

Global Equity Fund - A Class Accumulation Units

31 August 2020

Investment advisor

Principal Global Investors, LLC ("PGI")

Sub investment advisor

Principal Global Investors (Europe) Ltd ("PGIE")

Principal Global Equities is a specialized investment management group of Principal Global Investors which is located across various investments locations. It has expertise across U.S., international and emerging equity markets.

Fund managers

Christopher Ibach, CFA
 26 Yrs Industry Exp

Steven Larson, CFA
 27 Yrs Industry Exp

Mustafa Sagun, Ph.D., CFA
 29 Yrs Industry Exp

Investment objective

The Fund aims to provide capital growth over the medium to long term predominantly through investment in equities from investment markets around the world that we believe are mispriced by the market and have potential for significant growth.

Index

MSCI AC World NTR Index*

Fund facts

Fund size	\$16.2m
Base currency	USD
Fund domicile	Ireland
UCITS qualifying	Yes
Pricing	Daily
Dealing	10am Dublin 5pm Hong Kong SAR

Unit class facts

Launch date	01 Jul 1996
Currency	USD
Hedging	N/A
Minimum investment	US\$1,000
Management fee(s)	1.50% pa
Income distribution	Accumulated

Fund grading

3 Star Overall Morningstar Rating™ as of 31 August 2020



Regulatory risk warnings

There is no guarantee that the investment objective of the Fund will be achieved.

Performance (%)

	1M	3M	YTD	1YR	3YR	5YR	10YR
Fund Cumulative Net	4.80	16.06	7.04	18.30	15.73	34.09	124.94
Index Cumulative	6.12	15.30	4.75	16.52	29.46	62.60	167.69
Fund Annualised Net	4.80	16.06	7.04	18.30	4.99	6.04	8.44
Index Annualised	6.12	15.30	4.75	16.52	8.98	10.20	10.34

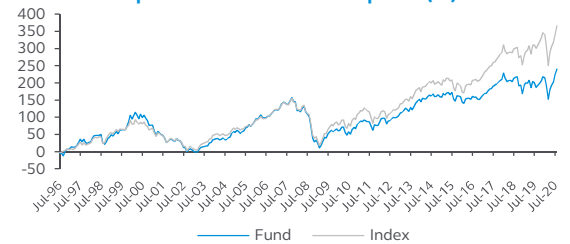
12-month rolling return (%)

Sep 15 - Aug 16	Sep 16 - Aug 17	Sep 17 - Aug 18	Sep 18 - Aug 19	Sep 19 - Aug 20
1.78	13.83	8.05	-9.46	18.30

Risk analysis

	3YR	5YR
Information Ratio	-1.5	-1.5
Alpha	-4.3	-4.2
Tracking Error	2.7	2.8
Standard Deviation	17.4	14.6
Beta	1.0	1.0

Cumulative performance since inception (%)



Past performance is not a reliable indicator of future performance.

Source: Fund Administrator: BNY Mellon Fund Services (Ireland) DAC since February 2011, performance data prior to this date is sourced from PGI and/or its affiliates; and the Index.

Data: From December 2018, the performance data shown is based upon the Fund's official Net Asset Value (NAV) prices. The performance data shown is net of fees and other charges but excludes any potential entry/exit charges- as such the return an investor receives may be lower. Prior to December 2018, the performance data shown is based upon the Fund's month-end market close prices. (See performance note for important information.)

Fund analysis

	Fund	Index
Active Share	78.1	-
Price/Earnings	29.8	26.6
Price/Book	6.2	5.1
Div Yield Wtd Avg	1.6	2.1
Mkt Cap Wtd Avg USDm	343,211.9	326,697.1

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

Top 10 holdings (%)

	Fund
Microsoft Corporation	4.0
Apple Inc.	3.7
Alphabet Inc.	2.6
Amazon.com, Inc.	2.2
Facebook, Inc.	2.1
MasterCard Inc.	2.0
Taiwan Semiconductor Manufacturing Co., Ltd.	1.8
Colgate-Palmolive Company	1.7
Roche Holding AG	1.6
JPMorgan Chase & Co.	1.5
Total	23.1

