

31 August 2017

Finisterre EM Debt Fund - A Acc USD

Investment Manager

Finisterre Capital[^] specialises in the management of emerging markets fixed income total return investment strategies. Finisterre manages emerging markets funds in a variety of asset classes, including sovereign debt, local currency debt, corporate credit and foreign exchange.

[^]Principal Global Investors, LLC has been appointed as Investment Advisor to the Fund, and has appointed Finisterre Malta Limited and Finisterre Capital LLP as the Sub-Investment Advisors.

Fund Managers

Bertrand Lavigne

BA Engineering, ENSIMAG
21 Yrs Industry Exp

Edward Lynch

MSC, University College Dublin
17 Yrs Industry Exp

Investment Objective

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 invests primarily in sovereign and corporate credits, local fixed income instruments, currencies and other debt securities. The Fund will take long and short positions and use financial derivative instruments.

Fund Facts

Fund Size	\$26.0m
Launch Date	26 Mar 2015
Base Currency	USD
Management Fee	2.00% pa
Performance Fee	20%
Fund Domicile	Ireland
UCITs Qualifying	Yes
Pricing	Daily
Dealing	Thursday: 10am
Income Distribution	Dublin
	Accumulated

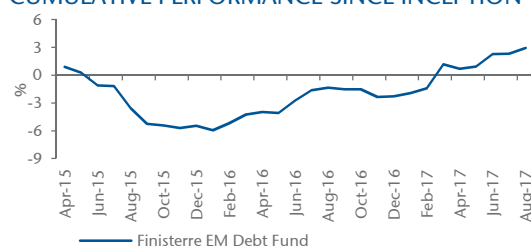
HISTORICAL MONTHLY NET PERFORMANCE %

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	SI [†]	ITD ^{††}
2015	-	-	-	0.37	-0.62	-1.37	-0.07	-2.44	-1.75	-0.16	-0.32	0.28	-	-	-
2016	-0.51	0.80	0.98	0.28	-0.10	1.42	1.11	0.28	-0.17	0.02	-0.84	0.06	3.35	-	-
2017	0.33	0.55	2.63	-0.48	0.22	1.34	0.04	0.61	-	-	-	-	5.33	2.93	1.19

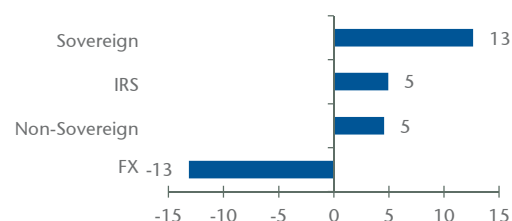
[†]Since Inception Cumulative Return (net). ^{††}Since Inception Annualised Return

Fund performance is calculated on a Nav to Nav basis, including net of trustee and management fees. See performance notes.**

CUMULATIVE PERFORMANCE SINCE INCEPTION %



MONTHLY ATTRIBUTION BY STRATEGY (bps)



MONTHLY (TOP 5 PnL) COUNTRY ATTRIBUTION

Contributors	Strategy	Return Attribution (bps)
Mexico	Sovereign	-6
	Forward	7
	IRS	1
	Non-Sovereign	6
Greece	Sovereign	4
Austria	Sovereign	4
Czech	Sovereign	3
	Forward	-2
	IRS	2
France	Sovereign	3

Detractors	Strategy	Return Attribution (bps)
Hungary	Sovereign	1
	Forward	-7
	IRS	0
Argentina	Sovereign	-5
	Forward	0
Germany	Sovereign	10
	Forward	-10
	IRS	0.1
Turkey	Sovereign	0
	Forward	-0.1
	IRS	0
Thailand	Forward	-0.1
	IRS	0.03

FUND ANALYSIS

EM 10Y Equivalent Exposures	
Long Exposure (EM 10Y equiv. as x of NAV)	0.15x
Short Exposure (EM 10Y equiv. as x of NAV)	-0.19x
Net Exposure (EM 10Y equiv. as x of NAV)	-0.04x
Gross Exposure (EM 10Y equiv. as x of NAV)	0.35x
VaR (% NAV) [99.99% 5D]	0.25%
VaR (% NAV) [99% 1D]	0.07%
SDV01 (bp NAV)	0.00bps

RISK SUMMARY

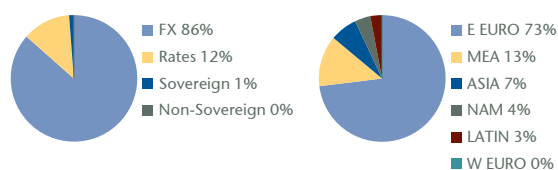
Annualised Vol	3.33%
Sharpe Ratio***	1.01
Spread Duration	0.00yrs
Average Duration	0.15yrs

***Sharpe Ratio vs. 1 Month Treasury Bill.

TOP 10 HOLDINGS % (RATES: EM 10Y Equiv.)

