

# Preferred Securities Fund - D2 Class Income Plus Units

30 June 2024

## Investment manager

Principal Global Investors, LLC

## Sub investment manager

Spectrum Asset Management† specialises in the management of preferred securities. Principal Global Investors, LLC has been appointed as Investment Manager to the Fund, and has appointed Spectrum Asset Management, Inc. as the Sub-Investment Manager.

## Fund managers

### Kevin Nugent

40 Yrs Industry Exp

### Manu Krishnan, CFA

20 Yrs Industry Exp

### Mark A. Lieb

47 Yrs Industry Exp

### L. Phillip Jacoby, IV

42 Yrs Industry Exp

### Bob Giangregorio

21 Yrs Industry Exp

### Fred Diaz

32 Yrs Industry Exp

### Satomi Yarnell

15 Yrs Industry Exp

## Investment objective

The Fund seeks to achieve its overall objective by investing primarily in a portfolio of US dollar denominated preferred securities and debt securities, including convertible bonds and contingent convertible securities (CoCos).

## Index

BBG GLOBAL AGG CORP USD TR

## Fund facts

Fund size	\$4.10b
Launch date	02 Jun 2020
Fund base currency	USD
Min investment	US\$ 1,000
Fund domicile	IRELAND
UCITS qualifying	Yes
Dealing cut off	10:00 AM GMT Daily
	5pm Hong Kong SAR
SFDR Categorisation	Article 8
Fee structure	D2 Class
Preliminary charge	max 5%
Management fee	0.60% pa
Admin charge	0.15% pa
Marketing and distribution fee	0.60% pa
Trustee fee	Not more than 0.022% pa

Investor minimum

Please contact Principal Global Investors

## Fund grading

Mark A. Lieb A rated - Citywire Fund

Manager Ratings



## Important note

- The Preferred Securities Fund will invest primarily in a portfolio of U.S. dollar denominated preferred securities and debt securities.
- Investment involves risk. There is no assurance on investment returns and you may not get back the amount originally invested.
- The investment decision is yours but you should not invest in this Fund unless the intermediary who sells it to you has advised you that it is suitable for you and explained how it is consistent with your investment objectives
- You should not invest solely in reliance on this marketing material alone. You should read the Summary Prospectus and the relevant Supplement(s) before investing including the Special Investment Considerations and Risks section of the Summary Prospectus.
- In relation to D2 Class Income Plus Units of the Fund, the dividends which may be distributed by such class of units may be paid effectively out of the capital of the Fund (i.e. making the distribution from gross income while charging all or part of the Fund's fees and expenses to capital), resulting in an increase in distributable income for the payment of dividends by the Fund and an immediate reduction of the net asset value per unit of the Fund. Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Dividend is not guaranteed.

## Performance (%)

	1M	3M	YTD	1YR	3YR	5YR	SI
Fund Cumulative Net	0.64	1.10	3.86	9.97	-0.29	-	10.68
Cumulative Index	0.64	0.07	-0.14	4.96	-8.07	-	-2.93
Fund Annualised Net	0.64	1.10	3.86	9.97	-0.10	-	2.52
Index Annualised	0.64	0.07	-0.14	4.96	-2.76	-	-0.72

Fund performance is calculated on a NAV to NAV basis. Please see performance notes for further details. SI represents Since Inception.

## Calendar year performance (%)

	2023	2022	2021	2020	2019
Fund Net	7.67	-10.69	1.66	-	-
Index	8.47	-15.28	-0.89	-	-

## Fund analysis

	Fund	Index
Average Credit Quality	Baa2	A3
Current Yield**	6.1	4.6
Yield to Worst***	6.3	5.5
Yield to Maturity#	7.4	5.5
Modified Duration	3.5	6.5

