

Global Property Securities Fund - I Class Accumulation Units

31 July 2019

Investment advisor

Principal Global Investors, LLC ("PGI")

Sub investment advisor

PGI has appointed Principal Real Estate Investors, LLC ("PrinRE"), Principal Global Investors (Europe) Ltd ("PGIE") and Principal Global Investors (Australia) Ltd ("PGIA") as the Sub-Investment Advisors. PGI has appointed Principal Real Estate Investors, LLC ("PrinRE"), Principal Global Investors (Europe) Ltd ("PGIE"), Principal Global Investors (Australia) Ltd ("PGIA") and Principal Global Investor (Singapore) Limited ("PGIS") as the Sub-Investment Advisors. PrinRE is a specialized investment management group of Principal Global Investors which is located across various investments locations. The real estate capabilities of PrinRE span the spectrum of public and private equity and debt investment alternatives.

Fund managers

Kelly D. Rush, CFA

35 Yrs Industry Exp

Anthony Kenkel, CFA, FRM

22 Yrs Industry Exp

Simon Hedger

41 Yrs Industry Exp

Investment objective

To provide a return primarily from a global portfolio of public securities of companies engaged in the property industry or whose value is largely derived from property assets. This may include REITs, Non-REIT real estate companies and similar structures or equity and debt securities of companies with at least 50% of their assets, income or profits derived from property related products or services at the time of investment.

Performance comparator

The Fund is managed without reference to a particular benchmark. Figures in relation to the FTSE EPRA NAREIT Developed NTR Index (the "Index") are provided for comparison only.

Fund facts

Fund size	\$299.6m
Base currency	USD
Fund domicile	Ireland
UCITS qualifying	Yes
Pricing	Daily
Dealing	10am Dublin

Unit class facts

Launch date	27 Nov 2008
Currency	USD
Hedging	N/A
Minimum investment	US\$2,000,000
Management fee(s)	0.80% pa
Income distribution	Accumulated

Fund grading

4 Star Overall Morningstar RatingTM as of 31 July 2019



Kelly Rush and Anthony Kenkel AA rated - Citywire Fund Manager Ratings



Regulatory risk warnings

There is no guarantee that the investment objective of the Fund will be achieved. This unit class is unhedged. Unhedged unit classes are exposed to greater risk and volatility. Please note the fund does have hedged unit classes available.

Performance (%)

	1M	3M	YTD	1YR	3YR	5YR	10YR
Fund Cumulative Net	0.28	2.42	17.17	9.72	16.24	32.68	159.95
Index Cumulative	0.35	1.62	14.91	7.15	8.92	26.79	149.37
Fund Annualised Net	0.28	2.42	17.17	9.72	5.14	5.81	10.02
Index Annualised	0.35	1.62	14.91	7.15	2.89	4.86	9.56

12-month rolling return (%)

August 14 - July 15	August 15 - July 16	August 16 - July 17	August 17 - July 18	August 18 - July 19
4.62	9.11	-1.53	7.59	9.72

Risk analysis

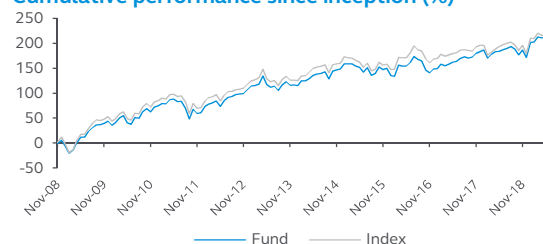
	3YR	5YR
Information Ratio	1.2	0.5
Alpha	2.3	1.0
Tracking Error	1.8	1.8
Standard Deviation	10.6	11.8
Beta	1.0	1.0

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.)

Cumulative performance since inception (%)



Fund analysis

	Fund	Index
Active Share	57.2	-
Price/Cash Flow	21.1	19.7
Debt to Equity	276.4	141.2
Div Yield Wtd Avg	3.0	3.6
Mkt Cap Wtd Avg USDm	17,089.1	15,398.4

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

Top 10 holdings (%)

	Fund
Prologis Incorporated	3.6
Avalon Bay Communities, Incorporated	3.6
Vonovia SE	3.3
Welltower, Inc.	3.0
Goodman Group	2.8
Invitation Homes, Inc.	2.7
Alexandria Real Estate Equities, Inc.	2.7
SEGRO plc	2.5
Essex Property Trust, Inc.	2.4
Mitsubishi Estate Company, Limited	2.3
Total	28.9
No. of holdings	87

