of which investors, including the relevant Fund and its Unitholders, could potentially lose all or a portion of their investment with that issuer.

**12. TRANSACTIONS COSTS**

Each Sub-Fund’s transaction costs incurred during the year ended 30 September 2016 relate to the purchase or sale of transferable securities, derivatives or other eligible assets. Transaction costs include commission costs, settlement fees, broker fees and custody transaction fees.

The transaction costs incurred are as follows:

	<b>30 September 2016</b>	<b>30 September 2015</b>
	<b>USD</b>	<b>USD</b>
Global Equity Fund	188,503	170,962
Asian Equity Fund	49,187	51,107
European Equity Fund	208,533	235,749
Emerging Markets Equity Fund	53,306	60,248
Japanese Equity Fund	72,079	33,310
Preferred Securities Fund	44,949	24,858
U.S. Equity Fund	76,380	95,561
High Yield Fund <sup>1</sup>	—	—
Global Property Securities Fund	371,128	154,589
Global Equity (ex-Japan) Fund	159,812	125,160
Post Global Limited Term High Yield Fund <sup>1</sup>	—	—
Global Time Diversified Absolute Return Fund <sup>1</sup>	—	—
EDGE Small/Mid-Cap Equity Income Fund*	6,884	3,637
Global Small Cap Equity Fund	48,432	86,620
Origin Global Emerging Markets Fund	129,232	108,778
Origin Global Equity Fund	15,686	19,350
Origin Global Smaller Companies Fund	55,327	46,273
Long/Short Global Opportunities Equity Fund	25,953	23,175
Claritas Latin American Equity Fund	19,961	39,529
Finisterre Emerging Market Debt Fund <sup>1</sup>	—	—
Spectrum Global Capital Securities Fund <sup>1</sup>	—	—
Global Short Duration High Yield Fund** <sup>1</sup>	—	—
Global Capital Structure Opportunities Fund	—	5
Global Credit Alpha Fund <sup>1</sup>	—	—
Real Estate Debt Fund*** <sup>1</sup>	—	—

\* EDGE Small/Mid-Cap Equity Income terminated on 31 May 2016.

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

<sup>1</sup>The transaction costs for these Funds are embedded within the purchase and sale prices and cannot be separately identified.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**NOTES TO THE ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**for the year ended 30 September 2016 (continued)**

**13. GLOBAL EXPOSURE**

The Investment Adviser employs a documented Risk Management Process in relation to the use of FDIs, which ensures the risk associated with the positions is measured, monitored and managed. In respect of the Global Time Diversified Absolute Return Fund, Finisterre Emerging Markets Debt Fund, Global Capital Structure Opportunities Fund and the Global Credit Alpha Fund an Absolute VaR Approach, based on a confidence level of 99% for a daily horizon and considering no less than one years of historical data, is used to manage risk (refer to note 11 for more details on VaR). In relation to the remaining Funds, the Commitment approach is used; which entails monitoring global exposure and counterparty exposure associated with the positions.

**14. EXCHANGE RATES**

The foreign exchange rates used in the Financial Statements as at 30 September 2016 expressed as USD are as follows:

ARS	15.256005	EUR	0.889838	NZD	1.375135
AUD	1.306774	GBP	0.769823	PHP	48.494996
BRL	3.248845	HKD	7.755966	PLN	3.827367
CAD	1.314280	HUF	275.017821	RUB	63.021286
CHF	0.969400	IDR	13,051.000616	SEK	8.567360
CLP	658.910008	ILS	3.752079	SGD	1.363433
CNH	6.673480	INR	66.579985	THB	34.650000
CNY	6.670015	JPY	101.265012	TRY	3.000693
COP	2,880.000154	KRW	1,101.350038	TWD	31.345497
CZK	24.045227	MXN	19.353503	ZAR	13.751270
DKK	6.625982	MYR	4.135489		
EGP	8.879946	NOK	7.992302		

The foreign exchange rates used in the Financial Statements as at 30 September 2015 expressed as USD are as follows:

ARS	9.418683	EUR	0.895857	NZD	1.563228
AUD	1.423997	GBP	0.660175	PHP	46.740023
BRL	3.981944	HKD	7.750058	PLN	3.802542
CAD	1.340716	HUF	280.600297	RUB	65.605942
CHF	0.977125	IDR	14,650.000825	SEK	8.387061
CLP	697.670045	INR	65.640007	SGD	1.421885
CNH	6.365242	ILS	3.924905	THB	36.294999
CNY	6.357089	JPY	119.765011	TRY	3.027727
COP	3,087.125202	KRW	1,185.300050	TWD	32.927513
CZK	24.344908	MXN	16.946757	ZAR	13.827001
DKK	6.683248	MYR	4.395742		
EGP	7.830038	NOK	8.529988		

**15. SIGNIFICANT EVENTS DURING THE YEAR**

There have been no other significant events affecting the Funds during the year other than those disclosed on pages 11 and 12.

**16. POST STATEMENT OF FINANCIAL POSITION EVENTS**

There have been no significant events affecting the Funds since the year end other than those disclosed on page 13.

**17. APPROVAL OF FINANCIAL STATEMENTS**

The Financial Statements were approved by the Board of Directors of the Manager on 24 January 2017.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**FUND PERFORMANCE & LEVERAGE (UNAUDITED)**  
for the year ended 30 September 2016

<b>Global Equity Fund</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>A Class – Income</i>		
30/09/07	52.0300	32.6091
30/09/08	41.3700	25.5100
30/09/09	28.4400	16.3500
31/01/11	29.9400	25.2100
30/09/11	30.9598	25.7157
30/09/12	32.4142	25.0525
30/09/13	37.6150	30.0371
30/09/14	42.6771	36.5926
30/09/15	44.1125	38.6605
30/09/16	42.2319	36.7872
<i>A Class – Accumulation</i>		
30/09/07	59.4400	37.2519
30/09/08	47.2600	31.4300
30/09/09	32.4900	18.6700
31/01/11	34.3100	28.8400
30/09/11	34.4502	29.4456
30/09/12	37.3021	28.8299
30/09/13	43.4380	35.0714
30/09/14	49.2827	42.2575
30/09/15	50.9351	44.6408
30/09/16	48.7700	42.4826
<i>I Class – Accumulation</i>		
30/09/07	24.4900	15.2954
30/09/08	19.5500	13.0700
30/09/09	13.5200	7.7900
31/01/11	14.5000	12.0800
30/09/11	15.0083	12.4988
30/09/12	15.9350	12.2392
30/09/13	18.6764	14.9969
30/09/14	21.3220	18.1753
30/09/15	22.1414	19.3300
30/09/16	21.2641	18.5557
<i>F2 Class – Accumulation</i>		
30/09/16	10.3716	9.5493

<b>Asian Equity Fund</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>A Class – Income</i>		
30/09/07	33.0100	19.8745
30/09/08	36.0800	19.2300
30/09/09	23.7300	12.6700
31/01/11	30.0500	21.2000
30/09/11	31.1640	22.5918
30/09/12	29.4625	21.9952
30/09/13	33.0203	27.9958
30/09/14	34.6294	29.1798
30/09/15	36.0380	27.0588
30/09/16	32.5186	24.9087
<i>A Class – Accumulation</i>		
30/09/07	33.6900	22.0281
30/09/08	40.2700	21.4600
30/09/09	26.5600	14.1800
31/01/11	34.0700	23.9900
30/09/11	35.3241	25.6075
30/09/12	33.4933	25.0041
30/09/13	37.6606	31.9300
30/09/14	39.4987	33.2824
30/09/15	41.2619	30.9827
30/09/16	37.2441	28.5208
<i>I Class – Accumulation</i>		
30/09/07	55.0500	32.9506
30/09/08	60.6300	32.5100
30/09/09	40.4800	21.5000
31/01/11	52.3800	36.7300
30/09/11	54.4998	39.5520
30/09/12	52.0711	38.6263
30/09/13	58.7902	49.8861
30/09/14	62.1917	52.2075
30/09/15	65.2406	49.0899
30/09/16	59.3644	45.3280

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**FUND PERFORMANCE & LEVERAGE (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

<b>European Equity Fund</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>A Class – Income</i>		
30/09/07	67.0000	50.5968
30/09/08	68.4600	44.2900
30/09/09	44.4000	25.3700
31/01/11	47.7300	33.9500
30/09/11	52.1720	36.8345
30/09/12	46.3178	35.1792
30/09/13	55.5073	43.2032
30/09/14	62.6333	53.0940
30/09/15	62.1594	51.7888
30/09/16	57.9715	49.6667
<i>A Class – Accumulation</i>		
30/09/07	77.6200	58.6099
30/09/08	79.6100	51.5000
30/09/09	52.2100	29.8300
31/01/11	57.3300	40.4700
30/09/11	62.6694	44.2458
30/09/12	56.5221	42.9296
30/09/13	68.5398	53.3458
30/09/14	77.8029	65.9516
30/09/15	77.5908	64.6455
30/09/16	73.0862	62.6160
<i>I Class – Accumulation</i>		
30/09/07	25.2000	18.9300
30/09/08	25.8900	16.8500
30/09/09	17.0900	9.7900
31/01/11	19.0400	13.3800
30/09/11	20.8542	14.7620
30/09/12	18.9802	14.3257
30/09/13	23.1650	17.9316
30/09/14	26.4185	22.2980
30/09/15	26.5066	22.0016
30/09/16	25.0602	21.4956
<i>I Class – Accumulation (EUR)</i>		
30/09/11	13.3479	9.4472
30/09/12	12.1515	9.1679
30/09/13	14.8469	11.4805
30/09/14	16.9207	14.2913
30/09/15	16.9785	14.0920
30/09/16	16.0527	13.7697

<b>Emerging Markets Equity Fund</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>A Class – Income &amp; Accumulation</i>		
30/09/05	26.4200	17.7500
30/09/06	37.0400	24.1200
30/09/07	52.0500	32.2339
<i>A Class – Accumulation</i>		
30/09/08	58.5900	32.2900
30/09/09	38.4600	20.0100
31/01/11	49.3500	35.6400
30/09/11	51.4657	37.1612
30/09/12	47.0355	36.3329
30/09/13	48.9823	39.4535
30/09/14	48.1970	40.0211
30/09/15	46.9024	35.4950
30/09/16	41.7074	31.6638
<i>I Class – Accumulation</i>		
30/09/07	58.7000	36.1172
30/09/08	66.1200	36.6700
30/09/09	43.9400	22.7300
31/01/11	55.4700	42.6000
30/09/11	59.3884	42.9981
30/09/12	54.5744	42.0465
30/09/13	57.1693	46.1471
30/09/14	56.8134	46.9978
30/09/15	55.4692	42.0659
30/09/16	49.7199	37.6258



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**FUND PERFORMANCE & LEVERAGE (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

<b>Japanese Equity Fund</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>A Class – Accumulation</i>		
30/09/07	10.5400	9.0379
30/09/08	10.4100	6.6000
30/09/09	6.6100	4.3700
31/01/11	7.1100	5.6100
30/09/11	7.4027	5.8799
30/09/12	6.8592	6.0022
30/09/13	8.1676	6.0733
30/09/14	8.3227	7.3328
30/09/15	8.9650	7.2032
30/09/16	8.5556	6.7934
<i>I Class – Accumulation</i>		
30/09/07	11.4100	9.7312
30/09/08	11.2800	7.2000
30/09/09	7.2100	4.7800
31/01/11	7.8800	6.1700
30/09/11	8.2053	6.5192
30/09/12	7.6586	6.7157
30/09/13	9.2142	6.8087
30/09/14	9.4163	8.2961
30/09/15	10.2188	8.1815
30/09/16	9.7903	7.7838
<i>I Class – Accumulation (JPY)</i>		
30/09/11	11.5669	9.9698
30/09/12	11.0263	9.6688
30/09/13	13.2639	9.8028
30/09/14	13.5759	11.9591
30/09/15	14.7464	11.7972
30/09/16	14.1284	11.2331
<i>F2 Class – Accumulation</i>		
30/09/16	11.4680	9.9944

<b>Preferred Securities Fund</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>A Class – Income</i>		
30/09/07	13.4500	8.6300
30/09/08	9.0000	6.3100
30/09/09	7.6000	3.8500
31/01/11	8.3500	7.4100
30/09/11	8.5998	7.7352
30/09/12	8.7411	8.2035
30/09/13	9.0838	8.5256
30/09/14	9.2122	8.4992
30/09/15	9.2314	8.9034
30/09/16	9.1189	8.4586
<i>A Class – Income (EUR hedged)</i>		
30/09/13	10.4611	9.6696
30/09/14	11.0625	10.0862
30/09/15	10.1238	8.4627
30/09/16	8.8930	8.0775
<i>A Class – Income (GBP hedged)</i>		
30/09/13	10.3203	9.3483
30/09/14	11.5291	9.9358
30/09/15	11.1365	10.2011
30/09/16	10.5295	8.6120
<i>A Class – Accumulation</i>		
30/09/12	10.7317	9.9265
30/09/13	11.5922	10.7199
30/09/14	12.4959	11.1334
30/09/15	12.9394	12.4116
30/09/16	13.6223	12.3412
<i>A Class – Accumulation (CHF hedged)</i>		
30/09/13	10.0567	9.9671
30/09/14	11.3870	9.9973
30/09/15	11.9932	10.0475
30/09/16	11.2364	10.0002
<i>A Class – Accumulation (EUR hedged)</i>		
30/09/07	13.7500	12.3692
30/09/08	14.8000	10.3300
30/09/09	13.7600	5.8100
31/01/11	15.2800	13.6700
30/09/11	17.2854	14.4541
30/09/12	16.7447	14.6901
30/09/13	18.1792	16.4962
30/09/14	20.2261	17.9465
30/09/15	18.9622	16.0915
30/09/16	18.1141	16.0572
<i>A Class – Accumulation (JPY hedged)</i>		
30/09/16	10.9587	10.1092
<i>I Class – Income</i>		
30/09/13	10.2546	9.6267
30/09/14	10.4085	9.5878
30/09/15	10.4352	10.0495
30/09/16	10.3048	9.5549

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**FUND PERFORMANCE & LEVERAGE (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

<b>Preferred Securities Fund (continued)</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>I Class – Income (EUR hedged)</i>		
30/09/11	9.9857	8.3824
30/09/12	9.1318	8.1286
30/09/13	9.7762	8.8735
30/09/14	10.2125	9.2929
30/09/15	9.3385	7.7983
30/09/16	8.2073	7.4487
<i>I Class – Income (GBP hedged)</i>		
30/09/12	10.7776	9.5226
30/09/13	10.9087	9.6985
30/09/14	11.9328	10.3022
30/09/15	10.7487	9.8379
30/09/16	10.1567	8.2991
<i>I Class – Income (JPY hedged)</i>		
31/01/11	10.5300	9.9200
30/09/11	11.0024	9.9326
30/09/12	11.3161	10.0475
30/09/13	11.1480	8.6820
30/09/14	9.2954	8.3061
30/09/15	8.6868	7.3326
30/09/16	9.1295	7.3270
<i>I Class – Accumulation</i>		
30/09/07	12.1400	10.9400
30/09/08	11.5600	8.4600
30/09/09	15.4545	14.2619
31/01/11	13.3300	11.0600
30/09/11	14.0466	12.8371
30/09/12	15.4545	14.2619
30/09/13	16.7636	15.4389
30/09/14	18.2219	16.1386
30/09/15	18.9476	18.1144
30/09/16	20.1300	18.1707
<i>I Class – Accumulation (CHF hedged)</i>		
30/09/13	10.2732	9.5180
30/09/14	11.6347	10.1555
30/09/15	12.2599	10.2931
30/09/16	11.6029	10.3053
<i>I Class – Accumulation (EUR hedged)</i>		
30/09/07	12.4100	11.1253
30/09/08	13.4200	9.3900
30/09/09	9.5500	9.2600
31/01/11	10.2300	7.5800
30/09/11	11.1817	9.3789
30/09/12	10.9406	9.5765
30/09/13	11.9183	10.7842
30/09/14	13.3495	11.8047
30/09/15	12.5538	10.6669
30/09/16	12.1195	10.7074