	Fund exposure as % NAV
ISRAEL_LMFI	0.8
CZECH	0.6
REPUBLIC_LMFI	
SINGAPORE_FXT	0.4
HUNGARY_LMFI	0.3
SINGAPORE_LMFI	0.1
BRAZIL_LMFI	0.1
AUSTRIA_EDT	0.1
SOUTH AFRICA_LMFI	0.1
EUROZONE_FXT	-1.0
CZECH	-5.5
REPUBLIC_FXT	
Total	-4.1

MONTH-END PORTFOLIO RISK BY STRATEGY & REGIONAL EXPOSURE



Top 10 holdings % EM 10Y equivalent exposures is given in terms of NAV% by position – US, UK and German treasuries are excluded. The strategy exposure pie-chart is given in terms of ratios of standalone strategy VaR vs. total standalone strategy VaR and the regional exposure pie-chart is given in terms of ratio of regional EM 10Y equivalent exposure vs. total EM 10Y exposure (US rates hedges excluded).

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Fund Codes

Accumulation Units:

Bloomberg	PRDUSAA ID
ISIN	IE00BBPRCC83
SEDOL	BBPRCC8
Valoren	24569124

Country Registration

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

MONTH-END EM 10Y EQUIV. EXPOSURES BY COUNTRY %

Top 5 Longs	Strategy	Net Exposure (% NAV)
ISRAEL	Credit, FX	0.85
SINGAPORE	FX, Rates	0.50
HUNGARY	Credit	0.27
BRAZIL	FX, LM Rates	0.12
SOUTH AFRICA	Credit, FX, LM Rates	0.11
Top 5 Shorts	Strategy	Net Exposure (% NAV)
CZECH REPUBLIC	FX, LM Rates	-4.88
EUROZONE	LM Rates	-0.99

CURRENCY EXPOSURE (MV in NAV %)

Fund Exposure as % NAV	
SGD	0.43
ZAR	0.05
BRL	0.05
GBP	0.05
CNH	0.04
TRY	0.00
PLN	0.00
ILS	0.00
HUF	-0.01
EUR	-0.99
CZK	-5.45
Other	0.00
Total	-5.82

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Data not found: "Fund - Characteristics VAR History (DS139)" [Date='31 August 2017 00:00:00'] for component "Fund - Characteristics VAR History (C139)"

VAR HISTORY (1D 99%) - UCITS DAILY VAR LIMIT = 4.47%

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SPREAD SENSITIVITY HISTORY

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LONG/SHORT EXPOSURE HISTORY

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PERFORMANCE NOTE

All figures sourced by Principal Global Investors unless otherwise stated as at August 2017. Performance Source: Performance is calculated on a NAV-to-NAV basis, includes the reinvestment of all investment income, and does not take into account subscription fees and/or tax, but does include trustee and management fees. The NAVs used in these calculations reflect the official NAVs. The official NAVs may vary from a performance NAV calculation based solely on month-end market close prices of assets. All figures are stated in USD unless otherwise noted. Investments do not always add up to 100% due to rounding. Past performance is no guarantee of future return. The current document is intended for information purposes only and shall not be used as an offer to buy and/or sell shares.

Fund performance data is supplied by the Fund's administrator, BNY Mellon. The Fund's attribution data is supplied by the Investment Manager. Please note that the pricing sources and timing of pricing snaps used in the attribution and final Administrator return calculation may differ.

DISCLOSURE

*Where applicable: In Singapore, the Fund is registered as a Restricted Scheme and in Italy for Qualified Investors only.

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Past performance is no guide to the future. There is no guarantee that the investment objective of the Fund will be achieved. The NAV is not guaranteed and may fall as well as rise, depending on investment performance, and exchange rate fluctuations – where the Fund invests in non-USD denominated assets, whose value is not hedged to the USD. Before investing, investors should obtain and read a copy of the prospectus and the KIID, which provide full details of the risks of investing in the Fund. These are available at principalglobalfunds.com. Full risks of investing are outlined in the KIID and prospectus.

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