No. of holdings

82

Sector allocation (%)

	Fund	Difference
Information Technology	23.6	1.9
Health Care	14.5	2.2
Consumer Discretionary	13.5	0.7
Financials	9.4	-3.4
Communication Services	9.4	-0.1
Industrials	9.3	-0.1
Consumer Staples	6.1	-1.7
Materials	4.3	-0.4
Real Estate	2.3	-0.4
Utilities	2.0	-1.0
Energy	1.4	-1.7
Cash	4.2	4.2

Top 5 stock overweights/underweights (%)

	Difference
Overweight	
Colgate-Palmolive Company	1.5
Vestas Wind Systems A/S	1.4
MasterCard Inc.	1.4
Philip Morris International Inc.	1.3
NICE Ltd. (Israel)	1.2
Underweight	
NVIDIA Corporation	-0.6
Procter & Gamble Company	-0.6
Visa Inc.	-0.7
Tesla Inc	-0.7
Johnson & Johnson	-0.8

Geographic allocation (%)

	Fund	Difference
United States	51.4	-7.3
Japan	6.2	-0.4
Switzerland	4.8	2.1
Canada	4.8	2.0
Taiwan	3.7	2.2
United Kingdom	2.8	-0.8
China	2.8	-2.3
France	2.6	-0.3
Denmark	2.5	1.8
Netherlands	2.4	1.3
Italy	1.8	1.2
Israel	1.8	1.7
South Korea	1.5	0.1
Other	6.6	-5.5
Cash	4.2	4.2

Source: Principal Global Investors and/or its affiliates and the Index. Characteristics source: FactSet.

Data: This data/analysis is not sourced from the Fund's official record. It is based upon data from the internal systems of Principal Global Investors and/or its affiliates. Performance shown in this section is gross which does not take into account any fees or other charges which, if taken into account, would reduce the figures shown.

Fund codes

Bloomberg	PIFIGFA ID
ISIN	IE0001148489
Lipper	60008021
SEDOL	0114848
CUSIP	G7244L230
Valoren	514305
WKN	986039

Registration

Belgium, Chile, Finland, France, Germany, Guernsey, Hong Kong SAR, Ireland, Italy, Jersey, Netherlands, Singapore, Spain, Sweden, Switzerland and UK

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

Regulatory risk warnings

The potential for profit is accompanied by the possibility of loss. Investing in emerging markets has associated risks including currency risk, confiscatory taxation, nationalization of assets, possibility of expropriation, volatility, liquidity and external factors e.g. war, natural disasters.

Fund management commentary

Market Review

Global equity markets continued their historic recovery officially moving on from the shortest bear market in U.S. history. Many regions and indices are back to returning positive returns for 2020 fueled by unprecedented monetary measures globally. While COVID-19 headlines remained mixed as new hot spots rose in parts of the world, hospitalizations and death trends improved. Growth-oriented companies maintained their leadership helped by U.S. technology whose earnings seemed to be insulated from the pandemic as the earnings season came to a close. Additionally, the more cyclically oriented areas of industrials and discretionary also performed well helped by economic reopenings and a resilient consumer and housing market.

The S&P 500 posted a high single-digit return of +8.3% while the MSCI EM Index rose by +3.8%. The MSCI Europe Index participated as well rising by +3.5% while the MSCI Japan Index was slightly higher to that of Europe posting an advancement of +3.9%.

Fund Review

Stock selection in the communication services and industrials sectors contributed to relative performance while weakness was witnessed in consumer discretionary and information technology. From a country perspective, stock selection contributed most to performance in Denmark and the Netherlands while the United States and Canada lagged.

Market Outlook

Our analysts remain focused on companies with more leverage and scrutinizing the balance sheet to ensure the company will be able to withstand the current environment. We remain willing to pay a higher valuation on earnings certainty, but visibility has deteriorated. Each week brings new information that presents challenges and opportunities. We have confidence in our process and know that overtime fundamentals will drive stock prices, thus we continue to make sure the fundamentals are solid and certain and that we do not overpay for this fundamental change.