<b>Preferred Securities Fund (continued)</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>I Class – Accumulation (JPY hedged)</i>		
31/01/11	12.6100	9.6300
30/09/11	13.7718	12.2321
30/09/12	15.1465	13.2389
30/09/13	15.1396	12.0823
30/09/14	13.5687	11.9043
30/09/15	12.9986	11.3433
30/09/16	14.9687	11.5640
<i>D Class – Income</i>		
31/01/11	11.2300	9.9500
30/09/11	11.4707	10.3149
30/09/12	11.6659	10.9491
30/09/13	12.1311	11.3844
30/09/14	12.2954	11.3528
30/09/15	12.3212	11.8921
30/09/16	12.1736	11.2942
<i>D2 Class – Income</i>		
30/09/16	10.5133	9.9933
<i>D Class – Accumulation</i>		
30/09/09	12.9500	6.3000
31/01/11	15.3100	12.8300
30/09/11	16.0549	14.6259
30/09/12	17.5076	16.2104
30/09/13	18.8856	17.4876
30/09/14	20.2809	18.1180
30/09/15	20.9608	20.1362
30/09/16	21.9747	19.9426
<i>F Class – Income</i>		
31/01/11	11.1400	9.8800
30/09/11	11.3850	10.2334
30/09/12	11.5712	10.8698
30/09/13	12.0440	11.3055
30/09/14	12.2041	11.2822
30/09/15	12.2300	11.8142
30/09/16	12.0871	11.2175
<i>F Class – Accumulation</i>		
30/09/09	12.8800	6.2800
31/01/11	15.1400	12.7500
30/09/11	15.8385	14.4045
30/09/12	17.1555	15.9119
30/09/13	18.4482	17.1348
30/09/14	19.6814	17.6628
30/09/15	20.2776	19.5278
30/09/16	21.1099	19.2115
<i>F2 Class – Accumulation</i>		
30/09/16	10.6740	9.9838
<i>N Class – Income</i>		
30/09/16	10.0589	10.0047

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**FUND PERFORMANCE & LEVERAGE (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

<b>Preferred Securities Fund (continued)</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>P Class – Income</i>		
30/09/13	10.2171	9.6008
30/09/14	10.3762	9.5669
30/09/15	10.3956	10.0210
30/09/16	10.2683	9.5229
<i>P Class – Accumulation</i>		
30/09/13	10.2180	9.6954
30/09/14	11.0586	9.8262
30/09/15	11.4692	10.9889
30/09/16	12.1087	10.9577
<b>U.S. Equity Fund</b>		
<i>A Class – Accumulation</i>		
30/09/07	16.9500	14.2225
30/09/08	17.4600	12.3200
30/09/09	12.9800	7.9600
31/01/11	14.0600	11.0100
30/09/11	14.8473	12.0846
30/09/12	16.2110	11.9309
30/09/13	18.7785	14.7574
30/09/14	22.3104	18.1695
30/09/15	23.7955	20.1307
30/09/16	23.0272	19.5142
<i>I Class – Accumulation</i>		
30/09/07	17.6000	14.6721
30/09/08	18.1300	12.8800
30/09/09	13.5700	8.3400
31/01/11	14.9300	11.6400
30/09/11	15.7819	12.8629
30/09/12	17.3386	12.7061
30/09/13	20.2154	15.7999
30/09/14	24.1748	19.5672
30/09/15	25.9266	21.8242
30/09/16	25.1391	21.3411
<i>I Class – Accumulation (GBP)</i>		
30/09/09	12.5800	8.3700
31/01/11	14.9700	11.6800
30/09/11	15.8258	12.8986
30/09/12	17.3863	12.7425
30/09/13	20.2675	15.8430
30/09/14	24.2327	19.6175
30/09/15	25.9887	21.8771
30/09/16	25.1994	21.3997

<b>High Yield Fund</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>A Class – Income</i>		
30/09/14	10.0035	9.6400
30/09/15	9.6179	8.9926
30/09/16	9.4442	8.3408
<i>A Class – Income (AUD hedged)</i>		
30/09/15	10.3624	8.4830
30/09/16	9.8952	7.8787
<i>A Class – Accumulation</i>		
30/09/07	13.3260	12.3000
30/09/08	15.1034	12.5574
30/09/09	12.8190	8.6134
31/01/11	11.8517	9.9868
30/09/11	12.3484	11.2509
30/09/12	13.4333	10.8980
30/09/13	14.7514	13.3002
30/09/14	16.1918	14.6640
30/09/15	16.1049	14.9615
30/09/16	16.8242	14.479
<i>A Class – Accumulation (EUR hedged)</i>		
30/09/05	10.8016	10.6587
30/09/06	9.0100	8.7000
30/09/07	11.0912	10.5679
30/09/08	11.1702	10.4006
30/09/09	11.3513	8.0747
<i>I Class – Income (EUR hedged)</i>		
30/09/07	10.9700	10.3900
30/09/08	12.0221	10.1322
30/09/09	9.6881	6.7883
<i>I Class – Income (GBP hedged)</i>		
30/09/07	10.0983	9.5078
30/09/08	10.3507	8.1556
30/09/09	7.7904	4.8234
<i>I Class – Accumulation</i>		
30/09/07	12.5000	11.9173
30/09/08	12.6372	11.7839
30/09/09	13.4163	9.1563
31/01/11	16.3159	13.3501
30/09/11	17.0341	15.5313
30/09/12	18.6159	15.0452
30/09/13	20.4948	18.4341
30/09/14	22.5981	20.4059
30/09/15	22.5618	20.9232
30/09/16	23.6879	20.3412
<i>I Class – Accumulation (BRL hedged)</i>		
30/09/13	10.3186	8.4000
30/09/14	10.2342	9.4043
30/09/15	10.6546	6.6445
30/09/16	10.4569	6.5907
<i>I Class – Accumulation (EUR hedged)</i>		
30/09/06	7.9100	7.9000
30/09/07	11.6994	10.7978
30/09/08	13.3370	11.4431
30/09/09	11.6607	7.8647

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**FUND PERFORMANCE & LEVERAGE (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

<b>High Yield Fund (continued)</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>I Class – Accumulation (EUR hedged)</i>		
30/09/14	11.1959	9.8539
30/09/15	10.0559	8.3747
30/09/16	9.5081	7.9321
<i>D Class – Accumulation</i>		
30/09/15	10.3548	9.7915
30/09/16	10.7703	9.2867
<i>F Class – Accumulation</i>		
30/09/16	11.0072	9.9792
<b>Global Property Securities Fund</b>		
<i>A Class – Accumulation</i>		
30/09/09	12.9600	7.0900
30/09/16	11.3781	9.6578
<i>A Class – Accumulation (EUR hedged)</i>		
30/09/07	10.0800	8.2800
30/09/08	10.1700	6.4700
30/09/09	6.5800	2.8600
<i>A Class – Accumulation (USD hedged)</i>		
30/09/07	10.0700	8.3500
30/09/08	9.7400	6.0800
30/09/09	6.3000	3.0900
<i>I Class – Income (JPY hedged)</i>		
30/09/15	9.9619	9.0018
30/09/16	12.3569	9.0139
<i>I Class – Accumulation</i>		
30/09/09	14.1000	7.1000
31/01/11	17.6000	13.0300
30/09/11	18.8075	14.7481
30/09/12	20.0921	14.0862
30/09/13	23.6266	19.1917
30/09/14	24.3106	20.9195
30/09/15	26.5148	22.5036
30/09/16	27.3327	22.0264
<i>I Class – Accumulation (EUR hedged)</i>		
30/09/07	10.0800	8.3000
30/09/08	10.2000	6.5300
30/09/09	6.6500	2.8900
31/01/11	7.0800	4.8700
30/09/11	7.7396	5.6882
30/09/12	7.3729	5.3467
30/09/13	8.8367	6.9042
30/09/14	9.4480	8.2823
30/09/15	9.2448	8.1263

<b>Global Property Securities Fund (continued)</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>I Class – Accumulation (GBP hedged)</i>		
30/09/07	10.0200	8.2400
30/09/08	9.9400	5.6500
30/09/09	6.3600	3.1300
31/01/11	5.5200	3.9600
30/09/11	5.9170	4.4596
30/09/12	6.2583	4.2561
30/09/13	7.1959	5.9002
30/09/14	8.2188	6.8055
30/09/15	8.5315	7.3467
<i>I Class – Accumulation (JPY hedged)</i>		
30/09/13	10.6003	9.7822
30/09/14	11.2671	9.6159
30/09/15	11.2566	9.9832
<i>I Class – Accumulation (USD hedged)</i>		
30/09/07	10.0700	8.3700
30/09/08	9.7700	6.1400
30/09/09	5.7500	2.1800
31/01/11	7.0300	5.3900
30/09/11	7.3675	5.8787
30/09/12	7.8894	5.6513
30/09/13	9.5905	7.6050
30/09/14	9.9467	8.5425
30/09/15	11.3814	9.3048
30/09/16	11.6151	9.4306
<i>I2 Class Income</i>		
30/09/14	10.2710	9.6324
30/09/15	11.1847	9.4680
30/09/16	11.4287	9.1801
<i>F Class – Accumulation</i>		
30/09/16	10.6454	9.6854
<b>Global Equity (ex-Japan) Fund</b>		
<i>I Class – Accumulation</i>		
31/01/11	12.3900	9.9300
30/09/11	13.2037	10.3249
30/09/12	13.5542	10.0165
30/09/13	15.9845	12.6645
30/09/14	18.4787	15.5073
30/09/15	19.1420	16.5766
30/09/16	18.2820	15.7675
<i>I Class – Accumulation (JPY)</i>		
30/09/08	8.3500	10.1900
30/09/09	8.6700	4.9200
31/01/11	9.3300	7.1800
30/09/11	9.9499	7.7805
30/09/12	10.2145	7.5481
30/09/13	12.0460	9.5440
30/09/14	13.9253	11.6863
30/09/15	14.4254	12.4919
30/09/16	13.7771	11.8822

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**FUND PERFORMANCE & LEVERAGE (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

<b>Post Global Limited Term High Yield Fund</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>A Class – Income</i>		
30/09/16	10.2248	10.0274
<i>A Class – Accumulation</i>		
30/09/16	10.2742	9.9439
<i>I Class – Income (EUR hedged)</i>		
30/09/16	9.9675	9.8262
<i>I Class – Income (GBP hedged)</i>		
30/09/13	10.9442	9.8062
30/09/14	11.5692	10.6287
30/09/15	10.6472	9.5874
30/09/16	10.5625	9.1573
<i>I Class – Accumulation</i>		
30/09/11	10.0723	9.8764
30/09/12	10.8391	9.7556
30/09/13	11.4202	10.8305
30/09/14	11.8921	11.4000
30/09/15	12.1027	11.5901
30/09/16	12.5783	11.8593
<i>I Class – Accumulation (CHF hedged)</i>		
30/09/15	10.1883	9.8824
30/09/16	10.4712	9.4109
<i>I Class – Accumulation (EUR hedged)</i>		
30/09/11	10.2355	9.6207
30/09/12	10.0258	9.1293
30/09/13	10.8850	9.7655
30/09/14	11.5811	10.4446
30/09/15	10.6291	8.8766
30/09/16	10.0073	8.9114
<i>I Class – Accumulation (GBP hedged)</i>		
30/09/12	10.9363	10.0011
30/09/13	11.8649	10.6384
30/09/14	13.1522	10.6287
30/09/15	12.3863	11.3227
30/09/16	12.1073	10.3942
<i>I Class – Accumulation (JPY hedged)</i>		
30/09/11	10.5306	10.0332
30/09/12	11.2300	10.0432
30/09/13	11.1905	8.8011
30/09/14	9.5128	8.5930
30/09/15	8.8711	7.7108
30/09/16	9.9210	7.7624
<i>I Class – Accumulation (SGD hedged)</i>		
30/09/16	10.3781	9.8965
<i>I2 Class Accumulation</i>		
30/09/16	10.5431	9.9264
<i>I2 Class Accumulation (EUR hedged)</i>		
30/09/16	10.6532	9.4809

<b>Post Global Limited Term High Yield Fund (continued)</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>I2 Class Accumulation (GBP hedged)</i>		
30/09/16	10.3251	8.8651
<b>Global Time Diversified Absolute Return Fund</b>		
<i>I Class – Accumulation</i>		
30/09/12	10.2720	9.8056
30/09/13	10.2537	8.7169
30/09/14	9.3654	8.3907
30/09/15	10.0121	8.3446
30/09/16	10.2238	8.7709
<b>EDGE Small/Mid Cap Equity Income Fund*</b>		
<i>A Class – Accumulation</i>		
30/09/12	10.3388	9.9018
30/09/13	11.7757	9.5700
30/09/14	13.6892	11.3529
30/09/15	13.5970	11.6074
<i>I Class – Accumulation</i>		
30/09/12	10.3457	9.9066
30/09/13	11.8608	9.5867
30/09/14	13.8593	11.4390
30/09/15	13.8398	11.8727
<b>Global Small Cap Equity Fund</b>		
<i>A Class – Accumulation</i>		
30/09/13	13.1734	9.6244
30/09/14	15.4289	12.9942
30/09/15	16.0445	12.8613
30/09/16	15.6074	12.3971
<i>I Class – Accumulation</i>		
30/09/13	13.2533	9.6287
30/09/14	15.5998	13.0761
30/09/15	16.3509	13.0337
30/09/16	16.0323	12.6937
<b>Origin Global Emerging Markets Fund</b>		
<i>I Class – Accumulation</i>		
30/09/14	11.6512	9.8683
30/09/15	12.0757	9.0280
30/09/16	10.6273	7.9924
<i>I Class – Accumulation (GBP)</i>		
30/09/13	10.6758	9.0414
30/09/14	11.9326	10.1071
30/09/15	12.3678	9.2502
30/09/16	10.8910	8.1891
<i>F2 Class – Accumulation</i>		
30/09/16	11.4230	9.7001
*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.		

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**FUND PERFORMANCE & LEVERAGE (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

<b>Origin Global Equity Fund</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>I Class – Accumulation (GBP)</i>		
30/09/13	11.0200	9.7758
30/09/14	13.3334	10.8108
30/09/15	15.0618	11.8150
30/09/16	13.6213	11.0046
<b>Origin Global Smaller Companies Fund</b>		
<i>I Class – Accumulation</i>		
30/09/13	11.1695	9.7097
30/09/14	13.3136	11.0280
30/09/15	14.3960	11.6425
30/09/16	13.9164	11.2870
<i>I Class – Accumulation (GBP)</i>		
30/09/13	11.2084	9.7440
30/09/14	13.3599	11.0774
30/09/15	14.4458	11.6828
30/09/16	13.9670	11.3273
<b>Long/Short Global Opportunities Equity Fund</b>		
<i>I Class – Accumulation</i>		
30/09/13	10.0053	9.8734
30/09/14	10.4298	9.8876
30/09/15	10.5379	10.0729
30/09/16	10.4804	9.4990
<b>Claritas Latin American Equity Fund</b>		
<i>I Class – Accumulation</i>		
30/09/13	10.0000	9.8070
30/09/14	11.0759	8.5998
30/09/15	9.8352	5.6600
30/09/16	7.9824	5.0958
<b>Finisterre Emerging Market Debt Fund</b>		
<i>A Class – Income</i>		
30/09/15	10.0240	9.3765
30/09/16	9.8288	9.1521
<i>A Class – Accumulation</i>		
30/09/15	10.1036	9.4697
30/09/16	9.9240	9.2430
<i>A Class – Accumulation (CHF hedged)</i>		
30/09/15	10.5696	9.2477
30/09/16	9.7129	8.6891
<i>A Class – Accumulation (EUR hedged)</i>		
30/09/15	10.4850	9.6575
30/09/16	10.1495	9.0814
<i>A Class – Accumulation (GBP hedged)</i>		
30/09/15	10.6338	9.6344
30/09/16	9.8428	8.5325
<i>A Class – Accumulation (SGD hedged)</i>		
30/09/15	10.4915	9.10478
30/09/16	10.2112	8.8283

<b>Finisterre Emerging Market Debt Fund (continued)</b>		
<b>Year Ended</b>	<b>Highest Price Per Unit USD</b>	<b>Lowest Price Per Unit USD</b>
<i>I Class – Accumulation</i>		
30/09/14	10.8949	9.9668
30/09/15	11.1185	10.4638
30/09/16	11.0059	10.2330
<i>I Class – Accumulation (EUR hedged)</i>		
30/09/14	10.0504	9.4417
30/09/15	9.5255	7.9115
30/09/16	8.4321	7.5328
<i>I Class – Accumulation (GBP hedged)</i>		
30/09/15	10.6439	9.6699
30/09/16	9.8845	8.6051
<i>I2 Class – Income (EUR hedged)</i>		
30/09/14	10.0668	9.3220
30/09/15	9.4058	7.8215
30/09/16	8.4074	7.4711
<b>Spectrum Global Capital Securities Fund</b>		
<i>A Class – Accumulation</i>		
30/09/16	10.1298	9.9584
<i>I Class – Accumulation</i>		
30/09/15	10.6473	9.8576
30/09/16	11.0747	9.5185
<i>I Class – Accumulation (EUR hedged)</i>		
30/09/15	10.4912	10.0313
30/09/16	10.7888	9.2749
<b>Global Short Duration High Yield Fund**</b>		
<i>I Class – Accumulation</i>		
30/09/15	10.3847	9.9542
<b>Global Capital Structure Opportunities Fund</b>		
<i>I Class – Accumulation</i>		
30/09/15	10.4073	9.9775
30/09/16	10.6928	9.8177
<b>Global Credit Alpha Fund</b>		
<i>I Class – Accumulation</i>		
30/09/15	11.1952	10.6157
30/09/16	11.2820	10.0418
<b>Real Estate Debt Fund***</b>		
<i>I Class – Income</i>		
30/09/16	10.4901	9.9568
<i>I Class – Accumulation</i>		
30/09/16	10.6532	9.9568
**Global Short Duration High Yield Fund terminated on 1 July 2016.		
***Real Estate Debt Fund launched on 21 March 2016.		