## Top 10 holdings (%)

	Fund
Zurich Finance Ireland 3 1/31-51 REG S	2.5
Bank Of Nova Scotia 4.9 6/25 perp	2.4
Enterprise Products Oper 5.25 8/27-77	2.2
Toronto Dominion Bank 8.125 10/27-82	1.8
HSBC Capital Funding 10.176 6/30/30 RegS	1.8
Enbridge Inc 6 1/27-77	1.7
MetLife Inc. 10.75 8/1/39	1.6
Nippon Life Insurance 2.75 1/31-51 Reg S	1.6
Demeter Swiss Re 5.625 8/27-52 Reg S	1.6
Munich Re 5.875 11/31-42 REG S	1.6
<b>Total</b>	<b>18.8</b>

No. of holdings

225

## Geographic allocation (%)

	Fund
United States	32.8
Great Britain	11.3
Canada	11.3
Switzerland	9.6
France	5.8
Japan	5.8
Ucits Fund	4.5
Netherlands	3.3
Spain	3.0
Finland	2.4
Australia	2.3
Germany	2.0
Sweden	2.0
Other	2.8
Cash	1.2

## Credit quality (%)

	Fund
AA/AAA and cash	1.2
A	18.1
BBB	61.8
BB and Lower	14.4
FX Hedge	0.0
UCITS Fund	4.5
Not Rated	0.0

## Industry allocation (%)

	Fund
Banks	48.9
Insurance	28.9
Utilities	6.5
Energy	5.8
UCITS Fund	4.5
Financials	1.2
REITs	1.1
Telecommunications	1.1
Industrials	0.8
FX Hedge	0.0
Other	0.0
Cash	1.2

### Fund codes

Bloomberg	PPSD2PU ID
ISIN	IE00BJLTX873
Lipper	68610576
SEDOL	BJLTX87
CUSIP	G72486353
Valoren	51720304
WKN	A2P6BN

### Registration\*

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

### Performance note

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 31st December 2018, the data performance calculations reflect the month-end market close prices of the Fund's assets. After 1 January 2019, the performance data shown is based upon the Fund's Net Asset Value (NAV) prices of the last Irish business day of the month. For Funds not open for dealing on this day this will be an indicative NAV. As a result, it is possible that the stated performance and the actual investment returns available to investors will differ. The performance information reflects the performance of the D2 Class income units. Periods over one year are annualised. Investors should obtain their own independent tax advice. Not all share classes may be available to all investors. Performance since the inception of the fund is available on request. Outperforming the Blended Index is not specifically included in the objective of the Fund, and the figures shown in the table are provided as a comparison only. The methods of calculation of performance may not be identical. The source of performance is based on the current Investment Manager, Principal Global Investors, LLC. Past performance is not indicative of future performance. All figures are stated in USD unless otherwise noted. \*\*Current Yield is the annual interest earned on the underlying bonds divided by the market price of the underlying portfolio of bonds. The figure is not the dividend yield received by the investors and is subject to change depending on the underlying portfolio of bonds. \*\*\*Yield to Worst is the lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making the worst-case scenario assumptions on the issue. #Yield to Maturity is a concept used to determine the rate of return an investor will receive if a long-term, interest-bearing investment, such as a bond, is held to its maturity date. Please note that this is not the return or dividend to be received by investors in the fund. Credit Quality refers to the credit ratings for the underlying securities in the Fund as rated by Standard & Poor's or Moody's Investors Service, and typically range from AAA/Aaa (highest) to C/D (lowest). If Moody's and S&P assign different ratings, the higher rating is used. Ratings methodologies and individual ratings can change over time. Source & Copyright: CITYWIRE. Portfolio managers are A rated by Citywire for 3 year risk-adjusted performance for the period 31 May 2021 - 31 May 2024. Citywire's exclusive methodology ranks fund managers based on their individual track records across all funds they manage globally.

### Disclosure

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

Divergences between the returns of unit classes denominated in the base currency of the fund and hedged unit classes may arise among other things due to interest rate differentials between the base currency of the fund and the hedged unit class currency.

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### Contact us

For more information on the fund, please contact:

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