Performance note

Index disclosure: The Fund is actively managed and aims to outperform the MSCI AC World NTR Index (the "Index"). The portfolio manager may reference the Index as part of the investment management process, and it is also considered as part of the investment risk monitoring process. However, the portfolio manager maintains full discretion to select investments for the Fund in line with the above investment policy.

This document presents the performance of this particular unit class of the Fund from the date of inception of the unit class in its unit class currency, as specified on the front page. Performance since inception date of the Fund, which precedes the inception date of the unit class, is available upon request. From 1 June 2000 to 31st December 2018, performance data shown was based upon the Fund's month-end market close prices. Prior 1 June 2000, performance is calculated on a bid-to-bid basis, thereafter performance data shown is not based upon the Fund's official Net Asset Value (NAV) prices. The performance calculations reflect the month-end market close prices of the Fund's assets, whereas the actual performance investors receive reflects the official NAVs at which they trade the Fund which are calculated at the Fund's Valuation Point. As a result, it is possible that the stated performance and the actual investment returns received differed.

The performance data shown is net of fees and other charges but excludes any potential entry/exit charges – as such the returns an investor receives may be lower.

Disclosure

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This document is intended for information purposes only. It is not an offer or a solicitation to anyone to subscribe for units in the Fund. It should not be construed as investment advice. There is no guarantee that the investment objective of the Fund will be achieved. Commentary is based on current market conditions, there is no assurance that such events or projections will occur and actual conditions may be significantly different. Expressions of opinion and predictions within this document are accurate as of the date of issuance and subject to change without notice. Reference to a specific investment or security does not constitute a recommendation to buy, sell or hold such investment or security, and is provided for illustrative purposes. Percentages do not always add up to 100% due to rounding.

The Fund may offer different unit classes which may be subject to different fees and expenses (which could affect performance) and may not be available to all investors. Where the Fund offers hedged unit classes, returns of such unit classes may diverge from that of unit classes denominated in the base currency of the Fund and the hedged unit class currency.

The figures published are for information purposes only and provide details of the performance of a comparable index. The method of calculating performance may differ between the Fund and its index. Further, it is not possible to invest in an index. Information in this document has been derived from sources believed to be accurate as of the date of issuance and is derived from PGI or its affiliates unless otherwise noted. Information derived from sources other than PGI or its affiliates is believed to be reliable however we do not independently verify or guarantee its accuracy or validity. 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.

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Disclosure for Singapore: The Fund is a restricted scheme in Singapore, it is not authorised or recognised by the MAS and the units in the Fund are not allowed to be offered to the retail public. The Fund is available only to: 1) Institutional investors under Section 304 of the Securities and Futures Act ("SFA"); and 2) persons within the meaning of "relevant persons" defined in Section 305 of the SFA and in accordance with the conditions of, any other applicable provisions of the SFA. Mandatory Disclosure for the DIFC: Module 4.6.5.(d) - The DFSA has no responsibility for reviewing or verifying any prospectus or other documents in connection with this financial product. It has not approved this document or any other associated documents nor taken any steps to verify the information set out therein. The document is intended for sophisticated institutional and professional investors only in the DIFC and is delivered in on an individual basis to the recipient only and should not be passed on or otherwise distributed to any other person or organization. Disclosure for Switzerland: Where the Fund is registered in Switzerland, the name of the Swiss representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich. This is an advertising document. The name of the Swiss paying agent is Banque Cantonale de Genève, 17, quai de l'île, 1204 Geneva. Investors can obtain free of charge the prospectus, trust deed, the prospectus, the key investor information document (KIID), and the annual and semi-annual reports from the representative in Switzerland.

Important information

The Investment Objective as stated in this document is a summary, please refer to the supplement for full details of the Investment Objective and Policy of the Fund.

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NTR stands for net total return. An NTR Index is net of withholding taxes.

On 1 November 2013, the performance comparator for the Fund changed to the current Index from the MSCI World Index (the "Prior Index"). Prior to that date, index returns show those of the Prior Index. The two methods of calculation of performance may not be identical.

Contact us

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