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**FUND PERFORMANCE & LEVERAGE (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**FUND PERFORMANCE**  
**As at 30 September 2016**  
**Calculated in USD**

	<b>One Year</b>	<b>Three Years</b>	<b>Five Years</b>
	<b>%</b>	<b>%</b>	<b>%</b>
Global Equity Fund	5.92	12.95	61.56
MSCI AC World Index	11.96	16.22	69.87
Asian Equity Fund	13.68	5.88	40.77
MSCI AC Asia ex-Japan Index	16.84	8.41	40.57
European Equity Fund	2.26	5.93	56.23
MSCI Europe Index	2.49	(1.67)	43.31
Emerging Markets Equity Fund	12.85	(4.62)	8.55
MSCI Emerging Markets Index	16.78	(1.68)	16.10
Japanese Equity Fund	9.15	5.18	31.22
MSCI Japan Index	12.13	10.31	42.62
Preferred Securities Fund			
50% BofA Merrill Lynch Fixed Rate Preferred Securities Index;	7.44	24.35	55.82
50% BofA Merrill Lynch US Capital Securities Index	9.04	26.44	52.61
U.S. Equity Fund	6.78	24.22	83.36
S&P 500 Index	15.43	37.36	113.44
High Yield Fund	10.61	15.81	52.35
BofA Merrill Lynch Global High Yield Hedged Index	13.51	16.10	51.73
Global Property Securities Fund	10.92	21.70	75.78
FTSE EPRA/NAREIT Developed NTR Index	14.85	24.96	78.53
Global Equity ex-Japan Fund	5.78	13.41	68.22
MSCI Kokusai (World ex-Japan) Index	11.28	19.41	76.80
Post Global Limited Term High Yield Fund	5.63	10.25	27.33
Barclays Capital US Government 1-2 Year	0.66	1.80	2.65
Global Time Diversified Absolute Return Fund <sup>4</sup>	11.61	N/A	N/A
<i>No benchmark for this Fund</i>	N/A	N/A	N/A
EDGE Small/Mid-Cap Equity Income Fund <sup>1</sup>	N/A	N/A	N/A
Russell 2500 Value Index	N/A	N/A	N/A
Global Small Cap Equity Fund	10.68	20.24	N/A
MSCI ACWI Small Cap Index	14.21	17.99	N/A
Origin Global Emerging Markets Fund	10.97	N/A	N/A
MSCI Emerging Markets Index	16.78	N/A	N/A
Origin Global Equity Fund	2.83	19.01	N/A
MSCI World Index	11.36	18.58	N/A
Origin Global Smaller Companies Fund	10.63	23.34	N/A
MSCI ACWI Small Cap Index	14.21	17.99	N/A
Long/Short Global Opportunities Equity Fund <sup>4</sup>	(7.30)	(3.64)	N/A
<i>No benchmark for this Fund</i>	N/A	N/A	N/A

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**FUND PERFORMANCE & LEVERAGE (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**FUND PERFORMANCE (continued)**  
**As at 30 September 2016 (continued)**

Calculated In USD	One Year	Three Years	Five Years
	%	%	%
Claritas Latin American Equity Fund <sup>5</sup>	32.75	(22.40)	N/A
<i>No benchmark for this Fund</i>	N/A	N/A	N/A
Finisterre Emerging Market Debt Fund <sup>4</sup>	4.49	N/A	N/A
<i>No benchmark for this Fund</i>	N/A	N/A	N/A
Spectrum Global Capital Securities Fund	6.42	N/A	N/A
BofA Merrill Lynch Global Non-Sovereign Index	6.54	N/A	N/A
Global Short Duration High Yield Fund <sup>2</sup>	N/A	N/A	N/A
Barclays Capital Mutual Fund (1-2) U.S. Government Index	N/A	N/A	N/A
Global Capital Structure Opportunities Fund	4.40	N/A	N/A
3 Month US LIBOR	0.57	N/A	N/A
Global Credit Alpha Fund	6.03	N/A	N/A
3 Month US LIBOR	0.57	N/A	N/A
Real Estate Debt Fund <sup>3</sup>	6.50	N/A	N/A
Barclays Capital CMBS Investment Grade Index	4.13	N/A	N/A

<sup>1</sup>EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

<sup>2</sup>Global Short Duration High Yield Fund terminated on 1 July 2016.

<sup>3</sup>Real Estate Debt Fund launched on 21 March 2016.

<sup>4</sup>The Finisterre Emerging Market Debt Fund, Long/Short Global Opportunities Equity Fund and the Global Time Diversified Absolute Return Funds do not have applicable benchmark indices, and as a result there is no sensitivity analysis prepared for these Funds.

<sup>5</sup>For the Claritas Latin American Equity Fund there is currently no license for the benchmark index and as a result there is no sensitivity prepared for this Fund.

Notes: Fund performance calculated using 10 a.m. NAVs.

The data is based on the USD I class of each Fund showing the total return over each time period.

Past performance is not indicative of future results.

The information above has been derived from sources believed to be accurate as of 30 September 2016. It contains general information only on investment matters and should not be considered as a comprehensive statement on any matter and should not be relied upon as such. The information it contains does not take account of any investor's investment objectives, particular needs or financial situation. Past performance is not a reliable indicator of future performance and should not be relied upon as a significant basis for an investment decision. Subject to any contrary provisions of applicable law, no company in the Principal Financial Group nor any of their employees or directors gives any warranty of reliability or accuracy nor accepts any responsibility arising in any other way (including by reason of negligence) for errors or omissions in this document. You should consider whether an investment fits your investment objectives, particular needs and financial situation before making any investment decision.

**Leverage**

The use of derivatives adds leverage to the funds and can increase volatility. Leverage is calculated using the sum of the derivatives used by the funds. The levels of leverage are as follows:

**As at 30 September 2016**

Global Time Diversified Absolute Return Fund	1,015%
Finisterre Emerging Market Debt Fund	13,360%
Global Capital Structure Opportunities Fund	109%
Global Credit Alpha Fund	133%



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**TOTAL EXPENSE RATIOS (UNAUDITED)**  
**for the year ended 30 September 2016**

**TOTAL EXPENSE RATIOS**

Outlined below and overleaf are total expense ratios for the year ended 30 September 2016 on a fund by fund basis. This disclosure is a requirement for funds regulated in Switzerland.

	Total Expense Ratio %									
	Average NAV (USD)	A Class	I Class	I2 Class	D Class	D2 Class	F Class	F2 Class	N Class	P Class
Global Equity Fund	53,698,446	1.97%	1.28%	—	—	—	—	2.89%	—	—
Asian Equity Fund	7,651,150	2.32%	1.74%	—	—	—	—	—	—	—
European Equity Fund	109,075,352	1.74%	1.13%	—	—	—	—	—	—	—
Emerging Markets Equity Fund	7,585,440	2.30%	1.74%	—	—	—	—	—	—	—
Japanese Equity Fund	29,568,603	2.18%	1.50%	—	—	—	—	3.16%	—	—
Preferred Securities Fund	1,985,798,244	1.08%	0.43%	—	1.38%	1.39%	1.88%	2.34%	0.69%	0.88%
U.S. Equity Fund	135,951,588	1.75%	1.10%	—	—	—	—	—	—	—
High Yield Fund	130,910,706	1.27%	0.88%	—	1.62%	—	2.12%	—	—	—
Global Property Securities Fund	142,642,248	—	1.18%	0.61%	—	—	2.37%	—	—	—
Global Equity (ex-Japan) Fund	62,875,339	—	1.15%	—	—	—	—	—	—	—
Post Global Limited Term High Yield Fund	733,322,692	1.19%	0.74%	0.54%	—	—	—	—	—	—
Global Time Diversified Absolute Return Fund	4,408,133	—	1.97%	—	—	—	—	—	—	—
EDGE Small/Mid-Cap Equity Income Fund*	3,328,110	2.79%	1.98%	—	—	—	—	—	—	—
Global Small Cap Equity Fund	20,625,385	2.15%	1.53%	—	—	—	—	—	—	—
Origin Global Emerging Markets Fund	65,339,589	—	1.27%	—	—	—	—	2.90%	—	—
Origin Global Equity Fund	15,466,827	—	0.99%	—	—	—	—	—	—	—
Origin Global Smaller Companies Fund	50,125,917	—	1.26%	—	—	—	—	—	—	—
Long/Short Global Opportunities Equity Fund	7,491,126	—	1.77%	—	—	—	—	—	—	—
Claritas Latin American Equity Fund	11,706,503	—	1.72%	—	—	—	—	—	—	—
Finisterre Emerging Market Debt Fund	317,367,541	2.25%	1.60%	1.11%	—	—	—	—	—	—
Spectrum Global Capital Securities Fund	22,829,030	1.73%	0.80%	—	—	—	—	—	—	—

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**TOTAL EXPENSE RATIOS (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

**TOTAL EXPENSE RATIOS (continued)**

	Total Expense Ratio %									
	Average									
	NAV (USD)	A Class	I Class	I2 Class	D Class	D2 Class	F Class	F2 Class	N Class	P Class
Global Short Duration High Yield Fund**	6,578,752	—	0.73%	—	—	—	—	—	—	—
Global Capital Structure Opportunities Fund	10,391,856	—	0.89%	—	—	—	—	—	—	—
Global Credit Alpha Fund	7,964,422	—	0.78%	—	—	—	—	—	—	—
Real Estate Debt Fund***	8,928,197	—	0.83%	—	—	—	—	—	—	—

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

\*\*\*Real Estate Debt Fund launched on 21 March 2016.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**UCITS V Remuneration Policy (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**UCITS V Remuneration Policy (Unaudited)**

**1 INTRODUCTION**

The Company has been authorised by the Central Bank as a UCITS management company pursuant to the UCITS Regulations.

Regulation 24A of the UCITS Regulations requires UCITS management companies, such as the Company to, "*establish and apply remuneration policies and practices that (a) are consistent with and promote sound and effective risk management, (b) do not encourage risk taking that is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the management company manages, and (c) do not impair compliance with the management company's duty to act in the best interest of the UCITS that it manages.*"

The Company has prepared this remuneration policy (the "**Remuneration Policy**") to outline how it adheres to the remuneration requirements set out in the UCITS Regulations.

The purpose of this Remuneration Policy is to provide a clear direction and policy regarding the Company's remuneration policies and practices consistent with the principles in the UCITS Regulations.

This document forms the written element of the remuneration policy for the Company. This supplements and should be read in conjunction with, the Company's regulatory framework documentation, in particular its UCITS business plan.

The board of directors of the Company (the "Board") recognises the important role played by sound risk management in protecting its stakeholders. Moreover, the Board acknowledges that inappropriate remuneration structures could, in certain circumstances; result in situations whereby individuals assume more risk on the relevant institution's behalf than they would have done had they not been remunerated in this way.

In addition to ensuring that this Remuneration Policy aligns the risk taking behaviour of staff with the Company's risk appetite, the remuneration policy is designed to ensure that the Company is able to attract, retain and motivate highly qualified staff in order to produce long term value creation for shareholders.

In preparing this Remuneration Policy, the Company has taken into account the nature, scale and complexity of its business. In determining the range of activities to be undertaken by the Company, the Company has given due consideration to the number of funds it acts as UCITS management company for, the type of investments of such funds, the investment strategies of such funds, the investment location, the distribution model and the investor base of such funds. Due consideration has also been given to the resources available to the Company and the resources and expertise of the various third parties engaged to support the Company and carry out certain functions on its behalf.

The Company is also authorised by the Central Bank as an alternative investment fund manager ("**AIFM**") under the Part 2 of the AIFM Regulations and applies a separate remuneration policy in accordance with the AIFM Regulations in respect of the funds it acts as AIFM for.

**2 APPLICABLE REGULATIONS AND INTERPRETATION**

For the purposes of this Remuneration Policy, the following defined terms and legislative/regulatory references are of particular note:

" <b>AIFM Regulations</b> "	means the European Union (Alternative Investment Fund Managers Directive) Regulations (S.I. No. 257 of 2013), as amended;
" <b>AIFMD</b> "	means the Alternative Investment Fund Managers Directive (Directive 2011/61/EU);
" <b>Applicable UCITS Regulation</b> "	means collectively the UCITS Directive, the UCITS Regulations, and the Central Bank UCITS Regulations, as appropriate;
" <b>Central Bank</b> "	means the Central Bank of Ireland;
" <b>Central Bank UCITS Regulations</b> "	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 as amended, consolidated or substituted from time to time;
" <b>ESMA</b> "	means the European Securities and Market Authority;
" <b>ESMA UCITS Q&amp;A</b> "	means ESMA's Questions and Answers on the Application of the UCITS Directive (ESMA/2016/569);
" <b>Fund</b> "	means Principal Global Investors Funds, or any other fund pursuant to which the Company acts as a UCITS management company;

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**UCITS V Remuneration Policy (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**UCITS V Remuneration Policy (Unaudited) (continued)**

**2 APPLICABLE REGULATIONS AND INTERPRETATION (continued)**

<b>"Guidelines"</b>	means ESMA's Guidelines on sound remuneration policies under the UCITS Directive, applicable from 1 January 2017 (ESMA/2016/575);
<b>"UCITS Regulations"</b>	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), as amended, consolidated or substituted from time to time.

All other stated defined terms used in this Remuneration Policy shall have the same meaning as in the Company's UCITS business plan.

In relation to various aspects of this Remuneration Policy where there is any perceived ambiguity or lack of clarity in the Applicable UCITS Regulation and/or the Guidelines, the Company will have regard to any published guidance on the relevant point by the Central Bank or ESMA or in the absence of any such published guidance that of any other EU national competent authority, if appropriate.

In the absence of such additional supporting guidance in relevant instances regard may also be had to any guidance published by any of the relevant regulatory bodies in the context of AIFMD remuneration requirements, to the extent it provides guidance on corresponding elements to the UCITS requirements being considered.

The Company has reviewed and understands all regulatory requirements applicable to its Remuneration Policy set out in the Applicable UCITS Regulation and has addressed these requirements in this Remuneration Policy and/or materials referenced herein.

**3 SCOPE OF REMUNERATION**

Remuneration consists of all forms of payments or benefits made directly by, or indirectly, but on behalf of the Company, in exchange for professional services rendered by staff. This shall include where appropriate:

- (i) all forms of payments or benefits paid by the Company;
- (ii) any amount paid by the Funds, including any portion of performance fees; and/or
- (iii) any transfer of units or shares of any Funds;

in exchange for professional services rendered by the Identified Staff (as defined in section 4 below).

For the purpose of item (ii) above, whenever payments, excluding reimbursements of costs and expenses, are made directly by the Funds to the Company for the benefit of the relevant categories of Identified Staff, for professional services rendered, which may otherwise result in a circumvention of the relevant remuneration rules, they shall be considered remuneration for the purpose of this Remuneration Policy.

Fixed remuneration means payments or benefits without consideration of any performance criteria.

Variable remuneration means additional payments or benefits depending on performance or, in certain cases, other contractual criteria

**4 IDENTIFIED STAFF**

The provisions of this Remuneration Policy only apply only to **"Identified Staff"**. Pursuant to the term as defined in the Guidelines, Identified Staff are staff members who have a material impact on the Company's risk profile, as follows:

*"categories of staff, including senior management, risk takers, Control Functions and any employee receiving total remuneration that falls into the remuneration bracket of senior management and risk takers, whose professional activities have a material impact on the management company's risk profile or the risk profiles of the UCITS that it manages and categories of staff of the entity(ies) to which investment management activities have been delegated by the management company, whose professional activities have a material impact on the risk profiles of the UCITS that the management company manages"*

For the above purposes, **"Control Functions"** means:

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**UCITS V Remuneration Policy (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**UCITS V Remuneration Policy (Unaudited) (continued)**

**4 IDENTIFIED STAFF (continued)**

*"staff (other than senior management) responsible for risk management, compliance, internal audit and similar functions within a management company (e.g. the CFO to the extent that he/she is responsible for the preparation of the financial statements)."*

For the above purposes, "**remuneration bracket**" means:

*"the range of the total remuneration of each of the staff members in the senior manager and risk taker categories – from the highest paid to the lowest paid in these categories."*

The following categories of staff, unless it is demonstrated that they have no material impact on the Company's risk profile or on a UCITS it manages, should be included as the Identified Staff:

- directors;
- senior management;
- staff responsible for Control Functions;
- staff responsible for heading the investment management, administration, marketing, human resources;
- other risk takers – such as staff members who acting individually or as part of a group can exert material influence on the Company's risk profile or on a UCITS it manages;

Additionally, staff whose remuneration takes them into the same bracket as senior managers and risk takers but who don't fall into one of the categories above must be assessed to determine whether they have a material impact on the risk profile of the Company or of a UCITS it manages and should be included as Identified Staff.