Sector allocation (%)

	Fund	Difference
Office & Industrial	24.5	2.2
Residential	20.4	3.6
Diversified	20.2	-1.7
Retail	9.2	-5.5
Healthcare	6.8	-1.0
Net Lease	4.6	-1.7
Self-Storage	4.1	-0.1
Technology Space	3.8	1.7
Lodging	3.7	0.1
Other	0.3	0.1
Cash	2.2	2.2

Top 5 stock overweights/underweights (%)

	Difference
Overweight	
Invitation Homes, Inc.	2.0
SEGRO plc	1.9
Avalon Bay Communities, Incorporated	1.8
Vonovia SE	1.7
Goodman Group	1.6
Underweight	
CK Asset Holdings Limited	-1.3
Realty Income Corporation	-1.4
Digital Realty Trust, Inc.	-1.5
Ventas, Inc.	-1.5
Public Storage	-1.7

Country allocation (%)

	Fund	Difference
United States	54.4	-0.3
Continental Europe / Emea	12.3	0.2
Japan	10.4	-0.9
Hong Kong	7.2	0.0
Australia / New Zealand	5.6	0.6
United Kingdom	5.0	1.0
Canada	1.6	-1.4
Singapore	0.8	-1.9
Mexico	0.5	0.5
Cash	2.2	2.2

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	PIFGUIA ID
ISIN	IE00B62LQD71
Lipper	65137370
SEDOL	B62LQD7
CUSIP	G7244T 217
Valoren	11324005
WKN	A1JBGp

Country registration
Austria, Belgium, Chile, Denmark, Finland, France, Germany, Guernsey, Ireland, Italy, Jersey, Luxembourg, Netherlands, Norway, Singapore, South-Korea, 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.

Contact us
For more information on the fund, please contact:

Principal Global Investors (Europe) Limited
+44 (0) 207 710 0220
Investors-Europe@principal.com
Pilavachi.Helly@principal.com
Glendon.Alan@principal.com
+49 69 5050 6690[#]
Richter.Frank@principal.com
Sippel.Diana@principal.com

Principal Global Investors, LLC (Dubai)
+97 143 46 4555
Dungarpurwala.Tasneem@principal.com

Principal Global Investors (Singapore) Limited
+65 6307 7807
Singh.Suresh@principal.com

Principal Global Investors (Switzerland) GmbH
+41 44 286 1000
Bloch.Martin@principal.com
Stengel.Nikolai@principal.com

Website
www.principalglobal.com

Fund management commentary

Market Review
Global REITs returned +0.3% (FTSE EPRA/NAREIT Developed), performing similarly to global equities (MSCI World gained 0.5%). Both outperformed global bonds (JPM Global Bond lost 0.4%). Expectations of a series of Fed interest rate cuts steepened the yield curve early in the month, supporting broader equity markets against interest rate sensitives. However, with more hawkish commentary accompanying the Fed's eventual 25 bps rate cut, the curve flattened again as the market once again worried that the Fed might be behind the curve. The Americas was the strongest performer globally, but still lagged the broader U.S. equity markets. Most sectors posted positive returns, led by office and self-storage. Shopping centers stood out as the top performer. Data centers and hotels lagged the group. European REITs fell, with continued weak performance from the UK. The retail sector underwhelmed. The bright spots were Sweden led by continued strength in office demand. German housing with diversified exposure outside of Berlin did well helping lift Continental European returns. The traditionally defensive countries of Belgium and Switzerland also outperformed. Asian real estate stocks fell, dragged by weakness in Hong Kong. Asian REITs generally outperformed developers with the exception of Singapore. Japanese REITs were the strongest. Australian REITs held up well.

Fund Review
Stock selection within the UK and Continental Europe were top contributors, mainly due to avoiding volatile UK diversified names and retail-heavy Netherlands. In the U.S., good stock selection in health care added to performance. Overweight to U.S. specialized residential contributed. Stock selection in the Asia Pacific dragged down performance. Underweight to strong performing Japanese REITs tempered performance, as well as poor stock selection within Japanese and Hong Kong developers. Underweight to U.S. shopping centers detracted.

Market Outlook
Economic and trade related uncertainties have driven a dovish pivot by central banks globally. Market volatility is likely to remain elevated with a tug of war between a deteriorating external environment and still-robust domestic economic conditions in many economies. The market is anticipating monetary loosening through rate cuts. Beyond that, the end of tapering and renewed balance sheet expansion should anchor long-term bond yields and rate sensitives.