A list of the Company's Identified Staff is appended herewith (at Schedule 1). It should be noted that the inclusions of persons in Schedule 1 shall relate specifically to their role within the Company and their remuneration (if any) received directly by the Company and shall not affect any other role or remuneration such persons may otherwise receive from entities connected with the Company, delegates of the Company or otherwise.

Any new staff will be considered for inclusion on this list when they are hired or if their role changes. It will be the responsibility of the Chairman of the Board in consultation with the Compliance Officer to make recommendations to the Board to include staff on this list.

The list will be reviewed by the Board on an annual basis.

**5 REMUNERATION PROCESS AND PRINCIPLES**

**5.1 Variable remuneration**

Variable remuneration is an important tool to incentivise staff. It also gives the Company flexibility such that, in years where the Company performs poorly, variable remuneration may be reduced or eliminated and the capital of the Company can be preserved. In some circumstances, however, variable remuneration, if inappropriately structured, can lead to excessive risk taking as employees may be incentivised to keep taking risk to maintain or increase their variable remuneration.

In deciding the mix between fixed and variable remuneration of Identified Staff, the Company is mindful of the need to ensure that the basic pay of staff is adequate to remunerate the professional services rendered taking into account, inter alia, the level of education, the degree of seniority, the level and expertise and skills required. Because the Company is a trading business its revenues may be more volatile than non-trading businesses. Variable remuneration allows the Company to reduce the risk that its capital base is eroded due to the need to pay fixed remuneration cost should trading revenues decline. For these reasons, the Company's ratio of variable pay to fixed pay may be higher than other businesses with more steady income streams.

**5.2 Remuneration process**

Following the finalisation of the annual financial statements and during the first quarter of each financial year in respect of the Company, the Company shall decide what, if any, variable compensation to award staff.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**UCITS V Remuneration Policy (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**UCITS V Remuneration Policy (Unaudited) (continued)**

**5 REMUNERATION PROCESS AND PRINCIPLES (continued)**

**5.2 Remuneration process (continued)**

The factors that are taken into account in deciding the quantum of the variable remuneration are as follows:

- the profit that the Company made during the previous year;
- for revenue producing roles, the risk and resource adjusted profit or loss in comparison to the expected profit or loss in addition to the achievement of any specific objectives;
- the resources that were consumed (for example IT, capital, legal and compliance resources);
- for non-revenue producing roles, achievement against objectives and whether the individual exceeded what was expected of them during the year;
- for all roles, compliance by the individual with all relevant compliance and risk requirements and other firm policies and procedures;
- for all roles, the achievement of objectives which are set during the annual review process and updated during the year;
- whether the individual helped to develop new businesses, improved processes, worked in a collegial way and assisted in the training, education and mentoring of other employees;
- other factors as may be determined from time to time by the Board.

**5.3 Remuneration principles – in compliance with UCITS requirements**

It is primarily the responsibility of the Company to assess its own characteristics and to develop and implement remuneration policies and practices which appropriately align the risks faced and provide adequate and effective incentives to its Identified Staff.

When establishing and applying the total remuneration, inclusive of salaries and discretionary pension benefits for Identified Staff, the Company shall comply with the following general principles in a way and to the extent that is appropriate taking into account its size, internal organisation and the nature, scope and complexity of its activities:

- a) Identified Staff engaged in Control Functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control in order to avoid any conflict of interest;
- b) where remuneration is performance related, the total amount of remuneration is based on a combination of the assessment as to the performance of the individual and of the business unit or Fund concerned and as to their risks and of the overall results of the Company when assessing individual performance, taking into account financial and non-financial criteria;
- c) the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Fund managed by the Company in order to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
- d) guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of engagement;
- e) fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component;
- f) payments relating to the early termination of a contract reflect performance achieved over time and are designed in a way that does not reward failure;
- g) the measurement of performance used to calculate variable remuneration components or pools of variable remuneration components includes a comprehensive adjustment mechanism to integrate all relevant types of current and future risks;

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**UCITS V Remuneration Policy (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**UCITS V Remuneration Policy (Unaudited) (continued)**

**5 REMUNERATION PROCESS AND PRINCIPLES (continued)**

**5.3 Remuneration principles – in compliance with UCITS requirements (continued)**

- h) subject to the legal structure of the Funds and its rules or instruments of incorporation, a substantial portion, and in any event at least 50 %, of any variable remuneration component consists of units or shares of the Funds concerned, equivalent ownership interests, or share-linked instruments or equivalent non-cash instruments with equally effective incentives as any of the instruments referred to in this point (h), unless the management of the Funds accounts for less than 50 % of the total portfolio managed by the Company, in which case the minimum of 50 % does not apply;
- i) a substantial portion, and in any event at least 40 %, of the variable remuneration component, is deferred over a period which is appropriate in view of the holding period recommended to the investors of the Funds concerned and is correctly aligned with the nature of the risks of the Funds in question. The period referred to in this point shall be at least three years; remuneration payable under deferral arrangements vests no faster than on a pro-rata basis; in the case of a variable remuneration component of a particularly high amount, at least 60 % of the amount shall be deferred;
- j) the variable remuneration, including the deferred portion, is paid or vests only if it is sustainable according to the financial situation of the Company as a whole, and justified according to the performance of the business unit, the Funds and the individual concerned. The total variable remuneration shall generally be considerably contracted where subdued or negative financial performance of the Company or of the Funds concerned occurs, taking into account both current compensation and reductions in payouts of amounts previously earned, including through malus or clawback arrangements;
- k) any pension policy (if such policy is put in place in the future) is in line with the business strategy, objectives, values and long-term interests of the Company and the Funds that it manages. If the employee leaves the Company before retirement, discretionary pension benefits, if any, shall be held by the Company for a period of five years in the form of instruments defined in point (h) above. In the case of an employee reaching retirement, discretionary pension benefits shall be paid to the employee in the form of instruments defined in point (h) above, subject to a five-year retention period;
- l) Identified Staff are required to undertake not to use personal hedging strategies or remuneration- and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements; and
- m) variable remuneration may not be paid through vehicles or methods that facilitate the avoidance of the requirements of the UCITS Regulations.

**6 SCOPE OF THE REMUNERATION POLICY AND APPLICATION OF THE PRINCIPLES**

**6.1 Delegates**

The Company has the facility to appoint delegates to carry out investment management functions (including risk management) on its behalf.

In accordance with the Guidelines, where the UCITS remuneration rules would otherwise be circumvented, the Company will seek to ensure that affected delegates (i.e. those entities to which investment activities have been delegated) are subject to regulatory requirements on remuneration that are "*equally as effective*" as those applicable under the Guidelines or that appropriate contractual agreements are in place to ensure that the delegation arrangements do not circumvent the remuneration requirements contained in the Guidelines.

[It is noted that in certain confined circumstances it may be determined that the scope of the mandate granted to a particular delegate is such that no staff of the delegate will constitute Identified Staff for the purposes of this Remuneration Policy, i.e. have the capacity to carry out their professional activities under the delegation arrangement in a manner which could have a material impact on the risk profile of the relevant UCITS. This could be the case where the Company retains a sufficient degree of control and supervision over the activities of the delegate and restricts the discretionary nature of their activities (for example, through the application of detailed contractual restrictions set by the Company which tightly constrain how the delegate may discharge its delegated functions).]

**6.2 Proportionality**

Regulation 24B(1) of the UCITS Regulations states that UCITS management companies shall comply with the UCITS

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**UCITS V Remuneration Policy (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**UCITS V Remuneration Policy (Unaudited) (continued)**

**6 SCOPE OF THE REMUNERATION POLICY AND APPLICATION OF THE PRINCIPLES (continued)**

**6.2 Proportionality (continued)**

remuneration principles *"in a manner and to the extent that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities."*

While it is noted that the Guidelines do not expressly provide for the disapplication of certain UCITS remuneration principles on the grounds of proportionality, this is not expressly prohibited either. Indeed, ESMA indicated, in a letter to the European Commission on this issue<sup>1</sup>, that

*"there might be cases where the application of the payout process rules to the staff of the delegate would not be proportionate and would not achieve the outcome of aligning the delegates' staff interests with those of the investors in the UCITS."*

In the absence of further guidance or legal clarification from the European Commission, ESMA or the Central Bank, it is noted by the Company that an applicable delegate may determine to disapply the principles outlined in sections 5.3(h) and (i) respectively on the grounds of proportionality - based on the proportionality criteria outlined in the Guidelines on (i) size, (ii) internal organisation and (iii) nature, scope and complexity of the relevant delegate's business.

Factors that the relevant delegate may consider in arriving at such a conclusion may include the size of the delegate's balance sheet, the proportionate value of UCITS assets managed relative to non-UCITS assets managed (and resultant UCITS/non-UCITS revenue generated) and therefore whether the UCITS assets managed by the relevant delegate are not *"potentially systemically important (e.g. in terms of total assets under management)"*<sup>2</sup>.

This approach will be reviewed and reassessed, as necessary for subsequent financial periods following the issuance of any further regulatory guidance or legal clarification that conflicts with this current position.

In respect of the Company itself, the Board finds that it is not necessary to consider further the proportionality provisions as it will not wish to disapply the principles outlined in section 5.3(h) and (i) to the Company's Identified Staff.

**6.3 "Equally as Effective" Regimes**

Pursuant to the Guidelines, the UCITS remuneration principles are not required to be applied to delegates performing investment management functions when such delegates are subject to regulatory requirements on remuneration that are *"equally as effective"* as the UCITS remuneration principles.

It is noted that the Guidelines provide that entities that are subject to the remuneration rules under AIFMD or CRD IV (Directive 2013/36/EU) can be considered to meet this condition.

Based on prior guidance issued by the Central Bank on the corresponding and identical requirement in the context of the AIFMD remuneration principles and in the absence of further specific guidance or legal clarification from the European Commission, ESMA or the Central Bank in the context of the UCITS remuneration requirements, the Company considers that the following categories of delegate entities also meet this condition:

- i. CRD/MiFID firms (including firms still subject to CRD III and which have availed of the CRD IV exemptions); and
- ii. non-EU firms which are subject to group remuneration policies that are equally as effective as MiFID or CRD.

This approach will be reviewed and reassessed, as necessary for subsequent financial periods following the issuance of any further regulatory guidance or legal clarification that conflicts with this current position.

**7 ABSENCE OF A REMUNERATION COMMITTEE**

It is noted that the requirement for a UCITS management company to establish a remuneration committee (pursuant to Regulation 24B(3) of the UCITS Regulations) applies to a management company *"that is significant in terms of its size or the size of the UCITS that it manages, its internal organisation and the nature, scope and complexity of its activities."* This criteria is to be assessed in accordance with the Guidelines.

The Guidelines (paragraph 55) provide that:



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**UCITS V Remuneration Policy (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**UCITS V Remuneration Policy (Unaudited) (continued)**

**7 ABSENCE OF A REMUNERATION COMMITTEE (continued)**

*"When assessing whether or not a management company is significant, a management company should consider the cumulative presence of all the three factors (i.e. its size or the size of the UCITS it manages, its internal organisation and the nature, scope and complexity of its activities). A management company which is significant only with respect to one or two of the three above factors should not be required to set up a remuneration committee."*

In terms of what "internal organisation" means, the Guidelines elsewhere state as follows: *"Internal organization: this can relate to the legal structure of the management company or the UCITS it manages, the complexity of the internal governance structure of the management company, the listing on regulated markets of the management company or the UCITS it manages. This criterion should be assessed having regard to the entire organisation of the management company including all the UCITS it manages, meaning that for instance the listing of one UCITS should not by itself be sufficient for considering the management company as having a complex internal organisation"*

Having assessed this, the Company has determined that it is not "significant" with respect to its *internal organisation* and therefore shall not be required to establish a remuneration committee.

**8 BOARD OVERSIGHT AND UPDATES TO THIS REMUNERATION POLICY**

The Board will be responsible for the oversight of compliance with this Remuneration Policy. It will review the appropriateness of this Remuneration Policy annually and will ensure that it is operating as intended. It will also review this Remuneration Policy to ensure that it continues to be compliant with applicable national and international regulations, principles and standards. This Remuneration Policy shall be reviewed and updated as necessary on at least an annual basis or as and when is required or deemed necessary by the Company. Material changes to this Remuneration Policy will be approved by the Board.

**9 FIRST ANNUAL PERFORMANCE PERIOD**

Pursuant to paragraph 5 of the Guidelines, the variable remuneration rules contained in the Guidelines should first apply for the calculation of payments relating to new awards of variable remuneration to Identified Staff for the first full performance period commencing after 1 January 2017.

Pursuant to the ESMA UCITS Q&A, for any intervening periods, the Company shall include the remuneration related information in the Funds' annual report on a best efforts basis and to the extent possible, explaining the basis for any omission.

<sup>1</sup>[https://www.esma.europa.eu/sites/default/files/library/2016412\\_letter\\_to\\_european\\_commission\\_european\\_council\\_and\\_european\\_parliament\\_on\\_the\\_proportionality\\_principle\\_and\\_remuneration\\_rules\\_in\\_the\\_financial\\_sector.pdf](https://www.esma.europa.eu/sites/default/files/library/2016412_letter_to_european_commission_european_council_and_european_parliament_on_the_proportionality_principle_and_remuneration_rules_in_the_financial_sector.pdf)

<sup>2</sup> Paragraph 25 of the Guidelines; guidance on the "size" criteria for proportionality purposes.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016**

**Global Equity Fund**

<b>Major Purchases</b>		<b>Major Sales</b>	
	<b>Cost USD</b>		<b>Proceeds USD</b>
Alphabet Inc 'A'	1,246,425	Apple Inc	1,804,958
Exelon Corp	1,189,422	Wells Fargo & Co	1,773,521
British American Tobacco Plc	1,166,345	Toyota Motor Corp	1,751,473
Toyota Motor Corp	1,118,660	Mitsubishi UFJ Financial Group Inc	1,649,295
Mitsubishi UFJ Financial Group Inc	1,117,514	Nippon Telegraph & Telephone Corp	1,299,533
Fuji Heavy Industries Ltd	1,117,164	EOG Resources Inc	1,158,801
TransCanada Corp	1,094,883	Cigna Corp	1,155,179
SunTrust Banks Inc	1,077,922	Imperial Brands Plc	1,118,852
AbbVie Inc	1,046,039	Teva Pharmaceutical Industries Ltd	1,096,886
Philip Morris International Inc	979,168	Novartis AG	1,083,758
BNP Paribas SA	969,690	Philip Morris International Inc	1,065,123
Orange SA	967,573	Hannover Rueck SE	1,043,677
Total System Services Inc	960,502	Fuji Heavy Industries Ltd	1,024,412
NN Group NV	919,837	SunTrust Banks Inc	1,007,366
ConocoPhillips	901,917	General Dynamics Corp	993,845
Samsung Electronics Co Ltd	878,689	Exelon Corp	948,723
JPMorgan Chase & Co	873,021	Daimler AG	948,571
Extra Space Storage Inc	870,074	Wal-Mart Stores Inc	922,294
Suncor Energy Inc	817,368	JPMorgan Chase & Co	914,781
CVS Health Corp	817,106	Cardinal Health Inc	885,889
Veolia Environnement SA	807,636	Pfizer Inc	872,277
EOG Resources Inc	798,740	McKesson Corp	856,543
		Direct Line Insurance Group Plc	851,251

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Asian Equity Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Alibaba Group Holding Ltd	245,425	Infosys Ltd	173,082
Samsung Electronics Co Ltd	186,893	China Construction Bank Corp	170,560
Largan Precision Co Ltd	178,765	Hon Hai Precision Industry Co Ltd	155,388
AIA Group Ltd	172,889	Largan Precision Co Ltd	150,056
Industrial & Commercial Bank of China Ltd	162,908	Reliance Industries Ltd	148,637
Reliance Industries Ltd	136,285	SK Innovation Co Ltd	132,037
CNOOC Ltd	121,050	Air China Ltd	128,317
Bank of China Ltd	119,689	CNOOC Ltd	123,419
PTT PCL	111,718	SKC Co Ltd	118,863
China Overseas Land & Investment Ltd	107,701	Shinsegae Co Ltd	107,305
Shinhan Financial Group Co Ltd	106,146	Korea Electric Power Corp	106,824
Larsen & Toubro Ltd	105,681	Telekomunikasi Indonesia Persero Tbk PT	105,672
Sun Hung Kai Properties Ltd	102,073	Axis Bank Ltd	104,070
Ping An Insurance Group Co of China Ltd	101,639	Uni-President Enterprises Corp	103,310
Sands China Ltd	100,748	Industrial & Commercial Bank of China Ltd	102,547
Baidu Inc	100,108	China Overseas Land & Investment Ltd	102,469
SK Innovation Co Ltd	97,628	LG Chem Ltd	98,232
Hong Kong Exchanges & Clearing Ltd	96,023	Maruti Suzuki India Ltd	95,511
Air China Ltd	94,574	Baidu Inc	93,628
Tata Motors Ltd	92,551	Lotte Chemical Corp	92,626
Indiabulls Housing Finance Ltd	87,643	Cheung Kong Infrastructure Holdings Ltd	91,469
Guangzhou Automobile Group Co Ltd	84,654		