Performance note

This document presents the performance of this particular unit class of the Fund from the date of inception of the unit class in its unit class currency, as specified on the front page. Performance since inception date of the Fund, which precedes the inception date of the unit class, is available upon request. Prior to December 2018, the 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

Principal Global Investors ("PGI") is the asset management arm of the Principal Financial Group, and includes (amongst other entities): Principal Global Investors LLC ("PGI LLC"), Principal Global Investors (Europe) Limited ("PGIE") and any Sub-Advisers to the Fund. PGIE has been appointed as Distributor for the Fund and has identified that the Fund is compatible with the needs, characteristics and objectives of both institutional and retail investors. Please note however that PGI does not distribute directly to retail investors who should seek independent investment advice before deciding whether the fund in question is suitable to meet their investment needs and objectives. Full details of the risks associated with investing in the Fund are detailed in the Fund Prospectus, Supplement and Key Investor Information Document ("KIID"). All fees and charges related to the Fund may not be contained within this document. Information regarding the costs and charges associated with the Fund is provided in the MiFID II ex-ante disclosure. These documents are available on our website at principalglobal.com and you are advised to read them before investing so you can make an informed decision about whether to invest. Any person selling or advising you about the Fund may charge you additional costs and you should request information about those costs and charges from that person. 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. 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The figures published are for information purposes only and provide details of the performance of a comparable index, the 'Performance Comparator'. The method of calculating performance may differ between the Fund and it's Performance Comparator. Further, it is not possible to invest in the Performance Comparator. 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. 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. Source & Copyright: CITYWIRE. Portfolio managers are AA rated by Citywire for 3 year risk-adjusted performance for the period 30 June 2016 - 30 June 2019. Citywire's exclusive methodology ranks fund managers based on their individual track records across all funds they manage globally. Overall Morningstar Rating™ as of July 2019. Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. NTR stands for net total return. An NTR Index is net of withholding taxes.

IMPORTANT: Investment involves risk, including the loss of principal. Investors should refer to the Prospectus and Key Facts Statement of the iShares FTSE A50 China Index ETF (the "ETF") for details, including the risk factors. Investors should not base investment decisions on this marketing material alone. Investors should note:

- The ETF aims to provide investment results that, before fees and expenses, closely correspond to the performance of the FTSE China A50 Index ("the Underlying Index").
- Generally, investments in emerging markets, such as the A Share market, may involve increased risks such as liquidity risks, currency risks/control, political and economic uncertainties, legal, regulatory and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. The A Share market may be more volatile and unstable than those in the more developed markets. The ETF's exposure is concentrated in the PRC and may be more volatile than funds adopting a more diversified strategy.
- The ETF is subject to tracking error risk, which is the risk that its performance may not track that of the Underlying Index exactly.
- The ETF is subject to restrictions and requirements applicable to QFII and/or RQFII investment, and the applicable laws, rules and regulations in the PRC, which are subject to change and such change may have potential retrospective effect. The ETF may be unable to utilise the QFII and/or RQFII quota if the relevant QFII and/or RQFII licence is revoked/terminated or otherwise invalidated as the ETF may be prohibited from trading relevant securities and repatriation of the ETF's monies, or if any of the key operators is bankrupt or in default and/or is disqualified from performing its obligations.
- The relevant rules and regulations on the Stock Connect are subject to change. The Stock Connect is subject to quota limitations. Where a suspension in the trading through the programme is effected, the ETF's ability to invest in A shares through Stock Connect will be adversely affected.
- The ETF currently does not provision for withholding tax on capital gains ("CGT") arising from its investment via CAAPs, QFII or RQFII on or after 17 November 2014, or its investment via Stock Connect. There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realized on the ETF's PRC investments, which may have retrospective effect. Any increased tax liabilities on the ETF may adversely affect its value, and the resultant tax liability would be eventually borne by investors.
- All units will receive distributions in the base currency (RMB) only. The Manager may at its discretion pay dividends out of capital or effectively out of capital which amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the ETF's capital may result in an immediate reduction of the ETF's NAV per unit.
- In the event that a unitholder has no RMB account, the unitholder may have to bear (i) the fees and charges associated with the conversion of such dividend distributions from RMB to HKD or any other currency; and (ii) other bank or financial institutional fees and charges associated with the handling of the distribution payment in currencies other than RMB. Unitholders are advised to check with their brokers regarding arrangements for distribution.
- The trading price of the units of the ETF on the SEHK is subject to market forces and may trade at a substantial premium/discount to the ETF's NAV.