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

**European Equity Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Nestle SA	2,151,486	Novartis AG	1,960,151
SAP SE	1,973,377	Bayer AG	1,523,788
British American Tobacco Plc	1,898,599	Daimler AG	1,396,089
Diageo Plc	1,403,984	Ubisoft Entertainment SA	1,374,111
Siemens AG	1,382,170	ITV Plc	1,209,653
AXA SA	1,344,540	ARM Holdings Plc	1,173,608
Vinci SA	1,264,185	Pandora A/S	1,150,394
National Grid Plc	1,199,353	Novo Nordisk A/S	1,146,430
BNP Paribas SA	1,161,954	Imperial Brands Plc	1,130,804
ABB Ltd	1,123,686	Anheuser-Busch InBev SA/NV	1,102,193
Royal Dutch Shell Plc 'A'	1,060,126	AXA SA	1,014,257
AstraZeneca Plc	906,690	UBS Group AG	946,554
NN Group NV	899,086	Prudential Plc	884,026
Swiss Re AG	845,808	KBC Groep NV	881,505
Koninklijke Ahold Delhaize NV	821,044	Barclays Bank Plc	833,430
Compass Group Plc	818,913	International Consolidated Airlines Group SA	828,651
Erste Group Bank AG	800,854	Proximus SADP	807,059
adidas AG	788,233	Roche Holding AG	803,275
Atos SE	774,419	Next Plc	788,730
TOTAL SA	761,158	Dialog Semiconductor Plc	776,228
Valeo SA	753,205	ProSiebenSat.1 Media SE	764,069
Thales SA	698,608	Peugeot SA	758,477
ING Groep NV	665,414	Koninklijke Ahold Delhaize NV	741,380
Koninklijke KPN NV	660,191	Renault SA	726,426
METRO AG	645,437	Investor AB	701,209
Intermediate Capital Group Plc	593,358	BT Group Plc	677,305
		easyJet Plc	648,056
		Sampo Oyj	644,556
		Legal & General Group Plc	639,645
		Veolia Environnement SA	639,398
		Elisa OYJ	634,425
		SAP SE	627,875
		Svenska Handelsbanken AB	611,493
		DNB ASA	606,311
		Koninklijke KPN NV	597,774
		Cable & Wireless Communications Plc	596,609
		Whitbread Plc	595,971
		Hannover Rueck SE	588,921
		Direct Line Insurance Group Plc	577,841
		Deutsche Telekom AG	573,890

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Emerging Markets Equity Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Alibaba Group Holding Ltd	248,055	China Mobile Ltd	198,811
Lukoil PJSC	239,838	Largan Precision Co Ltd	192,770
Largan Precision Co Ltd	211,166	Infosys Ltd	180,479
Samsung Electronics Co Ltd	201,804	Ambev SA	169,992
NetEase Inc	193,463	Samsung Electronics Co Ltd	165,408
AIA Group Ltd	182,593	Reliance Industries Ltd	147,583
Steinhoff International Holdings Ltd	166,471	Korea Electric Power Corp	142,017
Tenaga Nasional Bhd	137,948	Tencent Holdings Ltd	138,149
Reliance Industries Ltd	136,151	Gruma SAB de CV	134,220
Itausa - Investimentos Itau SA	128,683	Taiwan Semiconductor Manufacturing Co Ltd	125,939
Sberbank of Russia PJSC	120,120	Hon Hai Precision Industry Co Ltd	123,772
Kia Motors Corp	118,013	CNOOC Ltd	120,239
China Overseas Land & Investment Ltd	113,943	Telekomunikasi Indonesia Persero Tbk PT	118,497
Siam Commercial Bank PCL/The	105,543	Aurobindo Pharma Ltd	113,886
CNOOC Ltd	104,687	KB Financial Group Inc	108,335
OTP Bank Plc	102,967	China Construction Bank Corp	106,209
Baidu Inc	99,251	Naspers Ltd	105,477
Chunghwa Telecom Co Ltd	99,047	Steinhoff International Holdings Ltd	104,698
Itau Unibanco Holding SA	95,140	China Petroleum & Chemical Corp	103,680
POSCO	90,419	Axis Bank Ltd	101,590

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Japanese Equity Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
iShares MSCI Japan ETF	14,301,352	iShares MSCI Japan ETF	13,641,438
Toyota Motor Corp	2,200,048	Toyota Motor Corp	1,972,655
KDDI Corp	969,398	Canon Inc	1,069,562
Mitsubishi UFJ Financial Group Inc	896,471	KDDI Corp	858,353
East Japan Railway Co	833,095	Nippon Telegraph & Telephone Corp	853,017
Nippon Telegraph & Telephone Corp	829,483	NTT DOCOMO Inc	842,168
NTT DOCOMO Inc	822,549	Mitsubishi UFJ Financial Group Inc	838,958
ORIX Corp	798,914	Lion Corp	791,822
Nissan Motor Co Ltd	770,034	Mizuho Financial Group Inc	646,050
Haseko Corp	737,408	Tokyo Electron Ltd	630,818
Mitsui & Co Ltd	732,445	Keyence Corp	555,424
Mitsubishi Electric Corp	729,631	ORIX Corp	548,034
Panasonic Corp	722,383	Shionogi & Co Ltd	536,441
Mizuho Financial Group Inc	703,315	Central Japan Railway Co	529,101
SoftBank Group Corp	670,887	Mitsui & Co Ltd	517,274
Central Japan Railway Co	669,171	Fuji Heavy Industries Ltd	507,520
Hankyu Hanshin Holdings Inc	665,982	Sumitomo Mitsui Financial Group Inc	506,567
Sumitomo Mitsui Financial Group Inc	663,129	Tokio Marine Holdings Inc	492,495
Fuji Heavy Industries Ltd	658,694	Daiichi Sankyo Co Ltd	487,486
Nippon Steel & Sumitomo Metal Corp	649,902	Dai-ichi Life Insurance Co Ltd/The	470,612
ITOCHU Corp	615,323		
NTT Data Corp	615,036		
Tokyo Electron Ltd	610,609		
Canon Inc	608,006		
Bridgestone Corp	608,002		
Dai-ichi Life Insurance Co Ltd/The	604,824		

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Preferred Securities Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
HSBC Capital Funding Dollar1 LP	45,157,638	Electricite de France SA	37,321,875
Nordea Bank AB	34,425,917	RWE AG	27,934,875
Enterprise Products Operating LLC	33,691,844	General Electric Capital Corp	26,776,733
BNP Paribas*	33,032,250	Credit Suisse AG	26,435,000
Svenska Handelsbanken AB	27,636,965	UBS AG/Jersey	26,312,500
Credit Agricole SA	25,000,000	QBE Capital Funding III Ltd	18,377,120
Transcanada Trust	22,000,000	Bellsouth Capital Funding Corp	13,625,000
Friends Life Holdings Plc	21,925,000	Hongkong & Shanghai Banking Corp Ltd/The	12,821,625
Voya Financial Inc	21,576,781	HSBC Holdings Plc	10,477,500
Credit Suisse Group AG	19,785,000	Royal Bank of Scotland Group Plc	10,211,250
Lloyds Banking Group Plc*	18,017,271	PartnerRe Ltd	9,428,427
Emera Inc	18,000,000	UBS AG/Stamford CT	8,835,000
UBS Group AG	17,947,480	Swiss Re Capital I LP	8,662,500
Royal Bank of Scotland Group Plc	17,450,250	PartnerRe Ltd	7,442,083
Reinsurance Group of America Inc	17,114,465	Qwest Corp	7,369,975
BNP Paribas*	16,970,080	BNP Paribas SA	6,777,500
Chubb Corp/The	15,618,350	Dominion Resources Inc/VA	6,399,000
Lloyds Banking Group Plc*	14,748,750	Sinochem Global Capital Co Ltd	6,195,000
Royal Bank of Scotland Group Plc	14,500,000	Credit Suisse Group Guernsey I Ltd	6,157,500
Banco Bilbao Vizcaya Argentaria SA*	14,171,000	Telephone & Data Systems Inc	5,597,324
Banco Bilbao Vizcaya Argentaria SA*	13,881,563	Morgan Stanley Capital Trust III	5,553,675
Credit Suisse AG	13,652,500	Barclays Bank Plc	5,341,483
QBE Insurance Group Ltd	13,500,000	GE Capital Trust I	4,899,683
Barclays Bank Plc	13,168,680	Credit Suisse Group AG	4,712,500
Australia & New Zealand Banking Group Ltd	12,993,760	Lloyds Bank Plc	4,550,000
MetLife Inc	12,790,800	Goldman Sachs Group Inc/The	4,456,425
HSBC Holdings Plc	12,738,750	State Street Capital Trust I	4,379,000
SunTrust Capital I	12,150,000	Integrays Holding Inc	4,225,000
Allstate Corp/The	11,634,250	Credit Suisse Group AG	4,163,250
Demeter Investments BV for Swiss Re Ltd	11,500,000	Societe Generale SA	4,080,000
Royal Bank of Scotland Group Plc	10,455,000		
Bellsouth Capital Funding Corp	10,423,800		
Meiji Yasuda Life Insurance Co	10,000,000		
Royal Bank of Scotland Group Plc*	9,924,680		
BNSF Funding Trust I	9,678,248		
Hongkong & Shanghai Banking Corp Ltd/The	9,545,250		

\*Maturity date is different for these securities.

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**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

**U.S. Equity Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Wal-Mart Stores Inc	4,104,308	Wells Fargo & Co	4,925,710
Alphabet Inc 'A'	3,769,969	Apple Inc	4,201,581
Johnson & Johnson	3,673,275	Equity Residential	3,704,392
Aflac Inc	3,311,758	Kroger Co/The	3,465,103
Boeing Co/The	2,987,516	Cardinal Health Inc	3,448,817
UnitedHealth Group Inc	2,946,779	General Dynamics Corp	3,399,409
Exxon Mobil Corp	2,917,660	Public Service Enterprise Group Inc	3,293,618
Alphabet Inc 'C'	2,897,904	Valero Energy Corp	3,016,952
Waste Management Inc	2,611,866	Synchrony Financial	3,012,891
Public Storage	2,561,813	AT&T Inc	2,828,486
Amazon.com Inc	2,445,770	Gilead Sciences Inc	2,646,839
Microsoft Corp	2,388,447	Microsoft Corp	2,579,908
AT&T Inc	2,338,754	Boeing Co/The	2,514,477
Bank of America Corp	2,288,540	Honeywell International Inc	2,494,107
CME Group Inc	2,228,693	Public Storage	2,424,222
Facebook Inc	2,218,363	Amazon.com Inc	2,276,829
Bristol-Myers Squibb Co	2,217,776	LyondellBasell Industries NV	2,271,470
Altria Group Inc	2,142,683	Electronic Arts Inc	2,258,028
Eli Lilly & Co	2,071,659	FirstEnergy Corp	2,255,578
CenterPoint Energy Inc	2,032,992	Goldman Sachs Group Inc/The	2,233,600
Illinois Tool Works Inc	1,960,684	CME Group Inc	2,208,117
Jacobs Engineering Group Inc	1,930,982	Target Corp	2,192,625
Scripps Networks Interactive Inc	1,845,445	Foot Locker Inc	2,127,493
Synchrony Financial	1,804,353	McKesson Corp	2,075,791
CA Inc	1,766,693	Amgen Inc	2,073,428
L-3 Communications Holdings Inc	1,761,720	Archer-Daniels-Midland Co	1,939,135
Nucor Corp	1,726,183	NiSource Inc	1,936,791
T Rowe Price Group Inc	1,700,208	Alphabet Inc	1,884,317
Ford Motor Co	1,688,707	Eli Lilly & Co	1,881,997
Baxter International Inc	1,644,248	Bristol-Myers Squibb Co	1,868,474
Verizon Communications Inc	1,609,815	Comcast Corp	1,819,072
Aetna Inc	1,606,327	Equifax Inc	1,799,345
Prudential Financial Inc	1,551,133	Accenture PLC	1,783,383
Exelon Corp	1,546,769	Berkshire Hathaway Inc	1,782,938
NiSource Inc	1,475,320	Macy's Inc	1,705,376
Extra Space Storage Inc	1,448,328		
Ingersoll-Rand PLC	1,425,938		
Diamond Offshore Drilling Inc	1,425,938		
Masco Corp	1,418,233		

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**High Yield Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
JPMorgan Chase & Co	1,342,019	Matterhorn Telecom SA	1,850,072
JH-Holding Finance SA	1,225,608	Ardagh Finance Holdings SA	1,407,335
Petrobras Global Finance BV	1,188,024	Altice Financing SA	1,403,900
Rite Aid Corp-REGS	1,171,250	Unitymedia GmbH	1,305,065
Swissport Investments SA	1,035,228	JPMorgan Chase & Co	1,283,500
eircom Finance DAC	978,253	Rite Aid Corp	1,171,250
Huntington Ingalls Industries Inc	915,275	Barclays Plc	1,168,819
Huntington Ingalls Industries Inc-REGS	915,275	MPH Acquisition Holdings LLC	948,000
ARD Finance SA	910,863	Huntington Ingalls Industries Inc	915,275
Altice Luxembourg SA	908,317	Grupo Antolin Dutch BV	849,682
Rite Aid Corp	865,438	Mallinckrodt International Finance SA /	
Mallinckrodt International Finance SA /		Mallinckrodt CB LLC	779,094
Mallinckrodt CB LLC	779,094	NOVA Chemicals Corp*	767,000
Cemex SAB de CV	759,188	Regal Entertainment Group	764,174
Schaeffler Holding Finance BV	748,500	Schaeffler Holding Finance BV	748,500
DISH DBS Corp	730,506	JLL/Delta Dutch Pledgeco BV	734,400
CSC Holdings LLC	720,000	Neptune Finco Corp	720,000
Adria Topco Bv	717,326	Teck Resources Ltd	708,750
New Look Secured Issuer Plc	712,691	Picard Bondco SA	700,605
Codere Finance 2 Luxembourg SA	694,419	ghd Bondco Plc	699,089
SIG Combibloc Holdings SCA	679,075	NOVA Chemicals Corp*	687,189

\*Maturity date is different for these securities.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Global Property Securities Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Sun Hung Kai Properties Ltd	7,833,295	Sun Hung Kai Properties Ltd	4,992,335
Sumitomo Realty & Development Co Ltd	6,447,913	Westfield Corp	3,518,119
Welltower Inc	6,050,824	Public Storage	3,433,562
Simon Property Group Inc	5,701,795	Mitsubishi Estate Co Ltd	3,432,367
Land Securities Group Plc	3,887,741	Sumitomo Realty & Development Co Ltd	2,858,408
Mitsui Fudosan Co Ltd	3,432,645	Cheung Kong Property Holdings Ltd	2,719,705
Dexus Property Group	3,426,515	Simon Property Group Inc	2,702,899
Link REIT	3,109,661	Ventas Inc	2,689,488
Scentre Group	3,005,179	Land Securities Group Plc	2,638,557
AvalonBay Communities Inc	2,922,126	Equity Residential	2,529,812
Cheung Kong Property Holdings Ltd	2,877,060	Link REIT	2,238,786
Klepierre	2,796,190	Great Portland Estates Plc	1,927,889
Goodman Group	2,670,275	Prologis Inc	1,916,936
Deutsche Wohnen AG	2,616,501	Unibail-Rodamco SE	1,874,916
Japan Retail Fund Investment Corp	2,576,366	Aeon Mall Co Ltd	1,840,997
Essex Property Trust Inc	2,545,117	Henderson Land Development Co Ltd	1,800,882
Equity Residential	2,488,245	Welltower Inc	1,768,591
Equinix Inc	2,366,313	Scentre Group	1,747,434
Aeon Mall Co Ltd	2,273,394	CapitaLand Ltd	1,730,070
Prologis Inc	2,252,081	Hongkong Land Holdings Ltd	1,721,275
Boston Properties Inc	2,231,999	General Growth Properties Inc	1,596,448
Nomura Real Estate Master Fund Inc	2,165,442	Vonovia SE	1,586,434
Extra Space Storage Inc	2,108,553	Essex Property Trust Inc	1,528,240
Hongkong Land Holdings Ltd	2,040,888	Kilroy Realty Corp	1,516,931
Segro Plc	2,012,885	Goodman Group	1,451,763
Unibail-Rodamco SE	1,987,879	SL Green Realty Corp	1,413,960
General Growth Properties Inc	1,951,190	Federal Realty Investment Trust	1,345,356
Vonovia SE	1,937,958	Advance Residence Investment Corp	1,322,473
Crown Castle International Corp	1,933,672	City Developments Limited	1,297,071
SL Green Realty Corp	1,932,159	Derwent London Plc	1,257,631
Public Storage	1,813,416	Wharf Holdings Ltd/The	1,225,694
Senior Housing Properties Trust	1,783,154	Merlin Properties Socimi SA	1,183,597
Mirvac Group	1,755,996	Nomura Real Estate Master Fund Inc	1,168,518
Mitsubishi Estate Co Ltd	1,701,192	CubeSmart	1,166,540
China Resources Land Ltd	1,654,508	Workspace Group Plc	1,158,435
Henderson Land Development Co Ltd	1,613,698	Dalian Wanda Commercial Properties Co Ltd	1,140,765
		Host Hotels & Resorts Inc	1,097,227
		Hammerson Plc	1,072,776
		Boston Properties Inc	1,055,987
		Accor SA	1,032,947

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Global Equity (ex-Japan) Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Facebook Inc	968,076	Wells Fargo & Co	1,358,802
British American Tobacco Plc	823,103	Northrop Grumman Corp	963,082
Wells Fargo & Co	811,613	LyondellBasell Industries NV	874,906
Alphabet Inc 'A'	793,955	Royal Bank of Canada	867,671
Intel Corp	789,408	Bunge Ltd	862,530
Capgemini SA	752,109	General Electric Co	848,143
NN Group NV	741,295	Foot Locker Inc	790,895
CVS Health Corp	740,564	ConocoPhillips	772,572
AbbVie Inc	717,076	Home Depot Inc/The	761,154
AT&T Inc	707,072	Anheuser-Busch InBev SA/NV	760,062
Dow Chemical Co/The	696,440	Apple Inc	748,456
Raytheon Co	688,290	Royal Dutch Shell Plc 'A'	725,680
Bunge Ltd	682,947	Commonwealth Bank of Australia	696,104
General Electric Co	666,679	EOG Resources Inc	695,072
Verizon Communications Inc	665,786	Dr Pepper Snapple Group Inc	686,202
TransCanada Corp	647,530	PepsiCo Inc	664,781
Merck & Co Inc	641,852	AT&T Inc	655,880
Siemens AG	635,316	Royal Dutch Shell Plc 'B'	644,515
Toronto-Dominion Bank/The	628,577	Canadian Imperial Bank of Commerce/Canada	623,174
Goodyear Tire & Rubber Co/The	623,789	Novartis AG	599,439

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Post Global Limited Term High Yield Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Yum! Brands Inc	38,433,558	ADT Corp/The	20,756,520
TransDigm Inc	30,254,775	Reynolds Group Issuer Inc / Reynolds Group	
Reynolds Group Issuer Inc / Reynolds Group		Issuer LLC / Reynolds Group Issuer Lu	18,840,500
Issuer LLC / Reynolds Group Issuer Lu*	27,336,435	AVINTIV Specialty Materials Inc	18,724,508
CCO Holdings LLC /		Ally Financial Inc	18,489,188
CCO Holdings Capital Corp	26,579,503	Novelis Inc	16,754,249
Hughes Satellite Systems Corp	25,732,973	SunGard Data Systems Inc	15,683,976
GLP Capital LP / GLP Financing II Inc	22,193,109	General Motors Financial Co Inc	14,067,880
L-3 Communications Corp	21,382,474	CIT Group Inc	13,500,156
Reynolds Group Issuer Inc / Reynolds Group		Charter Communications Operating LLC	12,681,150
Issuer LLC / Reynolds Group Issuer Lu*	17,806,375	Ford Motor Credit Co LLC	12,300,120
Sophia LP	17,650,000	Hughes Satellite Systems Corp	11,606,976
Station Casinos LLC	16,630,360	Kinetic Concepts Inc / KCI USA Inc	11,151,525
Cablevision Systems Corp	15,156,498	CNH Industrial Capital LLC	10,475,794
TEGNA Inc	15,012,813	CCO Holdings LLC /	
Orbital ATK Inc	14,829,596	CCO Holdings Capital Corp	10,261,405
LifePoint Health Inc	14,319,750	L-3 Communications Corp	9,541,240
General Motors Financial Co Inc	13,849,300	Nationstar Mortgage LLC /	
Sinclair Television Group Inc	13,181,873	Nationstar Capital Corp	9,424,938
Frontier Communications Corp	12,495,188	Truven Health Analytics Inc	9,179,659
Hilton Worldwide Finance LLC /		Mallinckrodt International Finance SA	9,130,925
Hilton Worldwide Finance Corp	12,420,000	Intelsat Jackson Holdings SA	9,096,184
HCA Inc	12,070,770	SBA Communications Corp	8,231,902
Ford Motor Credit Co LLC	12,006,750	CHS/Community Health Systems Inc	8,034,386
Shire Acquisitions Investments Ireland DAC	11,990,280	Aleris International Inc	7,756,766
CHS/Community Health Systems Inc	11,300,688	Yum! Brands Inc	7,686,039
ADT Corp/The	10,793,895	Valeant Pharmaceuticals International Inc	7,350,125
Alere Inc	10,624,500	Starz LLC / Starz Finance Corp	7,286,745
Aircastle Ltd	10,426,688	Icahn Enterprises LP /	
ADT Corp/The	10,403,969	Icahn Enterprises Finance Corp	7,276,575
CIT Group Inc	9,860,025	American Capital Ltd	6,976,295
ViaSat Inc	9,038,625	GLP Capital LP / GLP Financing II Inc	6,666,531
Activision Blizzard Inc	8,989,020	HRG Group Inc	6,511,720
CNH Industrial Capital LLC	8,947,608	HCA Inc	6,325,948
CenturyLink Inc	8,611,831	Denali International LLC / Denali Finance Corp	6,270,199
Ardagh Packaging Finance Plc /		IAC/InterActiveCorp	6,206,375
Ardagh Holdings USA Inc	8,478,500	Dollar Tree Inc	5,557,000
		Numericable-SFR SA	5,187,500
		CenturyLink Inc	5,170,625

\*Maturity date is different for these securities.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Global Time Diversified Absolute Return Fund\***

<b>Major Purchases</b>		<b>Major Sales</b>	
	<b>Cost USD</b>		<b>Proceeds USD</b>
United States Treasury Bill	598,892	United States Treasury Bill	600,000
United States Treasury Bill	598,804	United States Treasury Bill	600,000
United States Treasury Bill	598,760	United States Treasury Bill	600,000
United States Treasury Bill	598,619	United States Treasury Bill	600,000
United States Treasury Bill	598,595	United States Treasury Bill	600,000
United States Treasury Bill	598,432	United States Treasury Bill	600,000
United States Treasury Bill	499,782	United States Treasury Bill	500,000
United States Treasury Bill	499,316	United States Treasury Bill	500,000
United States Treasury Bill	498,966	United States Treasury Bill	500,000
United States Treasury Bill	498,816	United States Treasury Bill	500,000
United States Treasury Bill	498,429	United States Treasury Bill	300,000
United States Treasury Bill	299,997	United States Treasury Bill	300,000
United States Treasury Bill	299,962	United States Treasury Bill	300,000
United States Treasury Bill	299,958	United States Treasury Bill	300,000

\*Maturity date is different for all securities.

The Global Time Diversified Absolute Return Fund has less than 20 significant purchases and sales during the year ended 30 September 2016. All purchases and sales pertaining to the fund for the year have been listed above.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**EDGE Small/Mid-Cap Equity Income Fund\***

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Gramercy Property Trust	136,807	Gramercy Property Trust	153,906
Harman International Industries Inc	109,901	Sinclair Broadcast Group Inc	131,010
Pebblebrook Hotel Trust	74,719	PacWest Bancorp	130,565
STERIS Plc	68,497	EPR Properties	128,289
Allied World Assurance Co Holdings AG	58,473	Albemarle Corp	124,515
LaSalle Hotel Properties	55,740	AmTrust Financial Services Inc	124,491
AmTrust Financial Services Inc	52,409	Medical Properties Trust Inc	122,711
Hubbell Inc	50,254	j2 Global Inc	120,387
BGC Partners Inc	48,680	Colony Capital Inc	116,570
Nordson Corp	46,938	Digital Realty Trust Inc	115,806
Nordstrom Inc	40,461	Huntsman Corp	114,090
BOK Financial Corp	40,347	Hasbro Inc	112,878
Flowserve Corp	37,886	Omega Healthcare Investors Inc	112,698
Colony Capital Inc	35,392	Validus Holdings Ltd	112,377
EastGroup Properties Inc	34,702	Harman International Industries Inc	109,065
PacWest Bancorp	30,145	Cullen/Frost Bankers Inc	107,507
Huntsman Corp	28,159	BioMed Realty Trust Inc	106,684
EnLink Midstream Partners LP	21,598	Alliant Energy Corp	106,327
Alexandria Real Estate Equities Inc	20,408	Ares Capital Corp	101,919
Alliance Resource Partners LP	19,306	New Flyer Industries Inc	100,560
Cullen/Frost Bankers Inc	18,975	EnLink Midstream Partners LP	97,139
Targa Resources Partners LP	16,873	Banco Latinoamericano de	
MSA Safety Inc	16,599	Comercio Exterior SA	97,042
Validus Holdings Ltd	16,430	Targa Resources Corp	95,159
Omega Healthcare Investors Inc	15,363	B&G Foods Inc	93,476
B&G Foods Inc	14,568	Microchip Technology Inc	92,204
Banco Latinoamericano de		Garmin Ltd	89,857
Comercio Exterior SA	14,351	STERIS Plc	88,801
HollyFrontier Corp	13,075	Avnet Inc	88,551
EPR Properties	12,735	Copa Holdings SA	88,380
		Applied Industrial Technologies Inc	87,622
		ITC Holdings Corp	85,823
		Crane Co	84,475
		Cabot Corp	79,536
		Alexandria Real Estate Equities Inc	76,487
		Ingredion Inc	75,443
		Teleflex Inc	73,091
		Oaktree Capital Group LLC	73,088
		Harris Corp	72,435
		IDEX Corp	71,567
		Snap-on Inc	69,217
		Autoliv Inc	68,647
		MSA Safety Inc	68,116
		ALLETE Inc	67,931
		Alliance Resource Partners LP	67,306
		Maxim Integrated Products Inc	66,618
		Tupperware Brands Corp	64,689
		Pebblebrook Hotel Trust	64,223
		Vectren Corp	64,066
		Lincoln Electric Holdings Inc	63,404

\*EDGE Small/Mid-Cap Equity Income Fund terminated on 31 May 2016.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Global Small Cap Equity Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Monmouth Real Estate Investment Corp	205,507	AmTrust Financial Services Inc	328,845
KION Group AG	199,804	Spirit AeroSystems Holdings Inc	296,771
Visteon Corp	195,968	CubeSmart	247,754
American Financial Group Inc/OH	194,199	QTS Realty Trust Inc	212,796
Intermediate Capital Group Plc	184,824	Paddy Power Betfair Plc	209,758
Vicinity Centres	181,045	Direct Line Insurance Group Plc	208,543
Unipres Corp	178,840	Manhattan Associates Inc	207,807
Sykes Enterprises Inc	176,269	Mid-America Apartment Communities Inc	206,211
Michaels Cos Inc/The	175,310	Grand City Properties SA	202,628
CYS Investments Inc	175,136	Loomis AB	195,700
Teleperformance	174,440	Fujikura Ltd	193,466
QTS Realty Trust Inc	172,683	Wintrust Financial Corp Npv	190,151
Advanced Energy Industries Inc	172,173	Validus Holdings Ltd	187,745
CDW Corp/DE	171,642	PrivateBancorp Inc	186,720
Dean Foods Co	169,347	Lion Corp	182,000
Mid-America Apartment Communities Inc	169,124	Wheelock & Co Ltd	181,034
Argo Group International Holdings Ltd	168,678	Herman Miller Inc	180,718
Murphy USA Inc	165,879	Wilshire Bancorp Inc Npv	180,584
Castellum AB	164,877	LEG Immobilien AG	175,216
II-VI Inc	163,805	Isle of Capri Casinos Inc	172,747
PacWest Bancorp	161,820		
Hiscox Ltd	160,767		
Alexandria Real Estate Equities Inc	160,597		
Moelis & Co	160,084		
Ichigo Inc	159,466		
Briggs & Stratton Corp	157,143		
Interface Inc	156,725		
Valora Holding AG	156,690		
CBOE Holdings Inc	156,637		

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

**Origin Global Emerging Markets Fund**

<b>Major Purchases</b>		<b>Major Sales</b>	
	<b>Cost USD</b>		<b>Proceeds USD</b>
Korea Electric Power Corp	2,765,032	Cognizant Technology Solutions Corp	1,920,886
Chunghwa Telecom Co Ltd	2,218,394	Tupras Turkiye Petrol Rafinerileri AS	1,828,658
KT&G Corp	2,165,009	Sunny Optical Technology Group Co Ltd	1,608,454
Sinopharm Group Co Ltd	2,021,876	Sino Biopharmaceutical Ltd	1,431,208
Samsung Electronics Co Ltd	2,011,424	Mega Financial Holding Co Ltd	1,250,027
Steinhoff International Holdings Ltd	1,836,360	Catcher Technology Co Ltd	1,226,076
China Construction Bank Corp	1,827,303	Largan Precision Co Ltd	1,131,430
Alibaba Group Holding Ltd	1,822,914	Infosys Ltd	1,108,293
NAVER Corp	1,735,271	NetEase Inc	1,056,998
Tupras Turkiye Petrol Rafinerileri AS	1,678,532	People's Insurance Co Group of China Ltd/The	990,955
Tencent Holdings Ltd	1,670,857	AAC Technologies Holdings Inc	972,837
Silicon Motion Technology Corp	1,515,961	CTBC Financial Holding Co Ltd	965,101
NetEase Inc	1,466,209	Raia Drogasil SA	931,021
Industrial & Commercial Bank of China Ltd	1,412,530	Com2uSCorp	907,251
Taiwan Semiconductor Manufacturing Co Ltd	1,408,329	Dr Reddy's Laboratories Ltd	874,983
Infosys Ltd	1,239,698	CJ E&M Corp	857,428
Geely Automobile Holdings Ltd	1,239,678	Abu Dhabi Commercial Bank PJSC	830,428
New Oriental Education & Technology Group Inc	1,133,285	Fubon Financial Holding Co Ltd	766,437
LG Household & Health Care Ltd	1,064,556	China Merchants Bank Co Ltd	742,137
om2uSCorp	1,037,655	China Mobile Ltd	739,042
Lotte Chemical Corp	982,796	ANTA Sports Products Ltd	676,716
Great Wall Motor Co Ltd	963,581	Truworths International Ltd	668,412
Cia de Saneamento Basico do Estado de Sao Paulo	960,605	New Oriental Education & Technology Group Inc	640,673
CJ E&M Corp	939,740	Gigasolar Materials Corp	623,122
Tata Motors Ltd	931,926	Lojas Renner SA	611,414
PTT PCL	923,922	Mondi Plc	594,099
LG Chem Ltd	923,458	PICC Property & Casualty Co Ltd	553,911
Gigasolar Materials Corp	876,209	JBS SA	548,074
Zhuzhou CRRC Times Electric Co Ltd	868,382	Pegatron Corp	508,891
SK Innovation Co Ltd	833,761	China Life Insurance Co Ltd	501,194
X5 Retail Group NV	822,644	Credit Suisse AG/Nassau	497,176
China Vanke Co Ltd	809,888	Cathay Financial Holding Co Ltd	462,421
Siam Cement PCL/The	800,136	Ping An Insurance Group Co of China Ltd	461,233
Guangdong Investment Ltd	786,659	CRRCL Corp Ltd	447,148
Truworths International Ltd	755,902	CLP Holdings Ltd	443,391
		Techtronic Industries Co Ltd	411,920
		MMC Norilsk Nickel PJSC	411,358
		Huaneng Power International Inc	403,285
		Coway Co Ltd	385,635