INVESTMENT OBJECTIVE

The iShares FTSE A50 China Index ETF seeks to track the investment results of an index composed of the 50 largest companies in mainland China, trading on the Shanghai and Shenzhen Stock Exchanges.

WHY 2823 / 82823?

- 1 Exposure to the 50 largest China A-share companies
- 2 Access to market liquidity for mainland China exposure
- 3 Single country exposure

GROWTH OF 10,000 CNY SINCE INCEPTION



The chart shows change of investment amount based on a hypothetical investment in the Fund.

ANNUALIZED PERFORMANCE (% CNY)

	1 Year	3 Year	5 Year	10 Year	Since Inception
Fund	17.65%	15.24%	14.96%	1.07%	8.88%
Benchmark	19.01%	15.74%	15.83%	2.85%	10.32%

CALENDAR YEAR PERFORMANCE (% CNY)

	2018	2017	2016	2015	2014
Fund	-20.10%	32.63%	-2.81%	-4.88%	61.75%
Benchmark	-19.36%	35.38%	-4.26%	-5.04%	68.08%

FUND DETAILS

Asset Class	Equity
Inception Date	15/11/2004
Benchmark	FTSE China A50 Index
Number of Holdings	50
Net Assets	20,568,137,755 CNY
Management Fee	0.99%
Units Outstanding	1,550,000,000
Domicile	Hong Kong
Base Currency	RMB
Bloomberg Benchmark	XINA50NC
Ticker	

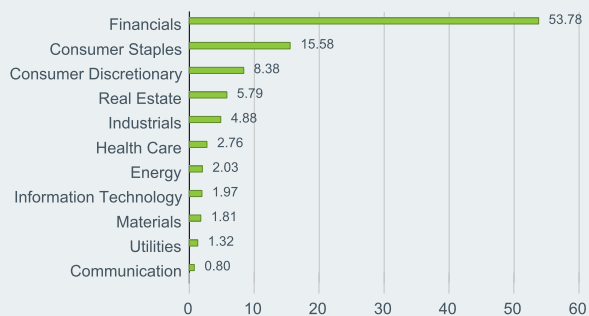
TOP 10 HOLDINGS (%)

PING AN INSURANCE (GROUP) OF CHINA	14.42
KWEICHOW MOUTAI LTD A	7.64
CHINA MERCHANTS BANK LTD A	7.64
INDUSTRIAL BANK LTD A	4.71
GREE ELECTRIC APPLIANCES INC OF ZH	4.16
WULIANGYE YIBIN LTD A	3.78
CHINA VANKE LTD A	3.31
CITIC SECURITIES LTD A	3.21
SHANGHAI PUDONG DEVELOPMENT	
BANK L	3.03
MIDEA GROUP LTD A	3.02
Total	54.92

Holdings are subject to change.

Performance is calculated based on NAV-to-NAV with dividend reinvested. Performance is calculated in the base currency of the Index Fund, including ongoing charges and taxes, and excluding your trading costs on SEHK. Investment involves risk, including the loss of principal. Past performance does not represent future returns.

SECTOR BREAKDOWN (%)



As a percentage of NAV of the Fund. Based on Global Industry Classification Standard (GICS)

TRADING INFORMATION

Exchange	Hong Kong Stock Exchange	
Board Lots	100	100
Trading Currency	HKD	CNY
Stock Code	2823	82823
Bloomberg Ticker	2823 HK	82823 HK
ISIN	HK2823028546	HK0000343787
SEDOL	B046M96	BYSYN68

Disclaimer Unless otherwise specified, all information as of the month end. Sources: BlackRock and FTSE. The above iShares Funds data is for information only.

Investment involves risk, including possible loss of principal. Investment in emerging market countries may involve heightened risks such as increased volatility and lower trading volume, and may be subject to a greater risk of loss than investment in a developed country. Before deciding to invest, investors should read the Prospectus and Key Fact Statements for details, including the risk factors. Performance is calculated on NAV to NAV basis, inclusive of all transaction fees and assumes dividend reinvestment. The investment returns are denominated in base currency, which may be a foreign currency. If so, US/HK dollar-based investors are therefore exposed to fluctuations in the US/HK dollar/foreign currency exchange rate. Rates of exchange may cause the value of investments to go up or down. Investors may not get back the amount they invest. Individual stock prices/performance do not represent the return of the Fund. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Index returns are for illustrative purposes only and do not represent actual iShares Funds or iShares Trusts performance. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance shown is not indicative of future performance.

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