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Origin Global Equity Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Cardinal Health Inc	288,483	Fuji Heavy Industries Ltd	293,126
Samsung Electronics Co Ltd	252,481	Snap-on Inc	273,403
Biogen Inc	236,104	Cardinal Health Inc	264,450
Amazon.com Inc	229,669	Shire Plc	260,512
Central Japan Railway Co	226,872	Apple Inc	255,262
Citrix Systems Inc	225,222	Largan Precision Co Ltd	235,626
UnitedHealth Group Inc	224,728	Goldman Sachs Group Inc/The	222,790
Aflac Inc	221,082	Cognizant Technology Solutions Corp	222,585
Travelers Cos Inc/The	216,399	Cigna Corp	214,881
Taiwan Semiconductor Manufacturing Co td	215,131	Gilead Sciences Inc	210,826
Johnson & Johnson	215,087	Japan Airlines Co Ltd	192,106
Tencent Holdings Ltd	211,220	Celgene Corp	191,886
Actelion Ltd	210,989	Sino Biopharmaceutical Ltd	172,977
Alimentation Couche-Tard Inc	194,621	NetEase Inc	172,599
Chunghwa Telecom Co Ltd	185,661	Ingenico Group	169,805
Sinclair Broadcast Group Inc	185,552	Regeneron Pharmaceuticals Inc	169,131
TransDigm Group Inc	174,517	Nitto Denko Corp	168,200
Alphabet Inc 'A'	172,007	F5 Networks Inc	162,866
Thor Industries Inc	168,318	Moody's Corp	162,140
AXA SA	167,038	Constellation Software Inc/Canada	153,258
NAVER Corp	165,487	Marathon Petroleum Corp	151,575
Atos SE	158,743	Teledyne Technologies Inc	151,115
LKQ Corp	157,193	Magna International Inc	150,976
AMN Healthcare Services Inc	155,438	Jones Lang LaSalle Inc	150,532
Tupras Turkiye Petrol Rafinerileri AS	155,231	CommScope Holding Co Inc	145,376
Synopsys Inc	154,763	Valero Energy Corp	144,497
PAREXEL International Corp	148,138	G-III Apparel Group Ltd	135,974
Broadcom Ltd	146,650	Brocade Communications Systems Inc	133,784
Kubota Corp	133,796	Everest Re Group Ltd	126,315
Continental AG	133,319	Japan Aviation Electronics Industry Ltd	125,984
AAC Technologies Holdings Inc	132,326	Wells Fargo & Co	125,743
CBRE Group Inc	131,056	Assurant Inc	124,827
Japan Airlines Co Ltd	129,203	AXA SA	124,301
Teradyne Inc	127,553	Tokio Marine Holdings Inc	124,153
Facebook Inc	126,619	Tupras Turkiye Petrol Rafinerileri AS	121,640
Arrow Electronics Inc	126,077	Helen of Troy Ltd	121,575
Priceline Group Inc/The	120,990	Sunny Optical Technology Group Co Ltd	120,847
Amgen Inc	118,579	Lojas Renner SA	116,888
		CVS Health Corp	115,239

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Origin Global Smaller Companies Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Innospec Inc	571,807	Bakkafrost P/F	362,701
Synchronoss Technologies Inc	444,393	Brocade Communications Systems Inc	359,722
Mixi Inc	440,599	USANA Health Sciences Inc	346,294
Mayne Pharma Group Ltd	401,272	Super Micro Computer Inc	344,176
Ambarella Inc	327,989	Surgical Care Affiliates Inc	329,877
Tenneco Inc	324,552	GFT Technologies SE	313,453
Multiplus SA	319,650	CSG Systems International Inc	305,602
ON Semiconductor Corp	318,834	G-III Apparel Group Ltd	300,470
BRP Inc/CA	318,516	MTI Ltd	287,106
Sanderson Farms Inc	317,855	Japan Aviation Electronics Industry Ltd	284,441
Norbord Inc	315,138	Jack Henry & Associates Inc	283,786
Entegris Inc	314,178	S&T Motiv Co Ltd	282,189
InterDigital Inc/PA	313,784	Richter Gedeon Nyrt	274,296
Smith & Wesson Holding Corp	313,246	Credit Acceptance Corp	271,558
USANA Health Sciences Inc	312,842	EZchip Semiconductor Ltd	268,082
Smiles SA	312,498	Solarwinds Inc	266,844
Cavium Inc	312,170	Inari Amertron Bhd	262,405
Rudolph Technologies Inc	312,056	Unid Co Ltd	257,744
Silicon Works Co Ltd	308,212	Prestige Brands Holdings Inc	257,549
Deutsche Beteiligungs AG	300,852	Grand City Properties SA	256,905

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Long/Short Global Opportunities Equity Fund**

<b>Major Purchases</b>		<b>Major Sales</b>	
	<b>Cost USD</b>		<b>Proceeds USD</b>
Alphabet Inc 'A'*	198,428	Apple Inc	266,423
Mitsubishi UFJ Financial Group Inc	163,155	Wells Fargo & Co	245,285
British American Tobacco Plc	155,809	Mitsubishi UFJ Financial Group Inc	241,789
Exelon Corp	152,369	Toyota Motor Corp	234,092
SunTrust Banks Inc	150,069	Imperial Brands Plc	181,808
TransCanada Corp	143,228	Nippon Telegraph & Telephone Corp	179,032
Fuji Heavy Industries Ltd	142,249	Cigna Corp	172,525
Toyota Motor Corp	136,475	Teva Pharmaceutical Industries Ltd	165,181
AbbVie Inc	135,831	Pfizer Inc*	164,940
Orange SA	135,712	Novartis AG	154,906
Pfizer Inc*	131,362	EOG Resources Inc	153,850
Total System Services Inc	126,423	General Dynamics Corp	144,332
Extra Space Storage Inc	126,189	Hannover Rueck SE	142,954
NN Group NV	125,073	SunTrust Banks Inc	137,425
ConocoPhillips	123,114	Daimler AG	135,095
Siemens AG	121,754	Fuji Heavy Industries Ltd	130,242
Samsung Electronics Co Ltd	118,949	Alimentation Couche-Tard Inc	130,065
JPMorgan Chase & Co	116,781	Cardinal Health Inc	129,475
Gilead Sciences Inc*	111,031	Novo Nordisk A/S	129,077
Veolia Environnement SA	109,428	Exxon Mobil Corp	126,988
BNP Paribas SA	109,238	McKesson Corp	126,594
Suncor Energy Inc	108,187	NIKE Inc	123,355
Philip Morris International Inc	108,072	Alphabet Inc 'A'*	121,505
		Exelon Corp	120,855
		Direct Line Insurance Group Plc	119,422
		Wal-Mart Stores Inc	119,093
		Kroger Co/The	118,735

\* Alphabet Inc 'A' - 205 nominal pledged as collateral, Gilead Sciences Inc - 1,100 nominal pledged as collateral and Pfizer Inc - 3,000 nominal pledged as collateral in relation to the futures contracts held with JPMorgan Chase & Co. at 30 September 2016.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Claritas Latin American Equity Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Itau Unibanco Holding SA	1,399,288	Itau Unibanco Holding SA	1,340,087
Itausa - Investimentos Itau SA	985,890	Itausa - Investimentos Itau SA	1,072,957
Petroleo Brasileiro SA PFD	698,171	Petroleo Brasileiro SA	686,058
Vale SA	267,805	Fibria Celulose SA	436,948
Cosan SA Industria e Comercio	265,943	EDP - Energias do Brasil SA	434,292
Grupo Aeroportuario del Pacifico SAB de CV	244,903	Banco Bradesco SA	414,516
CVC Brasil Operadora e Agencia		America Movil SAB de CV	406,384
de Viagens SA	226,704	Vale SA	391,515
Fibria Celulose SA	226,062	Ambev SA	316,273
Ambev SA	223,831	Klabin SA	305,314
Cia de Saneamento Basico do Estado		Cosan SA Industria e Comercio	267,947
de Sao Paulo	197,719	BRF SA	255,306
Banco Bradesco SA	186,683	CVC Brasil Operadora e Agencia	
EDP - Energias do Brasil SA	182,970	de Viagens SA	237,854
BRF SA	181,811	BM&FBovespa SA - Bolsa de Valores	
Cielo SA	180,925	Mercadorias e Futuros	213,103
America Movil SAB de CV	176,706	Cia de Saneamento Basico do Estado	
Wal-Mart de Mexico SAB de CV	163,669	de Sao Paulo	210,907
Grupo Aeroportuario del Centro Norte		Grupo Televisa SAB	179,988
SAB de CV	153,459	Cielo SA	179,523
Petroleo Brasileiro SA	151,532	Cemex SAB de CV	170,573
Cia Energetica de Sao Paulo	151,377	CETIP SA - Mercados Organizados	168,940
Cia de Saneamento do Parana	133,566	Grupo Aeroportuario del Centro Norte	
Nemak SAB de CV	122,758	SAB de CV	155,179
Ez Tec Empreendimentos e Participacoes SA	119,648	JBS SA	137,287
Gerdau SA	113,159	Sao Martinho SA	137,048
Alsea SAB de CV	107,807	Grupo Financiero Banorte SAB de CV	124,547
Cia Paranaense de Energia	105,398	Grupo Famsa SAB de CV	120,723
Ultrapar Participacoes SA	102,715	Kroton Educacional SA	119,614
Usinas Siderurgicas de Minas Gerais SA	101,914		
Mexichem SAB de CV	91,150		
Suzano Papel e Celulose SA	89,740		
Klabin SA	89,402		

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

**Finisterre Emerging Market Debt Fund\***

<b>Major Purchases</b>		<b>Major Sales</b>	
	<b>Cost USD</b>		<b>Proceeds USD</b>
Republic of South Africa Bond	79,693,960	Republic of South Africa Bond	80,339,003
Poland Government Bond	68,964,241	United States Treasury Bill	69,999,983
Israel Government Bond	64,265,364	Poland Government Bond	67,962,394
United States Treasury Bill	49,993,675	Spain Letras del Tesoro	51,458,712
Hungary Government Bond	41,808,228	United States Treasury Bill	50,000,000
United States Treasury Bill	39,996,963	United States Treasury Bill	39,999,861
United States Treasury Bill	39,992,729	United States Treasury Bill	39,996,944
Petrobras Global Finance BV	39,682,304	United States Treasury Bill	34,999,822
United States Treasury Bill	34,999,408	Czech Republic Ministry of Finance Bill	33,309,662
Czech Republic Ministry of Finance Bill	34,988,147	Malaysia Government Bond	31,471,131
Malaysia Government Bond	31,225,924	Mexico Cetes	31,334,179
Mexico Cetes	30,610,567	Petrobras Global Finance BV	29,181,700
Turkey Government International Bond	28,404,106	Italy Buoni Ordinari del Tesoro BOT	28,552,401
Italy Buoni Ordinari del Tesoro BOT	27,824,945	Spain Letras del Tesoro	28,263,522
Spain Letras del Tesoro	27,018,702	Turkey Government International Bond	28,099,602
Spain Letras del Tesoro	26,883,025	Spain Letras del Tesoro	27,817,216
Spain Government Bond	26,269,591	Spain Government Bond	26,610,307
United States Treasury Bill	25,000,015	France Treasury Bill BTF	26,132,942
Oman Government International Bond	23,647,372	France Treasury Bill BTF	25,443,762
Spain Government Bond	21,900,868	United States Treasury Bill	25,000,000
Italy Buoni Poliennali Del Tesoro	21,884,775	Poland Government Bond	24,743,858
Italy Buoni Ordinari del Tesoro BOT	21,825,377	Poland Government Bond	24,346,065
Slovenia Government Bond	20,509,482	Spain Letras del Tesoro	24,057,045
Mexico Cetes	20,063,914	Italy Buoni Poliennali Del Tesoro	22,590,460
United States Treasury Bill	20,000,400	Italy Buoni Ordinari del Tesoro BOT	22,264,397
United States Treasury Bill	20,000,322	Spain Government Bond	21,655,978
United States Treasury Bill	19,999,806	Czech Republic Ministry of Finance Bill	20,896,312
United States Treasury Bill	19,999,067	Mexico Cetes	20,642,349
United States Treasury Bill	19,998,178	Hungary Government Bond	20,513,690
United States Treasury Bill	19,998,125	Mexico Cetes	20,420,013
United States Treasury Bill	19,997,978	Hungary Government Bond	20,182,618
Mexico Cetes	19,929,488	United States Treasury Bill	20,000,000
Hungary Government Bond	19,140,382	United States Treasury Bill	20,000,000
Hungary Government Bond	18,843,073	United States Treasury Bill	20,000,000
Singapore Government Bond	18,294,919	United States Treasury Bill	19,999,694
Hungary Government Bond	17,895,822	United States Treasury Bill	19,999,481
South Africa Government International Bond	17,500,000	United States Treasury Bill	19,999,203
Malaysia Treasury Bill	16,396,866	Hungary Government Bond	19,473,230
		Czech Republic Ministry of Finance Bill	19,263,419
		Hungary Government Bond	17,938,146

\*Maturity date is different for all securities.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Spectrum Global Capital Securities Fund**

<b>Major Purchases</b>		<b>Major Sales</b>	
	<b>Cost USD</b>		<b>Proceeds USD</b>
UBS Group AG	1,988,750	BNP Paribas SA	1,769,650
HSBC Holdings Plc	1,911,250	UBS Group AG	1,133,300
Societe Generale SA	1,000,000	Societe Generale SA	1,020,000
BNP Paribas SA	1,000,000	HSBC Holdings Plc	952,500
Credit Suisse Group AG	952,500	Standard Chartered Plc	483,850
Banco Bilbao Vizcaya Argentaria SA	910,183	Cooperatieve Rabobank UA	416,000
Royal Bank of Scotland Group Plc	500,000	Deutsche Bank AG	278,023
Barclays PLC*	499,980	Royal Bank of Scotland Group Plc	260,000
Barclays PLC*	481,250		
Credit Agricole SA	450,000		

\*Coupon rate is different for these securities

The Spectrum Global Capital Securities Fund had less than 20 significant purchases and sales during the year ended 30 September 2016. All purchases and sales pertaining to the fund for the year have been listed above.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Global Short Duration High Yield Fund\*\***

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
HCA Inc	248,773	Kinetic Concepts Inc / KCI USA Inc	363,175
CIT Group Inc	168,300	HCA Inc	252,375
Frontier Communications Corp	165,535	Play Finance 2 SA	232,748
AerCap Ireland Capital Ltd /		ArcelorMittal	230,175
AerCap Global Aviation Trust	155,625	Petco Holdings Inc	228,375
CNH Industrial Capital LLC	154,143	NRG Energy Inc	214,666
Kinetic Concepts Inc / KCI USA Inc	141,795	Spectrum Brands Inc	209,420
GLP Capital LP / GLP Financing II Inc	132,350	Altice Financing SA	207,876
Reynolds Group Issuer Inc	100,812	DISH DBS Corp	204,500
iStar Inc	90,000	Landry's Holdings II Inc	202,000
Netflix Inc	85,200	Sprint Communications Inc	201,862
Level 3 Financing Inc	65,703	Crescent Resources LLC /	
Tri Pointe Group Inc	64,634	Crescent Ventures Inc	200,500
VEREIT Operating Partnership LP	60,106	ConvaTec Finance International SA	199,000
Diamond 1 Finance Corp /		HD Supply Inc	193,563
Diamond 2 Finance Corp	44,989	Tenet Healthcare Corp	185,556
DuPont Fabros Technology LP	42,100	Sanmina Corp	178,500
Air Canada	42,075	Nielsen Finance LLC / Nielsen Finance Co	174,488
Clean Harbors Inc*	40,100	Icahn Enterprises LP /	
Clean Harbors Inc*	40,095	Icahn Enterprises Finance Corp	172,415
United States Steel Anleihen	35,000	Frontier Communications Corp	170,082
Teck Resources Ltd	30,000	CIT Group Inc	169,575
Ally Financial Inc	24,861	Greif Inc	168,000
		Level 3 Financing Inc	166,337
		Bombardier Inc	163,020
		FMG Resources August 2006 Pty Ltd	156,188
		CNH Industrial Capital LLC	155,775
		Ally Financial Inc	155,581
		AerCap Ireland Capital Ltd /	
		AerCap Global Aviation Trust	154,950
		Smithfield Foods Inc	151,875
		UPCB Finance VI Ltd	142,088
		Boyd Gaming Corp	141,778
		CNO Financial Group Inc	134,460
		GLP Capital LP / GLP Financing II Inc	133,494
		Dollar Tree Inc	130,013
		NCL Corp Ltd	128,125
		Reynolds Group Issuer Inc	128,048
		Sabine Pass LNG LP	127,538
		Clean Harbors Inc	127,423
		KB Home	124,939
		Mirant Mid-Atlantic Series B	
		Pass Through Trust	120,400
		Centene Corp	113,575
		Cablevision Systems Corp	111,300
		TVN Finance Corp III AB	107,123
		Commercial Metals Co	106,050
		Dell Inc	104,755
		Reynolds Group Issuer Inc	103,625
		T-Mobile USA Inc	102,020
		Intelsat Luxembourg SA	101,938

\*\*Global Short Duration High Yield Fund terminated on 1 July 2016.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
for the year ended 30 September 2016 (continued)

**Global Capital Structure Opportunities Fund**

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
Royal Bank of Scotland Group Plc*	675,000	Royal Bank of Scotland Group Plc	687,844
United States Treasury Note/Bond	604,992	United States Treasury Note/Bond	599,051
First Republic Bank/CA	546,001	Intesa Sanpaolo SpA*	563,000
United States Treasury Note/Bond	507,129	Bank of America Corp*	516,212
Royal Bank of Scotland Group Plc*	506,325	United States Treasury Note/Bond	503,477
JPMorgan Chase & Co*	447,838	Cooperatieve Rabobank UA	482,650
General Electric Capital Corp	439,629	General Electric Capital Corp	478,113
General Electric Capital Corp	439,500	Liberty Mutual Group Inc	465,540
JPMorgan Chase & Co*	429,421	BBVA Bancomer SA/Texas	445,000
Credit Suisse AG/Guernsey	411,500	General Electric Capital Corp	440,226
Santander Issuances SAU	400,000	General Electric Capital Corp	439,629
Wells Fargo & Co*	399,908	Citizens Financial Group Inc	410,179
Citizens Financial Group Inc	399,580	Wells Fargo & Co*	402,400
Banco Santander SA	366,000	Santander Issuances SAU	369,698
Lloyds Banking Group Plc*	362,943	Australia & New Zealand	
Australia & New Zealand		Banking Group Ltd	358,750
Banking Group Ltd	350,000	Goldman Sachs Group Inc/The*	342,563
First Horizon National Corp	349,153	Bank of New York Mellon Corp/The*	310,300
Nationwide Building Society	324,045	Citigroup Inc*	310,118
Citigroup Inc*	306,981	Wells Fargo & Co*	307,722
Wells Fargo & Co*	305,625	Goldman Sachs Group Inc/The*	305,941
UBS Group AG	304,875	Regions Bank/Birmingham AL	300,366
Bank of America Corp*	304,688	UBS Group AG	297,000
Goldman Sachs Group Inc/The	299,307	BNP Paribas SA	295,248
BNP Paribas SA	293,049	BPCE SA	271,062
Ventas Realty LP / Ventas Capital Corp	276,540	RBC USA Holdco Corporation	256,084
Welltower Inc	264,139	Intesa Sanpaolo SpA*	245,975
HCP Inc	257,223	Voya Financial Inc	235,625
Intesa Sanpaolo SpA*	250,000	Compass Bank	234,938
BPCE SA	249,570	Wells Fargo & Co*	226,260
Intesa Sanpaolo SpA	226,253	Bank of New York Mellon Corp/The*	219,698
Bank of New York Mellon Corp/The	220,998	Intesa Sanpaolo SpA*	208,431
Skandinaviska Enskilda Banken AB	216,000	ABN AMRO Bank NV	205,342
Standard Chartered Plc	200,000	Standard Chartered Plc	201,400
Lloyds Banking Group Plc*	199,732	Lloyds Banking Group Plc	195,944
ABN AMRO Bank NV	199,654	Bank of America Corp*	182,696
Healthcare Trust of America Holdings LP	199,442	Wells Fargo & Co	159,531
Bank of America Corp*	195,986	Citigroup Inc*	149,517
American International Group Inc	186,252	Associated Banc-Corp	136,499
Bank of America Corp*	179,959		
Wells Fargo & Co*	159,814		
Wells Fargo & Co*	148,857		
Citigroup Inc*	148,391		

\*Maturity date is different for these securities

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.



**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Global Credit Alpha Fund\***

	<b>Major Purchases</b>		<b>Major Sales</b>
	<b>Cost USD</b>		<b>Proceeds USD</b>
United States Treasury Note/Bond	2,083,145	United States Treasury Note/Bond	2,085,841
United States Treasury Note/Bond	1,258,184	United States Treasury Note/Bond	1,255,256
United States Treasury Note/Bond	1,066,335	United States Treasury Note/Bond	1,064,517
United States Treasury Bill	799,512	United States Treasury Note/Bond	608,699
United States Treasury Note/Bond	608,691	Diamond 1 Finance Corporation	563,182
Diamond 1 Finance Corporation	557,531	JPMorgan Chase & Co	465,675
Mylan NV	449,510	Mylan NV	453,042
JPMorgan Chase & Co	416,919	Altria Group Inc	376,097
Altria Group Inc	374,299	Jaguar Land Rover Automotive Plc	362,640
Kraft Heinz Foods Co	321,375	Kraft Heinz Foods Co	331,875
Kraft Heinz Foods Co	321,375	Kraft Heinz Foods Co	321,375
American International Group Inc	300,800	Anheuser-Busch Inbev Finance	303,125
Under Armour Inc	300,428	American International Group Inc	302,444
Hewlett Packard Enterprise Co	300,210	Under Armour Inc	301,025
Anheuser-Busch Inbev Finance	299,794	Hewlett Packard Enterprise Co	299,016
Molson Coors Brewing Co	252,660	Dominion Resources Inc/VA	262,360
Teva Pharmaceutical Finance	252,389	United States Treasury Note/Bond	254,658
United States Treasury Note/Bond	251,719	Anadarko Petroleum Corp	254,043
Dominion Resources Inc/VA	250,175	JPMorgan Chase & Co	252,965
Wells Fargo & Co	250,000	Teva Pharmaceutical Finance	252,613

\*Maturity date is different for all securities.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

**PRINCIPAL GLOBAL INVESTORS FUNDS**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (UNAUDITED)**  
**for the year ended 30 September 2016 (continued)**

**Real Estate Debt Fund**

	<b>Major Purchases</b>
	<b>Cost USD</b>
GS Mortgage Securities Trust 2014-GC22	693,704
COMM 2012-CCRE2 Mortgage Trust	559,669
Morgan Stanley Bank of America Merrill Lynch Trust 2013-C13	555,559
Morgan Stanley Capital I Trust 2015-MS1	459,299
CFCRE Commercial Mortgage Trust 2011-C2	439,922
Citigroup Commercial Mortgage Trust 2016-GC37	437,743
Morgan Stanley Bank of America Merrill Lynch Trust 2016-C29	437,727
JPMBB Commercial Mortgage Securities Trust 2014-C19	434,513
Morgan Stanley Bank of America Merrill Lynch Trust 2013-C7	422,930
COMM 2012-CCRE5 Mortgage Trust	421,041
UBS-Barclays Commercial Mortgage Trust 2012-C3	420,250
WFRBS Commercial Mortgage Trust 2013-C17	419,608
GS Mortgage Securities Trust 2013-GC16	419,063
Wachovia Bank Commercial Mortgage Trust Series 2007-C30	418,891
Wells Fargo Commercial Mortgage Trust 2014-LC18	418,359
GE Commercial Mortgage Corp Series 2007-C1 Trust	416,500
GS Mortgage Securities Corp II	413,977
JP Morgan Chase Commercial Mortgage Securities Trust 2014-C20	404,875
UBS-Barclays Commercial Mortgage Trust 2013-C5	361,227
COMM 2016-DC2 Mortgage Trust	344,297
JPMBB Commercial Mortgage Securities Trust 2015-C31	226,752
Wachovia Bank Commercial Mortgage Trust Series 2007-C34	170,953

The Real Estate Debt Fund launched on 21 March 2016 and had no sales during the year ended 30 September 2016.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate disposals greater than one per cent of the total value of the sales.

# PRINCIPAL GLOBAL INVESTORS FUNDS

## Securities Financing Transactions Regulation (UNAUDITED) for the Global Credit Alpha Fund for the year ended 30 September 2016

### Securities Financing Transactions on Total Return Swaps

The following table details the gross aggregate fair value for total return swaps, analysed by counterparty, as at the balance sheet date.

Counterparty	Counterparty's country of incorporation	Total return swaps USD
Barclays	United States	(3,722)

The gross aggregate fair value of total return swap as a proportion of the Fund's NAV, as at the balance sheet date, is 0.05%.

The following table provides an analysis of the maturity tenor of open Securities Financing Transactions on Total Return Swaps and associated collateral received/provided, as at the balance sheet date.

Maturity tenor	OTC derivative transactions (net exposure) USD	Cash collateral received/ (provided) USD	Non-cash collateral received/ (provided) USD
1 day	-	-	-
2 to 7 days	-	-	-
Open	(3,722)	-	-
<b>Total</b>	<b>(3,722)</b>	-	-

The above maturity tenor analysis has been based on the contractual maturity date of the relevant Securities Financing Transactions on Total Return Swaps and, in case of non-cash collateral, the contractual maturity date of the security received/provided as collateral.

Securities Financing Transactions on Total Return Swaps are entered into by the Fund/s under an International Swaps and Derivatives Associations, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement. An ISDA Master Agreement is a bilateral agreement between the Fund/s and a counterparty that governs Securities Financing Transactions (including total return swaps) entered into by the parties. All Securities Financing Transactions on Total Return Swaps entered under an ISDA Master agreement are netted together for collateral purposes.

Total Return Swaps are marked to market using valuation sources/methods and the fair value is recorded in the Statement of Financial Position as Unrealised Gain on Swap Contracts. The change in unrealised gains and losses is shown in Net gain/(loss) on investment activities in the Statement of Comprehensive Income and is not subject to any returns sharing arrangements with the Fund's Manager or any other third parties.

# PRINCIPAL GLOBAL INVESTORS FUNDS

## DIRECTORY

### Manager

Principal Global Investors (Ireland) Limited  
Registered Office: 25-28 North Wall Quay  
Dublin 1  
Ireland

### Investment Adviser

Principal Global Investors, LLC  
801 Grand Avenue  
Des Moines 50392  
Iowa  
United States of America

### Sub-Investment Advisers

#### Principal Global Investors (Europe) Limited

Global Equity Fund, Asian Equity Fund, European Equity Fund, Emerging Markets Equity Fund, Global Property Securities Fund, Global Equity (ex-Japan) Fund, Global Time Diversified Absolute Return Fund  
1 Wood Street  
London EC2V 7JB  
United Kingdom

#### Principal Global Investors (Australia) Limited

Global Property Securities Fund  
Level 43, 50 Bridge Street  
GPO Box 4169 Sydney  
NSW 2000  
Australia

### Spectrum Asset Management, Inc

Preferred Securities Fund, Spectrum Global Capital Securities Fund  
2 High Ridge Park  
Stamford, CT 06905  
United States of America

### Principal Real Estate Investors, LLC

Global Property Securities Fund  
801 Grand Avenue  
Des Moines 50392  
Iowa  
United States of America

### Principal Global Investors (Japan) Limited

Japanese Equity Fund  
Imperial Tower 18th Floor  
1-1-1 Uchisaiwai-cho  
Chiyoda-ku, Tokyo 100-0011  
Japan

### Post Advisory Group, LLC

2049 Century Park East,  
Suite 3050,  
Los Angeles, CA 90067  
United States of America

### Edge Asset Management, Inc

EDGE Small/Mid-Cap Equity Income Fund  
601 Union Street  
Suite 2200  
Seattle, WA 98101  
United States of America

\* Denotes independent non-executive directors

### Origin Asset Management LLP

Origin Global Emerging Markets Fund, Origin Global Equity Fund, Origin Global Smaller Companies Fund  
One Carey Lane  
London EC2V 8AE  
United Kingdom

### Claritas Administracao De Recursos Ltda

Claritas Latin American Equity Fund  
Avenida Presidente Juscelino Kubitschek,  
50, 10° andar,  
Vila Nova Conceicao,  
CEP 04543-000, Sao Paulo, SP,  
Brasil

### Finisterre Malta Limited

Finisterre Emerging Market Debt Fund  
Level 5, Marina Business Centre  
Abate Rigord Street  
Ta' Xbiex  
XBX 1127  
Malta

### Finisterre Capital LLP

Finisterre Emerging Market Debt Fund  
10 New Burlington Street  
London W1S 3BE  
United Kingdom

### Directors of the Manager

Nicholas Lyster (British)  
David Shubotham\* (Irish)  
John O'Connell\* (Irish)  
Denis P. Murphy\* (Irish) (resigned 3 August 2016)  
Christopher J. Reddy (American) (resigned 26 January 2016)  
Bronwyn Wright\* (Irish)  
Christopher Henderson (American)  
Mike Beer (American) (appointed 26 January 2016)  
Jim Finn\* (American & British) (appointed 3 August 2016)

### Administrator

#### BNY Mellon Fund Services (Ireland) Designated Activity Company

Guild House, Guild Street  
International Financial Services Centre, Dublin 1  
Ireland

#### Custodian (until 17 March 2016) and Depositary ( from 18 March 2016)

#### BNY Mellon Trust Company (Ireland) Limited

Guild House, Guild Street  
International Financial Services Centre, Dublin 1  
Ireland

### Legal Advisers to the Manager as to Irish Law A&L Goodbody

International Financial Services Centre  
North Wall Quay  
Dublin 1  
Ireland

### Legal Advisers to the Manager as to Hong Kong Law Baker & McKenzie

14th Floor, Hutchison House  
10 Harcourt Road  
Hong Kong

## PRINCIPAL GLOBAL INVESTORS FUNDS

### DIRECTORY (continued)

The Prospectus, the Trust Deed, the annual and semi-annual reports may be obtained free of charge during normal business hours from the following national representatives:

#### **Sponsoring Broker**

A&L Listing Limited  
International Financial Services Centre  
North Wall Quay  
Dublin 1  
Ireland

#### **France Representative**

Société Générale  
29 Boulevard Hausmann  
75009 Paris  
France

#### **United Kingdom Representative**

Principal Global Investors (Europe) Limited  
Level 1  
1 Wood Street  
London EC2V 7JB  
United Kingdom

#### **Germany Representative**

BHF – Bank Aktiengesellschaft  
Bockenheimer Landstrasse 10  
60323 Frankfurt am Main  
Germany

#### **Spain Representative**

Selección e Inversion de Capital Global A.V , S.A  
("Selinca")  
Paseo de la Castellano 77  
Edificio Urbagasa  
Madrid 28046  
Spain

#### **Belgium Representative**

BNP Paribas Securities Services - Brussels Branch  
Avenue Louise 489  
1050 Brussels  
Belgium

#### **Switzerland Representative**

ACOLIN Fund Services AG,  
Stadelhoferstrasse 18,  
CH-8001 Zürich

#### **Hong Kong Representative**

Principal Global Investors (Asia) Limited  
27<sup>th</sup> Floor, Hopewell Centre  
183 Queen's Road East  
Hong Kong

#### **Sweden Representative**

SEB Merchant Banking  
Rissneleden 110  
SE-106 40 Stockholm  
Sweden

#### **Independent Auditor**

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

#### **Austria Representative**

Erste Bank der oesterreichischen Sparkassen AG  
Am Graben 21, A-1010 Wien  
Austria

#### **Luxembourg Representative**

CACEIS Bank Luxembourg  
5, Allée Scheffer  
L-2520 Luxembourg

#### **Information for investors in Switzerland**

Principal Global Investors Funds are investment funds set up under the laws of the Republic of Ireland. The Swiss Representative is ACOLIN Fund Services AG, Stadelhoferstrasse 18, CH-8001 Zürich. The Swiss Paying Agent is Banque Cantonale de Genève, Case Postale 2251, Quai de l'Île 17, 1211 Genève 2. The Fund related activities of the Representative and Paying Agent are Stadelhoferstrasse 18, CH-8001, Zurich, Switzerland. Communications to the Swiss Representative are to be made to the Zurich branch. Payments to the Swiss Paying Agent are also to be addressed to the Genève branch. The Trust Deed, the Prospectus, the annual and semi-annual reports as well as a list of purchases and sales made on behalf of Principal Global Investors Funds can be obtained free of charge at the Zurich branch of the Representative and Paying Agent during ordinary business hours.

## PRINCIPAL GLOBAL INVESTORS FUNDS

### ENQUIRIES

**Requests for subscriptions, conversion or redemption of Units, dealing and administration enquiries:-**

#### **Hong Kong-based Investors**

##### **Hong Kong Representative**

Principal Investment & Retirement Services Limited  
27<sup>th</sup> Floor, Hopewell Centre  
183 Queen's Road East  
Hong Kong  
Tel: 852 2117 8383 (General enquiries)  
Fax: 852 2918 1461 (Dealing)  
Email: [Investors-Asia@principal.com](mailto:Investors-Asia@principal.com)

#### **All Investors (except Hong Kong-based investors)**

##### **The Administrator**

BNY Mellon Fund Services (Ireland) Designated Activity Company  
Guild House, Guild Street  
International Financial Services Centre  
Dublin 1  
Ireland  
Tel: 353 1 900 8081  
Fax: 353 1 829 0833

### **Sales and other enquiries**

#### **Hong Kong-based Investors**

##### **Hong Kong Representative**

Principal Investment & Retirement Services Limited  
27<sup>th</sup> Floor, Hopewell Centre  
183 Queen's Road East  
Hong Kong  
Tel: 852 2117 8383 (General enquiries)  
Fax: 852 2918 1461 (Dealing)  
Fax: 852 2801 5690 (General enquiries)  
Email: [Investors-Asia@principal.com](mailto:Investors-Asia@principal.com)

#### **European-based Investors**

##### **European Representative**

Principal Global Investors (Europe) Limited  
1 Wood Street  
London  
EC2V 7JB  
United Kingdom  
Tel: 44 20 7710 0220 (London)  
Tel: 49 89 2421 8155 (Munich)  
Tel: 31 20 700 5522 (Amsterdam)  
Email: [Investors-Europe@principal.com](mailto:Investors-Europe@principal.com)

#### **Middle-East and Africa Investors**

Principal Global Investors LLC Dubai  
Office 109, Level 1, Gate Village 7  
Dubai International Financial Centre  
P.O. Box 482006  
Dubai, United Arab Emirates  
Tel: 971 4346 4555

#### **Singaporean Investors**

Principal Global Investors (Singapore) Limited  
One Raffles Quay #19-01  
North Tower  
Singapore 048583  
Tel: 65 6332 0683

#### **Internet**

Further information about the Unit Trust and about Principal Global Investors can be found on the following website:  
[www.principalglobal.com](http://www.principalglobal.com)



[Principalglobal.com/funds](https://Principalglobal.com/funds)